

A photograph of two wind turbine technicians standing on the nacelle of a wind turbine. They are wearing safety gear, including helmets and harnesses. One technician is pointing upwards. The background shows a cityscape and another wind turbine under a cloudy sky.

# Nordex SE

## Conference Call Q1 2012



Hamburg,  
May 15, 2012



- |   |                           |
|---|---------------------------|
| <b>1. Highlights Q1 2012 and strategy recap</b> | <b>Dr. J. Zeschky</b>     |
| <b>2. Financials Q1 2012</b>                    | <b>B. Schäferbarthold</b> |
| <b>3. Guidance 2012</b>                         | <b>B. Schäferbarthold</b> |
| <b>4. Sidebar Wind vs. Solar</b>                | <b>Dr. J. Zeschky</b>     |
| <b>5. Summary</b>                               | <b>Dr. J. Zeschky</b>     |

## ➤ **Good start into 2012**

- **Sales** in line with expectations; **structural costs** reduced by almost 10%; **EBIT** negative due to seasonally low installation volume
- **Order intake** more than doubled compared to Q1 2011 (+103%)
- Significant improvement in **working capital** ratio (~20%) as well as in **operating cash flow**; and significant **free cash flow**
- **Net liquidity encouraging**

## ➤ **Confirming guidance** with much higher sales and earnings in H2 2012 reflecting normal seasonal patterns

- Positive customer feedback during the **trade fair** season (EWEA, Hannover, Istanbul) especially for the N117/2400

## Offshore

- No return on invested capital for at least 5 years; return uncertain depending on future market development
- Unfavorable risk return profile

## Product development

- Focus on onshore R&D
  - Leverage additional R&D resources
  - Next generation of IEC I and IEC II turbines of multi-MW series

## JV China

- Negotiations on potential joint venture on track
- Due diligence phase completed
- Chinese demand for 2.5 MW technology supported by recent order intake for 30 MW project from Zhongmin Wind Power

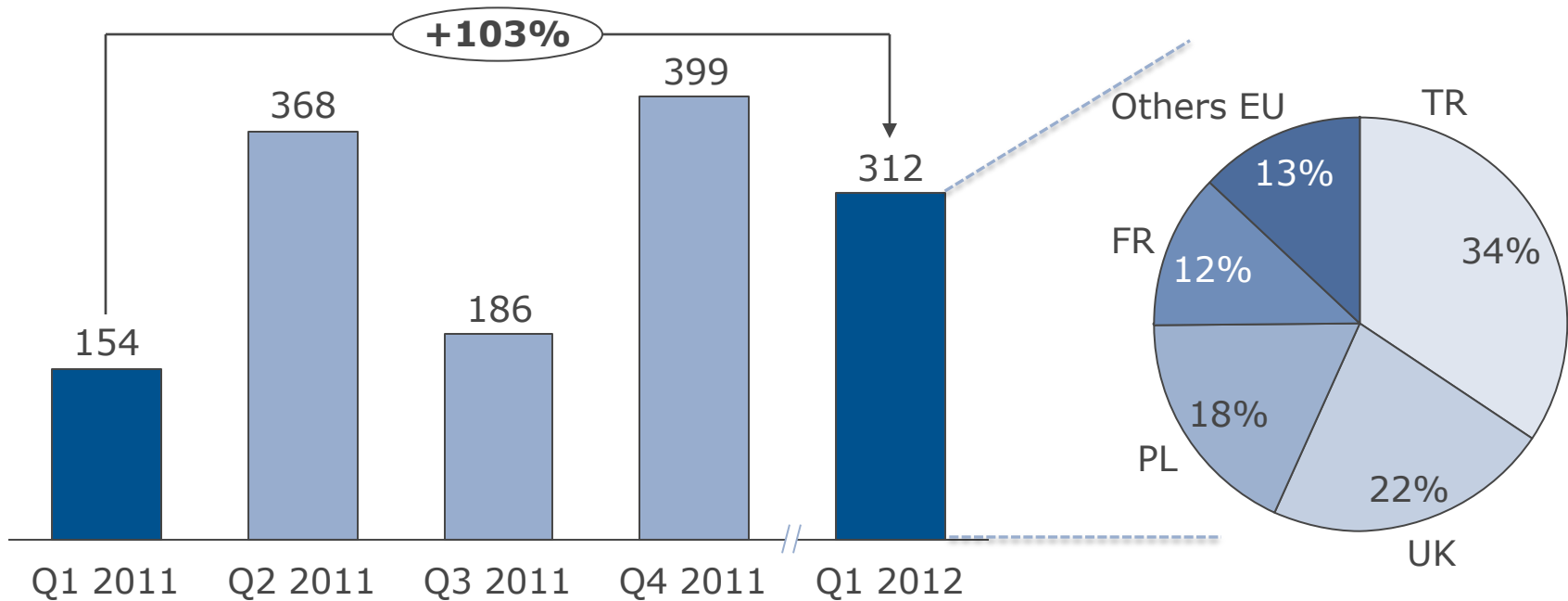
## In EUR mn

	Q1 2012	Q1 2011	Δ in %
Sales	198.3	183.1	8.3
<b>Total revenues</b>	<b>191.1</b>	<b>192.3</b>	<b>(0.6)</b>
Cost of materials	(151.5)	(138.1)	9.7
<b>Gross profit</b>	<b>39.6</b>	<b>54.2</b>	<b>(26.9)</b>
Personnel costs	(32.8)	(32.7)	0.3
Other operating (exp.)/inc.	(8.8)	(15.0)	(41.3)
<b>EBITDA</b>	<b>(2.0)</b>	<b>6.5</b>	<b>(&gt;100)</b>
Depreciation	(7.0)	(6.1)	14.8
<b>EBIT</b>	<b>(9.0)</b>	<b>0.4</b>	<b>(&gt;100)</b>
Net financial result	(5.1)	(3.1)	64.5
<b>EBT</b>	<b>(14.1)</b>	<b>(2.7)</b>	<b>(&gt;100)</b>
Tax	0.1	0.9	(88.9)
<b>Net profit</b>	<b>(-14.0)</b>	<b>(1.8)</b>	<b>(&gt;100)</b>

- Slight increase in sales thanks to Europe (85% of sales) - US development stable (14% of sales)
- Structural costs down by almost 10% yoy

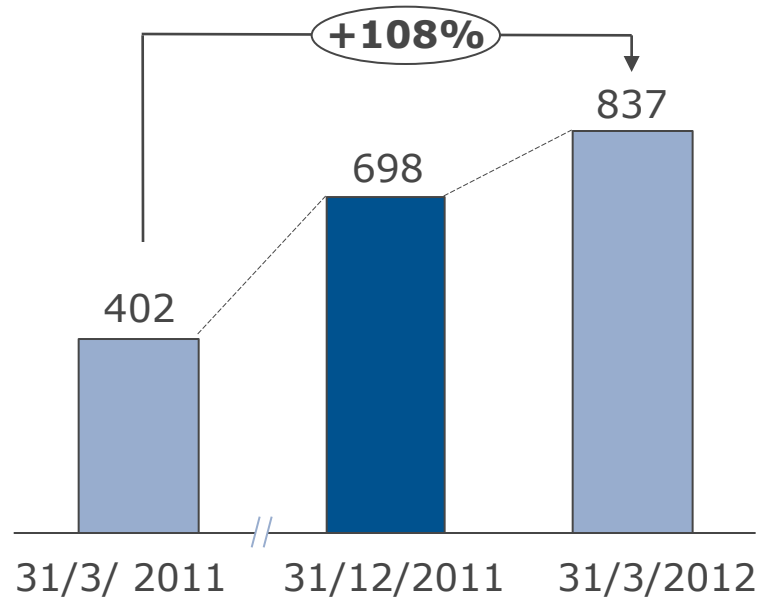
# ORDER INTAKE OF EUR 312 mn COVERS ~30% OF OUR FULL YEAR GUIDANCE

## Development of firm order intake 2011 – 2012 in EUR mn



- Order intake more than doubled – on track to achieve order intake guidance (EUR 1 - 1.1 bn)
- Diversified country presence without significant exposure to weak countries in the Euro zone
- Orders from large utility customers (e.g. E.on) and major IPPs (e.g. Falck Renewables, Allianz, Eolia)

## Development of firm order backlog 2010 – 2012 in EUR mn



- Order backlog more than doubled compared to Q1 2011
- European business accounts for 80% of the order book
- Conditional order backlog at EUR 1.3 bn

	<b>FY 2012e</b>
<b>Sales</b>	<b>EUR 1 – 1.1 bn</b> <ul style="list-style-type: none"> <li>• based on strong order backlog of EUR 837m</li> <li>• and outstanding book-to-bill-ratio of 1.6x in Q1</li> </ul>
<b>Order intake</b>	<b>EUR 1 – 1.1 bn</b>
<b>EBIT</b>	<b>1 – 3% margin</b> higher sales and earnings H2 reflecting normal seasonal pattern <ul style="list-style-type: none"> <li>• improved capacity utilization</li> <li>• high margin projects</li> </ul>
<b>Working capital ratio</b>	<b>~20%</b>
<b>Cash flow</b>	<b>Positive operating cash flow</b>

In EUR mn

	<b>Q1 2012</b>	<b>Q1 2011</b>
Net result	(14.0)	(1.8)
Depreciation	7.0	6.1
Change in provisions	(5.2)	(8.2)
Change in working capital	48.9	(97.8)
Other cash outflow from operating activities	(1.9)	17.2
<b>Cash flow from operating activities</b>	<b>34.8</b>	<b>(84.5)</b>
<b>Cash flow from investing activities</b>	<b>(9.1)</b>	<b>(10.4)</b>
<b>Cash flow from financing activities</b>	<b>(6.1)</b>	<b>89.1</b>
Change in liquidity from cash flows	19.6	(5.8)
Liquidity beginning of period	212.0	141.1
Other	(0.9)	(1.4)
<b>Liquidity end of period</b>	<b>230.7</b>	<b>133.9</b>

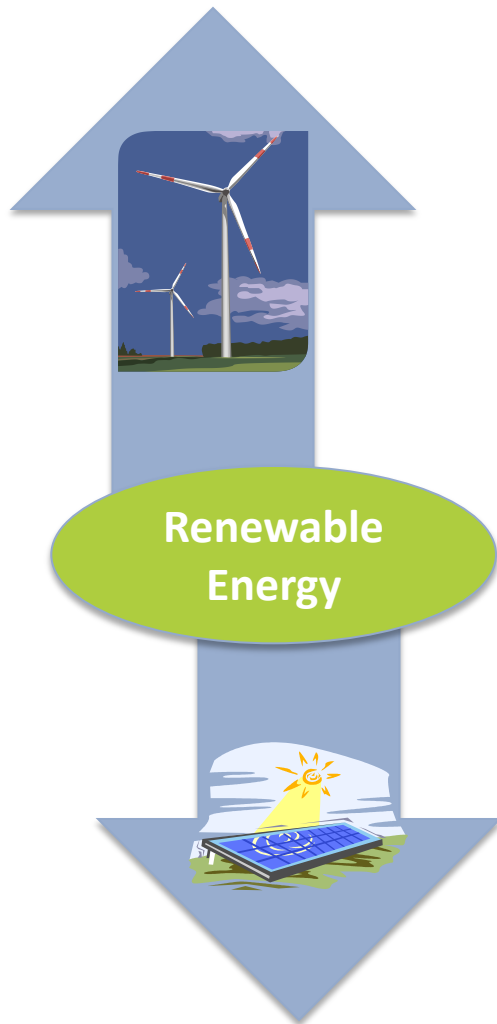
- Positive operating and free cash flow
- Liquidity increased by ~9% compared to 31 December 2011 (EUR 212 m)
- Improvement in working capital ratio (~20%) above expectations but unavoidable increase in the working capital in Q2 due to higher installation volume in H2

In EUR mn

	<b>Q1 2012</b>	<b>2011</b>		<b>Q1 2012</b>	<b>2011</b>
Liquid funds	230.7	212.0	Current bank borrowings	34.8	76.2
Trade receivables and future receivables	214.8	260.1	Trade payables	101.1	109.7
Net inventories	205.2	227.4	Other current liabilities	236.8	268.8
Other current assets	61.8	60.7	Current liabilities	372.7	593.5 <sup>1</sup>
Current assets	712.6	760.2	Non-current bank borrowings	36.1	0
Deferred tax assets	40.1	40.7	Deferred tax liabilities	15.6	16.8
Other non-current assets	227.9	228.1	Bond	157.2	-1
Non-current assets	268.0	268.8	Other non-current liabilities	36.7	42.2
			Non-current liabilities	193.9	42.2
			Shareholders' equity	362.3	376.6
<b>Total assets</b>	<b>980.6</b>	<b>1,029.0</b>	<b>Total assets</b>	<b>980.6</b>	<b>1,029.0</b>

<sup>1</sup>Bond disclosed under current liabilities/ short-term debt in FY 2011 in the amount of EUR 154.6 mn

- Solid balance sheet with increased liquid funds and a net liquidity position (EUR 2.6 mn)
- Equity ratio at a stable 37%

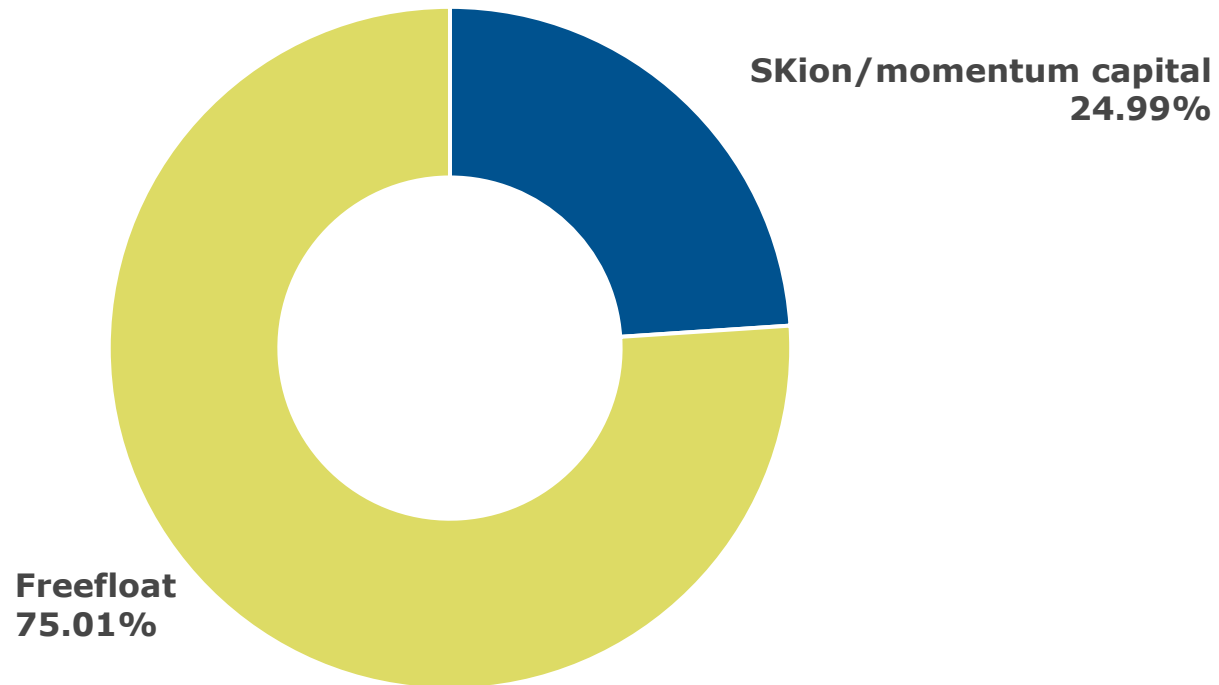


**Wind is not Solar!**

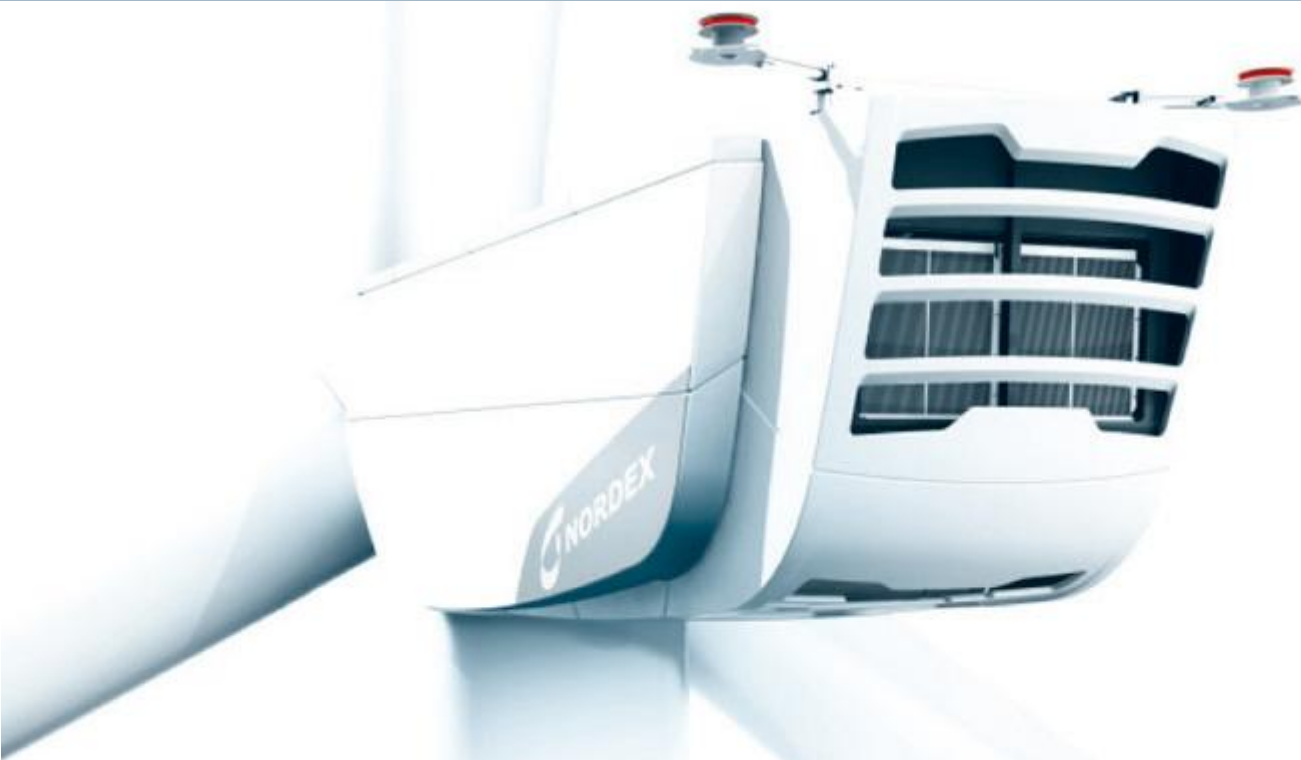
	WIND	SOLAR
<b>Competitiveness in cost of energy</b>	<ul style="list-style-type: none"> <li>• Low cost of (renewable) energy for onshore wind (69 €/MWh)<sup>1</sup></li> <li>• Close to grid parity</li> </ul>	<ul style="list-style-type: none"> <li>• High cost of (renewable) energy (154 €/MWh)<sup>1</sup></li> <li>• Still highly reliant on incentives</li> </ul>
<b>Logistics</b>	<ul style="list-style-type: none"> <li>• Major cost driver</li> <li>• Heavy goods shipment</li> <li>• Local production favorable</li> </ul>	<ul style="list-style-type: none"> <li>• Commodity character</li> <li>• Container shipment</li> </ul>
<b>Project management</b>	<ul style="list-style-type: none"> <li>• Local expertise and competence required; installation by OEM</li> </ul>	<ul style="list-style-type: none"> <li>• Installed by 3<sup>rd</sup> party contractors</li> </ul>

1) Source: BNEF 2012; CoE average; USD/EUR 1.30

- Strategy focused on **onshore business**
  - Development of best-in-class turbines for IEC I and IEC II in the N117/2400 range
  - Leverage additional R&D resources following offshore decision
  - Promote a spirit of entrepreneurship throughout the organization
- **Strategy development process** kicked off – details to follow during H1 conference call and the subsequent road show in late Summer



On the basis of 73.529 mn shares, as of May 2012



The targeted goals in this document reflect forward looking statements which are based solely on estimates and not on predictable risks.

Should the estimates with regard to the successful integration of acquisitions and the future internal growth of the company not to be realized or if other unpredictable risks should arise, it cannot be ruled out that the actual financial results of the company will differ substantially from the targeted goals as laid out in this document.

In this respect Nordex SE is unable to give a guarantee that the actual financial results of the company will not differ from any forecasts or guidance given.

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