

H1/2016

Interim Report
of the Nordex Group
as of 30 June 2016

Nordex and
Acciona
Windpower
are now one
company

Sales up
35 %
to EUR 1.5 billion

Installed capacity
of **1.2 GW**



EBITDA
margin of
9.2%

EBITDA margin target
for 2016 raised to
up to 8.7%



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Key figures

Earnings		01.01.– 30.06.2016	01.01.– 30.06.2015
Sales	EUR million	1,483.9	1,100.3
Total revenues	EUR million	1,503.0	1,083.8
EBITDA	EUR million	136.6	87.9
EBIT	EUR million	92.0	61.5
Free cash flow	EUR million	-470.3	41.9
Capital spending*	EUR million	37.1	33.3
Consolidated net profit	EUR million	51.0	36.9
Earnings per share**	EUR	0,58	0,46
EBITDA margin	%	9.2	8.0

Balance sheet		30.06.2016	31.12.2015
Total assets	EUR million	2,838.1	1,460.1
Equity	EUR million	893.2	455.6
Equity ratio	%	31.5	31.2
Working capital ratio	%	4.4	-1.2

Employees		01.01.– 30.06.2016	01.01.– 30.06.2015
Employees	30.06.	4,923	3,060
Personnel expenses	EUR million	126.6	93.4
Personnel expense ratio	%	8.4	8.6

Company performance indicators		01.01.– 30.06.2016	01.01.– 30.09.2015
Order intake	EUR million	1,330.2	1,353,5
Installed capacity	MW	1,164.9	611.2

*excluding investments in the acquisition of Acciona Windpower

**based on 88.532 million shares (previous year: 80.882 million)

Dear shareholders and business partners,

The market for wind power systems is changing rapidly. At the moment, this particularly applies to the regulatory situation and, hence, the framework for successful business activities in our industry. As these changes have not come without warning, we are well prepared for them. They affect Nordex as well as our direct competitors.

One key step in this connection was the decision to acquire Acciona Windpower. We have reported in detail on this transaction over the last few months. After our two companies' formal merger effective 1 April 2016, we are now working day for day on implementing our plans and are well on the way towards creating a truly global player in the wind power industry.

Obviously, it will take a few more months for us to implement all our plans and for the full potential offered by the new company to be reflected in its business figures. However, given current and upcoming orders it is already evident just how important the improved presence in the United States and in new growth markets will be. Although our existing European markets continue to provide a solid basis for business, the markets outside Europe will generate greater impetus for growth in the medium term.

The German market is a good example of this. Order intake in this market grew again at a double-digit rate to over half a billion euros in the period under review. With the adoption of a new system with competition-based pricing and high annual tender volumes, sales in our domestic market will stabilise at a good level over the next few years. Although we assume that we will be able to defend or even strengthen our position as a market-leading player, we will be focusing on non-European markets to generate growth. This will particularly include the United States, Mexico, Latin America, South Africa and India.

These first consolidated financial statements for the new Nordex SE show the development towards business that is driven in particular by the second half of the year. Thus, at around EUR 1.3 billion, new business in the first six months of the year accounted for around 40% of our full-year target for 2016. This trend can also be seen across the sector as a whole.

This is chiefly due to project postponements by customers caused by the US PTC system for example. Although this system of tax credits on investments in wind farm projects was extended by a further five years in December 2015, investors can already claim the tax credit even if only 5% of the construction work on a wind farm has been finished and it is not completed and does not go on line until after 2016 ("safe harbor").

The Group's profitability is encouraging, with earnings before interest, taxes, depreciation and amortisation rising by more than 55% to EUR 136.6 million, translating into an EBITDA margin for the Group of 9.2%. This is largely in line with the margin adjusted for non-recurring effects achieved in 2015. Our expectations of upbeat earnings in 2016 as a whole have strengthened. We forecast an EBITDA margin of between 8.3 and 8.7% and, hence, above the previous forecast.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Lars', with a long horizontal stroke extending to the right.

Lars Bondo Krogsgaard
Chief Executive Officer
Nordex SE

The stock

In the first half of 2016, the international capital markets were initially influenced by geopolitical events such as the Ukraine crisis and turmoil in the Middle East. However, prices particularly came under pressure from economic weakness in Asia and the resultant crisis in the international commodity markets, particularly the price of oil. This was exacerbated by terrorist attacks in Paris, Brussels and Istanbul. The Brexit vote at the end of the first half of the year also triggered turbulence in the markets.

The German benchmark DAX index closed the first half of the trading year around 10% lower and, like the Eurozone index EURO STOXX 50 (down 12.3%), substantially underperformed its US pendant Dow Jones, which gained 2.9% on a USD basis. German midcaps were also muted compared with the end of 2015 although they had recovered again from the lows for the year reached in February 2016. The TecDAX technology stock index, in which Nordex is included, retreated by 12.6% in the first half of 2016. The RENIXX, a global equity index tracking the shares of the 30 largest companies in the renewables industry, in which Nordex is likewise included, declined by around 15.7% in the first six months of 2016.

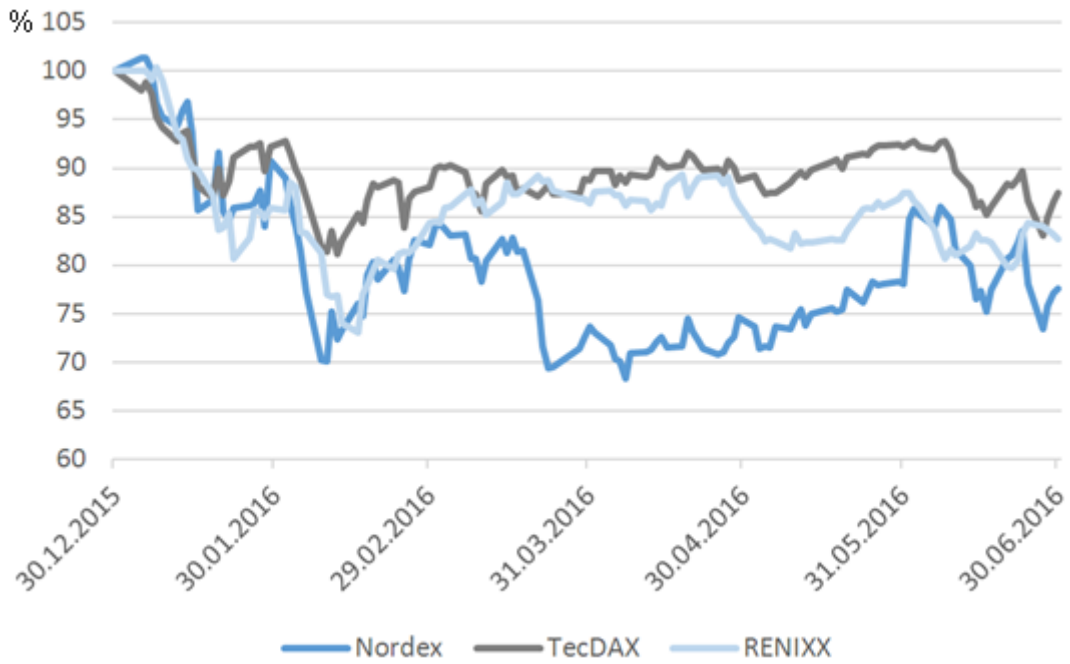
On 30 June 2016, Nordex stock closed at EUR 25.43, down roughly 22.4% on the last day of trading in 2015. It reached its highest daily closing price in the period under review of EUR 33.21 on 5 January, falling to a low of EUR 22.38 on 7 April. A daily average of 780,000 Nordex shares were traded on the Xetra electronic platform in the first half of 2016. The greatest volume was recorded on 21 March, the day of the annual press conference, when 2.8 million shares changed hands.

Nordex SE's shareholder structure has changed as a result of the Acciona Windpower transaction. The 16.1 million new shares issued at the beginning of April 2016 were transferred to Acciona S.A. as part of the payment of the acquisition of AWP. As a result of this together with the transfer of further Nordex shares previously held by SKion/momentum, Acciona S.A. now hold 29.9% of Nordex SE's share capital. SKion/momentum now jointly holds only 5.71% of the voting rights. On 30 June 2016, Deutsche Asset Management Investment GmbH (Deutsche Bank Group) held 3.11% of the voting rights, thus exceeding the 3% reporting threshold. After the end of the period under review, Schroders plc stated that it held 3.07% of Nordex stock as of 5 July 2016.

Nordex maintains intensive and ongoing communications with all private and institutional capital market participants. Thus, members of the Management Board attended roadshows in Frankfurt, London, Paris and Amsterdam/Den Haag in the second quarter of 2016. In addition, members of the Management Board as well as Nordex's IR team participated in numerous European capital market conferences. More than a dozen banks and research companies are tracking Nordex SE. According to data provided by information service Bloomberg, nine out of a total of 18 researchers rated Nordex a "buy", six a "hold" and three a "sell" as of 25 July 2016.

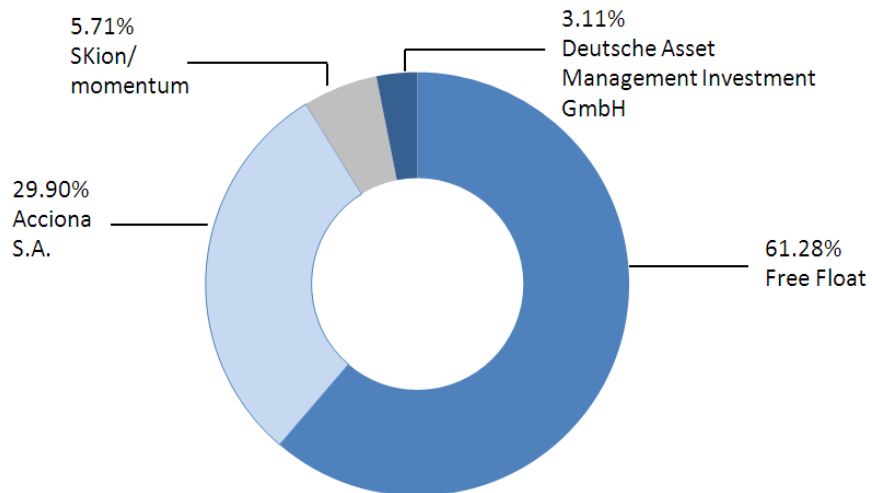
Information on Nordex stock as well as news, financial reports and presentations on the Company are available from the Investor Relations section of the Nordex Group's website at www.nordex-online.com/de/investor. In addition, it is possible to subscribe to the e-mail newsletter service to keep abreast of all main developments at Nordex.

Performance of Nordex stock from 1 January 2016 until 30 June 2016
 (indexed, 30 December 2015 = 100)



Source: Bloomberg

Shareholder structure as of 30 June 2016



Interim Group management report as of 30 June 2016

Economic conditions

According to the International Monetary Fund (IMF), the outlook for the global economy deteriorated at the beginning of 2016. Whereas the forecast for global growth in gross domestic product (GDP) in the current year had stood at 3.4% at the beginning of 2016, the IMF scaled this figure back to 3.2% in its April outlook. The decision by the United Kingdom to leave the EU ("Brexit") then prompted the IMF to lower its forecast again to 3.1% in mid July. The rationale for the first downgrade was the still muted growth in China as well as the dislocations caused by lower commodity prices, particularly oil. Moreover, the IMF expressly mentioned the numerous political crises and sources of tension. It therefore assumes that this will heighten the risk of the global economy performing with less vigour than expected.

In response to the floundering economy and low inflation in the Eurozone, the European Central Bank (ECB) lowered its key rate to zero percent for the first time in March. At the same time, the scale of the bond-buying programme was widened to EUR 80 billion. However, the most serious event in the first six months of 2016 was "Brexit", which triggered sharp turmoil in the international financial and currency markets at least in the short term.

The euro continued to gain against the US dollar in the first half of the year. After reaching a high of USD 1.1534 on 2 May 2016, it closed at USD 1.1106 at the end of June 2016. Following the United Kingdom's decision to leave the EU, pound sterling lost sharply against the euro, trading at only EUR 1.196 at the end of June 2016, down from EUR 1.357 on 1 January. This situation is not expected to have any impact on Nordex's current business in the United Kingdom, although the weak pound could leave traces on general demand for wind turbines in this market.

Industry conditions

The price of oil (North Sea Brent) dropped to a six-year low of USD 27.88 in January 2016, recovering in the ensuing period of time and closing at USD 49.68 on 30 June 2016. Electricity prices in Europe moved in a similar direction. The Phelix power future traded on the EEX electricity exchange for base load electricity for delivery in 2017 fell to a low of around EUR 21/MWh in February 2016. In June and July it was trading again at times at prices of over EUR 28/MWh.

According to analyses by Bloomberg New Energy Finance (BNEF), wind power investments have risen again in 2016 to date but are still below the peaks seen in the second quarter of 2015. Investment volumes in Europe in particular are rising again in 2016, driven by the substantial reduction in the cost of producing electricity from wind power. Depending on the location, wind power is already the least expensive source of "green" electricity.

The experts at MAKE Consult assume that new installations in the onshore market excluding China, i.e. the market relevant for Nordex, will remain stable in 2016, achieving a volume of around 33 GW. At 38%, Europe will account for the largest proportion of this, followed by North America (30%), Latin America (13%), Asia/Pacific (15%) and Africa (4%).

Germany

Shortly before the end of the period under review, the reformed Renewable Energies Act (EEG 2016) was passed by the Bundestag, ensuring greater certainty over the future legal framework for the German wind power market. The new act provides for tendering processes for onshore wind power to be held from 2017 in which projects offering the lowest price per kilowatt/hour will prevail. The tenders will be adjusted on the basis of a defined “100% location” reference yield model to ensure appropriate expansion of the wind power capacity at non-coastal sites as well. A volume of 2,800 MW has been set for onshore tenders in the years from 2017 to 2019, with a figure of 2,900 MW to apply in the following years. A further aspect of the amended legislation is the provision made for an additional monthly reduction in the feed-in tariffs for projects approved under the previous 2014 legislation subject to a fixed remuneration rate for a transitional period expiring at the end of 2018. Depending on the date on which they go on line, these projects are subject to a monthly reduction of 1.05% in the feed-in tariff from March to August 2017. From October 2017, the familiar quarterly degression system will apply again but has been increased from 1.2% to 2.4% if the expansion path is exceeded by 1,000 MW. Generally speaking, Nordex sees tendering processes as a suitable instrument for integrating wind in the electricity market and supporting the continued Germany-wide expansion of wind power.

Business performance

Nordex revised its segment reporting structure in the second quarter of 2016. This report replaces the previous regional breakdown with the definition of two new segments - Projects and Service. Financial reporting is thus consistent with the Nordex Group’s internal reporting, which has been adjusted following the acquisition of Acciona Windpower. 92% of the Group’s sales before consolidation arose in the Projects segment, while the Service segment contributed the remaining 8%.

Segment overview

	Projects		Service		Consolidation		Group	
	H1/16	H1/15	H1/16	H1/15	H1/16	H1/15	H1/16	H1/15
	EUR million	EUR million	EUR million	EUR million	EUR million	EUR million	EUR million	EUR million
Order intake	1,330	1,354	239	n/a	-	-	-	-
Order backlog	2,047	1,769	1,142	n/a	-	-	-	-
Sales	1,370.0	1,008.3	121.2	97.4	-7.2	-5.4	1,483.9	1,100.3
EBIT	74.4	50.5	17.6	11.0	0	0	92.0	61.5

Generally speaking, order intake in Nordex's Projects segment was subdued in the first half of 2016. Including the orders received in the second quarter for "AW" brand turbines, new orders fell slightly short of the first half of 2015. In this connection, it should be noted that the first half of the previous year had been underpinned by a number of large international projects in Uruguay, South Africa and Pakistan, which jointly accounted for new orders of around EUR 480 million. At EUR 1,330.2 million in the first six months of 2016, turbine engineering orders were down 1.7% on the first half of 2015 (H1 2015: EUR 1,353.5 million). Within the EMEA region, new orders grew in Germany (up 30% to EUR 525.1 million) and Finland (up 22% to EUR 59.7 million) in the first half of the year, but were lower compared with the previous year in France (down 39% to EUR 68.5 million) and Turkey (down 37% to EUR 93.5 million). The effects of this decline were largely eliminated by the consolidation of Acciona Windpower, which registered new orders of EUR 423.4 million in its core markets the United States, South Africa and Brazil in the second quarter.

Measured in terms of megawatts, around 36% of the order receipts was for Generation Gamma and 28% for Generation Delta, while the N131/3300, a turbine especially developed for the German market and launched at the end of 2015, accounted for 7%. Nordex generated around 36% of its order receipts with the AW 125/3000 product.

Contingent order receipts rose by 57% over the end of 2015 to EUR 938.4 million.

Turbine order intake by region

	01.01.– 30.06.2016 %	01.01.– 30.06.2015 %
EMEA	78	81
North and South America	22	19
Asia	0	0

Consolidated sales climbed by 35% in the first half of 2016 to EUR 1,483.9 million. This increase is partially also due to the consolidation of Acciona Windpower from 1 April 2016. Adjusted for the sales of EUR 178.6 million contributed by Acciona Windpower, organic growth of around 19% was achieved.

North and South America accounted for around 18% of sales, with the remaining amount spread across the core EMEA region. Accordingly, these figures already reflect the greater focus on the Americas following the acquisition of Acciona Windpower. Order receipts also point to the greater weighting that this region will have in the future.

Sales in the Service segment rose by 24% in the first six months of the year to EUR 121.2 million (H1 2015: EUR 97.4 million), of which Acciona Windpower's service business, which was consolidated from the beginning of the second quarter, contributed EUR 15.2 million. Organic growth came to 9% in service business. At 76%, the renewal rate for expiring service contracts fell short of the long-term average in the first half of 2016. This again reflected the decision not to renew two major service contracts in the United States and Italy which were not economically attractive for Nordex. Orders in the Service segment were valued at EUR 1,142 million as of 30 June 2016, up from EUR 997 million on 31 December 2015. New service orders received were valued at EUR 239 million in the first half of 2016.

Turbine production output increased by 28% to 1,298 MW in the first half of 2016 (H1 2015: 1,013 MW). Turbines with a nominal output of 129 MW were produced at the Spanish and Brazilian plants in the second quarter of 2016. This below-average capacity utilisation was due to project delays in individual markets and but largely mitigated by measures the increase flexibility in the individual parts of the plants. Organic growth in turbine assembly thus came to a good 15%.

Rotor blade output rose by 98% in the first half of 2016 to 327 units (H1 2015: 165 units). This included 36 rotor blades produced for the AW125/300. Organic growth in this area thus came to 76% thanks to substantially more efficient processes implemented at the rotor blade production facility in Rostock.

Production output

	Turbine assembly		Blades	
	H1 2016	H1 2015	H1 2016	H1 2015
	MW	MW	Number	Number
Germany	1,169	1,013	291	165
Spain	24*	–	36*	–
Brazil	105*	–	–	–
India	under construction	–	–	–
Total	1,298	1,013	327	165

* Q2/2016 only

Installations

In the first half of 2016, the Nordex Group installed 450 wind power systems in eleven countries with a total capacity of 1,164.9 MW. Accordingly, installed capacity almost doubled over the first six months of 2016 (up 91%; H1 2015: 611.2 MW). The AW125/3000 product accounted for roughly 8% of the newly installed capacity, while organic growth came to around 76%.

The greatest proportion of installations was in Germany (341.5 MW), followed by Turkey (143.3 MW) and Pakistan (122.5 MW). New capacity of 93.6 MW was installed for a major project in Uruguay, while Nordex installed 90 AW125/3000 turbines in Brazil. The other installations were spread across various EMEA countries. Of the Nordex brand wind power system, Generation Gamma accounted for 77% and Generation Delta for 23%.

The book-to-bill ratio in the Projects segment came to 0.97 as of 30 June 2016. Firmly financed orders were valued at EUR 2,047.3 million as of the end of the first half of 2016, equivalent to an increase of 16% over the same period in the previous year (H1 2016: EUR 1,768.6 million).

In addition, the Nordex Group had secured orders worth EUR 938.4 million as of the end of June 2016 (weighted figure in accordance with probability of receipt). These contingent orders comprise delivery contracts or master contracts for turbine deliveries which do not yet satisfy all criteria for immediate commencement.

Results of operations and earnings

In the first half of 2016, the Nordex Group including Acciona Windpower, which was consolidated from 1 April 2016, achieved operating earnings (EBITDA, earnings before interest, taxes, depreciation and amortisation) of EUR 136.6 million (H1 2015: EUR 87.9 million). This translates into an EBITDA margin of 9.2% (H1 2015: 8.0%) The greater earnings performance was materially due to improved quality management as well as productivity and efficiency gains.

Earnings before interest and taxes (EBIT) came to EUR 92.0 million in the first half of 2016 (H1 2015: EUR 61.5 million), resulting in an EBIT margin of 6.2% (H1 2015: 5.6%). Depreciation and amortisation expense in the first six months of 2016 was valued at EUR 44.6 million (H1 2015: EUR 26.4 million); of this, EUR 9.9 million was attributable to the allocation of the purchase price paid for Acciona Windpower at its fair value (“purchase price allocation”).

The personnel expense ratio dropped slightly to 8.4% in the first six months of 2016 (H1 2015: 8.6%). The ratio of other operating income/expenses climbed from 5.0% to 7.3%, reflecting the expenses arising from the Company’s operating growth as well as merger costs of around EUR 6.0 million.

Net finance expense climbed in the first half of 2016 to EUR 16.1 million (H1 2015: EUR 10.3 million) primarily as a result of the greater utilisation of the guarantee facility, which was increased to EUR 1.2 billion (H1/2015: EUR 550 million) after the merger. In addition, non-recurring expense of around EUR 3.5 million was recognised for bridge finance and restructuring of finance (particularly the bonded loan). Consolidated net profit after interest and taxes thus climbed by 38% to EUR 51.0 million, up from EUR 36.9 million.

Financial condition and net assets

As of 30 June 2016, the Nordex Group had an equity ratio of 31.5% (31 December 2015: 31.2%). Total assets rose by more than 100% over the end of 2015 primarily as a result of effects from the acquisition of Acciona Windpower, coming to EUR 2,838.1 million (31 December 2015: EUR 1,460.1 million). Specifically, property, plant and equipment, goodwill and deferred income tax assets rose particularly sharply. Cash and cash equivalents including fixed-term deposits climbed by 13% over the end of the previous year to EUR 460.3 million as of 30 June 2016 (31 December 2015: EUR 529.0 million). In the second quarter of 2016, Nordex issued a bonded loan worth EUR 550 million, which was primarily used to finance the cash component of the acquisition of Acciona Windpower (EUR 332.5 million): In addition, it repaid the corporate bond of EUR 150 million maturing in April 2016. With the increase in the guarantee facility to EUR 1.2 billion, the Group is now fully funded for the next few years.

Inventories increased by 79% to EUR 391.7 million in the first half of the year (31 December 2015: EUR 218.6 million). At the same time, trade receivables almost doubled in size to EUR 511.7 million (31 December 2015: EUR 275.5 million). In addition to the effects of the Acciona Windpower transaction, this reflected the high volume of work commenced on planned short-term deliveries. Trade liabilities rose at almost the same rate by 94% to EUR 495.7 million (31 December 2015: EUR 254.9 million). As a result, the working capital ratio, which at -1.2% had been negative as of the end of 2015, increased to 4.4%.

This means that at the end of the first half of the year Nordex is still within the target range of a working capital ratio of less than 5% over the year as a whole. At the same time, efforts are being taken in Brazilian business in particular to reduce working capital, with positive effects expected to already arise in the second half of the year. Opposing effects may arise from the preparation of “safe harbour” projects in the United States.

In the period under review, Nordex recorded a net cash outflow of EUR 103.7 million from operating activities (H1 2015: net cash inflow of EUR 73.4 Mio.). This also reflects preparations for short-term deliveries and the need to adjust payment periods in new markets. A net cash outflow of EUR 366.6 million was recorded from investing activities (H1 2015: net cash outflow of EUR 31.5 million). This chiefly comprises the cash component of EUR 332.5 million for the acquisition of Acciona Windpower and capital spending of EUR 37.1 million on property, plant and equipment as well as intangible assets. This resulted in negative free cash flow of EUR 470.3 million (previous year: positive free cash flow of EUR 41.9 million.). Net debt stood at EUR 187.8 million as of 30 June 2016 (31 December 2015: net liquidity of EUR 322.0 million).

Capital spending

Adjusted for the first-time consolidation of Acciona Windpower, capital spending on property, plant and equipment and intangible assets came to EUR 37.1 million in the period under review (H1 2015: EUR 33.3 million). With respect to property, plant and equipment, on which EUR 21.8 million was spent, there was no particular focus following the completion of most of the modernisation and expansion spending on blade production in Rostock last year. A sum of EUR 5.2 million was spent on the acquisition of land to expand Nordex’s head offices in Hamburg (“Nordex Forum II”). Following completion, the building is expected to be used under sale-and-lease-back arrangements. Acciona Windpower completed final spending on the construction of turbine assembly facilities in India, which are to go into operation in the second half of the year.

The bulk of the intangible assets of EUR 15.2 million comprised capitalised development expense of EUR 13.1 million, thus chiefly arising from research and development.

Research and development

Product development primarily focuses on the systematic and broad-based reduction in the cost of energy in connection with the products and services. In this way, the Nordex Group is solidifying its position, allowing it to offer competitive wind power systems in all wind classes and for all target markets. In the development of turbines and wind farms the main priority is to consistently reduce the cost of energy across the entire life cycle and during the full term of the project. A further key aspect of the development activities involves efforts to monitor and ensure the market viability of the products in terms of their eligibility for operating permits and grid connections in Nordex's target market.

During the period under review, joint development teams started exploring the technological synergies between the Nordex and AWP product platforms. They are already working on specific tasks which can be implemented in the short term at relatively low expense and will result in noticeable improvements to efficiency. One example is the adoption of Nordex technologies in the design of the AW3000 rotor blades.

All of the new Group's activities aimed at lowering the cost of energy (COE) have been pooled in a centrally coordinated COE programme. Roughly 150 experts from different parts of the Group are currently involved in this programme. The aim is to lower the cost of energy of the wind power systems by at least 18% compared with 2015 levels by 2018.

In the period under review, product development primarily entailed further work on enhancing and standardising the Generation Delta wind power systems and the AW3000 platform.

The Generation Delta range encompasses dedicated solutions for locations with strong (N100/3300), moderate (N117/3000) and low (N131/3000) wind speeds as well as a solution specifically developed for wind and ambient conditions in Nordex's important German market (N131/3300). Installed in June in the German state of Rhineland-Palatinate, the latter is the world's tallest wind turbine to date. With a hub height of 164 metres and a rotor length of 65.5 metres, the N131/3300 wind power system reaches a total height of just under 230 metres thanks to a hybrid tower.

The Generation Delta turbines are characterised by larger rotor diameters and a heightened nominal output, resulting in gains of more than 30% in annual energy yield compared with their predecessors and thus achieving a significant reduction in the cost of energy. Full documentation and certification including German type testing is available for all Generation Delta turbines. This ensures that customers and investors are able to apply for construction permits for eleven different hub heights between 75 and 164 metres as well as three different climate versions.

During the period under review, Nordex received a type certificate for the N131/3000. The measurements recorded confirm that the turbines meet or even exceed the very stringent noise emission requirements. This makes the N131 particularly suitable for non-coastal locations. In many cases, operators can dispense with output-reduced operation modes but still comply with noise emission requirements. Product development is working intensively on the series launch of the N131/3000 and the N131/3300 as part of a standardised product platform.

In the autumn, Nordex will be unveiling new versions based on the Delta series with a double-digit increase in nominal output, offering an 11% improvement in annual yield. At the same time, these products are being targeted at markets with stringent noise emission level requirements. Nordex wants to retain its "best in class" status here.

With respect to further enhancements to Generation Gamma, particularly the highly efficient N117/2400 for low-wind locations (IEC 3a), the main focus in the period under review was on project-specific developments and measures to lower product costs by widening the pool of suppliers for the main components. Thanks to the platform strategy, further developments of the Generation Delta

turbines can also be migrated to Generation Gamma. For example, improvements were also made to the control and regulation system as well as operations management and monitoring of wind power systems and wind farms during the period under review.

As well as this, work on optimising and validating the Nordex Anti-Icing System (AIS) continued in the first half of 2016. Efforts to transfer the system to the N131 rotor blades have now been completed. As planned, preliminary turbines were installed in Scandinavia in the period under review for testing and measuring in 2016.

In addition, development work successfully continued on projects for satisfying the updated grid connection requirements in existing target markets and for ensuring grid conformance in new markets and corresponding modifications to the electrical systems.

The AW3000 platform also underwent further development in the first half of the year with a view to lowering the cost of energy and, thus, improving competitiveness. Various turbine models were recertified in this connection. An output upgrade for the AW3000 platform is boosting annual energy production by 3%, while a further step for which a feasibility study is currently being conducted aims at boosting annual energy production by 5%. A new concrete tower model has been developed and already certified to lower the cost of energy at Brazilian sites in particular.

In addition to the work performed on the turbine models mentioned above, development activities were commenced on even more efficient wind power systems and cost-optimised towers as well as innovations in production and logistics processes.

Employees

Employee numbers were materially affected by the acquisition of Acciona Windpower and its consolidation within the Nordex Group in the first half of 2016. The existing Nordex workforce of around 3,400 employees was joined by 1,400 new employees in April 2016. As of 30 June 2016, the headcount thus came to 4,923, up 48% on the end of 2015 (31 December 2015: 3,336 employees).

In addition to this consolidation effect, Nordex engaged in a small amount of new recruiting at the national companies in Germany and Turkey in particular, mainly in the service and installation areas. At the end of the period under review, around 16% of the workforce was based in North and South America and almost all the others in EMEA.

Risks and opportunities

In the period under review, there were no material changes in the opportunities for and risks to the Group's expected performance described in detail in the Nordex SE annual report for 2015.

The subsidiary Corporación Acciona Windpower S.L. (AWP), which was acquired effective 1 April 2016, has been integrated in the Nordex Group's risk management system. According to current assessments, AWP has a similar risk structure to the rest of the Nordex Group with a particular accumulation of individual technical risks. As disclosed in connection with the acquisition of AWP, Nordex is confident of gaining substantially improved access to emerging markets as well as North America as a result of the merger.

In the Management Board's assessment, there are currently no significant individual risks that are liable to compromise the Nordex Group's going-concern status. The same is also true with respect to an overall consideration of all risks.

Outlook

The long-term forecasts speak a clear language: the sustained growth in global populations and changing consumer habits are causing demand for energy to climb. At the same time, the limits on growth under the current model for producing energy are clear. Accordingly, energy intensity and greenhouse gases must be reduced significantly over the next few years. This is evident from the analyses of the International Panel on Climate Change (IPCC), the International Energy Agency (IEA) and the BP Energy Outlook.

These studies unanimously come to the conclusion that modern societies only have a future if the volume of energy derived from fossil sources is cut substantially and greater use is made of renewable sources of energy. Expressed in figures, BP expects annual growth of 6.6% in capacity for renewable energies between now and 2035. The IEA calculates that wind power will account for 12% of energy supplies in 2030 (2013: 5%). Although there is no guarantee that this will actually be the case, one thing is clear: with production costs of 6 - 8 US cents, wind power is already one of the most inexpensive sources of electricity and offers potential for a further cut in costs to 4 - 6 US-cents by 2030 (source: BNEF, Nordex analysis).

These production costs are also paving the way for the wind power sector in Nordex's domestic market in Germany, where the government is working on further market integration of electricity from renewable sources. Looking forward, the price will be determined in competition-based tendering processes. This is a standard international process in which Nordex has extensive experience. At 2.8 - 2.9 gigawatts per year, tender volumes will be higher than the mean of the last few years.

Following the merger with Acciona Windpower, Nordex is now present in a substantially larger number of growth regions and can benefit from rising international demand in countries such as the United States, Mexico and India. In the short term, the Company also expects to receive important impetus in Europe. This is reflected in the orders received in the first half of the year from Germany (EUR 525 million), Ireland (EUR 66 million) and Finland (EUR 59 million). In the second half of the year, management projects even greater growth in new orders, which should reach a figure of over EUR 3.4 billion for 2016 as a whole. Accordingly, new business is expected to be valued at over EUR 2.0 billion in the second half of 2016.

Full-year sales will rise to EUR 3.35 - 3.45 billion in 2016. In this connection, it should be noted that Acciona Windpower, Nordex SE's new subsidiary, was consolidated from 1 April 2016 and will therefore only be making contributions to the Group's business in three quarters of 2016. As originally expected, the top edge of the sales guidance could be reached if there are no further project delays and a large part of the sales arising from these projects can be placed on the books in 2016.

Depending on the volume of business achieved, the EBITDA margin will come to between 8.3% and 8.7%. This marks an increase in management's current guidance over March 2016. At the annual press conference, the Management Board had stated a goal of over 7.5% for the EBITDA margin. This heightened optimism is underpinned by good quality management and efficient project execution.

The slight contraction in the margin in the second half of the year will be due to the higher expected contribution to sales from Brazil and India. Margins in these two countries are currently below the Group average due to exchange rate effects in the case of Brazil and the start-up of business activities in the case of India. Moreover, the Management Board expects a large part of the costs of the merger with Acciona Windpower to arise in the second half of the year, resulting in non-recurring expenses of EUR 14 million in that period (H1 2016: EUR 6 million).

The target for the year-end working capital ratio is unchanged at under 5%. Nordex plans full-year capital spending of EUR 80 - 90 million.

Events after the conclusion of the period under review

As far as the Group is aware, no material events occurred after the conclusion of the period under review.

Consolidated balance sheet

as of 30 June 2016

Assets	30.06.2016	31.12.2015
	EUR thousand	EUR thousand
Cash and cash equivalents	460,300	528,973
Trade receivables and future receivables from construction contracts	511,682	275,466
Inventories	391,663	218,609
Income tax refund claims	48,057	4,837
Other current financial assets	42,513	42,112
Other current non-financial assets	130,495	68,956
Current assets	1,584,710	1,138,953
Property, plant and equipment	263,059	145,614
Goodwill	515,716	9,960
Capitalised development expense	223,380	110,933
Other intangible assets	167,233	5,796
Financial assets	1,906	2,179
Investments in associates	6,640	8,699
Other non-current financial assets	3,508	2,866
Other non-current non-financial assets	123	28
Deferred income tax assets	71,801	35,100
Non-current assets	1,253,366	321,175
Assets	2,838,076	1,460,128
Equity and liabilities	30.06.2016	31.12.2015
	EUR thousand	EUR thousand
Current bank borrowings	13,201	6,572
Trade payables	495,722	254,926
Income tax liabilities	20,790	11,900
Other current provisions	132,324	66,491
Other current financial liabilities	81,208	184,202
Other current non-financial liabilities	369,440	353,495
Current liabilities	1,112,685	877,586
Non-current bank borrowings	634,902	43,750
Pensions and similar obligations	1,711	1,731
Other non-current provisions	46,635	22,617
Other non-current financial liabilities	3,245	0
Other non-current non-financial liabilities	5,157	3,490
Deferred income tax liabilities	140,559	55,357
Non-current liabilities	832,209	126,945
Subscribed capital	96,982	80,882
Share premium	597,633	229,114
Other retained earnings	-10,961	-10,961
Cash flow hedges	1,491	1,730
Foreign-currency adjustment item	7,858	5,651
Consolidated net profit carried forward	149,181	149,181
Consolidated net profit	50,998	0
Share in equity attributable to parent company's equity holders	893,182	455,597
Equity	893,182	455,597
Equity and liabilities	2,838,076	1,460,128

Consolidated income statement

for the period from 1 January to 30 June 2016

	01.01.- 30.06.2016 EUR thousand	01.01.- 30.06.2015 EUR thousand	01.04.2015- 30.06.2016 EUR thousand	01.04.2014- 30.06.2015 EUR thousand
Sales	1,483,942	1,100,319	846,901	603,830
Changes in inventories and other own work capitalised	19,100	-16,533	16,486	-12,912
Total revenues	1,503,042	1,083,786	863,387	590,918
Other operating income	10,251	13,664	7,276	9,472
Cost of materials	-1,129,878	-847,891	-650,543	-463,684
Personnel expenses	-126,638	-93,382	-73,825	-48,564
Depreciation/amortisation	-44,608	-26,354	-30,482	-13,407
Other operating expenses	-120,214	-68,282	-68,790	-37,969
Earnings before interest and taxes (EBIT)	91,955	61,541	47,023	36,766
Income from investments	525	1,043	525	1,043
Net profit/loss from application of the equity method	-1,626	-1,560	-929	-1,574
Impairment of financial assets and securities held as current assets	0	0	33	0
Other interest and similar income	2,419	1,247	2,213	690
Interest and similar expenses	-17,398	-10,989	-12,104	-6,315
Net finance expense	-16,080	-10,259	-10,262	-6,156
Net profit/loss from ordinary activity	75,875	51,282	36,761	30,610
Income taxes	-24,877	-14,375	-11,221	-8,488
Consolidated profit	50,998	36,908	25,540	22,122
Of which attributable to:				
Parent company's equity holders	50,998	36,908	25,540	22,122
Earnings per share (in EUR)				
Basic*	0.58	0.46	0.29	0.27
Diluted*	0.58	0.46	0.29	0.27

*based on a weighted average of 88.532 million shares (previous year 80.882 million shares)

Consolidated statement of comprehensive income

for the period from 1 January to 30 June 2016

	01.01.- 30.06.2016 EUR thousand	01.01.- 30.06.2015 EUR thousand
Consolidated profit	50,998	36,908
Other comprehensive income		
Items which may be recycled to profit and loss		
Foreign currency translation difference	2,207	2,056
Cash flow hedges	-352	262
Deferred income taxes	113	-84
Consolidated comprehensive income	52,966	39,142
Of which attributable to:		
Parent company's equity holders	52,966	39,142

Consolidated cash flow statement

for the period from 1 January to 30 June 2016

	01.01.- 30.06.2016 EUR thousand	01.01.- 30.06.2015 EUR thousand
Operating activities:		
Consolidated profit	50,998	36,908
+ Depreciation/amortisation of non-current assets	44,608	26,354
= Consolidated profit plus depreciation/amortisation	95,606	63,262
-/+ Increase/decrease in inventories	-47,350	10,679
- Increase in trade receivables and future receivables from construction contracts	-102,203	-83,183
+ Increase in trade payables	169,144	137,005
- Decrease in prepayments received - recognised as liabilities -	-165,059	-62,087
= Payments made/received from changes in working capital	-145,468	2,414
- Increase in other assets not allocated to investing or financing activities	-24,368	-44,121
-/+ Decrease/increase in retirement benefit provisions	-20	24
-/+ Decrease/increase in other provisions	-31,050	23,658
-/+ Decrease/increase in other liabilities not allocated to investing or financing activities	-13,480	23,594
+/- Loss/gain from the disposal of non-current assets	228	-48
- Other interest and similar income	-2,419	-1,247
+ Interest received	281	878
+ Interest and similar expenses	17,398	10,989
- Interest paid	-23,172	-15,538
+ Income taxes	24,877	14,375
- Taxes paid	-2,806	-626
+/- Other non-cash expenses/income	669	-4,202
= Payments received/made from remaining operating activities	-53,862	7,736
= Cash flow from operating activities from continuing operations	-103,724	73,412
Investing activities:		
+ Payments received from the disposal of property, plant and equipment/ intangible assets	280	187
- Payments made for investments in property, plant and equipment/ intangible assets	-369,295	-33,340
+ Payments received from the disposal of financial assets	2,984	1,980
- Payments made for investments in financial assets	-559	-313
= Cash flow from investing activities from continuing operations	-366,590	-31,486
Financing activities:		
- Cost of equity issues	-726	0
+ Bank loans raised	600,000	0
- Bank loans repaid	-3,125	0
- Payments made for the redemption of bonds	-150,000	0
- Repayment of working capital loans	-70,500	0
= Cash flow from financing activities from continuing operations	375,649	0
Cash change in cash and cash equivalents from continuing operations	-94,665	41,926
+ Cash and cash equivalents at the beginning of the period	528,973	388,420
+ Changes due to additions to companies consolidated	26,661	0
-/+ Exchange rate-induced change in cash and cash equivalents	-669	2,816
= Cash and cash equivalents at the end of the period (Cash and cash equivalents carried on the face of the consolidated balance sheet)	460,300	433,162

Consolidated statement of changes in equity

	Subscribed capital	Share premium	Other retained earnings	Cash flow hedges	Foreign currency adjustment item
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
01.01.2016	80,882	229,114	-10,961	1,730	5,651
Issue of new share capital					
Payments received from the issue of new share capital	16,100	369,012	0	0	0
Cost of issuing new share capital	0	-726	0	0	0
Income taxes	0	233	0	0	0
Consolidated comprehensive income	0	0	0	-239	2,207
Consolidated profit	0	0	0	0	0
Other comprehensive income					
Items which may be recycled to profit and loss					
Foreign currency translation difference	0	0	0	0	2,207
Cash flow hedges	0	0	0	-352	0
Deferred income taxes	0	0	0	113	0
30.06.2016	96,982	597,633	-10,961	1,491	7,858

	Consolidated net profit carried forward	Consolidated net profit	Capital attributable to the parent company's equity holders	Total equity
	EUR thousand	EUR thousand	EUR thousand	EUR thousand
01.01.2016	149,181	0	455,597	455,597
Issue of new share capital				
Payments received from the issue of new share capital	0	0	385,112	385,112
Cost of issuing new share capital	0	0	-726	-726
Income taxes	0	0	233	233
Consolidated comprehensive income	0	50,998	52,966	52,966
Consolidated profit	0	50,998	50,998	50,998
Other comprehensive income				
Items which may be recycled to profit and loss				
Foreign currency translation difference	0	0	2,207	2,207
Cash flow hedges	0	0	-352	-352
Deferred income taxes	0	0	113	113
30.06.2016	149,181	50,998	893,182	893,182

	Subscribed capital	Share premium	Other retained earnings	Cash flow hedges	Foreign currency adjustment item
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
01.01.2015	80,882	242,624	-7,951	-2,901	1,762
Employee stock option programme	0	-1,385	0	0	0
Consolidated comprehensive income	0	0	0	178	2,056
Consolidated profit	0	0	0	0	0
Other comprehensive income					
Items which may be recycled to profit and loss					
Foreign currency translation difference	0	0	0	0	2,056
Cash flow hedges	0	0	0	262	0
Deferred income taxes	0	0	0	-84	0
30.06.2015	80,882	241,239	-7,951	-2,723	3,818

	Consolidated net profit carried forward	Consolidated net profit	Capital attributable to the parent company's equity holders	Total equity
	EUR thousand	EUR thousand	EUR thousand	EUR thousand
01.01.2015	81,583	0	395,999	395,999
Employee stock option programme	0	0	-1,385	-1,385
Consolidated comprehensive income	0	36,908	39,142	39,142
Consolidated profit	0	36,908	36,908	36,908
Other comprehensive income				
Items which may be recycled to profit and loss				
Foreign currency translation difference	0	0	2,056	2,056
Cash flow hedges	0	0	262	262
Deferred income taxes	0	0	-84	-84
30.06.2015	81,583	36,908	433,756	433,756

Notes on the interim consolidated financial statements

as of 30 June 2016

I. General

The interim consolidated financial statements of Nordex SE and its subsidiaries for the first six months as of 30 June 2016, which have not been audited or reviewed by a statutory auditor, were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as endorsed by the European Union. In this connection, all International Financial Reporting Standards and Interpretations, particularly IAS 34 Interim Financial Reporting, mandatory as of 30 June 2016 were applied.

With the execution of the business combination agreement on 1 April 2016, Corporación Acciona Windpower S.L. and its 16 subsidiaries (Acciona Windpower) became part of the Nordex Group.

The merger of the activities of Nordex and Acciona Windpower will give rise to a globally positioned company capable of addressing around 85% (excluding China) of the global onshore market. Nordex and Acciona Windpower complement each other in a number of key business areas. Whereas Nordex has a strong presence in the European market, Acciona Windpower is well positioned in North and South America as well as in the emerging markets, particularly Brazil and India. Nordex wind power systems are particularly suitable for complex projects requiring sophisticated technological solutions. By contrast, Acciona Windpower turbines can be used primarily in large-scale projects in simpler surrounding conditions.

The following table sets out the purchase price paid for the business combination and the net assets acquired after provisional purchase price allocation as well as goodwill:

Purchase price	EUR thousand
Share component at fair value	385,112
Cash component	332,495
	717,607
Net assets acquired after provisional purchase price allocation	
Cash and cash equivalents	26,661
Trade receivables and future receivables from construction contracts	134,014
Inventories	125,704
Income tax refund claims	11,456
Property, plant and equipment	112,672
Capitalised development expense	116,823
Other intangible assets	166,310
Other assets	52,436
Deferred income tax assets	55,882
Trade payables	-71,651
Income tax liabilities	-9,130
Other provisions	-120,900
Other liabilities	-295,012
Deferred income tax liabilities	-93,414
	211,851
Goodwill	505,756

These interim financial statements should be read in conjunction with the consolidated annual financial statements for 2015. Further information on the accounting principles applied can be found in the notes to the consolidated financial statements. The consolidated financial statements for 2015 are available on the Internet at www.nordex-online.com in the Investor Relations section.

In the absence of any express reference to any changes, the recognition and measurement principles applied to the consolidated financial statements as of 31 December 2015 are also used in the interim financial statements as of 30 June 2016.

Sales from construction contracts for customers are also recognised in accordance with the percentage-of-completion method at Acciona Windpower. For this purpose, Acciona Windpower measures percentage of completion on the basis of milestones and Nordex on the basis of the ratio of actual to budgeted costs.

The income statement has again been prepared in accordance with the total cost method.

The business results for the first six months of 2016 are not necessarily an indication of expected results for the year as a whole. Any irregular expenses occurring in the year are only included or deferred in the interim financial report to the extent that such inclusion or deferral would also be reasonable at the end of the year.

Acciona Windpower's business activities were not included until the date of first-time consolidation on 1 April 2016.

The interim financial statements were prepared in the Group currency, i.e. the euro.

II. Notes on the balance sheet

Current assets

Trade receivables and future receivables from construction contracts were valued at EUR 511,682 thousand as of 30 June 2016 (31 December 2015: EUR 275,466 thousand) including impairments of EUR 1,429 thousand (31 December 2015: EUR 1,781 thousand). The future (gross) receivables from construction contracts were capitalised; the remaining prepayments received of EUR 258,431 thousand (31 December 2015: EUR 268,402 thousand) are reported within other current non-financial liabilities.

Non-current assets

Changes in non-current assets are set out in the statement of changes in property, plant and equipment and intangible assets.

As of 30 June 2016, there were additions from consolidation changes and capital spending of EUR 1,101,318 thousand, while depreciation and amortisation expense came to EUR 207,313 thousand.

The additions resulting from consolidation changes arise from the goodwill of EUR 505,756 thousand from the provisional purchase price allocation for Acciona Windpower and further additions from first-time consolidation of EUR 558,512 thousand. Capital spending primarily entails own work capitalised.

Of the depreciation and amortisation expense, an amount of EUR 162,705 thousand relates to the assets accruing from the first-time consolidation of Acciona Windpower.

Deferred income tax assets primarily comprise unused tax losses which the Company expects to be able to utilise against corporate and trade tax.

Statement of changes in property, plant and equipment and intangible assets

	Historical cost							Closing amount 30.06.2016 EUR thousand
	Initial amount	Additions	First-time consolidation	Disposals	Reclassification	Foreign currency		
	01.01.2016 EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand		
Property, plant and equipment								
Land and buildings	88,785	5,989	63,050	26	-16	-461		157,321
Technical equipment and machinery	123,095	2,515	45,219	150	944	1,098		172,721
Other equipment, operating and business equipment	66,560	9,956	110,928	805	22	1,957		188,618
Prepayments made and assets under construction	2,794	3,420	612	0	-950	-7		5,869
Total property, plant and equipment	281,234	21,880	219,809	981	0	2,587		524,529
Intangible assets								
Goodwill	14,461	0	505,756	0	0	0		520,217
Capitalised development expense	179,522	13,104	154,104	5	0	0		346,725
Other intangible assets	23,994	2,066	184,599	57	0	-221		210,381
Total intangible assets	217,977	15,170	844,459	62	0	-221		1,077,323

	Depreciation/amortisation						Carrying amount		
	Initial amount	Additions	First-time consolidation	Disposals	Reclassification	Foreign currency	Closing amount		
	01.01.2016 EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	30.06.2016 EUR thousand	30.06.2016 EUR thousand	31.12.2015 EUR thousand
Property, plant and equipment									
Land and buildings	36,525	2,199	25,017	0	-3	-611	63,127	94,194	52,260
Technical equipment and machinery	58,949	10,329	12,875	35	0	-175	81,943	90,778	64,146
Other equipment, operating and business equipment	38,504	7,681	69,244	809	3	153	114,776	73,842	28,056
Prepayments made and assets under construction	1,642	0	0	0	0	-18	1,624	4,245	1,152
Total property, plant and equipment	135,620	20,209	107,136	844	0	-651	261,470	263,059	145,614
Intangible assets									
Goodwill	4,501	0	0	0	0	0	4,501	515,716	9,960
Capitalised development expense	68,589	17,476	37,280	0	0	0	123,345	223,380	110,933
Other intangible assets	18,198	6,923	18,289	34	0	-228	43,148	167,233	5,796
Total intangible assets	91,288	24,399	55,569	34	0	-228	170,994	906,329	126,689

Current liabilities

Current liabilities comprise trade payables of EUR 495,722 thousand (31 December 2015: EUR 254,926 thousand) and chiefly also prepayments received of EUR 258,431 thousand (31 December 2015: EUR 268,402 thousand) and current provisions of EUR 132,324 thousand (31 December 2015: EUR 66,491 million). The current bank borrowings of EUR 13,201 thousand (31 December 2015: EUR 6,572 thousand) refer to the short-term utilisation of the loan granted by the European Investment Bank including deferred interest. The corporate bond issued by Nordex SE worth EUR 150,000 thousand was repaid on schedule on 12 April 2016.

Non-current liabilities

Non-current liabilities are composed of deferred income tax liabilities, the non-current portion of provisions and particularly also non-current bank borrowings.

On 6 April 2016, Nordex SE placed a bonded loan worth EUR 550,000 thousand with national and international investors. It primarily utilised the proceeds of the issue to finance the acquisition of Acciona Windpower, meaning that this transaction is funded on a medium and long-term basis. A further part was used to redeem the corporate bond of EUR 150,000 thousand expiring on 12 April 2016. The bonded loan was issued in tranches of three, five, seven and ten years with fixed or variable coupons. Depending on the tranche, the coupon on the issue date is between 1.5% and 3.0%.

In addition, the Company has a long-term facility with the European Investment Bank of up to EUR 100,000 thousand to fund its research and development activities. The loan has a term of eight years from the date on which it is drawn and is repaid in instalments. The borrower is Nordex Energy GmbH, with the main Nordex Group companies holding joint and several liability. As of 30 June 2016, the non-current part of the loan provided by the European Investment Bank including deferred interest was valued at EUR 84,375 thousand (31 December 2015: EUR 43,750 thousand).

In addition, the Nordex Group has a syndicated multi-currency credit facility of EUR 950,000 thousand, which was renewed on 15 December 2015 for five years until 15 December 2020. With the acquisition of Acciona Windpower's portfolio of guarantees, Nordex exercised the option to increase this facility by a further EUR 260,000 thousand to EUR 1,210,000 thousand.

All the facilities are unsecured and provide for identical representations and undertakings.

Moreover, the loan granted by the European Investment Bank and the syndicated multi-currency guarantee facility are subject to uniform financial covenants such as equity ratio, leverage and interest coverage, compliance with which is confirmed in quarterly reports to the banks.

The banks may only terminate the existing facilities for good cause including the breach of the financial covenants.

Equity

Reference should be made to the Nordex Group's statement of changes in equity (see page 21) for a breakdown of the changes in equity.

III. Notes on the income statement

Sales

Sales in the Projects and Service segments break down as follows:

	01.01.- 30.06.2016 EUR thousand	01.01.- 30.06.2015 EUR thousand
Projects	1,369,954	1,008,308
Service	121,215	97,392
Intrasegment consolidation	-7,227	-5,381
Total	1,484,942	1,100,319

Changes in inventories and other own work capitalised

Changes in inventories and other own work capitalised totalled EUR 19,100 thousand in the first six months of 2016 (1 January - 30 June 2015: EUR -16,533 thousand). In addition to an increase of EUR 5,955 thousand in inventories (1 January - 30 June 2015: decline of EUR 28,332 thousand), own work of EUR 13,145 thousand (1 January - 30 June 2015: EUR 11,799 thousand) was capitalised.

Other operating income

Other operating income stems primarily from foreign currency translation.

Cost of materials

The cost of materials stands at EUR 1,129,878 thousand (1 January - 30 June 2015: EUR 847,891 thousand) and comprises the cost of raw materials, supplies and consumables and the cost of services bought.

The cost of raw materials and supplies chiefly includes the cost of components and energy. The cost of services bought includes external freight, order provisions, commission and externally sourced order-handling services.

Personnel expenses

Personnel expenses came to EUR 126,638 thousand in the first six months of 2016, up from EUR 93,382 thousand in the same period of the previous year. Personnel numbers rose by 1,863 over the same period in the previous year from 3,060 to 4,923 as of 30 June 2016. This is chiefly taken over from Acciona Windpower effective 1 April 2016.

Other operating expenses

Other operating expenses are mainly composed of settlement payments to customers, expenses for externally sourced services and legal, consulting, travel, repair, maintenance, rental and IT expenses.

IV. Related parties disclosures

As of the reporting date, Acciona S.A. holds 29.9% of Nordex SE's capital. This makes Nordex SE an associate of Acciona S.A.

The transactions executed with companies in the Acciona Group are set out in the following table:

Related parties	Amount concerned Revenue/ expenses 01.01. - 30.06.2016 EUR thousand	Outstanding balances Receivables (+)/ liabilities (-) 30.06.2016 EUR thousand
Acciona Energia, S.A.	477/513	-700
Acciona Energia Servicios Mexico S. de R.L. de C.V.	404/0	193
Acciona Energy Global Poland Sp. z o.o.	0	282
Acciona Energy India Private Limited	330/0	282
Acciona Facility Services S.A.	0/1,071	-1,159
Acciona Forwarding do Brasil Logistica e Transporte Multimodal S.A.	0	1,163
Ceolica Hispania S.L.	0	-302
Consortio Eolico Chiripa, S.A.	0	362
Oakleaf Investment Holding 86 (Pty)Ltd	0	675
San Roman Wind LLC	20,253/0	1,269
Valdivia Energia Eolica, S.A.	159/0	404
Other Acciona companies	85/304	-556

Jan Klatten, a member of Nordex SE's Supervisory Board, has held a 44.2% share of the Polish wind farm company C&C Wind Sp. z o.o. via momentum infra 1 GmbH, of which he is also managing director, since 2014. The share was acquired by momentum infra 1 GmbH as the most successful bidder in a market-wide tender process. The majority of the shares in momentum infra 1 GmbH are held by momentum-capital Verwaltungsgesellschaft mbH. The Nordex Group also holds 40% of the capital of C&C Wind Sp. z o.o. via Nordex Windpark Beteiligung GmbH. Accordingly, this company is classified as an associate. As in the previous year, there were no business transactions with Mr. Klatten or momentum infra 1 GmbH.

Moreover, the Nordex Group holds a 75% interest in natcon 7 GmbH via Nordex SE. In addition to C&C Wind Sp. z o.o., the two companies KNK Wind GmbH (38.89 %) and GN Renewable Investments S.á.r.l. (30 %) are classified as associates.

The transactions executed are set out in the following table.

Related parties	Amount concerned	Amount concerned	Outstanding balances Receivables	Outstanding balances Receivables
	Revenue/ expenses	Revenue/ expenses	(+)/ liabilities (-)	(+)/ liabilities (-)
	01.01. - 30.06.2016	01.01. - 30.06.2015	30.06.2016	30.06.2015
	EUR thousand	EUR thousand	EUR thousand	EUR thousand
C&C Wind Sp. z o.o.	428/0	23,667/0	12,123	-607
GN Renewable Investments S.á.r.l.	30/0	66/0	3,352	5,494
KNK Wind GmbH	0/0	95/0	3,773	3,537
natcon7 GmbH	0/6,585	0/3,576	-2,601	-2,184

V. Group segment report

The Nordex Group is engaged in the development, production, servicing and marketing of wind power systems. In addition to development and production, it provides preliminary project development services to support marketing, acquires rights and creates the infrastructure required to construct wind power systems at suitable locations. The Nordex Group is essentially a single-product company.

Reflecting the type of business activities, the reportable segments are thus divided into Projects and Service. The prices of deliveries between the individual segments are determined on an arm's length basis. Segment reporting is based on the accounting and measurement principles applied to the consolidated financial statements and follows the internal reports submitted to the chief operating decision maker. Nordex SE's Management Board has been identified as the chief operating decision maker.

Group segment report

	Projects		Service		Not allocated	
	H1/2016	H1/2015	H1/2016	H1/2015	H1/2016	H1/2015
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Sales	1,369,954	1,008,308	121,215	97,392	0	0
Changes in inventories and other own work capitalised	20,803	-16,749	-1,703	216	0	0
Cost of materials	-1,090,154	-813,007	-46,951	-40,265	0	0
Other income and expenses	-226,215	-128,035	-54,994	-46,319	0	0
Earnings before interest and taxes (EBIT)	74,388	50,517	17,567	11,024	0	0
Interest income	0	0	0	0	2,419	1,247
Interest expenses	0	0	0	0	-17,398	-10,989

	Consolidation		Group total	
	H1/2016	H1/2015	H1/2016	H1/2015
	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Sales	-7,227	-5,381	1,483,942	1,100,319
Changes in inventories and other own work capitalised	0	0	19,100	-16,533
Cost of materials	7,227	5,381	-1,129,878	-847,891
Other income and expenses	0	0	-281,209	-174,354
Earnings before interest and taxes (EBIT)	0	0	91,955	61,541
Interest income	0	0	2,419	1,247
Interest expenses	0	0	-17,398	-10,989

VI. Responsibility statement in accordance with Section 37y in connection with Section 37w (2) No. 3 of the German Securities Trading Act

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements for the first six months as of 30 June 2016 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in accordance with German accepted accounting principles, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Hamburg, July 2016



Lars Bondo Krogsgaard
Chief Executive Officer



José Luis Blanco Diéguez
Management Board



Bernard Schäferbarthold
Management Board



Patxi Landa
Management Board

Calendar of events in 2016

28 July 2016	Interim report for the first half-year 2016 Telephone conference
10 November 2016	Interim report for the third quarter of 2016 Telephone conference

Statutory disclosures

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Disclaimer

This interim report contains forward-looking statements which refer to general economic trends as well as the Nordex Group's business performance and its net assets, financial condition and results of operations. Forward-looking statements are not statements describing past facts and may be used in connection with words such as "believe", "estimate", "anticipate", "plan", "predict", "may", "hope", "can", "will", "should", "expect", "intend", "is designed to", "with the intent", "potential" and similar terms. Forward-looking statements are based on the Company's current plans, estimates, forecasts and expectations and are therefore subject to risks and uncertainty, as a result of which actual performance or the income and sales achieved may differ significantly from the trends, income or sales expressly or implicitly reflected in the forward-looking statements. Readers of this interim report are expressly asked to note that they should not place any undue confidence in these forward-looking statements, which are valid only as of the date of this interim report. Nordex SE does not intend to and assumes no obligation to update the forward-looking statements. The interim financial statements and the interim management report have not been audited or reviewed by independent auditors.