

GLOSSARY



Azimuth system	Adjustment system to position the nacelle in the horizontal plane to ensure that the rotor is always exactly facing the direction from which the wind is coming.
Capacity factor	Theoretical number of hours per year in which a wind power system is able to operate at full load at a given location
Cash flow	Cash flow is a business parameter defining the net inflow of cash and cash equivalents from sales and other operating activities in a given period. It is used to assess a company's financial health.
Certification	Wind turbines are certified according to certain guidelines to ensure that they are constructed correctly and can be operated safely. In Germany, Germanische Lloyd (GL) and TÜV Nord are the certifying agents.
Corporate governance	The German corporate governance government commission devised a code in 2002 comprising nationally and internationally acknowledged standards for fair and responsible corporate governance. Under Section 161 of the German Stock Corporations Act, all listed companies are required to disclose a declaration of conformity.
EBIT	Earnings before interest and tax.
Emission trade	Trade in certificates permitting the emission of a certain quantity of a hazardous substances (in this case, carbon dioxide). One of the tools of climate policy combining government intervention and market instruments.

Equity ratio	Proportion of equity in total assets. Is considered to be the benchmark for determining the intrinsic value of a company's assets in the balance sheet.
Free float	Refers to all the shares issued by a company which are freely traded in the market and not held by strategic or financial investors on a long-term basis.
Full-load hours	The yield of a turbine depends on the wind speed. Turbines achieve their maximum output at wind speeds of between 13 and 15 m/s. The number of theoretical full-load hours per year characterizes the quality of wind-farm sites. These range from 1,800 (Germany) to 2,900 hours (UK).
Generator	The generator of a wind power system converts mechanical energy into electrical energy.
Gross domestic product (GDP)	Benchmark for the economic performance of an economy. The GDP states all newly available goods and services at their current market prices produced in the country by nationals and non-nationals within one year.
GWEC	Global Wind Energy Council
Kilowatt	Measures energy per time unit, expressed in watts. One kilowatt equals 1,000 watts.
Margin contribution	Value of an order minus costs of materials related to a project.
Megawatt	One megawatt equals 1,000 kilowatts

Offshore turbines	Turbines operated in coastal waters. Offshore turbines can make use of stronger and steadier wind conditions. On the downside, however, the bases and connections to the grid are more expensive.
Onshore turbines	Turbines located on the mainland.
Partial frequency converter	The converter transforms an alternating current into a direct current and back again. frequency In the case of a double-feed asynchronous system, it is also known as the partial frequency converter as only part of the output is fed to the converter.
Pitch control	Pitch-controlled turbines ensure that the rotor speed remains the same by allowing the pitch of the blades to be adjusted.
POC	Percentage of completion. The method stipulated by international accounting rules for recognizing revenues.
PTC	Production Tax Credit. The PTC guarantees a tax credit on the income tax to be paid in the United States for companies operating wind power systems there.
REA	German Renewable Energies Act. In force since April 1, 2000, it governs the feeding-in of regenerative energy into the German electricity grid. It was extensively amended on January 1, 2009.
Reservation fee	Fees for providing production time windows for projects to be delivered.

Rotor	The rotor of a wind turbine comprises the blades and the hub. Nordex wind turbines always have three blades. The rotor is linked to the mains shaft.
Stock options	Options are derivative financial instruments which entitle the holder to buy or sell securities at a later date at a predefined price.
Tax loss	A tax loss is the total of all losses incurred in past fiscal years which it is not possible to net against profits. These losses can be carried forward to later fiscal years. In tax terms, this involves the intention to offset these losses against profits expected to arise in the future.
TecDAX	Deutsche Börse AG reorganized the German stock market in March 2003, introducing the TecDAX as the new index for the 30 largest technology stocks beneath the DAX 30.
Transmission	The transmission is located between the slow rotor shaft and the fast generator shaft. It ensures that the generator shaft revolves roughly 70 times more quickly than the rotor shaft.
VDMA	Verband Deutscher Maschinen- und Anlagenbau (German Association of Mechanical and Plant Engineering Companies).
Wind farm	Wind farms comprise several wind turbines operated in tandem.
Working capital	The customer's capital used during the realization phase of an order.