



## LETTER TO THE SHAREHOLDERS

### *Dear shareholders and business associates,*

In operating terms, 2008 was another year of records for Nordex. Fueled by the sharp increase in order backlog, the volume of installed capacity increased by almost 60 percent. At the same time, Nordex widened its production output substantially at a double-digit rate, with turbine production in Asia increasing three-fold. Sales and earnings were also up. In the year under review, sales climbed by around 52 percent to EUR 1,136 million, thus slightly exceeding our forecast (EUR 1,100 million). This was accompanied by an increase of around 57 percent in operating earnings to EUR 63 million, i.e. within the expected range of EUR 60 - 66 million. One material reason for this favorable performance was the heightened profitability of the projects executed, something which is reflected in the declining cost-of-materials ratio. Also meriting special mention is the Group's liquidity, which stood at EUR 112 million as of December 31,

2008 and contributed to net financial income. With a tax rate of around 23 percent, earnings per share came to EUR 0.71, i.e. very close to the previous year's level.

In 2008, we were able to maintain or even strengthen our leading position in markets such as the United Kingdom, France and Italy. At the same time, we successfully entered other promising regions including the United States, Sweden and Poland, where new structures were established for our business activities in the year under review.

That said, the slowing momentum of order intake is casting a shadow over the Nordex Group's business. Despite the unabated global demand for wind power systems, less debt capital is being provided for financing new projects. Although financing volumes are still high compared with other industries, they are well below the sector's original expecta-

tions. Against this backdrop, current forecasts assume that global turbine sales will rise only marginally in 2009. This is basically consistent with our own expectations.

We project sales of over EUR 1.2 billion following an increase which will be relatively muted compared with earlier years. Some projects may fail to materialize this year in the event of any further delays in procuring the necessary finance. Still, we expect the wind power industry and, hence, also our own company to return to a strong growth path in the next few years. To be sure, we are preparing for this to avoid missing any opportunities. We will be using 2009 to strengthen our processes and to invest with all due caution in new structures and capacities. In doing so, we will be seeking to keep costs firmly under control to avert all unnecessary strain on the Group. In practical terms, this means that we will be scrutinizing all investment plans and, if necessary, responding with minimum delay. After all, no one can say with any certainty when the financial markets will return to normal.

With stock prices retreating all around the world, 2008 was a disappointing year for all shareholders. Accompanied by particularly pronounced fluctuation, the stocks of companies in the renewable energies sector suffered to a particularly strong degree, a situation from which Nordex was unable to escape, either. I am personally convinced of the favorable medium term outlook for our industry. Accordingly, I see our foremost task in the current environment as steering Nordex safely through the current turbulence and preparing

for the strong growth expected to return in the medium term. At the same time, we are resolutely pursuing a course aimed at enhancing our profitability with the clear goal of unlocking added value for our shareholders. With the staff stock option program implemented last year, more and more of our employees have become shareholders in our Company. In my eyes, this offers a crucial lever for creating a common denominator linking staff motivation and shareholder value. It is our employees with their skills and great dedication who make Nordex a successful company. For this reason, I would like to take this opportunity to thank all of the Nordex team for the work which they performed in 2008.

And to our shareholders I would like to say that our goal is to emerge strengthened from the current turmoil afflicting the markets and to continue the favorable performance of the past few years on an enduring basis. I thank you most sincerely for your confidence and invite you to continue accompanying us on our chosen route.

Yours sincerely,

Thomas Richterich, Chief Executive Officer