HALF YEAR REPORT 2006

NORDEX AG

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NORDEX
We've got the power.

CONTENTS

PREFACE

Dear shareholders,

in the period under review, our Company's operating business continued to grow very favorably. Since January, we have received new orders worth around EUR 400 million. This is 150 % more than in the previous year and exceeds our new business forecasts. In fact, order books have doubled in value to EUR 410 million. This does not include contracts for projects which, for example, have not yet been approved in full and are therefore not counted. These "conditional orders" had a volume of a further EUR 470 million or so as at June 2006. As a result, full capacity utilization is assured until autumn 2007.

We have been consistently operating at full capacity utilization since the end of 2005. This is also the main reason for our improved earnings situation. With an operating margin of 3 % and net profit of EUR 3.7 million in the first half of 2006, we are fully on track to meeting our full-year forecasts. Yet our goals go beyond this. We consider a margin of 5–10 % to be achievable in 2008. Assuming that demand remains as robust as it has been, we should be able to reach the upper end of this range and achieve a business volume of around EUR 1 billion. At the moment, our business is being buoyed by the rising costs of fossil fuels, which are making wind power an increasingly competitive alternative. At the same time, we are seeing a rise in the number of countries which are creating reliable conditions for investment in wind farms. However, some degree of uncertainty will arise in the United States after 2007. Although Nordex is currently not engaged in the United States, this crucial market impacts the overall state of our industry.

Nordex plans to grow by around 50 % this year and next. As a result, 2007 will be the third consecutive year in which we grow more quickly than the market. That said, we do not want to widen market share everywhere but only in our key markets, namely Western Europe (e.g. France, the United Kingdom and Italy) and Asia (e.g. China, Japan). The strategies forged in 2005 and 2006 to open up new markets are already unleashing their effects. The next step will be for our production facilities in Rostock and China to be additionally extended. The financial resources required to achieve this were gained in the equity issue of May 2006. At the same time, our creditor banks have increased their facilities to cover the growing financial requirements of our operating business. As a result, we have also reinforced the financial basis for our growth course. Still, the availability of core components (e. g. gearboxes and generators) which we source externally remains a challenge. However, many suppliers are now investing in new facilities. As well as this, we have reduced our dependency on external supplies by increasing internal content of rotor blade production.

Yours sincerely

Thomas Richterich
Chief Executive Officer

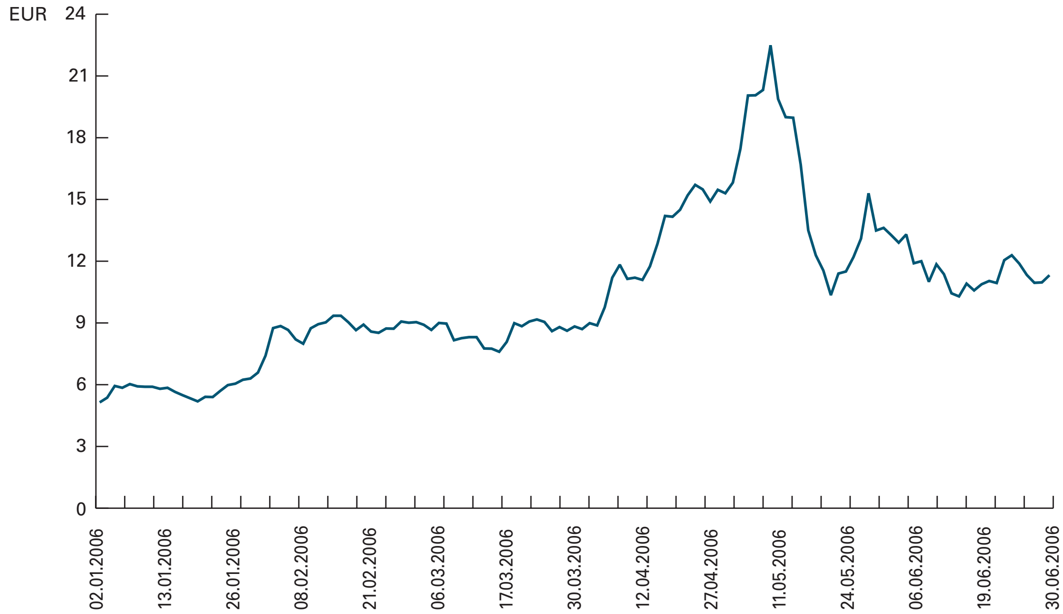
STOCK PERFORMANCE

In the period under review, Nordex stock generally performed well, advancing by around 120 % to EUR 11.32 between the beginning of January and June 30, 2006. On May 10, the stock posted a sharp gain, propelling it to over EUR 22, on the strength of an upbeat news flow in conjunction with low trading volumes. After the announcement of an equity issue, the stock retreated considerably at the end of May. How-ever, this coincided with selling pressure afflicting the market as a whole on fears of rising US interest rates. The inclusion of the stock in the TecDAX on June 9 stabilized the situation. With the free float widened to around 34 %, trading volumes and volatility subsided.

Nordex AG received fresh capital of around EUR 70.4 million (net of transaction costs) from the equity issue and will be using this to finance future growth. Spurred by substantially stronger demand, the Company plans to widen its business volumes to around EUR 1 billion by 2008. The successful completion of the equity issue also prompted analysts to increasingly recommend Nordex stock as a buy. Generally speaking, however, the stock is not yet receiving sufficient attention from the capital market. For this reason, investor relations activities are aimed at intensifying contacts with sector analysts. In this connection, three road shows were organized in the second quarter alone.

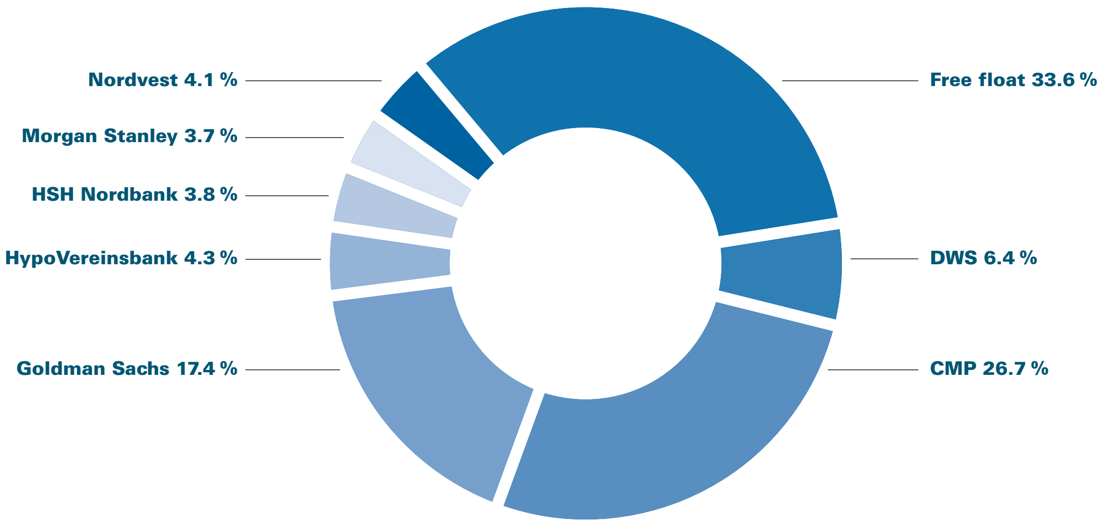
Thanks to its strong performance, Nordex stock is included in several indices. In addition to the TecDAX, which comprises the 30 largest technology stocks beneath the DAX, the IMPAX ET50 is of importance: This is a benchmark portfolio assembled by London fund company IMPAX with tracks the 50 most important regenerative stocks.

STOCK PERFORMANCE BETWEEN JANUARY 1 AND JUNE 30, 2006



STOCK PERFORMANCE

SHAREHOLDER STRUCTURE



MARKET TRENDS

This year has seen a continuation of the strong demand for wind turbines. In the United States, new capacity is expected to exceed 3,000 MW (AWEA), thus marking a further record in 2006. Even in the German market, which had recently been contracting slightly, more turbines were installed in the first half of the year than in the same period one year earlier. This favorable trend is being materially spurred by the heightened competitiveness of electricity generated from wind power due to the high prices of fossil fuels. Thus, for example, the price of oil rose by another 27 % to around US$ 74 per barrel in the first half of the year.

On top of this, more and more countries are creating the necessary basis for sustained investment in wind power. In Ireland, for example, a fixed-price system for the remuneration of wind power was introduced on June 1, 2006 and guarantees operators a fee of up to 5.9 cents per kilowatt/hour. In Ontario, Canada, a rate of no less than 7.7 cents was set. Meanwhile, the existing grid feed-in legislation in France is being amended to remove the provision which lowers the rates as soon as a capacity of at least 1,500 MW has been installed on a nation-wide level. The offshore rate is to rise to 13 cents but will remain unchanged at 8.2 cents for non-coastal regions. All in all, the government has confirmed its ambitious goal of placing at least 5,000 MW in the national grid by 2010 (end of 2005: 775 MW).

A similar situation applies in the United Kingdom: On July 13, the Blair government published an energy review in which it reaffirmed its goal of ensuring that at least 20 % of the electricity fed into the national grid comes from renewable sources in 2010. Statements made by US President Bush indicating that the share of wind-powered electricity in the United States is to be widened to 20 % have also encouraged investment activity. Today, wind turbines cover only around 0.6 % of US electricity requirements. In the medium term, however, US demand could be adversely affected by two factors: A delay in the renewal of the production tax credit (PTC) system beyond 2007 and a further increase in the price of wind turbines, which would exert pressure on operators' margins. That said, experts assume that the PTC system will be renewed in 2007 and that prices will not grow as quickly.

A further key trend emerging in the past few years, namely heightened demand on the part of utilities and independent power producers, has also continued. Indeed, they now account for roughly 50 % of the new customers. In contrast to straight project developers, they are interested in achieving a steady cash flow from their wind parks. They attach key importance to low total ownership costs over the entire turbine life cycle and no longer focus solely on the initial purchase costs. This is reflected in the strong demand for extensively tested, reliable series products and also explains why the trend towards ever larger turbines has lost momentum in the mature markets.

KEY FINANCIALS AS OF JUNE 30, 2006

	As of 6/30/2006	As of 6/30/2005	Change
Order receipts	400	158	+ 153 %
Sales	252	105	+ 140 %
EBIT	7.6	– 11.4	+ 167 %
Personnel	787	697	+ 13 %

BUSINESS PERFORMANCE

Nordex's new business widened by around 150 % in the first six months of 2006. As of June 30, 2006, order receipts were valued at EUR 400 million (previous year: EUR 158 million). New business in the second quarter of EUR 140 million matched expectations. The strong order intake is particularly being underpinned by brisk international demand. Roughly 80 % of new orders came from outside Germany (previous year: 43 %), with France (EUR 195 million) proving to be the most important single market. It was followed by the United Kingdom (EUR 80 million), Germany, Italy and markets in the Far East. A further key trend is the growing concentration of demand for N80/N90 turbines (2.3 and 2.5 MW respectively). Around 77 % of the new orders are for projects involving this series (previous year: 47 %).

Order books have more than doubled in value, standing at around EUR 410 million as of June 30, 2006 (previous year: EUR 192 million). This figure only includes projects which are firm with respect to the sales contract, building permit and financial backing and for which an advance payment has been received. In addition, the Group had contingent orders (i. e. generally orders for which the purchase contract has been signed) valued at another EUR 470 million or so.

Backed by the strong order intake and improved production flow, sales in the first half of the year surged by 140 % to EUR 252 million (previous year: EUR 105 million). Whereas production was operating at below full capacity utilization at times in the previous year, maximum utilization was achieved consistently during the period under review. Thus, turbine assembly output rose by 220 % to 284 MW (previous year: 89 MW). At the same time, there was a 100 % increase in rotor blade production to 145 blades (previous year: 72) accompanied by a growing move towards larger blades. The introduction of a third shift made a key contribution to increased rotor blade production.

TURBINE ENGINEERING SALES BY REGION

	1–6/2006	1–6/2005
Germany	19 %	47 %
Western Europe	77 %	52 %
Asia	4 %	1 %

TURBINE ENGINEERING SALES BY TURBINE TYPE

	1–6/2006	1–6/2005
N80/N90	75 %	71 %
S70/S77	15 %	28 %
N60/N62	10 %	1 %

Roughly 94 % of sales were generated by turbine engineering and around 6% by after-sales service. Turbine engineering was dominated by export business. Whereas domestic German sales remained steady, there was a sharp increase in foreign business, with the share of exports widening to 81 % (previous year: 53 %). Europe excluding Germany accounted for an overwhelming 77 % (previous year: 52 %). The most important markets here were France (EUR 147 million), Portugal (EUR 15 million) and Spain (EUR 12 million). Roughly 4 % of sales came from Asia (China). Broken down by series, the N80/N90 continues to dominate with a share of 75 %. As a result of a large Spanish order received for the N60/N62 series, the proportion of 1.3 MW turbines widened to 10% again.

Earnings situation

Earnings before interest and tax surged by 167 % to EUR 7.6 million (previous year: loss of EUR 11.4 million) particularly thanks to the greater capacity utilization. At 3 %, the EBIT margin in the first half of the year reached the full-year target for 2006. The cost-of-materials ratio of around 82 % came under pressure from the high share of low-margin projects which had been accepted prior to recapitalization. At the end of the year, a cost-of-materials ratio of around 80 % should be achieved again thanks to the improved price quality of projects. In the second quarter, the ratio improved by around one percentage point.

BUSINESS PERFORMANCE

On the other hand, the personnel cost ratio dropped to 7.5 % (previous year: 16.3 %), while other operating expenses net of other operating income grew less quickly than overall business volumes.

Net income for the period rose by 127 % to EUR 3.7 million (previous year: net loss of EUR 14.0 million). In this connection, the net income in the second quarter was dragged down by the increase in deferred taxes to EUR 2.2 million caused by exceptional expenses in connection with the May 2006 equity issue and the high share of POC sales from ongoing projects which have not yet been invoiced.

Financial condition and net assets

The Group equity ratio rose to 40 % as of the June 30, 2006 (December 31, 2005: 27 %). This increase was primarily due to the cash issue successfully completed in May 2006 of 5.5 million new shares at a price of around EUR 13 per share. As a result, subscribed capital increased to EUR 64.345 million. In combination with the net income for the period, this caused equity capital to increase by EUR 74.8 million to EUR 138.3 million.

Cash and cash equivalents climbed by EUR 19.5 million to EUR 71.8 million. With bank liabilities standing at only EUR 3.0 million, net liquidity rose to EUR 68.8 million (December 31, 2005: EUR 12.4 million). All in all, current assets rose by 75 % to EUR 262.3 million. A further key factor in this respect was the 30 % increase in inventories to EUR 92.7 million. The increased business volumes as well as sourcing shortfalls made it necessary to stock up on inventories to cover short-term deliveries.

The commencement of work on numerous projects is reflected in trade receivables and future receivables from construction contracts, which rose by 84 % to EUR 79.2 million. This can also be seen in advance payments received, which are carried as current liabilities and which climbed from EUR 16.3 million to EUR 58.9 million. Generally speaking, Nordex requires customers to make an advance payment of around 20 % of the order value upon placing an order. Nordex secures these advance payments by means of bank guarantees, the costs of which are included in net financial result. However, this model has advantages over cash financing of working capital requirements on account of the lower interest rates. Despite the growth in business volumes, the working capital ratio contracted to 13.1 % (previous year: 16.8 %) as of June 30, 2006.

Capital spending

Group capital spending came to EUR 5.9 million in the first half of 2006 (previous year: EUR 4.3 million). Of this, roughly EUR 2.8 million was for additions to property, plant and equipment, particularly machinery as well as office and operating equipment. At EUR 2.5 million, the largest single item again comprised capitalized development costs. Additions to intangible assets came to a total of EUR 2.7 million. As well as this, the Group spent around EUR 0.4 million on an equity interest in China.

Research and development

In the period under review, the engineering concentrated on extensions to the N90/2500 kW range. These particularly entailed a new 100-meter steel tube tower, optimization of the Nordex Control management software for the N90 series as well as the development of a fast prototype version of the N90. In addition, the rotor blade was further optimized (Revision 3) and dynamically tested. The engineering department built a test bed for turbines (including hub simulation).

In preparation of the start of production of the Nordex S70/77 (1,500 kW) in China, work was commenced on the development of a cold climate version (CCV) of this turbine. The reason for this is that most of the projects in China are located in cold climate areas.

OUTLOOK

Personnel

As of June 30, 2006, the Nordex Group had 787 employees, an increase of 13 % over June 30, 2005 (697). Today, Nordex has substantially more employees at international locations and at its production facilities in particular. In the high-growth market of France, roughly 60 % more positions were created and filled. The first-time consolidation of a Chinese subsidiary also resulted in an influx of 26 new employees. At the German production sites, employee numbers rose by 36, while there was a rise of 68 in the number of temporary staff. Working in conjunction with the state-run job center in Rostock, Nordex has launched a training program for new technical staff. This involves courses lasting up to 24 weeks during which job-seekers are trained in accordance with Nordex's specific requirements. At the moment, 53 people are participating in these courses.

In the autumn, a junior management trainee program will be launched. Roughly 200 university graduates have lodged applications. The recruitment phase is being handled by an assessment center and is on the verge of completion. The first of these courses, which will last for around 15 months, is scheduled to commence on October 1, 2006.

At the annual general meeting held in May 2006, the shareholders of Nordex AG approved the creation of Contingent Capital II for a stock option program. Up to 1,000,000 stock subscription rights may be issued to managers at affiliated companies as well as the executives and employees of the Company for the purposes of reinforcing motivating and achieving bonding effects. The Management Board and the Supervisory Board will be making a decision concerning the implementation of the stock option program in autumn 2006.

Outlook

In 2005, Nordex's new installitions climbed by 60 %, meaning that the Company grew more quickly than the market as a whole. Given the strong demand for Nordex wind turbines, it seems reasonable to expect this trend to continue. The Company assumes that business volumes will grow by around 50 % p. a. between 2006 and 2008. This translates into projected sales of around EUR 1 billion in 2008. In this way, Nordex will be able to gradually recapture part of the market share which it lost during the restructuring phase. In 2002, the Group held 7 % of the market.

Looking ahead over the next few years, profitability is also to be improved on a sustained basis primarily thanks to greater capacity utilization. These economies of scale can be illustrated by taking a simple example: A threefold increase in sales results in only a two-fold increase in personnel costs, with this improvement showing up in full on the bottom line. The increase in selling prices of up to 10 % has also unleashed minor positive effects, although these will not show up in sales and earnings in full until 2007. By the same token, however, these effects will be largely reversed by the higher cost of materials. Nordex is attempting to shield itself from the effects of these higher costs by achieving further advances in its earnings improvement program. Thus, the use of materials is to be reduced in individual components by means of changes to the turbine design. One example of this is the substitution of expensive steel segments for cheaper materials in hybrid towers. This year, Nordex is seeking an EBIT margin of 3 %, which should widen step by step to 5–10 % by 2008. Assuming that the strong demand continues, the upper end of this range should be achieved.

FINANCIAL STATEMENTS OF NORDEX GROUP

CONSOLIDATED BALANCE SHEET (IFRS)
as of June 30, 2006

	30/6/2006 EUR 000s	31/12/2005 EUR 000s
Cash and cash equivalents	71,802	19,493
Trade receivables and future receivables from construction contracts	79,205	42,964
Inventories	92,685	71,051
Current financial assets	715	715
Other current assets	17,901	15,552
Current assets	**262,308**	**149,775**
Property, plant and equipment	21,869	21,381
Goodwill	9,960	9,960
Capitalized development costs	11,207	11,273
Other intangible assets	1,643	2,323
Non-current financial assets	9,839	9,773
Other non-current assets	867	867
Deferred tax assets	26,021	26,021
Non-current assets	**81,406**	**81,598**
Assets	**343,714**	**231,373**
Trade payables	67,968	64,063
Provisions for income tax	578	578
Other provisions	54,186	54,823
Other current liabilities	62,667	26,049
Current liabilities	**185,399**	**145,513**
Non-current borrowings	3,020	7,057
Pensions and similar obligations	404	404
Other non-current liabilities	8,079	8,079
Deferred tax liabilities	8,529	6,867
Non-current liabilities	**20,032**	**22,407**
Shareholders' equity	**138,283**	**63,453**
Shareholders' equity and liabilities	**343,714**	**231,373**

FINANCIAL STATEMENTS OF NORDEX GROUP

CONSOLIDATED INCOME STATEMENT (IFRS)

for the periode January 1, 2006 – June 30, 2006

	1/1/2006 – 6/30/2006 EUR 000s	1/1/2005 – 6/30/2005 EUR 000s	4/1/2006 – 6/30/2006 EUR 000s	4/1/2005 – 6/30/2005 EUR 000s
Sales	251,725	104,762	127,007	69,838
Changes in inventories and other own work capitalized	944	1,542	2,850	–4,262
Total revenues	**252,669**	**106,304**	**129,857**	**65,576**
Other operating income	2,288	3,186	979	1,664
Cost of materials	–207,050	–83,042	–105,821	–52,465
Personnel costs	–19,049	–17,307	–9,952	–8,501
Depreciation	–5,856	–5,638	–3,002	–2,851
Other operating expenses	–15,409	–14,941	–8,130	–7,075
Operating profit/loss	**7,593**	**–11,438**	**3,931**	**–3,652**
Net interest expenditure	–1,567	–1,742	–546	–822
Earnings from ordinary activity	**6,026**	**–13,180**	**3,385**	**–4,474**
Income taxes	–2,289	–770	–2,290	–513
Net income/loss	**3,737**	**–13,950**	**1,095**	**–4,987**
Net loss per share*	0.06	–0.28	0.02	–0.10

*) Based on weighted number of shares: 59.740 mn shares in the 1st half of 2006 (previous year 49.448 mn shares), 60.661 mn shares in the 2nd quarter (previous year 50.836 mn shares)

FINANCIAL STATEMENTS OF NORDEX GROUP

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

for the periode January 1, 2006 – June 30, 2006

	1/1/2006 – 6/30/2006 EUR 000s	1/1/2005 – 6/30/2005 EUR 000s
Operating activities:		
Net profit/loss for the year	3,737	– 13,950
+ Depreciation on non-current assets	5,856	5,638
–/+ Decrease/increase in pension provisions	0	0
+/– Increase/decrease in other provisions and tax provisions	– 637	– 3,860
+ Loss from disposal of non-current assets	2	0
–/+ Increase/decrease in inventories	– 21,634	– 3,259
–/+ Increase/decrease in trade receivables and future receivables from construction contracts as well as other assets not assigned to investing or financing activities	– 38,592	– 28,720
+/– Decrease/increase in trade payables and other liabilities not allocated to investing or financing activities	39,776	10,480
+/– Changes in deferred taxes	1,662	436
= Cash flow from operating activities	**– 9,830**	**– 33,235**
Investing activities:		
+ Payments received from the disposal of property, plant and equipment/intangible assets	14	81
+ Payments received from the disposal of financial assets	227	236
– Payments made for investments in property, plant and equipment/intangible assets	– 5,454	– 4,081
– Payments made for investments in financial assets	–453	– 237
= Cash flow from investing activities	**– 5,666**	**– 4,001**
Financing activities:		
+ Payments received on account of capital increase	71,840	69,539
+ Change in current bank loans	– 4,037	– 34,377
= Cash flow from financing activities	**67,803**	**35,162**
Cash change in liquidity	52,307	– 2,074
+ Cash and cash equivalents at the beginning of the period	19,493	9,407
+ Exchange rate-induced change in cash and cash equivalents	2	3
= Cash and cash equivalents at the end of the period (Cash and cash equivalents carried on the face of the consolidated balance sheet)	71,802	7,336

FINANCIAL STATEMENTS OF NORDEX GROUP

CONSOLIDATED STATEMENTS OF EQUITY MOVEMENTS (IFRS)

	Issued capital	Share premium earnings	Other equity components	Foreign currency equalization item	Consolidated net profit/ loss carried forward	Consolida- ted net profit/loss	Total equity
	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s
Balance on January 1, 2006	58,819	16,446	–13,025	427	9,003	– 8,217	63,453
Consolidated net loss for the year for fiscal 2005 added to consolidated net profit/loss carried forward	0	0	0	0	–8,217	8,217	0
Cash capital increase	5,526	66,314	0	0	0	0	71,840
Equity issue costs netted	0	0	– 900	0	0	0	– 900
Exchange rate differences	0	0	0	153	0	0	153
Consolidated net profit for 2006	0	0	0	0	0	3,737	3,737
Balance on June 30, 2006	64,345	82,760	–13,925	580	786	3,737	138,283

	Issued capital	Share premium earnings	Other equity components	Foreign currency equalization item	Consolidated net profit/ loss carried forward	Consolida- ted net profit/loss	Total equity
	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s	EUR 000s
Balance on January 01, 2005	52,050	124,843	–4,664	110	–162,137	–7,712	2,490
Consolidated net loss for the year (stub fiscal year 2004) added to consolidated net profit/loss carried forward	0	0	0	0	–7,712	7,712	0
Withdrawals from share premium account	0	–147,057	0	0	147,057	0	0
Income from capital reduction	– 46,845	0	0	0	46,845	0	0
Capital increase	41,640	0	0	0	0	0	41,640
Provisions from differences from first-time consolidation	0	15,050	–15,050	0	0	0	0
Provisions from netting of IPO costs	0	7,685	–7,685	0	0	0	0
Exchange rate differences	0	0	0	130	0	0	130
Consolidated net loss for 2005	0	0	0	0	0	– 9,525	– 9,525
Balance on June 30, 2005	46,845	521	– 27,399	240	24,053	– 9,525	34,735

FINANCIAL STATEMENTS OF NORDEX GROUP

MOVEMENTS IN NON-CURRENT GROUP ASSETS EXCLUDING DEFERRED TAXES

	Acquisition and production costs				
	Commencing amount 1/1/2006 EUR 000s	Additions EUR 000s	Disposals EUR 000s	Reclassi-fication EUR 000s	Closing balance 6/30/2006 EUR 000s
Property, plant and equipment					
Properties, property-like rights and buildings	16,237	472	0	0	16,709
Technical equipment and machinery	14,508	748	0	0	15,256
Other equipment, operating and business equipment	16,062	1,300	978	0	16,384
Advance payments made and assets under construction	65	269	0	0	334
Total property, plant and equipment	**46,872**	**2,789**	**978**	**0**	**48,683**
Intangible assets					
Goodwill	14,461	0	0	0	14,461
Capitalized development costs	21,497	2,490	0	0	23,987
Other intangible assets	10,533	175	490	0	10,218
Advance payments made	0	0	0	0	0
Total intangible assets	**46,491**	**2,665**	**490**	**0**	**48,666**
Non-current financial assets					
Investments in associates	5,666	408	22	0	6,052
Loans to associates	1,153	0	18	0	1,135
Other loans	2,954	45	187	0	2,812
Total non-current financial assets	**9,773**	**453**	**227**	**0**	**9,999**
Other non-current assets	**867**	**0**	**0**	**0**	**867**
Total non-current assets excluding deferred tax	**104,003**	**5,907**	**1,695**	**0**	**108,215**

FINANCIAL STATEMENTS OF NORDEX GROUP

MOVEMENTS IN NON-CURRENT GROUP ASSETS EXCLUDING DEFERRED TAXES

	Commencing amount 1/1/2006 EUR 000s	Additions EUR 000s	Depreciation Reclassi-fication EUR 000s	Disposals EUR 000s	Closing balance 6/30/2006 EUR 000s	Book value 6/30/2006 EUR 000s	Book value 12/31/2005 EUR 000s
Property, plant and equipment							
Properties, property-like rights and buildings	3,421	326	0	0	3,747	12,962	12,816
Technical equipment and machinery	10,922	976	0	0	11,898	3,358	3,586
Other equipment, operating and business equipment	11,148	992	0	971	11,169	5,215	4,914
Advance payments made and assets under construction	0	0	0	0	0	334	65
Total property, plant and equipment	**25,491**	**2,294**	**0**	**971**	**26,814**	**21,869**	**21,381**
Intangible assets							
Goodwill	4,501	0	0	0	4,501	9,960	9,960
Capitalized development costs	10,224	2,556	0	0	12,780	11,207	11,273
Other intangible assets	8,210	846	0	481	8,575	1,643	2,323
Advance payments made	0	0	0	0	0	0	0
Total intangible assets	**22,935**	**3,402**	**0**	**481**	**25,856**	**22,810**	**23,556**
Non-current financial assets							
Investments in associates	0	160	0	0	160	5,892	5,666
Loans to associates	0	0	0	0	0	1,135	1,153
Other loans	0	0	0	0	0	2,812	2,954
Total non-current financial assets	**0**	**160**	**0**	**0**	**160**	**9,839**	**9,773**
Other non-current assets	**0**	**0**	**0**	**0**	**0**	**867**	**867**
Total non-current assets excluding deferred tax	**48,426**	**5,856**	**0**	**1,452**	**52,830**	**55,385**	**55,577**

NOTES GENERAL

The non-audited consolidated interim financial report issued by Nordex AG and its subsidiaries for the first six months as of June 30, 2006 was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. In this connection, all International Financial Reporting Standards and interpretations of the International Financial Reporting Interpretations Committee binding as of June 30, 2006 were applied.

The accounting principles observed in preparing this interim financial report match those used for the consolidated financial statements as of December 31, 2005. In addition, IAS 34 "Interim Financial Reporting" was applied.

The Group is currently reviewing the possible effects of new and revised standards applicable for reporting periods after December 31, 2006.

Any irregular expenses occurring in the fiscal 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 fiscal year.

This interim financial report must be read in conjunction with the consolidated financial statements for 2005. Unless otherwise stated, the comments made there also apply to the interim financial statements for 2006. The business results for the first six months as of June 30, 2006 are not necessarily an indication of expected results for the year as a whole.

The presentation of the income statement continues to be based on the classification rules prescribed by German accounting law using the cost-of-production method. Contrary to the presentation for fiscal 2005 and also the interim financial reports in 2005, the consolidated interim financial report as of June 30, 2006 does not show exceptional income and expenses as separate items within operating result. In addition, the interim financial report includes other taxes and other operating expenses as separate items. The comparatives for the previous period have been restated accordingly.

NOTES ON BALANCE SHEET

Current assets

Trade receivables as of June 30, 2006 came to EUR 30.3 million (December 31, 2005: EUR 21.8 million). The trade receivables carried as of June 30, 2006 include value adjustments of EUR 5.8 million.

Of the future gross receivables from construction contracts of EUR 280.6 million, advance payments received of EUR 231.7 million were capitalized. In addition, advance payments received of EUR 58.9 million were assigned to other current liabilities.

Inventories increased as of June 30, 2006 primarily due to the procurement of large-scale components for current and impending orders.

Non-current assets

The changes in non-current assets are set out in the appendix to the notes on the interim financial report. As of June 30, 2006, capital spending for fiscal 2006 was valued at EUR 5.9 million, with depreciation coming to the same amount. At EUR 2.5 million, the additions particularly relate to research and development costs.

Deferred tax assets primarily comprise loss carryforwards which the Company expects to be able to deduct from corporate and trade tax liability.

Current liabilities

At EUR 68.0 million, trade payables are EUR 3.9 million higher than on December 31, 2005. Provisions contracted by EUR 0.6 million to EUR 55.2 million and primarily relate to general and individual guarantees in connection with order provisions as well as post-completion costs.

Non-current liabilities

Non-current liabilities declined by EUR 2.4 million over December 31, 2005 to EUR 20.0 million primarily on account of reduced utilization of bank credit facilities.

Shareholders' equity

Shareholders' equity is broken down in the Statement of Equity Movements for Nordex AG.

In May 2006, Nordex issued 5,526,182 new shares using its contingent capital. This cash equity issue resulted in an inflow net of costs of around EUR 70.4 million.

NOTES ON INCOME STATEMENT

Sales

Sales increased over the same period one year earlier from EUR 104.8 million to EUR 251.7 million and break down by region as follows:

	1/1/2006 – 6/30/2006 EUR mn	1/1/2005 – 6/30/2005 EUR mn
Germany	56.4	52.7
Non-Germany	195.3	52.1
Total	251.7	104.8

Changes in inventories and other own work capitalized

Changes in inventories and other own work capitalized totaled EUR 0.9 million in the first six months of 2006. On the one hand, inventories shrank by EUR 1.6 million while, on the other, other own work capitalized materially comprised research and development expenditure of EUR 2.5 million.

Other operating income

Other operating income stems from insurance claims, among other things.

Cost of materials

The cost of materials breaks down as follows:

	1/1/2006 – 6/30/2006 EUR mn	1/1/2005 – 6/30/2005 EUR mn
Cost of raw materials and supplies	176.4	66.3
Cost of services bought	30.7	16.7
	207.1	83.0

The cost of raw materials and supplies also includes the cost of components and energy. The cost of services bought results from external freight, changes in order provisions, commission, externally sourced order-handling services and external staff.

Personnel costs

	1/1/2006 – 6/30/2006 EUR mn	1/1/2005 – 6/30/2005 EUR mn
Wages and salaries	16.0	14.7
Social security and pension and support expenses	3.0	2.6
	19.0	17.3

NOTES ON INCOME STATEMENT

Group employee numbers were as follows:

	As of June 30
Fiscal 2006	787
Fiscal 2005	697
Change	90

Personnel numbers as of June 30, 2006 were up 90 compared with the same period of fiscal 2005.

Other operating expenses

Other operating expenses include travel expenses, legal and consulting costs, rentals and leasing payments.

Net interest expenditure

	1/1/2006–6/30/2006 EUR mn	1/1/2005–6/30/2005 EUR mn
Other interest and similar income	0.3	0.2
Interest and similar expenses	– 1.9	– 1.9
	– 1.6	– 1.7

SEGMENT REPORTING

The Nordex Group is engaged in the development, production and marketing of wind turbines. 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 turbines at suitable locations. The primary reporting segments are geographical as Nordex is essentially a single-product company. For this purpose, Nordex distinguishes between German and non-German business segments. The non-German geographic segment comprises Asia, Europe excluding Germany and the United States. Asian and US business was immaterial in the period under review as well as in the previous year and is not analyzed in any further detail. The following section provides details on segment income, assets and capital spending.

The segment income for the period under review as well as the year-ago period is as follows:

	1/1/2006–6/30/2006 EUR mn	1/1/2005–6/30/2005 EUR mn
Germany	56.4	52.7
Non-Germany	195.3	52.1
	251.7	104.8

Segment assets on June 30, 2006 and on the same date one year earlier were as follows:

	June 30, 2006 EUR 000s	June 30, 2005 EUR 000s
Germany	220,482	135,438
Non-Germany	97,211	55,320
	317,693	190,758

Segment capital spending on June 30, 2006 and on the same date one year earlier was as follows:

	June 30, 2006 EUR 000s	June 30, 2005 EUR 000s
Germany	5,042	3,882
Non-Germany	865	436
	5,907	4,318

MANAGEMENT BODIES/CALENDAR OF EVENTS

Stock and stock options held by members of the Management Board and the Supervisory Board

		Stocks
Carsten Pedersen	COO Sales	99,000 and a further 2.65 million via a 50% holding in Nordvest A/S
Thomas Richterich	Chief Executive Officer	206,829*
Dr. Hansjörg Müller	COO Operations	165,463* plus 2.500
Yves Schmitt	Chairman of the Supervisory Board	182,695**
Jan Klatten	Supervisory Board	1,500,000***
Jens-Peter Schmitt	Supervisory Board	11,250
Dr. Hans Seifert	Supervisory Board	50,000

* dormant sub-participation in financial investors
** indirectly via a share held in CMP GmbH
*** via a subshare held in momentum-Capital GmbH

CALENDAR OF EVENTS

Report on the third quarter of fiscal 2006 with telephone conference

November 23, 2006

Report on fiscal 2006 with press and analyst conference

April 26, 2007

Contact
Nordex AG
Bornbarch 2
22848 Norderstedt

Phone +49 40 500 98 - 100
Fax +49 40 500 98 - 101

Design Heuer & Sachse Werbeagentur GmbH, Paul-Dessau-Straße 3c, 22761 Hamburg
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