



**Absicherung von Windparkprojekten durch  
die Euler Hermes Kreditversicherungs-AG:  
Ansätze und Erfahrungen eines  
international tätigen  
Windturbinenherstellers**



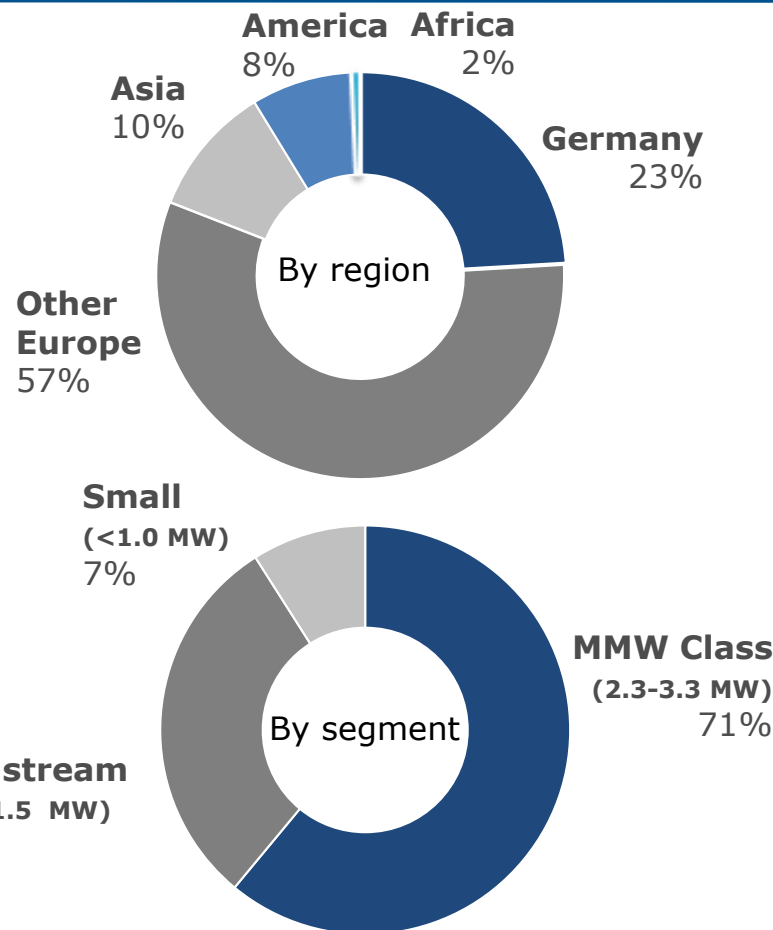
Hamburg  
November, 26th  
2015



## Nordex at a glance

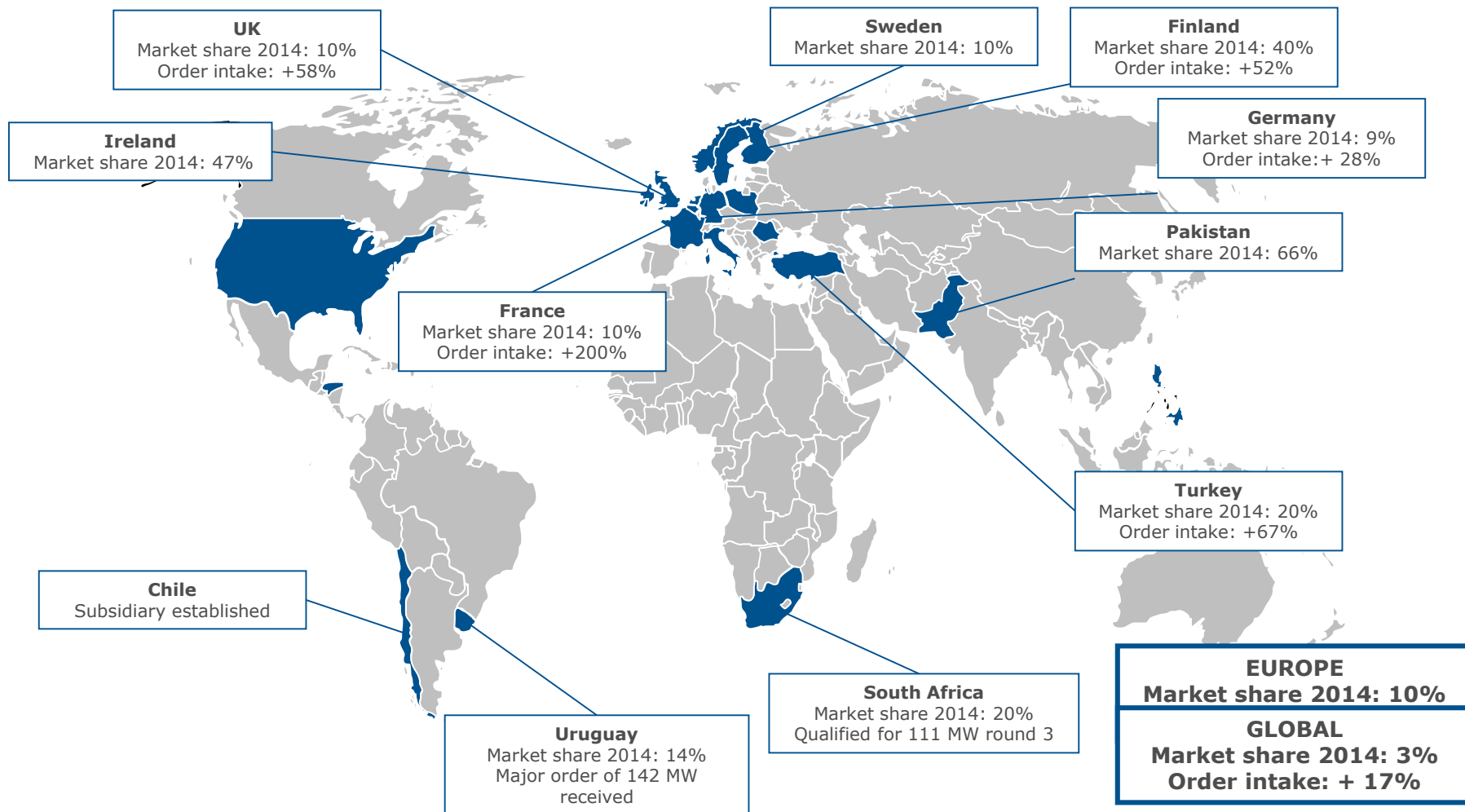
- Global manufacturer of wind energy systems with focus on turbines in the 2-3,3 MW class and a 30-year track record
- Most extensive & consistent use of platform technology in the industry; variants for different wind & climate conditions leveraging shared components
- Production sites in Germany (Rostock – blades and nacelles)
- Headquartered in Germany (Hamburg); subsidiaries in more than 20 other countries
- Listed company in the German TecDax
- Main shareholder Skion/momentum (22.8%), rest is freefloat<sup>1</sup>
- Revenues 2014: EUR 1.74 bn
- ~3,000 employees as of 06/2015
- Track record as of 1/2015: >6,000 turbines and >10,700 MW in 32 countries worldwide

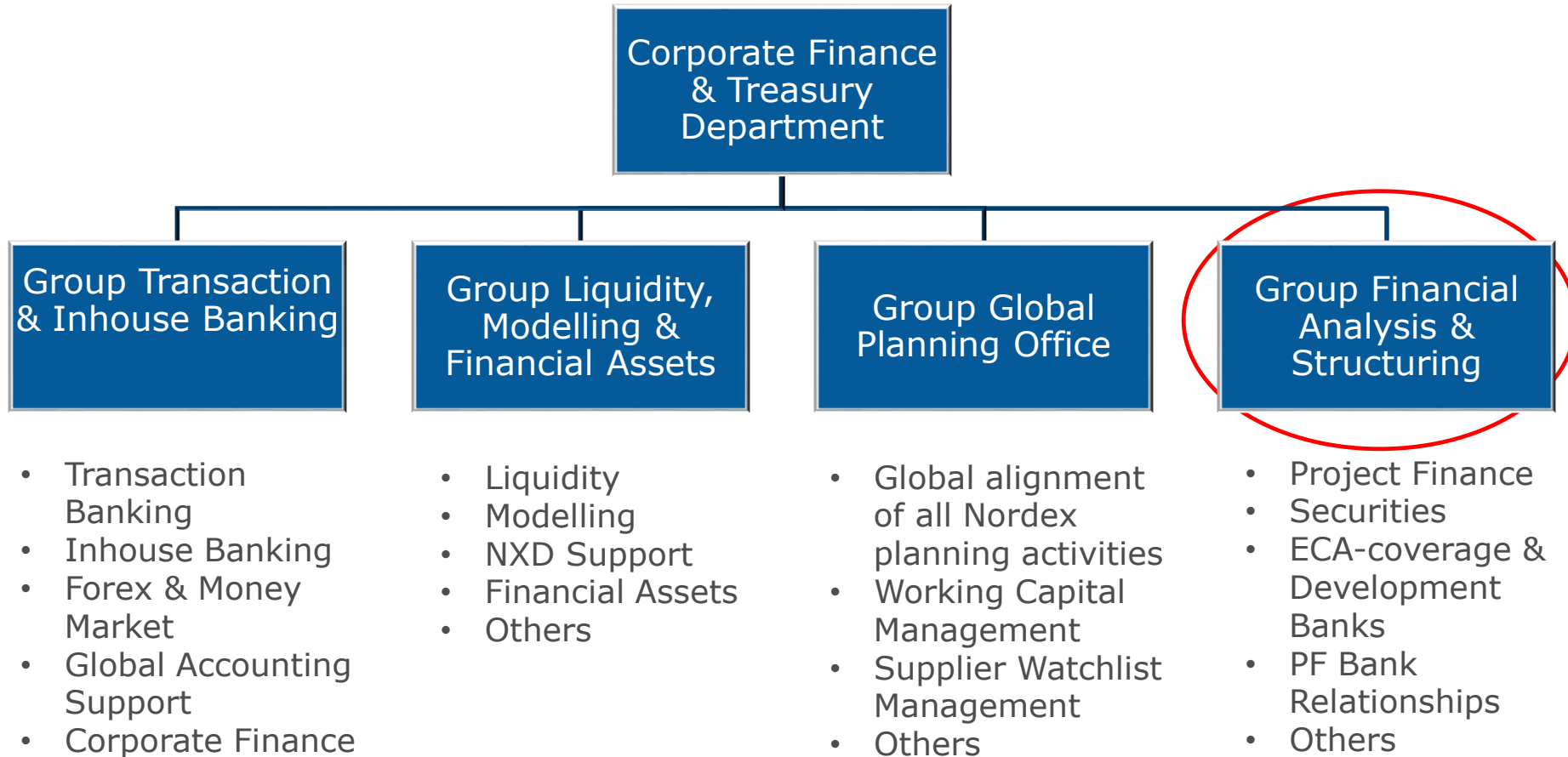
## Installed capacity (10.7 GW)



<sup>1</sup> as of Dec. 2014

## ~20 Focus Markets





- **Nordex Financial Analysis & Structuring (FAS) supports clients looking for project financing solutions**
  - Team of Financial Analysts with multi-year backgrounds in banking or project finance
  - Deep understanding of key drivers and success factors to finance a wind farm project
  
- **FAS participation ensures the bankability of technology and relevant contracts**
  - Works closely with Sales team to anticipate customer needs and assure that contracts fulfill third-party lender expectations
  
- **Nordex FAS has strong relationships with most internationally active project finance banks**
  - Keeping banks up-to-date on Nordex technology
  
- **Analysts have direct access to Euler Hermes (German ECA)**
  - Coverage can result in LT financing (up to 18 years) and very attractive pricing
  - E.H. can cover up to 85% “eligible content” with a minimum 15% Equity
  - Nordex can act as a “door-opener” to out customer’s projects
  
- **Match-making services also available**
  - Can leverage global relationships with existing owner/operators and other investors to the benefit of local developers.

- secure business in emerging markets, like Uruguay or South Africa
- secure business in European countries with a weaker economic environment, and hence not sufficient appetite from commercial banks to finance long-term on a project-finance basis (like Ireland or Italy)
- secure business in markets with a mature financing sector but high interest rate levels, like in Turkey
- optimize its own risk-/return-profile by applying for own coverage („Ausfuhrdeckung“) to join the bank's „Finanzkreditdeckung“. In special cases Nordex even goes for a „Fabrikationsrisikodeckung“ if necessary to further secure the production process
- support its market entries into new focus markets

## The Pampa Project:

- 59 WTG N117/2400 R91 NCV - Turnkey
- Uruguay, Tacuarembó region (Pampa)
- UTE (state-owned utility through Fideicomiso structure – KYC)

Together with the offer Nordex provided Letters of Interest from key banking institutions and ECAs (Euler-Hermes, US Ex-Im Bank)

Customer selected Nordex as preferred supplier for Pampa and requested Nordex' support in obtaining financing

Nordex initiated financing discussions with customer and bank group which had provided indicative financing terms

Customer agreed to terms offered by bank group: BayernLB and KfW-Ipex with Hermes covered Guarantee

Mandate Letter and Term Sheet were executed

Loan Guarantee approval from German Government took only 4 months, and CIRR funding just another month for an amount exceeding the usual limit

## It is important to...

- approach Euler Hermes (together with financing bank) early in the process, at least for more complex and larger transactions
- keep an efficient but regular contact with Euler Hermes and their advisors throughout the process

## Be aware of...

- the higher administrative workload
- the timeline that is needed for the process (including IMA decisions, etc.)
- some countries being at „Category Zero“ or „Category Seven“ levels
- sourcing requirements under OECD Consensus versus potential local content requirements (like in Turkey or Uruguay)
- the additional obligations for exporter from declarations towards Euler Hermes and financing bank (Exporteurerklärung)
- „competition“ amongst ECA's



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