PNE WIND AG

Presentation | August 8, 2011

Results of the first half year 2011

Buchholz wind farm

Agenda

1. PNE WIND AG at a glance

2. Financials & outlook

3. Operative development 1st half of 2011

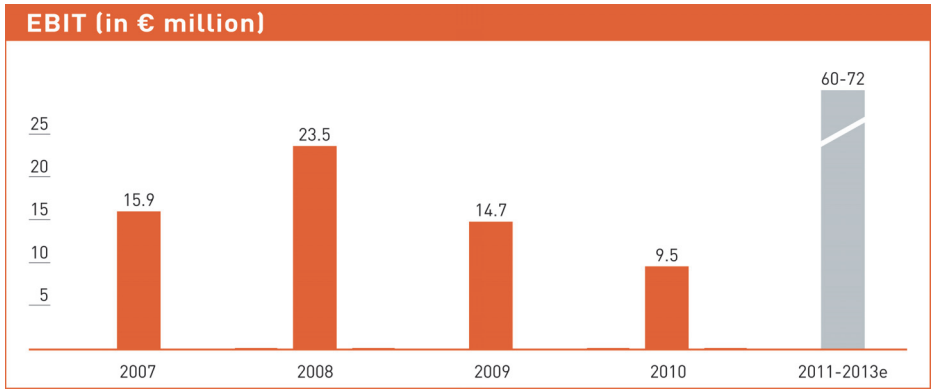
4. PNE WIND AG share

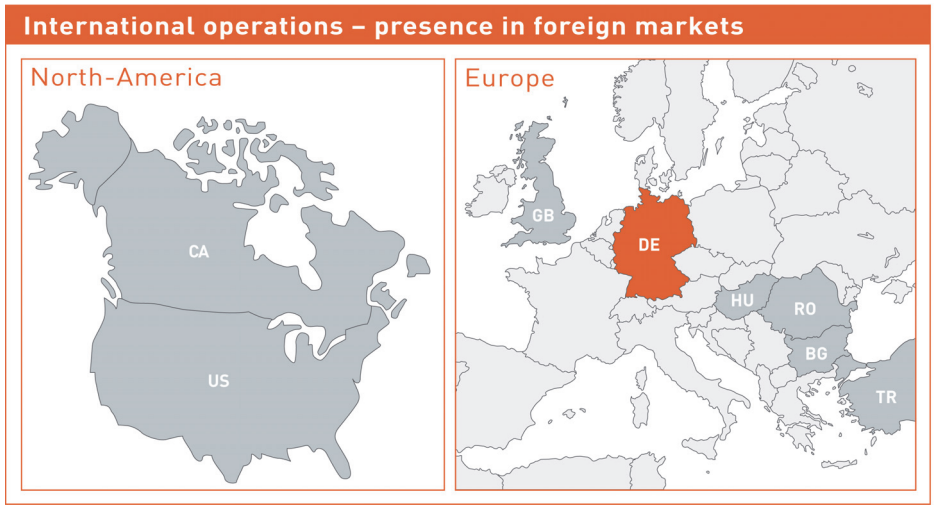
5. Investment highlights

Langwedel wind farm

PNE WIND AG at a glance

Overview





- Development and implementation of wind farm projects in Germany and abroad, both onshore and offshore
- Core competence: development, project planning, implementation and financing of wind farms
- Sale with after-sales technical and commercial support service
- Company based in Cuxhaven, 162 employees as at June 30, 2011
- Cumulative EBIT forecast increased to at least € 60 to 72 million for fiscal years 2011 to 2013

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Financials

Key performance indicators

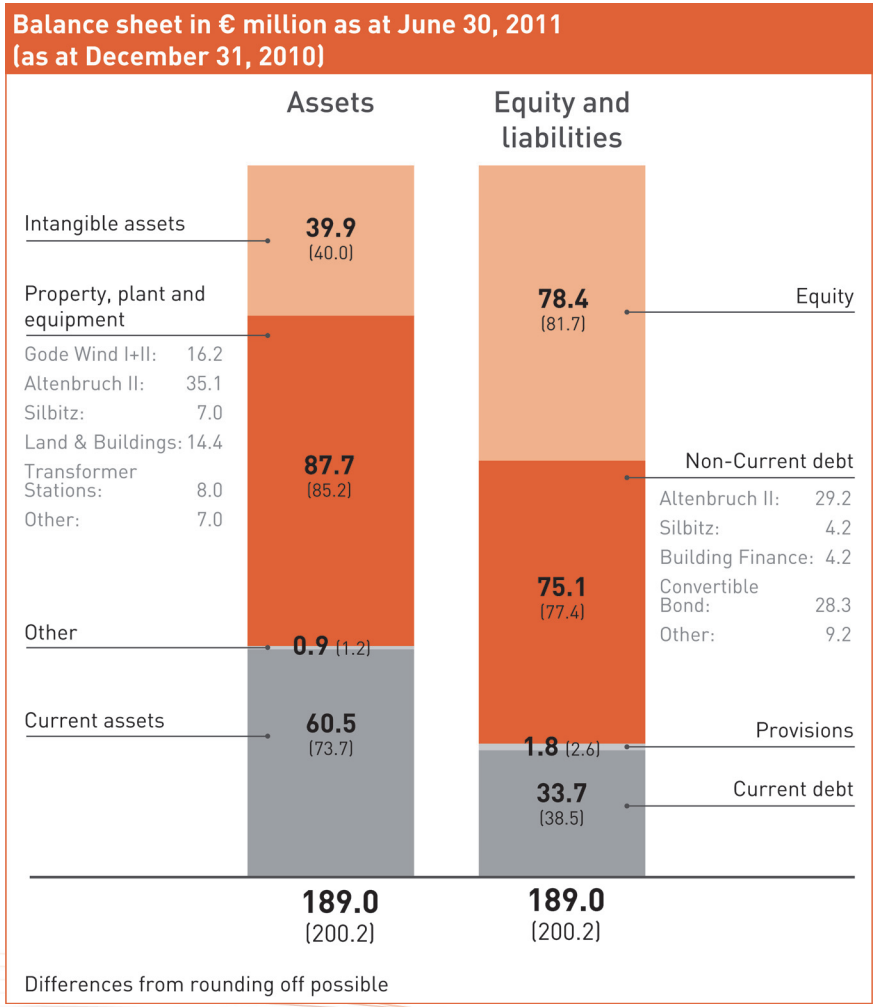
First half year 2011

in € million	Jan. 1 to June 30 2011	Jan. 1 to June 30 2010
Revenue	16.6	41.1
Total operating revenue	**19.9**	**53.6**
Cost of materials	-5.7	-32.3
Personnel expenses	-6.2	-4.9
Other	-7.0	-8.2
EBIT	**0.9**	**8.2**
Interest income	0.7	0.2
Interest and similar expenses	-2.7	-2.4
EBT	**-1.1**	**6.0**
Net income	**-0.8**	**6.0**
EPS (in €)	**-0.02**	**0.13**

- As planned, first half year 2011 below H1 2010 as less wind farms were realized
- Cost of materials strongly reduced due to lower number of wind farms
- Personnel expenses increased due to higher headcount (162 employees), as number of projects increases
- Positive operating result of € 0.9 million, especially due to successful development of offshore projects

Financials

Key balance sheet ratios



- Intangible assets of € 39.9 million mainly consist of company value for the segment wind farm projecting and project rights from the first consolidation of PNE Gode Wind I GmbH
- Equity lower at € 78.4 million, mainly due to dividend distribution for business year 2010 amounting to € 1.8 million
- Equity ratio of about 41 % and strong cash position (€ 36.2 million) form solid foundation for further growth and internationalization

Financials

Cash flow

First half year 2011

in € million	Jan. 1 to June 30 2011	Jan. 1 to June 30 2010
Consolidated net loss/income for the period	-1.2	5.9
Amortization/Depreciation	2.5	2.5
Δ Provisions	-0.8	-0.3
Δ Non-cash expenses/income	-0.2	-11.0
Δ Working capital	6.3	-0.8
Cash flow from operating activities	6.6	-3.7
Cash flow from investing activities	-4.9	-11.4
Cash flow from financing activities	-4.6	-25.0
Cash and cash equivalents – end of period	36.2	51.5

- Cash flow from operating activities positively influenced through milestone payment of „Borkum Riffgrund I“
- Strong fluctuation in working capital is typical for wind farm developers, it varies in relation to project realization and handover of a completed wind farm
- Investments in further development of offshore projects were financed from PNE WIND’s own funds
- Cash flow from financing activities includes credit redemption as well as dividend payments
- Cash and cash equivalents remain high

Financials

Forecast

Financials

- Sustainable level of EBIT anticipated
- In the short and medium term, significant income effecting EBIT from offshore projects
- Cumulative EBIT of at least € 60 to 72 million expected for fiscal years 2011 to 2013

Operative

- Further operational improvement planned in coming years due to extensive pipeline
- Onshore outlook: national and international medium term target of 10,000 MW
- Offshore outlook: medium term target 5,000 MW

Buchholz wind farm

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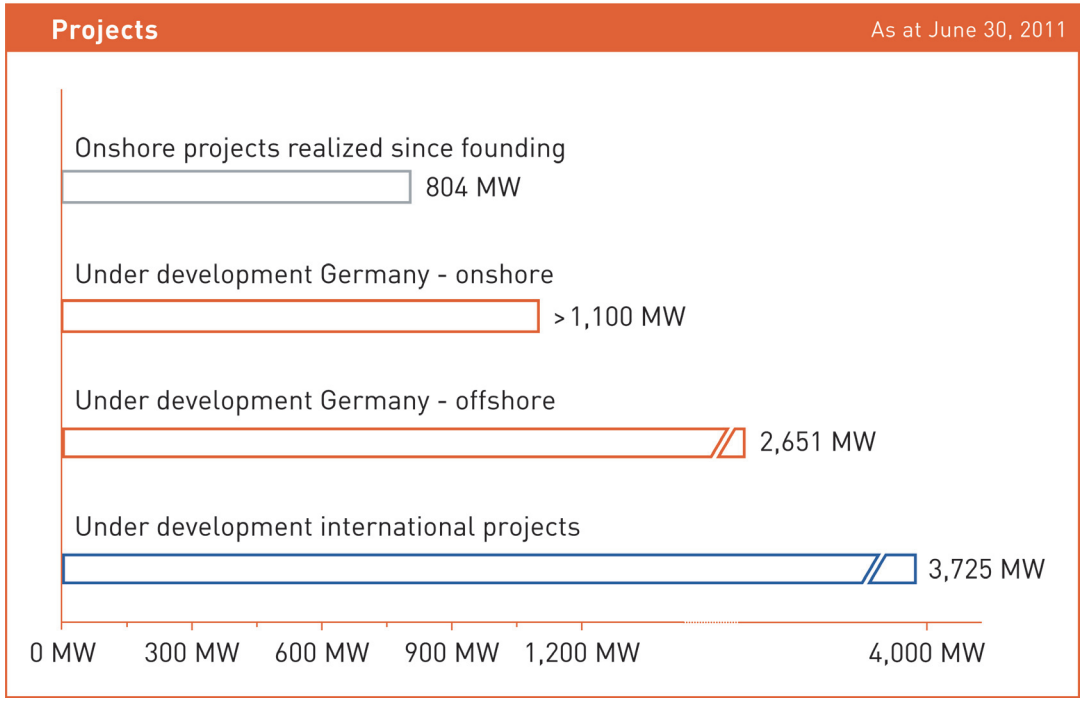
Operative development 1st half of 2011

Project pipeline



Onshore

- National and international total of around 4,800 MW under development

Offshore

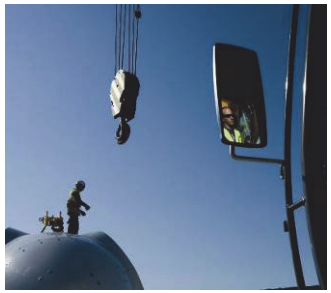
- Projects with total of 2,651 MW currently under development
- Approvals have been granted for around 800 MW
- Offshore business is growth driver of the future

Operative development 1st half of 2011

Wind farm development in Germany (onshore)

Wind farms with total capacity of above 1,100 MW under development

- Overall above 1,100 MW under development as at June 30, 2011
- Approvals required for construction for three wind farms with a nominal output of 20 MW had been obtained
- Additional approvals for construction of onshore wind farms in Germany are expected on short notice



Operative development 1st half of 2011

Current projects – Germany

Offshore projects – Germany

Project	Phase	Location	WT up to	Total MW (up to)	Nominal capacity per turbine
Borkum Riffgrund I *	4	North Sea	77-89 Siemens	277-320	3.6 MW
Borkum Riffgrund II *	3	North Sea	84-96 Siemens	302-346	3.6 MW
Gode Wind I	4	North Sea	77 Vestas	231	3.0 MW
Gode Wind II	4	North Sea	84 Vestas	252	3.0 MW
Gode Wind III	1	North Sea	15 Vestas	105	7.0 MW**
Nemo	2	North Sea	80	480	6.0 MW**
Nautilus	2	North Sea	80	480	6.0 MW**
Jules Vernes	2	North Sea	80	480	6.0 MW**
Total:			589	2,651	

Phase 1 = Project identification phase
Phase 2 = Application conference held
Phase 3 = Hearing held
Phase 4 = Approval granted

* PNE WIND AG acts as service provider
** expected

Operative development 1st half of 2011

Current offshore projects in Germany

Borkum Riffgrund I + II

- PNE WIND AG received next milestone payment of € 6.7 million by DONG Energy for preparation for the construction of “Riffgrund”
- Construction of “Riffgrund I” expected in 2013
- PNE WIND AG acting as service provider
- “Riffgrund II” will be jointly developed

Gode Wind I + II

- PNE WIND AG holds 100% interest in both projects
- Building permit granted by German authorities in August 2006 (Gode Wind I) and July 2009 (Gode Wind II)
- Seabed foundations inspection for all planned wind energy turbines and the transformer station of “Gode Wind II” completed in 2010

Offshore wind farm

Operative development 1st half of 2011

Current offshore projects in Germany

Gode Wind II

- Project Management
  - Financing: Green Giraffe Energy Bankers (debt advisors), Augusta & Co. (equity placement advisors)
  - Other providers: K2 Management A/S (technical advisors), NW Assekuranz (insurance), Watson, Farley & Williams (legal advisors)
- The documentation required for the binding agreement to the grid connection has been submitted in February 2011 to the transmission grid operator TenneT:
  - Supply contract for 84 Vestas type V112 wind energy systems
  - Preliminary contracts for the supply of 84 monopile foundations by MT Højgaard A/S, the internal wind farm cabling by Draka Norsk Kabel AS and the wind farm's transformer station by ALSTOM Grid GmbH
- The binding commitment for the grid connection has been in late June 2011 from TenneT received

Operative development 1st half of 2011

Current offshore projects in Germany

Gode Wind I

- Project
  - Approval granted, further technical development
  - Vestas: wind turbine supplier
  - PNE WIND: Components, transformer station, park design, financing strategy

Gode Wind III

- Project
  - Project identification phase
  - 15 wind turbines possible
  - Reference area for new Vestas offshore turbine (expected: 7 MW)

- Development partnership Vestas / PNE WIND for both projects
  - Based on the successful development of the offshore wind farm “Gode Wind II”
  - Exclusive partnership

Operative development 1st half of 2011

Current projects – international

Onshore projects – international

No.	Country	Number of projects	Area already secured (in ha)	MW up to
1	USA	24	5,671	1,835
2	Canada	7	7,857	525
3	UK	14	5,172	408
4	Turkey	3	---	204
5	Hungary	2	477	84
6	Romania	3	333	244
7	Bulgaria	9	966	425
Total:		62	20,476	3,725

Investment criteria:

- Country credit rating
- Attractive, reliable feed-in system
- Local JV-partner

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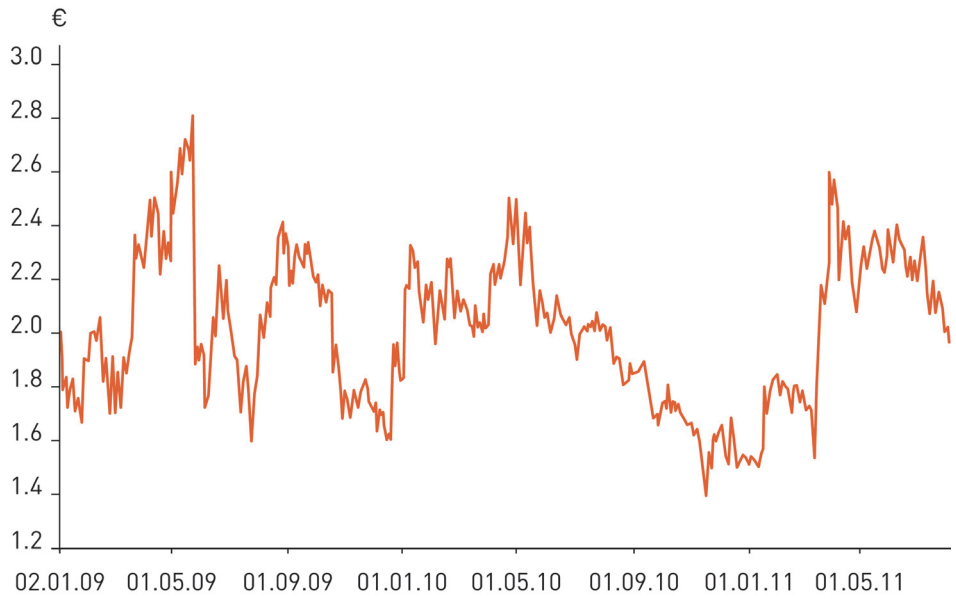
Price and key data

Price performance since Jan. 1, 2009



PNE WIND AG is the largest listed wind-farm developer in Germany

Key data (as at August 1, 2011)

WKN (German Securities Code Number)	AOJBPG
ISIN	DE000A0JBPG2
Number of shares	45,777,960
Market capitalization	€ 92.15 million
Free float	100 %
Market segment	Prime Standard
Indices	HDax, Mid-Cap-Market-Index, CDAX Technology, ÖkoDAX
Designated Sponsors/ Market Maker	Commerzbank VEM Aktienbank Close Brother Seydler Bank
Reuters	PNEGn
Bloomberg	PNE3

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Langwedel wind farm

Investment Highlights

- Successful project developer of wind farms onshore and offshore, nationally and internationally
- Attractive growth opportunity through strong starting position taken in the repowering sector as well as excellent positioning in the offshore sector
- Exclusive partnership with Vestas to realize three offshore wind farms
- Cumulative EBIT of at least € 60 to 72 million expected for fiscal years 2011 to 2013
- Increased expansion of international business activities, particularly in Eastern Europe, the UK and North America
- Preferred development partner to the Forestry Commission Scotland for the development of wind power schemes in Central Scotland

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