

PNE WIND AG

Investor relations presentation

October 1, 2015



1H 2015 – HIGHLIGHTS

- **The first half year 2015 was characterized by –**
 1. the successful sale of PNE WIND UK to Brookfield
 2. the continuation of our on and offshore development activities in Germany and abroad
 3. the continued development of our new YieldCo business model
 4. private placement completed – gross proceeds of EUR 9.5 million
- **99 MW of German onshore projects under construction** – 70 MW at PNE WIND and 29 MW at WKN
- **International activities well underway** – UK business (100%) sold for GBP 103 million of which GBP 40 million has been paid. Projects being prepared for tenders in Poland, South Africa, Turkey
- **Deferral of wind farm sales - initiation of YieldCo – leads to lower revenues at EUR 71.9 million during first half 2015 (prior year EUR 117.9 million)** – Sales in 2015 primarily driven by UK transaction, WKN onshore project sales and electricity generation
- **EBIT at EUR 24.0 million in first half 2015 vs. EUR 2.8 million last year**– UK transaction had a positive EBIT effect of approx. EUR 35 million in 2Q15. Earnings per share at EUR 0.25 (prior year EUR -0.04)
- **Guidance confirmed** – Cumulative EBIT of EUR 110-130 million during the 2014-2016 period – room to increase earnings with realization of YieldCo concept. For 2015, EBIT of EUR 30 to 40 million forecasted

AGM – OVERVIEW

June AGM

AGM held on June 16 ended without resolution effective results

- 4 Supervisory board members would have been dismissed and only 1 member would have been granted discharge from responsibility
- Management board would have been discharged from responsibility
- Change in Supervisory board remuneration received majority support (63%)

Upcoming GM

Upcoming General Meeting will be held on October 23, 2015 in Cuxhaven

- Management Board and Supervisory Board worked effectively to find a solution to the conflicts between individual groups
- All six Supervisory Board members will resign at the end of the General Meeting. CEO Martin Billhardt resigns as of September 30.
- Six new members have been nominated; Dr. Andreas Beyer, Mr. Alexis Fries, Mr. Christoph Groß, Mr. Per Hornung Pedersen, Mr. Andreas Rohardt, Mr. Wilken von Hodenberg
- Resolution to change Supervisory Board remuneration to a fixed amount from a variable system
- Dividend proposal of EUR 0.04 per share

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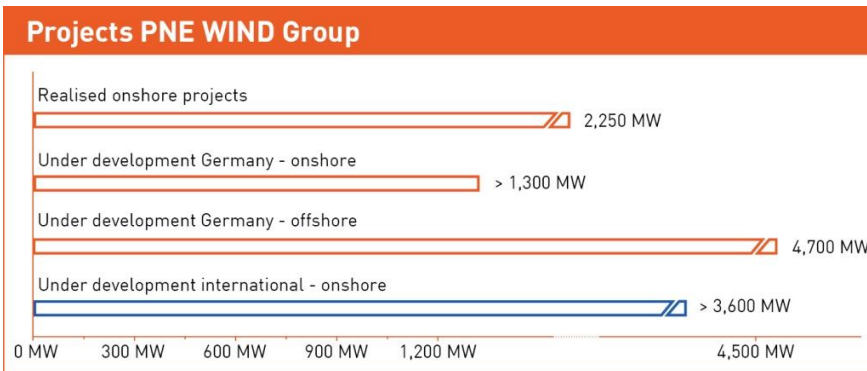
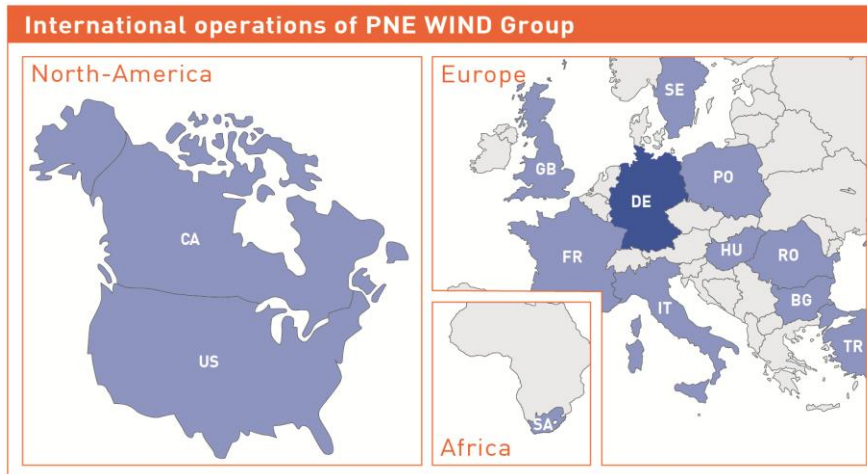
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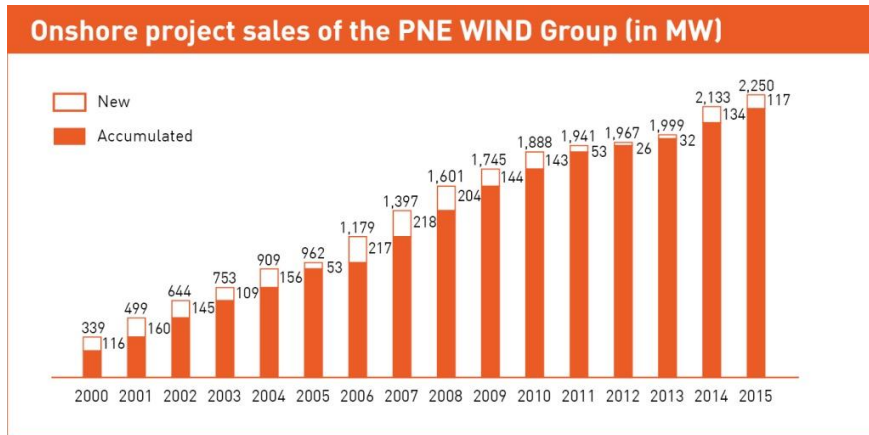


AT A GLANCE

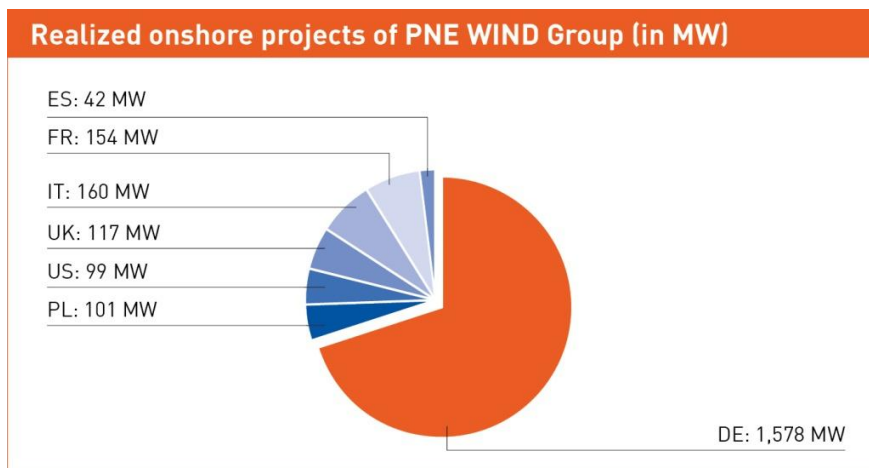


- Development and implementation of wind farm projects in Germany and abroad, both onshore and offshore
- Projects in 13 different countries
- Approx. 380 employees
- Onshore: wind farms with a nominal capacity of approx. 5,000 MW in development
- Offshore: 13 projects with a total nominal capacity of approx. 4,700 MW in development / thereof six own projects
- Operation and Maintenance (O&M) services including commercial and technical management

REFERENCES



- Onshore wind farms or project rights with 2,250 MW in sold
- Projects / project rights successfully sold in the UK, Germany, Italy, Poland, France, US, Spain
- UK pipeline with approx. 1,200 MW (incl. 66 MW option) sold to Brookfield - 117 MW permitted as of 2015
- 7 offshore projects sold with a total nominal capacity of up to 2,061 MW



MANAGEMENT



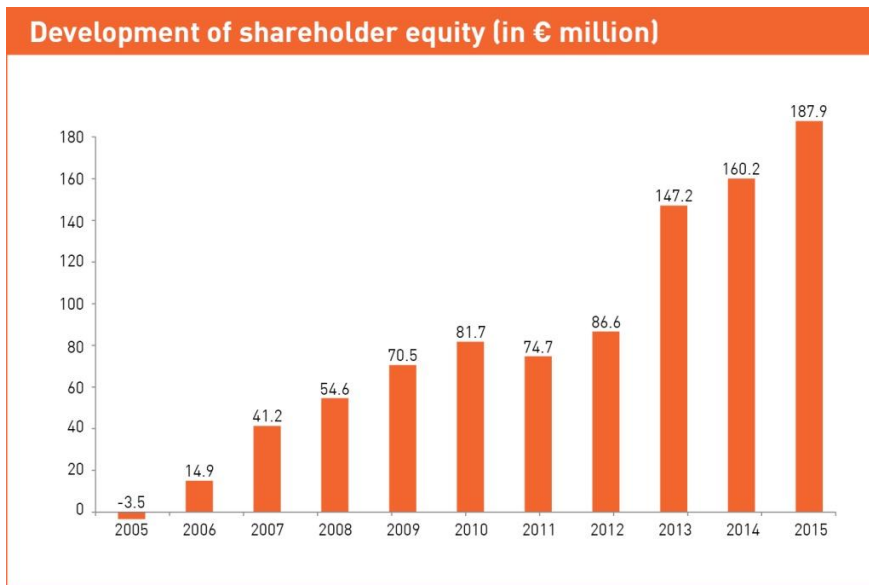
Jörg Klowat
Chief Financial
Officer (CFO)



Markus Lesser
Chief Operating
Officer (COO)

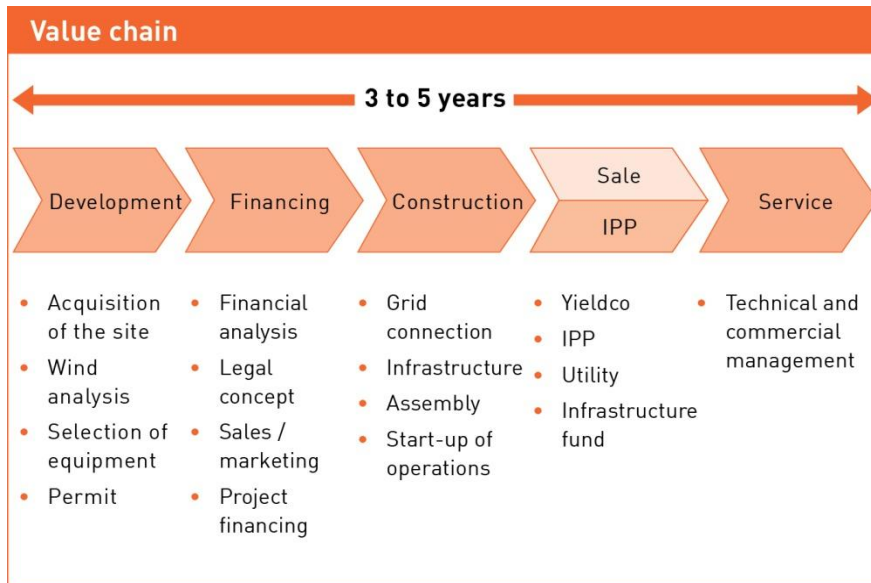
- Experienced management team with many years of sector experience creates a strong foundation for future growth
- Successful track record based on organic and inorganic growth

TRACK RECORD



- Shareholder equity increased to EUR 187.9 million at end of first half of 2015
- Book value per share of EUR 2.45 as at end of first half of 2015

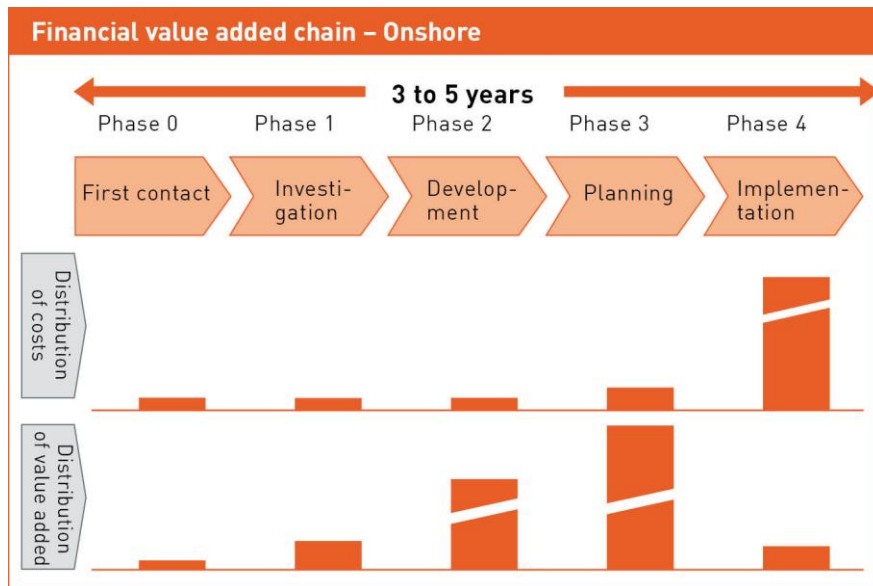
CORE COMPETENCIES



Actual time to develop may take longer, in particular in the international markets

- Development, financing and construction of wind farms
- Direct sales channels to infrastructure funds and utilities
- New sales channel targeted with advent of YieldCo
- After-sales support through commercial and technical management services

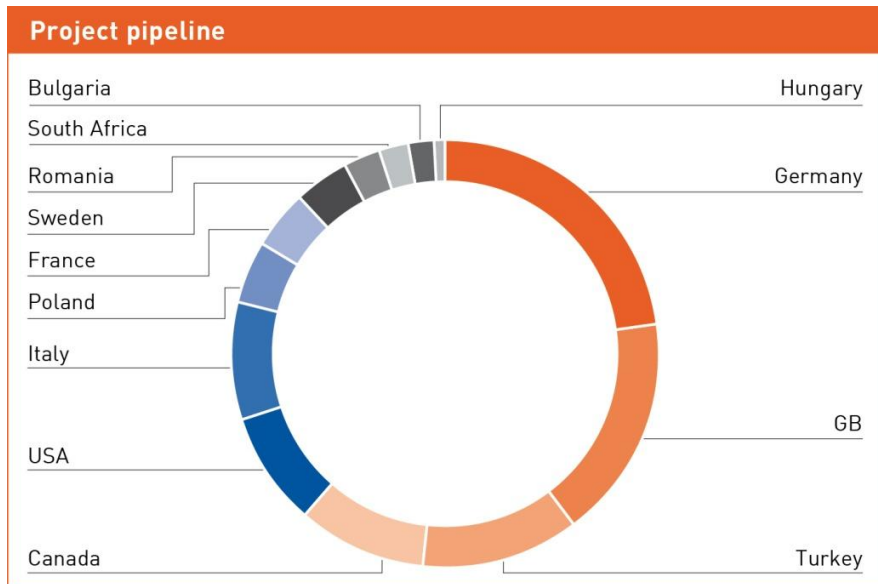
CORE COMPETENCIES



Actual time to develop may take longer, in particular in the international markets

- Key points needed for development
 1. Wind in m/s
 2. Permit
 3. Grid connection
 4. Stable regulatory environment
- PNE WIND generates value especially ahead of implementation phase
- Chance of successful project development increases with each phase of project; capital at risk mirrors this development

ONSHORE PROJECTS



*GB - PNE WIND UK project pipeline sold – milestone payments expected through 2020

- PNE WIND group is present 13 different countries on 3 continents
- International growth markets provide long term perspective
- PNE WIND UK projects are being further developed by Brookfield - milestone payments expected through 2020

PNE ONSHORE PIPELINE

Country*	I-II	III	IV	Total MW
Germany	983	77	70	1,130
Bulgaria	121	0	0	121
Romania	55	102	0	157
Turkey	700	0	0	700
Hungary	0	42	0	42
USA	169	183	0	352
Canada	575	0	0	575
Total	2,603	404	70	3,077

Phase I – II = Exploration & Development Phase III = Planning
Phase IV = Implementation

* as of 30 June 2015

Milestone	2015	2016-2020	Total
UK	GBP 40M	GBP 63M	GBP 103M

- In Germany, Chransdorf (57.6 MW) and Waldfeucht (12 MW) under construction
- In Turkey, cooperation with STEAG developing positively
 1. Pre-licenses for 230 MW of projects submitted
 2. Tender for grid connections expected at year end
- In the USA, construction activities underway to keep eligibility for PTC
- In the UK, transaction with Brookfield completed – for 100% of shares;
 1. GBP 40 million in upfront payments – further GBP 63 million in milestones
 2. 117 MW with planning permission - Tralorg (20 MW) Kennoxhead (64.6 MW) Penbreck (18 MW) Meikle Hill (13.8 MW)
 3. Additional projects in pipeline to trigger milestones through 2020

WKN ONSHORE PIPELINE

Country*	I-II	III	IV	Total MW
Germany	146	44	29	219
Italy	510	0	0	510
France	178	88	0	266
Poland	243	42	0	285
UK	0	66	0	66
South Africa	130	0	0	130
Sweden	240	0	0	240
USA	165	0	0	165
Total	1,612	240	29	1,881

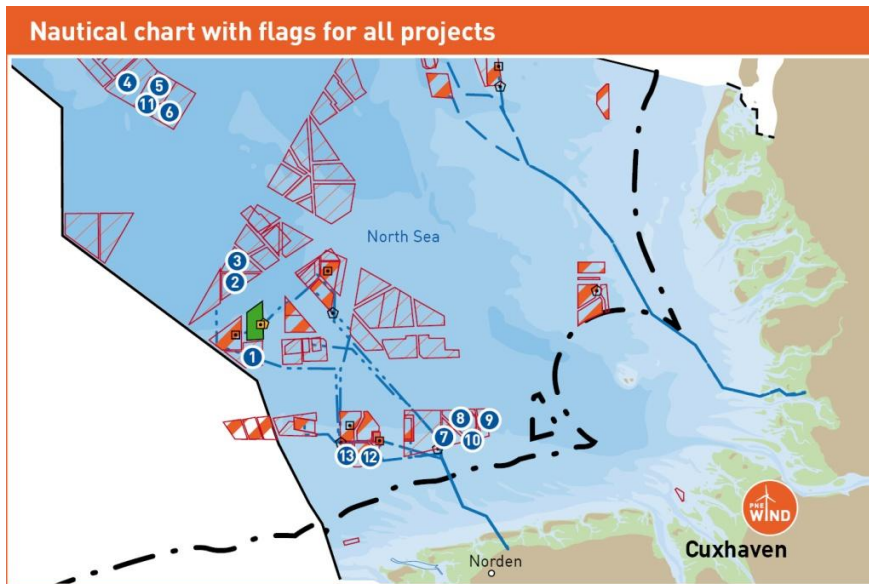
Phase I – II = Exploration & Development Phase III = Planning

Phase IV = Implementation

* as of 30 June 2015

- In Germany,
 1. Looft II (10.2 MW) Siebenbäumen (6.2 MW) Nentzelsrode (6.9 MW) sold to KGAL and CEE in 2014
 2. Apensen II (6 MW) part of YieldCo portfolio
- In the UK, a 66 MW project is awaiting final planning permission – Brookfield has an option to buy the project
- In Poland, a 32 MW project is being prepared for a tender planned in 2016
- In South Africa, a 30 MW project is being prepared for tender in Oct 2015
- In Italy, projects are being prepared for future expected tenders
- In Sweden, the first environmental permit for one project was received in June 2015

OFFSHORE PROJECTS



- | | | | |
|----------------|----------------|-----------------|-------------------------|
| 1 Atlantis I | 5 Nautilus I | 9 Gode Wind 3* | 12 Borkum Riffgrund I* |
| 2 Atlantis II | 6 Jules Verne | 10 Gode Wind 4* | 13 Borkum Riffgrund II* |
| 3 Atlantis III | 7 Gode Wind 1* | 11 Nautilus II* | |
| 4 Nemo | 8 Gode Wind 2* | | |

* Project sold, PNE WIND acts as service provider

- 7 offshore projects sold with a total nominal capacity of up to 2,061 MW
- Borkum Riffgrund and Gode Wind projects sold to DONG Energy – first turbines installed
- Total output of 6 own projects in planning 2,640 MW
- PNE WIND remains as service provider for projects after they have been sold

OFFSHORE PROJECTS

Own Projects	Phase	WEA	Total MW
Nemo	2	80	480
Jules Verne	2	80	480
Nautilus I	2	80	480
Atlantis I	3	80	400
Atlantis II	2	80	400
Atlantis III	2	80	400
Total		480	2,640

Sold Projects	Phase	WEA	Total MW
Borkum Riffgrund I & II	7 / 5	78 + 97	661
Gode Wind 1 & 2	7 / 7	55 + 42	582
Gode Wind 3 & 4	3 / 4	15 + 42	342
HTOD5 (<i>Nautilus II</i>)	2	68	476
Total		397	2,061

Phase 2 = Application conference held

Phase 3 = Hearing held

Phase 4 = Approval granted

Phase 5 = Grid connection

Phase 6 = Investment decision

Phase 7 = Under construction

- Borkum Riffgrund and Gode Wind sold to DONG Energy
 1. Borkum Riffgrund I & Gode Wind 1 & 2 are under construction
 2. From Gode Wind transaction, EUR 129 million received since August 2012 – EUR 25 million in milestone payments still due
 3. Hearing held for Gode Wind 3 in 2014
 4. Borkum Riffgrund II - MHI VESTAS selected as preferred supplier, EUR 7.3 million in milestone payments due
- Atlantis offshore projects acquired in 2013 - hearing held for Atlantis I in 2014
- Grid connection & future offshore developments (tenders) being politically debated

O&M SERVICES



- Operation and Maintenance (O&M) services organized within energy consult GmbH
- Yield optimization and reduction of downtime and operating costs
- Currently wind turbines from AN Bonus / Siemens, DeWind, Enercon, Fuhrländer, Nordex / Südwind, Vestas in care
- Approx. 700 wind turbines with > 1,200 MW of capacity under management

PROFIT & LOSS (IFRS)

- Group sales were primarily generated by the sale of PNE WIND UK, German onshore projects (Siebenbäumen, Looft II, Nentzelsrode) and electricity generation (EUR 5.9 million)
- EBIT at EUR 24.0 million up from EUR 2.8 million last year. UK transaction generated positive EUR 35 million EBIT effect in second quarter
- Net interest expense arises from EUR 100 million corporate bond placed in 2013 (8% coupon) and the EUR 6.6 million convertible bond 2014/19
- Net income increased to EUR 18.4 million up from EUR -2.4 million. EPS of EUR 0.25 up year on year from EUR -0.04
- For the full year, EBIT of EUR 30 to 40 million expected

In EURm	1H2015	1H2014	2014
Sales	71.9	117.9	211.3
Total performance	89.8	134.7	233.9
Cost of materials	-35.6	-105.4	-170.5
Personnel	-13.8	-13.3	-27.0
Depreciation	-3.9	-3.7	-8.5
Others	-12.5	-9.4	-25.2
EBIT	24.0	2.8	2.7
Net interest	-5.9	-5.8	-12.5
Participations	0	0	-5.3
EBT	18.1	-3.0	-15.2
Net income	18.4	-2.4	-13.0
EPS (in EUR)	0.25	-0.04	-0.22
EPS diluted (in EUR)	0.24	-0.04	-0.21

BALANCE SHEET ASSETS (IFRS)

- Property, Plant and Equipment of EUR 62.7 million – main items include technical equipment and land and buildings
- Assets held for sale include Passauer land EUR 11.9 million
- Inventories of EUR 217.9 million include advance payments of EUR 77.8 million and work in progress of EUR 139.9 million represented by
 1. German onshore EUR 42.8 million & offshore EUR 40.8 million
 2. Europe (excl. Germany) EUR 48.8 million
 3. South Africa EUR 3.3 million, US EUR 4.2 million
- Accounts Receivables of EUR 30.0 million include construction contracts for projects under construction
- Cash position of EUR 105.8 million up from EUR 72.2 million at start of year – driven primarily by UK transaction and capital increase

Balance sheet		
in € million as at June 30, 2015 (as at December 31, 2014)		
	Assets	Equity and liabilities
Intangible assets	63.7 (63.9)	
Property, plant and equipment	62.7 (73.6)	187.9 (160.2)
Altenbruch II: 25.0		
Land and Building: 17.1	13.8 (12.3)	
Transformer Station: 11.7	12.7 (1.0)	
Other		
Assets held for sale		144.7 (152.0)
Passauer Land: 11.6		
Inventories	217.9 (152.4)	12.4 (13.5)
Receivables and other assets	30.4 (41.4)	
Cash	105.8 (72.2)	154.7 (91.1)
		7.3 (0.0)
	507.0 (416.8)	507.0 (416.8)
Rounding differences possible		

BALANCE SHEET LIABILITES (IFRS)

- Equity at EUR 187.9 million, equity ratio of 37% – increase driven by net profit of EUR 18.4 million and capital increase – EUR 9.5 million in gross proceeds
- The long term liabilities of EUR 144.7 million - corporate bond 2013/18 (EUR 96.7 million), convertible bond (EUR 6.1 million), project level financing (EUR 19.2 million) and WKN working capital loans (EUR 6.0 million)
- Short term liabilities of EUR 154.7 million - project level financing of (EUR 75.8 million) WKN credit line (EUR 20.0 million), accounts payable (EUR 19.5 million), deferred revenues (EUR 12.3 million)
- Net debt totaled EUR 137.6 million up from EUR 115.0 million as at December 31, 2014
- Total project level financing at EUR 100.6 million up from EUR 43.1 million as at December 31, 2014

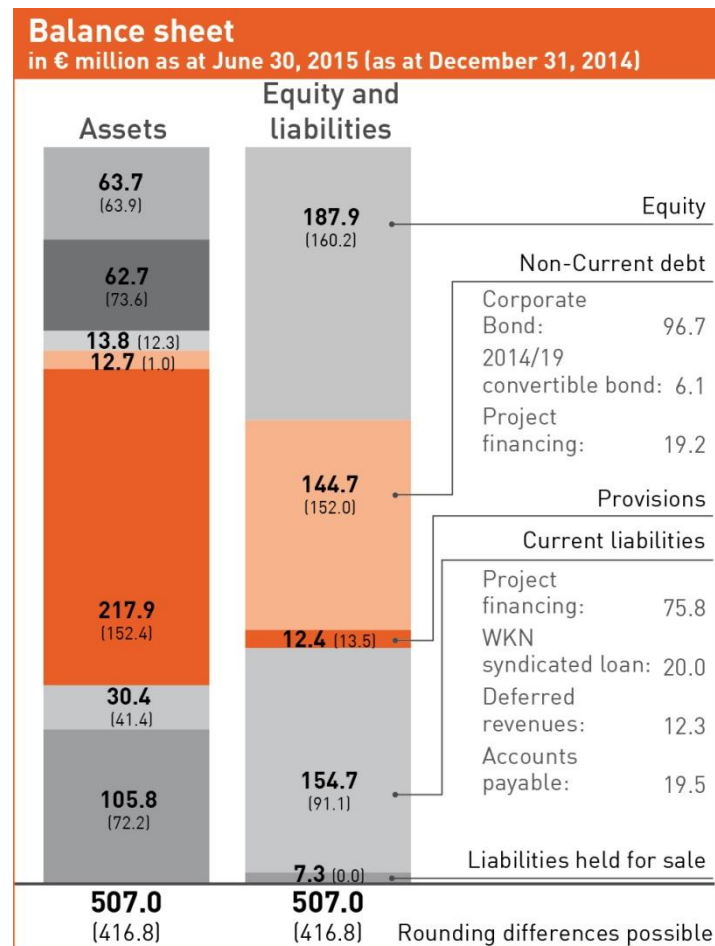


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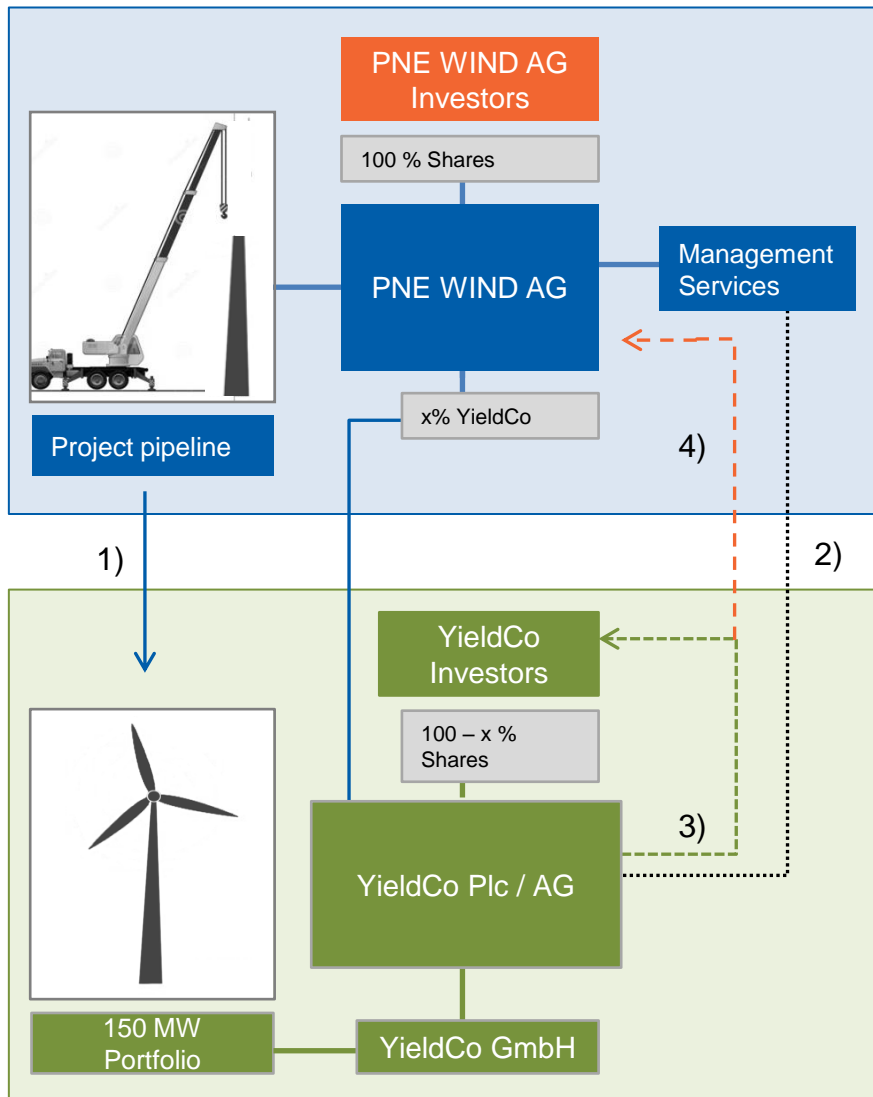
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YIELDCO STRUCTURE

- PNE WIND AG and YieldCo represent two separate business –
 - PNE WIND focused on wind farm development and O&M
 - YieldCo is asset manager– earnings from wind farms distributed to its investors via dividends
- 1) Projects sold to YieldCo use same quality criteria as with sales to external customers -
 - Projects in pipeline available for additional project acquisitions
 - 2) PNE WIND AG provides management services to YieldCo and O&M services to wind parks
 - 3) Dividend distributions YieldCo investors
 - 4) Dividend distributions to PNE WIND AG

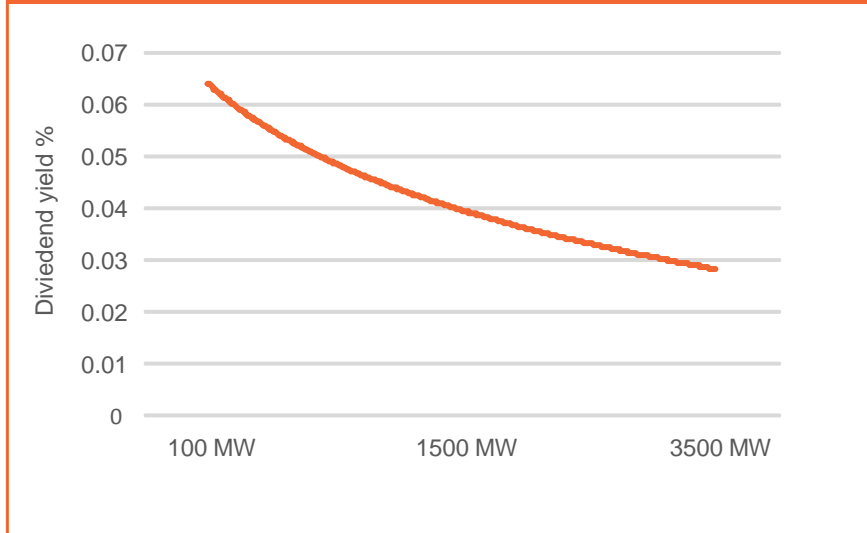
YIELD CO/IPP – PEER GROUP

	Funds raised	Assets - IPO	Development partner	Management Team
TRIG	£300m	276 MW	RES	InfraRed
Green coats	£260m	126 MW	None	Climate C. Capital
NRG Yield	\$468m	2,000 MW	NRG	NRG
Nextera E.P.	\$438m	989 MW	NEE	NEE
Pattern	\$352m	1,040 MW	PEG LP	PEG LP
Foresight	£150m	126 MW	None	Foresight
Terraform	\$533m	808 MW	SunEdision	SunEdision
Saeta	€435 m	689 MW	ACS	ACS

- Investors looking for yield are backing renewable IPPs/Yieldcos with a number of IPO transactions taking place; over £2.5 billion raised (UK; EU; US)
- Recent deals illustrate successful IPOs are achievable when;
 1. backed by a strong development company with proven management
 2. operational assets in regions with low regulatory risk
 3. development portfolio to feed “Newco” with projects to grow business

OPPORTUNITY

Dividend Yield curve



30.06.15

- Dividend yields range on publically traded companies from 2.6% to 7.0%
- Dividend required follows closely with portfolio size and growth prospects

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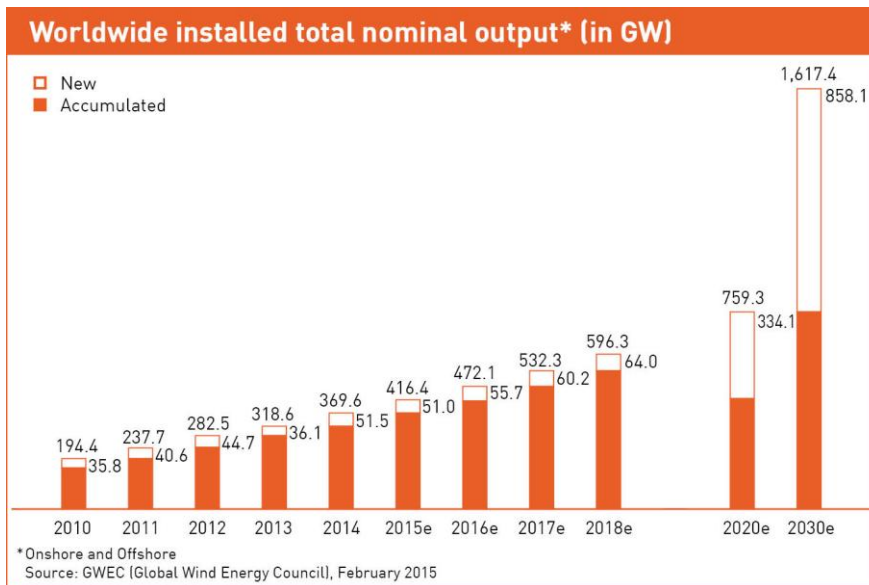
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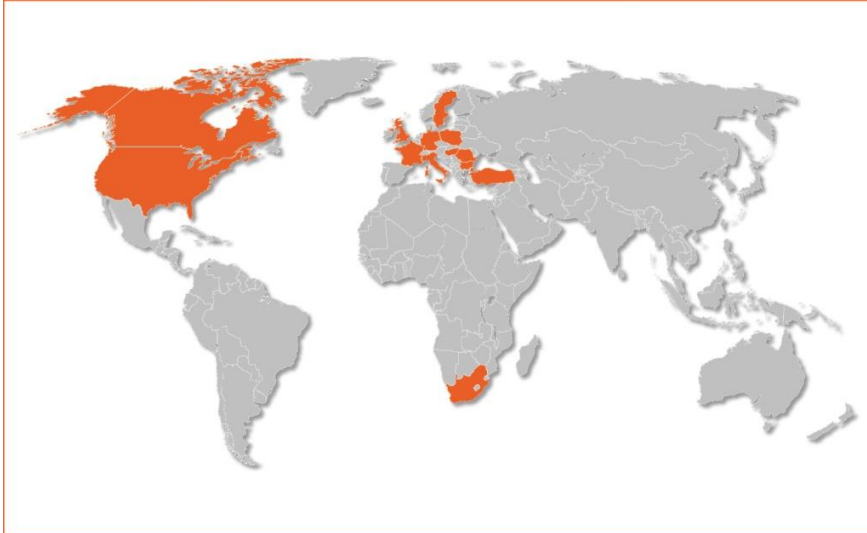
GLOBAL TRENDS



- Wind as a percentage of electricity mix
 1. Denmark – 29.9 %
 2. Spain – 17.8 %
 3. Portugal – 20.0 %
 4. Deutschland – 9.1 %
 5. USA – 4.1 %
 6. World – 2.5 %
- IEA forecasts wind to contribute 15 to 18 % of the global electricity mix by 2050
- High growth rate (>10 %) projected through 2020

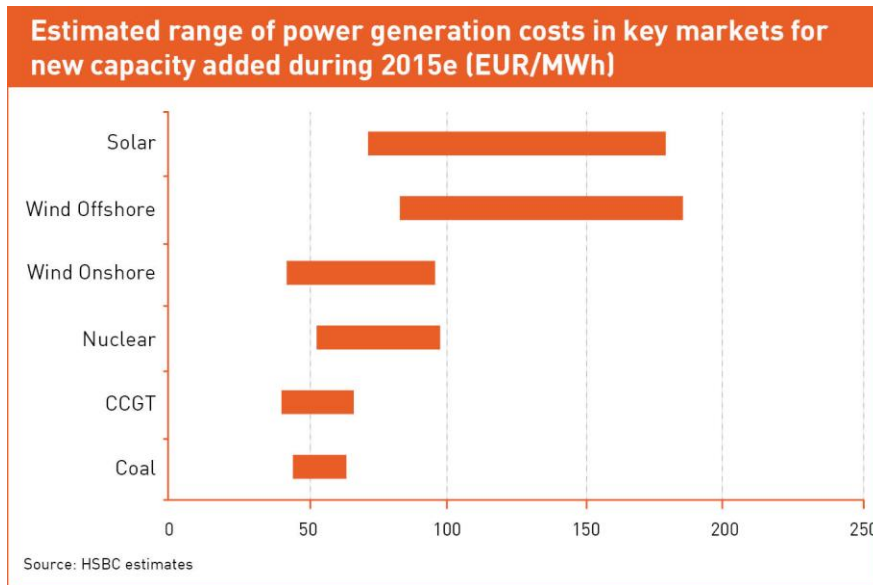
REGULATORY TRENDS

International operations of the PNE WIND Group



- Europe - European Union has agreed to a new policy framework for climate and energy for 2020 and 2030
 1. By 2030, renewable energy should cover 27 percent of energy consumption
 2. Greenhouse gas emissions to be reduced by 80 to 95 percent by 2050 - compared to 1990
- US Renewable Portfolio Standards in 37 States plus federal tax credits
- South Africa's REIPPP program calls for 18,000 MW of renewables requiring ~8,400 MW of wind
- Turkey targets 30% renewables by 2023, requiring ~ 20,000 MW of wind

ENERGY TRENDS



- The price of onshore wind power is already today nearly competitive with generation costs from coal, gas and nuclear power
- Improvements in the wind turbine technology result in higher energy yields and lower operation and maintenance costs

STOCK & BONDS OUTSTANDING



WKN / ISIN	AOJBPG / DE000AOJBPG2
Number of shares (30 June 2015)	76,553,439
Market capitalization (30 June 2015)	EUR 157.1 m
Free Float	Approx. 81.9%
Market segment	Prime Standard
Indices	CDAX Technology, ÖkoDAX
Designated Sponsors / Market Maker	Commerzbank VEM Aktienbank ODDO Seydler Bank
Reuters / Bloomberg	PNEGn / PNE3

Corporate bond 2013/2018 (WKN: A1R074)
Coupon 8%, Prime Standard, Total volume EUR 100m

Convertible bond 2014/2019 (WKN: A12UMG)
Coupon 3.75%, Strike price EUR 3.30, Total volume EUR 6.6 m

THANK YOU

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