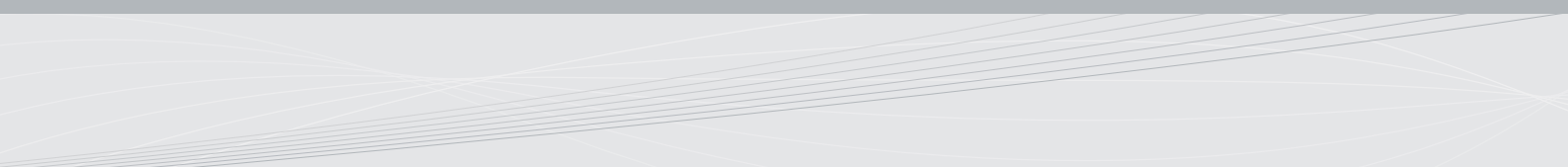


PNE WIND AG

Financial report on the first three months
and on the first quarter of 2011



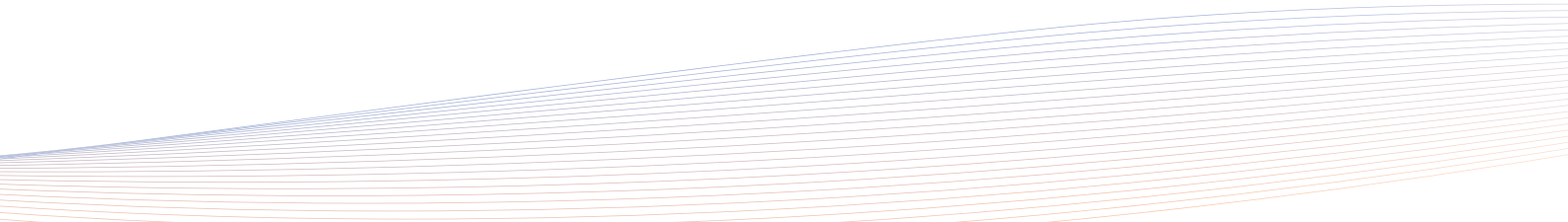
At a glance

PNE WIND AG Group figures

| All figures in TEUR | 01.01. - 31.03. 2011 | 01.01. - 31.03. 2010 | 01.01. - 31.03. 2009 |
|--|----------------------|----------------------|----------------------|
| Total aggregate output | 12,328 | 28,614 | 88,916 |
| Revenues | 11,011 | 16,396 | 88,804 |
| Operating profit (EBIT) | 2,482 | 10,228 | 7,233 |
| Result from ordinary activities (EBT) | 1,770 | 9,348 | 5,300 |
| Result | 1,715 | 9,321 | 5,115 |
| Equity as at March 31 | 83,276 | 79,776 | 59,793 |
| Equity ratio as at March 31, in % | 42.18 | 43.61 | 36.02 |
| Balance sheet total as at March 31 | 197,414 | 182,924 | 166,503 |
| Earnings per share (undiluted), in EUR | 0.04 | 0.21 | 0.12 |
| Average number of shares, in EUR million | 45.8 | 44.5 | 41.3 |

| Key data (as at March 31, 2011) | |
|---------------------------------|--|
| Securities identification code | A0JBPG |
| ISIN | DE000A0JBPG2 |
| Number of shares | 45,775,826 |
| Market capitalisation | EUR 117.6 million |
| Market segment | Prime Standard |
| Indices | HDax, Mid-Cap-Market-Index, CDAX Technology, ÖkoDAX |
| Designated sponsors | Commerzbank, VEM Aktienbank, Close Brothers Seydler Bank |
| Reuters | PNEGn |
| Bloomberg | PNE3 |

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group management report
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comprehensive income
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Preface

Dear shareholders

The events in Japan, with the catastrophic accident at the Fukushima nuclear power plant have led to a drastic rethink of energy policy and a strengthening of the will to implement the energy revolution, especially in Europe. Many governments give offshore wind energy in particular a key role in the future energy mix. PNE WIND AG has been dedicated to the subject of building wind farms off the coast of Germany for ten years and has a total of six offshore projects in the North Sea. As a service provider, we also look after two additional North Sea projects. At PNE WIND AG, the fiscal year 2011 will be strongly influenced by the offshore projects. In the first quarter of this year, we saw clear progress at all offshore projects. This business area is a fundamental pillar of our company and has provided a positive impetus to the earnings of PNE WIND AG this year.

The most advanced progress is the development of the offshore project "Gode Wind II". For this wind farm, we have concluded a contract with Vestas for the delivery of the planned 84 wind turbines. In addition, the preliminary contracts were signed for all major components – such as the foundations, the substation and cabling within the wind farm. The conditions are thus fulfilled for getting a binding agreement from the substation operator TenneT for the network connection and a specific date. We are now in intensive talks with various partners about financing. We expect to conclude these discussions in 2011.

Substantial progress was also made at the development of offshore wind farms "Borkum Riffgrund" I and II, which we sold in full at the end of 2009 to the Danish group DONG Energy. Once the energy company took the decision to invest in "Borkum Riffgrund I", preparations for construction started and a further milestone payment resulted.

The internationalisation of our business model also made encouraging progress in the first quarter. PNE WIND AG was selected by the Forestry Commission in Scotland as the preferred partner for the identification of potential wind farm sites in central Scotland. To strengthen our local competence, we opened a new office in Edinburgh as our subsidiary, PNE WIND UK. This project will be managed and developed from there.

There were changes in the Management Board of PNE WIND AG. Bernd Paulsen left the company. At this point, we would like to thank him sincerely for his work. As a new operations board member, we were able to attract Markus Lesser, who brings a wealth of experience in the development of onshore and offshore wind farms. In addition, Jörg Klowat, who has headed the Finance Division of PNE WIND AG for many years, was appointed as CFO. Together we will continue the growth of our company both nationally and internationally, onshore and offshore.

Our company developed positively in the first quarter of 2011. This is also reflected in the financial earnings for this period. In the first three months, the operating earnings (EBIT) – the significant measure for a wind farm developer – was EUR 2.5 million (previous year: EUR 10.2 million). As a result of the positive development of the offshore projects, particularly the project "Borkum Riffgrund I", and despite the start-up costs for constructing the project pipeline at home and abroad, it was possible to achieve this positive result in the first quarter of 2011.

We are therefore maintaining our forecast according to which the EBIT of PNE WIND AG in the years from 2011 to 2013 will amount to at least EUR 60 million to EUR 72 million over the whole period.

We are highly confident that PNE WIND AG will also continue its positive development in the future. Therefore, at this point, on behalf of the company and its employees, we would like to say: Thank you very much for your loyalty and your trust in PNE WIND AG!

With best regards



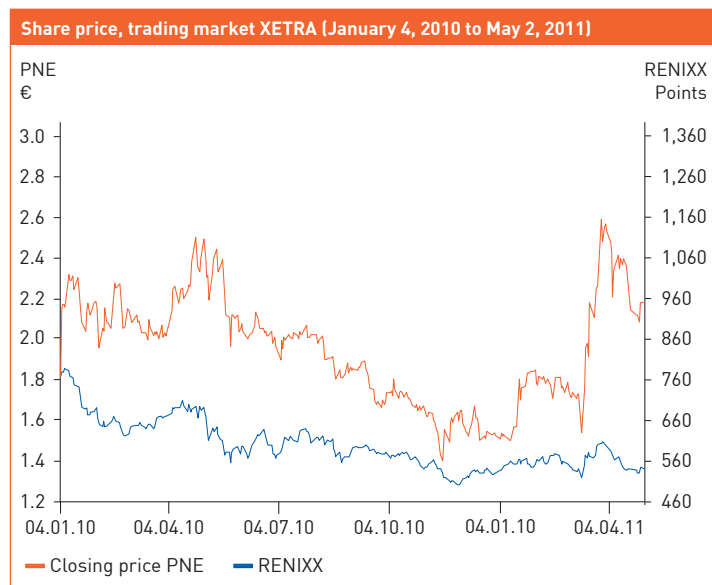
Martin Billhardt

- Chairman of the Management Board -



Martin Billhardt
Chairman of the Management Board

Stock market news of PNE WIND AG



The share

PNE WIND AG shares started the 2011 financial year with an entrance price of EUR 1.52. The price rose from January 12 and peaked on February 1 at a price of EUR 1.85. The share price then remained stable.

The world's stock markets were shaken by the dramatic events in Japan. The share price of PNE WIND AG also came under pressure and the share closed that day at EUR 1.54. Motivated by the renewed discussion on the increased support of renewable energies, however, there was an increase in investor focus on this segment. The share of PNE WIND AG was then in greater demand, and on March 28, 2011 the price reached its record level of the quarter

at EUR 2.59. Part of the profits then had to be given back. On March 31, the share price of PNE WIND AG closed at EUR 2.56. This represented a market capitalisation of EUR 117.2 million. After the reporting period, the share registered easier profits, although the share price remained above the medium-term average rate.

Shareholder structure

At the end of the reporting period, no investor held more than 3% of the voting shares in PNE WIND AG. In accordance with the definition of the Deutsche Börse AG, the portion of the shares in PNE WIND AG in free float is currently 100%.

However, due to the two capital measures carried out in May/June 2010, there may be a change in the shareholder structure in the future. Shares not purchased by the existing shareholders of PNE WIND AG in the context of the capital increase and the convertible loan were offered to Luxempart S.A., a financial investor based in Luxembourg. According to a contractual agreement, Luxempart S.A. had declared itself willing to acquire the shares and partial debentures not purchased by shareholders to a certain degree. Luxempart S.A. subscribed for 927,114 shares of the 1,249,500 shares issued in the capital increase. They also subscribed for partial debentures of the convertible loan to the amount of approx. EUR 16.87 million. The total investment volume of Luxempart S.A. was thus approx. EUR 18.7 million. There is the option of converting these partial debentures into shares at any time. Following conversion of the loans, and as a result of the shares held by it, Luxempart S.A. would have a stake of approx. 15% in PNE WIND AG and thus be the largest single shareholder in the Company.

Directors' Dealings

On March 31, 2011 400,000 shares were attributable to the Chairman of the Management Board, Mr. Martin Billhardt. From the Supervisory Board, Mr. Jacquot Schwertzer held 5,704 shares.

Financial calendar 2011

| | |
|------------------|------------------------------------|
| May 9, 2011 | Report on the first quarter 2011 |
| May 18, 2011 | Annual general meeting |
| August 8, 2011 | Report on the first half year 2011 |
| November 7, 2011 | Report on the third quarter 2011 |

Additional information

On the website www.pne.com you will find full information about PNE WIND AG as well as current data on the shares in the section "Investor Relations". Furthermore, annual and quarterly reports, press announcements and background information on PNE WIND AG can be accessed and downloaded there.

Condensed interim group management report

of PNE WIND AG, Cuxhaven, for the first three months of 2011

1. Market/overall economic conditions

Further to the difficult global recession in 2009, 2010 saw a clear recovery in the world economy. Yet the wind energy market in Germany did not profit as expected. Therefore, according to surveys from the German Institute of Wind Energy (DEWI), only 1,551 MW of new wind power was installed (previous year: 1,917 MW). However, the market is expected to grow noticeably in 2011 – despite the delays in the installation of wind farms at the beginning of the year, which were a result of the long winter.

PNE WIND AG expects additional medium and long-term positive effects for the German wind energy market due to the onset of re-powering. This means old wind turbines will be replaced by modern ones.

A further growth driver for the national and international wind energy market is the construction of offshore wind farms. The current record year so far for the European offshore wind power industry of an increase of 577 MW in 2009 was significantly beaten again in 2010. Offshore wind turbines with a nominal output of 883 MW were installed. The European Wind Energy Association (EWEA) forecasts a further extension of 1,000 to 1,500 MW in 2011. The German market for offshore wind farms will also be expanded. The required infrastructure is largely constructed in the ports. PNE WIND AG is well positioned in this sector with their own, already approved offshore projects "Gode Wind" I and II and the development of other offshore wind farms.

So far, only two offshore wind farms from German waters have been connected to the grid. Two German offshore wind farms are currently under construction in the North Sea and the Baltic Sea. A further 25 projects have already been approved by the Federal Maritime and Hydrographic Agency (BSH) and the national authorities. Offshore wind energy in Germany thus has considerable potential for expansion. An important perspective at the beginning of 2010 is the initiative launched by nine neighbouring countries to build a high-voltage network in the North Sea, which then assumes a powerful electricity supply for the sustainable use of wind energy at sea. In the long term, this joint initiative is a significant boost for offshore wind energy.

The reasons for the sustained growth of the wind energy market are related to the increasing scarcity of fossil fuels as well as ecological needs. The Federal Republic of Germany has set particularly ambitious targets. It is planned to reduce emissions from greenhouse gases by 40% by the year 2020, taking 1990 as the base year. The federal government reaffirmed this claim in its coalition agreement at the end of 2009 and it was confirmed again in the energy concept, which was submitted in September 2010. Thereafter, the objective was retained to increase the proportion of renewable energies in power generation from the current level of approx. 16% to 35% in 2020 and to 80% by the year 2050. As the current most technologically advanced and most efficient technology for renewable power generation, wind power plays a special role. The government sees enormous potential for growth particularly in the offshore area. Without the expansion of offshore wind power, neither the European nor the German climate goals will be achieved. Given this development, further positive effects on the German wind energy industry

are thus expected.¹ In addition, the Federal Environment Agency confirmed in a study that 100% of electricity demand in Germany can be covered by renewable energies by 2050. Wind energy will have a significant role to play in this.²

Overall, the market for wind turbines for power generation is growing sustainably. Many established manufacturers of wind turbines have expanded their capacity internationally in order to meet growing demand. At the same time, new companies are entering the market, mainly from India, China and South Korea. This increases the number of suppliers of wind turbines, whereby a resulting dampening effect on the price development can be expected.

Industry experts assume a continuation of its upward development in the future. The International Energy Agency (IEA) expects continued expansion of wind energy in the coming years. Thus, the economic conditions for PNE WIND AG are classified overall as positive.

2. General political conditions

The serious accident at the Japanese nuclear power plant in Fukushima triggered a wide debate about the risks of nuclear energy and the potential of renewable energies. The political conditions for the further expansion of wind energy for power generation are still very positive internationally. Several states remain committed to their policy of expanding renewable energies.

The political conditions also remain positive in the Federal Republic of Germany. The federal government is committed in its energy plan submitted at the end of 2010 to the further expansion of wind energy, noting that wind energy will play a key role in power generation in 2050. To particularly promote the further expansion of offshore wind farms in the short-term, the federal government has approved a credit program for "offshore wind energy" with a total volume of EUR 5 billion. Further action for accelerated development of renewable energies is currently being intensively discussed in the federal government and the parliament. The main basis for the expansion of wind energy is the Renewable Energy Sources Act (EEG), whose regular revision will take place in 2011. The EEG regulates, among other things, the primary supply of electricity from renewable energy sources and the compensation to be paid, both for electricity from wind turbines on land (onshore) and at sea (offshore).

In accordance with the EEG, an initial fee of 15 cents/kWh will be paid for electricity from offshore wind farms if the wind farm is operational by the end of 2015. Thus, the level of compensation is at an internationally accepted level.

Compensation for electricity from wind turbines (WT) on land in 2011 was 9.02 cents/kWh. For electricity from wind turbines that are equipped with technology which stabilises the power supply, an additional "system service bonus" of 0.49 cents/kWh is paid. Where wind turbines are built as part of re-powering, i.e. the replacement of old wind turbines with modern, more efficient ones, a "re-powering bonus" of 0.49 cents/kWh is also payable. Thus, a secure basis for the long-

¹ Federal Ministry of Environment, 2010

² Energy target 2050: 100% electricity from renewable sources / Federal Environment Agency, July 2010

term return calculation of wind farm projects in Germany is given. The economies of scale, thus the annual reduction of rates, are 1% and only relate to remuneration for electricity from wind turbines that were built after the relevant date.

In terms of the national and international legal bases, the Management Board of PNE WIND AG sees the conditions for further positive business development in the coming years.

3. Corporate structure

The corporate structure changed in the first three months of fiscal year 2011 against December 31, 2010.

In the period under review, the following company was included for the first time in the scope of consolidation:

- PNE WIND Ventus Praventsi OOD, Varna, Bulgaria (75% shareholding through PNE WIND Ausland GmbH, Cuxhaven)

There were no major effects on the company's results of operations, financial position or net assets.

4. General accounting principles

In the financial report on the first three months of the 2011 fiscal year as of March 31, 2011, the company applied the same accounting and valuation methods as were applied in the consolidated financial statements of December 31, 2010.

The interim financial statements were drawn up in line with the regulations of IAS 34. The tax expenditure of the PNE WIND Group is determined using an estimate of the taxable income of the relevant companies.

5. Organisation and employees

On March 31, 2011, the PNE WIND AG Group employed 164 people in total (previous year: 147). The employees of the subsidiaries are included in this number. Of these employees (including the members of the Management Board and trainees), 103 were employed at PNE WIND AG on the reporting date (previous year: 100). 61 people were employed at PNE Biomasse GmbH (17 employees) and PNE WIND Betriebsführungs GmbH (22 employees) as well as foreign companies (22 employees). PNE WIND AG reacted with this moderate increase in the number of employees to the increased business activity and simultaneously formed the human resource basis for the continuation of the previous course of growth.

There were changes in the Management Board of PNE WIND AG. At the end of the first quarter, the Board member Bernd Paulsen stepped down. The Supervisory Board appointed Jörg Klowat (CFO) and Mark Lesser (COO) to the Board of Management on April 1, 2011 and May 1, 2011 respectively.

6. Summary of business activity

Wind power segment

Wind power onshore sub-division

In the first three months of the fiscal year 2011, PNE WIND AG continued its operating business in the sector of onshore wind power in Germany. In total, as of March 31, 2011, PNE WIND AG worked on onshore wind farm projects in Germany, with a total output of 1,170 MW to be installed, in various phases of project development. The permits required for the start of construction for two of these projects with a nominal output of 16 MW had already been obtained by March 31, 2011. Additional permits for onshore wind farm projects in Germany are expected in the short term.

There was also welcome progress in the development in foreign markets. Activities in Great Britain, above all, were intensified in the reporting period.

The subsidiary PNE WIND UK opened a new office in Edinburgh, Scotland. PNE WIND UK is planning major investments in Great Britain over the next years. The promising targets of the Scottish Government for the expansion of renewable energy sources prompted PNE WIND UK to establish a subsidiary in Scotland.

Furthermore, PNE WIND UK was selected by the Scottish Forestry Commission as the preferred partner for the development of wind farms in Central Scotland. By October 2011, PNE WIND UK will identify suitable sites for this purpose in the Scottish National Forest of the administrative districts of Argyll and Bute, West Dunbartonshire, Stirling, Perth, Kinross and Angus. Afterwards, the Forestry Commission and PNE WIND UK will decide together on how many plants should be designed in the planning process and, in the case of a positive decision for the project, on the construction and operation phases.

The region in Central Scotland which is managed by the Forestry Commission covers an area of about 1,000 square kilometres and provides space for wind farms with an estimated development potential of 100 to 200 MW nominal power. The average annual wind speed in this area is between 6.5 and 8.5 m/s (source: UK Wind Speed Database NOABL at 45 m).

In the US, there is visible progress in the development of a proposed wind farm at Belle Fourche (South Dakota), which PNE WIND USA planed together with its joint venture partner, Renewable Solutions. Permits for this project have already been obtained. Start of construction is planned for 2012. Even with a wind farm project near Solon (Iowa) with 30 MW, there is significant progress in development.

There are thus attractive market and growth prospects for PNE WIND AG in Hungary, Bulgaria, Romania, Turkey, the United Kingdom, Canada and the US. Consequently, the Management Board is confident in being able to advance the growth of the company through the internationalisation of the wind farm project planning.

Wind power offshore sub-division

Activities in the offshore sector were also very encouraging in the first quarter of 2011. This is especially true for the project "Gode Wind II", which is already at a very advanced stage of development. For this offshore wind farm, the required documents for a commitment to the grid connection were submitted in the reporting period to TenneT, the transmission system operator responsible. Thus, PNE WIND AG has fulfilled all four criteria of the position paper of the Federal Network Agency for the receipt of unconditional approval for connection to the grid. This commitment is granted by the transmission grid operator TenneT, making note of the grid connection dates when the ongoing tender for procuring the grid connectivity components is completed. With these advances in project development, essential preconditions were created in order to begin with the construction of offshore wind farm "Gode Wind II" in 2012 as planned.

The following documents were submitted in March 2011 for the construction of "Gode Wind II":

- supply contract for 84 Vestas wind power plants of type V112
- preliminary contract for the supply of 84 monopile foundations from the company MT Højgaard A/S
- preliminary contract for the supply of the internal wiring from the company Draka Norsk Kabel AS
- preliminary contract for the supply of the wind farm substation from the firm ALSTOM Grid GmbH

In September 2010, PNE WIND AG had already fulfilled the first three criteria of the Federal Network Agency position paper for "Gode Wind II". At that time the approval of the construction schedule and proof of site investigation for all locations of the 84 offshore plants at the "Gode Wind II" wind farm had been submitted. On November 2, 2010, TenneT then issued the related grid connection approval and launched the tender for the grid connection components.

Significant progress was also made in the financing of "Gode Wind II". After a round of introductions at well-known European banks, there were 13 Letters of Support for financing the wind farm.

In addition, PNE WIND AG established a close and exclusive partnership with the wind turbine manufacturer Vestas for more offshore wind farms in the North Sea. Building on the successful cooperation in the offshore wind farm "Gode Wind II", the projects "Gode Wind" I and III are also being jointly developed.

"Gode Wind I" provides space for 77 offshore wind turbines which will be supplied by Vestas. PNE WIND AG is responsible for the other components such as the substation, the foundations and the cabling. In addition, PNE WIND AG will drive the wind farm design and funding strategy and the involvement of other partners. "Gode Wind I" has already obtained the necessary permits from the German authorities.

"Gode Wind III" is still at an early stage of development. In this project, it will be possible to construct up to 15 wind turbines. It could serve as a reference project for the announced 7 MW wind turbines from Vestas.

As a whole, on the reporting day, the offshore division of PNE WIND AG was working on six of its own offshore wind farm projects at different phases of project development. Of these projects, "Gode Wind" I and II have already been approved by the Federal Maritime and Hydrographic Agency (BSH). The other offshore projects are in the planning and application phase. Under the current state of planning, up to a total of 416 wind turbines can be built in these own wind farms. The nominal output of the selected plants, which can be between 3 and 7 MW, is decisive for the exact number. Overall, the proposed realistic nominal output of the offshore projects which we develop and advise on is at around 2,400 MW.

There was also positive development at the offshore wind farm projects "Borkum Riffgrund" I and II, which were sold to the Danish energy group DONG Energy Power A/S in 2009. PNE WIND AG continues to operate here as a service provider. Once DONG Energy Power A/S made a financial decision for "Borkum Riffgrund I", the preparations for the construction of offshore wind farms started. PNE WIND AG received a second milestone payment of approx. EUR 6.7 million from the project, which was reported on March 31, 2011 as receivable.

Electricity generation segment

All the activities of Group companies which are attributable directly to the production of electricity from renewable energies are combined in the electricity generation division. This division therefore also includes the "Altenbruch II" and "Laubuseschbach" wind farms, which are operated by PNE WIND AG itself, as well as PNE Biomasse GmbH, which, in accordance with the agency agreement, provides the personnel for the timber-fired power station at Silbitz, which is also included in this segment. In addition, the division includes shares in limited partnerships, which are intended to implement future onshore wind farm projects.

In the context of segment reporting, current revenues of these wind farms are included in the electricity generation segment up to the successful sale of the wind farms and their delivery to the operators.

The power generation segment achieved a lower result in the first three months of the fiscal year 2011 (EBIT EUR 0.4 million) than in the same period last year (EBIT EUR 0.7 million). The result of the wind farms "Altenbruch II" and "Laubuseschbach", which are in own operation, were mainly affected by the low wind conditions so far this year. Wind conditions in the first quarter of 2011 were, on average, about 70% of the long-term average value.

7. Sales and results of operations

The data shown below for the Group was determined and presented in accordance with IFRS.

In the first three months of fiscal year 2011, the PNE WIND AG Group achieved a total capacity of EUR 12.3 million according to IFRS (previous year: EUR 28.6 million). This includes EUR 11.0 million in net revenue (previous year: EUR 16.4 million), EUR 1.1 million in inventory changes (previous year: EUR 0.7 million) and EUR 0.2 million in other operating revenue (previous year: EUR 11.5 million).

Compared to last year, the change reflected in operating activities of the Group was also reflected in the expense items. Due to the lower number of implemented wind farms, material expenses fell from EUR 11.9 million to about EUR 2.5 million. Personnel expenses in the first three months of 2011 were EUR 3.7 million and thus increased compared with the previous year's period (EUR 2.6 million). One reason for this is the number of employees at the Group which had increased by March 31, 2011 to 164 people (previous year: 147 employees).

The other operating expenses in the Group of EUR 2.4 million (previous year: EUR 2.6 million) were mainly comprised of legal and consulting fees, advertising and travel costs as well as rental and leasing expenses.

Write-downs remained with EUR 1.2 million on the level of the previous year. Write-downs mainly occurred at the own operated wind farm "Altenbruch II" and the timber-fired power station Silbitz GmbH und Co. KG.

At the Group level, PNE WIND AG made in the first quarter of fiscal year 2011 operating earnings (EBIT) of EUR 2.5 million (previous year: EUR 10.2 million) and earnings from ordinary business activities (EBT) of EUR 1.8 million (previous year: EUR 9.3 million). Consolidated earnings before minority interests were EUR 1.7 million (previous year: EUR 9.3 million). After the first three months, undiluted consolidated earnings per share were EUR 0.04 (previous year: EUR 0.21) and net consolidated earnings per share were EUR 0.04 (previous year: EUR 0.21).

On March 31, 2011, the cumulated consolidated net result was EUR -6.4 million (previous year: EUR -6.8 million).

The consolidated results as well as those of PNE WIND AG are in line with the Management Board's expectations.

8. Financial position/liquidity

The cash flow statement provides information on the liquidity situation and the financial position of the Group. As of March 31, 2011, the Group companies had available liquidity, including credit lines for project bridge financing of EUR 39.0 million, of which EUR 0.4 million is pledged to banks (previous year: EUR 58.6 million of which EUR 0.6 million was pledged).

As of March 31, 2011, no overdraft facilities were taken up by the Group.

The cash flow from operating activities of EUR -6.3 million (previous year: EUR -5.4 million), which was reported in the cash flow statement, was mainly influenced by the increase in receivables and other assets, due to the recognition of a receivable from DONG from the sale contract "Borkum Riffgrund I" in the Group.

The cash flow from investment activities was affected in the period under review by investments in property of the Group by EUR 2.4 million (previous year: EUR -5.7 million). This figure was attributable primarily to the further development of offshore projects at an amount of EUR 1.9 million. Financing of the investments was made by our own means.

In the period under review, the cash flow from financing activities totalling EUR -1.8 million (previous year: EUR -2.9 million) was characterised mainly by the redemption and retirement of credit liabilities to the amount of EUR -1.8 million.

On the reporting day of March 31, 2011, the Group had total available liquidity of EUR 28.6 million (previous year: EUR 27.7 million). On March 31, 2011, PNE WIND AG had available liquidity of EUR 25.7 million (previous year: EUR 24.4 million), of which EUR 0.4 million is pledged to banks (previous year: EUR 0.6 million).

9. Net assets

| Assets in EUR million (differences due to rounding possible) | 31.03.2011 | 31.12.2010 |
|---|--------------|--------------|
| Intangible assets | 40.0 | 40.0 |
| Property, plant and equipment | 86.4 | 85.2 |
| Long-term financial assets | 0.2 | 0.2 |
| Deferred taxes | 1.0 | 1.0 |
| Inventories | 13.9 | 12.8 |
| Receivables and other assets | 27.3 | 21.7 |
| Cash and cash equivalents | 28.6 | 39.2 |
| Balance sheet total | 197.4 | 200.2 |

On the balance sheet date, the consolidated balance sheet total of PNE WIND AG Group amounted to EUR 197.4 million. This corresponds to an decrease of about 1% as compared to December 31, 2010. Non-current assets increased from about EUR 126.4 million at the year end of 2010 to the current level of EUR 127.6 million. On March 31, 2011, intangible assets totalled EUR 40.0 million and remained on the amount of the value on December 31, 2010. By far the largest single item of this position is the EUR 20.0 million goodwill from the wind power project segment, and the project rights of EUR 17.3 million which were introduced with the initial consolidation of PNE Gode Wind I GmbH in 2010. In the same period, tangible assets increased by about EUR 1.2 million to EUR 86.4 million (December 31, 2010: EUR 85.2 million). This mainly includes land and buildings (EUR 14.6 million), substations which are owned or under construction (EUR 8.2 million), plants under construction from the projects "Gode Wind I" (EUR 3.9 million) and "Gode Wind II" (EUR 11.3 million) and the further offshore projects "Nautilus", "Nemo" and "Jules Verne" (EUR 3.2 million) as well as the technical plants and machinery of the wind farm project "Altenbruch II" (EUR 35.1 million) and the Silbitz timber-fired power station (EUR 7.0 million including land and buildings of EUR 3.2 million).

In the reporting period, current assets decreased from EUR 73.7 million (December 31, 2010) to EUR 69.8 million on March 31, 2011. Receivables and other assets increased from about EUR 21.7 million (December 31, 2010) to about EUR 27.3 million. Of this, EUR 9.8 million was from trade receivables (December 31, 2010: EUR 11.7 million). Receivables from long-term contract manufacturing of EUR 1.3 million correspond to the value on December 31, 2010 (EUR 1.3 million). Other assets increased from EUR 7.2 million (December 31, 2010) due to the reported further

purchase price receivable from the sale of a stake in Riff I of EUR 14.8 million on March 31, 2011. The purchase price receivables taken into the balance sheet as per December 31, 2010 in the amount of EUR 6.4 million were booked to the PNE WIND AG account on Mai 2, 2011.

Work in progress which is reported under inventories increased from EUR 10.4 million (December 31, 2010) to EUR 11.5 million.

Cash and cash equivalents were EUR 28.6 million on March 31, 2011 (December 31, 2010: EUR 39.2 million).

| Equity and liabilities in EUR million (differences due to rounding possible) | 31.03.2011 | 31.12.2010 |
|---|--------------|--------------|
| Equity | 83.3 | 81.7 |
| Deferred subsidies from public authorities | 1.2 | 1.2 |
| Provisions | 2.5 | 2.6 |
| Long-term liabilities | 74.3 | 76.2 |
| Current liabilities | 27.3 | 30.5 |
| Deferred revenues | 8.8 | 8.0 |
| Balance sheet total | 197.4 | 200.2 |

Consolidated equity increased from EUR 81.7 million (December 31, 2010) to EUR 83.3 million on March 31, 2011. This development was due to the Group's positive results. On March 31, 2011, the Group's equity ratio was approx. 42% (approx. 41% on December 31, 2010) and the debt to equity ratio was approx. 58% (approx. 59% on December 31, 2010). Due to planed repayments of credits, non-current liabilities changed from EUR 76.2 million to about EUR 74.3 million. This item consists mainly of financial liabilities of EUR 73.4 million. This includes liabilities to convertible bond holders in the amount of EUR 28.2 million (some of the convertible bonds will be presented as equity under IFRS) and liabilities to banks with a volume of EUR 38.6 million. Mainly included in the credit liabilities are the project financing of the wind farm "Altenbruch II" (EUR 29.4 million) and the Silbitz timber-fired power station (EUR 4.2 million), as well as financing for the company building at the company headquarters in Cuxhaven (EUR 4.2 million).

PNE WIND AG has contractually agreed to buy back the limited partner shares of those involved in the operating company of HKW Silbitz at the beginning of 2017 for a price equal to 110% of the nominal amount. Because of this pledge, a discounted purchase price liability to the amount of EUR 4.7 million was reported on March 31, 2011 under other financial liabilities. In addition, PNE WIND AG offered the limited partners of HKW Silbitz GmbH & Co. KG a guaranteed dividend until 2016, which is carried at a discounted value of EUR 1.5 million.

Current liabilities in the reporting period fell from EUR 30.5 million (December 31, 2010) to EUR 27.3 million. The main reason for this decline was the reduction of trade payables from EUR 8.0 million (December 31, 2010) to EUR 5.8 million. Taking cash into account, net debt at the end of the reporting period was EUR 45.5 million (December 31, 2010: EUR 35.8 million).

10. Transactions with related companies and persons

In the first three months of the 2011 fiscal year, there were the following transactions with related persons:

PNE WIND AG concluded consulting contracts for the provision of EDP services with net.curity InformationsTechnologien GmbH, whose managing shareholder is the member of the Supervisory Board, Mr. Rafael Vazquez Gonzalez. In the first quarter of the fiscal year 2011, transactions were effected in this respect with a net volume of EUR 51,438.14. The transactions were based on the arms' length principle.

11. Sales and marketing

The sale of wind farm projects, which are constructed on land, continues to be based on direct sales to individual and large investors. PNE WIND AG has had positive experience with these direct sales in the last few years and will continue to pursue this proven sales channel. The company will continue to cooperate with strong partners in order to realise the offshore wind farm projects.

12. Development and innovation

Research and development activities did not take place in the PNE WIND AG Group.

13. Major events following the end of the reporting period

There were no major events following the end of the reporting period.

14. Report of opportunities and risks

General factors

As a result of its business activities, PNE WIND AG is exposed to risks which are inseparable from its entrepreneurial activities. Through its internal risk management system, the Company minimises the risks associated with its business activity and invests only if a corresponding added value can be created for the Company while maintaining a manageable risk. Risk management is a continuous process. An evaluation of the determined risks is made based on the analysis of the core processes. A risk report is submitted regularly to the Board of Management and to the Supervisory Board.

Risks from operating activities

A key risk is the approval risk of projects. In the event of time delays with regard to permits, this can lead to postponements in the flow of liquidity, higher prepayment requirements as well as the loss of the planned recuperation of funds. Furthermore, projects in such cases can become uneconomical, which can lead to the write-off of work in process which has already been capitalised. Apart from the inventories, this risk can also have an effect on the value of receivables. Should the offshore projects, like for example "Gode Wind" I and II, not be able to be realised, this may result in fixed assets requiring to be written off. The operating opportunities in the projecting of wind farms can, however, only be realised if such entrepreneurial risks are accepted.

Time delays can occur in the implementation of the projects also due to the uncertain date of the issuing of approvals, the possible actions against permits already granted, availability at the right time of wind power turbines or the availability at the right time of other necessary preconditions and components for the construction of a wind farm. Through comprehensive project controlling, the Company attempts to take these complex requirements into consideration at the right time.

The number of suitable sites in Germany for the construction of wind power turbines is limited. This can result in the future in an increase in the competition for these sites and thus also in raised acquisition costs for these sites.

Within the framework of project realisation, the Company must rely on being able to cover its capital requirements resulting from the liabilities arising in the future or which may become due in the future. Furthermore, additional capital requirements might arise if and insofar as PNE WIND AG should be required to honour guarantees which it has granted or other comparable commitments or should any other of the risks described in this paragraph occur.

A risk for the future development is attributable to the areas of financing and the sale of wind farm projects, as is the case with all companies which project wind farms. In order to meet this risk, PNE WIND AG has selected the sales channel of "individual and large investors" since several years. However, negative effects from rising rates of interest on project marketing cannot be excluded, since rising interest rates lead to higher project costs.

Risks in respect of project realisation could result from a financial crises and the reticence resulting therefrom on the part of the banks with regard to project financing. Nevertheless, in its energy concept submitted in the end of 2010 the Federal German Government announced that it would make available through the Kreditanstalt für Wiederaufbau (KfW) EUR 5 billion for the first ten German offshore wind farm projects.

Financing risks also exist on the part of our partner companies with regard to offshore wind farm projects. According to the progress of the projects, payments are still due to PNE WIND AG for the "Borkum Riffgrund" I and II projects. The purchaser of the project shares, Danish DONG Energy Power, has to date only announced that it intends to construct the "Borkum Riffgrund I" offshore project. With regard to the "Borkum Riffgrund II" offshore project no decision has yet been taken as to whether it is intended to construct the project. One cannot assume with any certainty that the final decision will be taken to realise the "Borkum Riffgrund II" project. Non-construction of the "Borkum Riffgrund II" project would have substantial effects on the asset, financial und earnings situation of PNE WIND AG.

As is the case with other wind farm projects, PNE WIND AG will seek a strong financial project partner or create other financing possibilities for the "Gode Wind I" project, in which PNE WIND AG again holds all the shares since February 2010, and the "Gode Wind II" project. In this respect, it cannot be assumed with certainty that the financing will actually be secured. However, the Company made significant progress in financing the "Gode Wind II" project in April 2010. PNE WIND AG mandated Green Giraffe Energy Bankers (formerly: Energy Bankers à Paris, EBAP) as financial advisor and Augusta & Co. as equity placement advisor for this project. Since then indications of interest have been received from several European banks with regard to the

financing of the wind farm. In February 2011 a delivery contract for 84 wind power turbines could be concluded with Vestas. Furthermore, preliminary contracts were concluded for the delivery of monopile foundations with MT Højgaard A/S, for the delivery of the internal wind farm cabling with Draka Norsk Kabel AS and for the delivery of the wind farm transformer station with ALSTOM Grid GmbH.

In view of this progress and due to the improved general conditions since 2009 for offshore wind farms in the German Exclusive Economic Zone and the favourable location of the projects with regard to their respective distance from the land and the depth of the water, PNE WIND AG nevertheless estimates that the opportunities for realisation of the approved offshore projects are high.

For all the offshore wind farm projects planned by PNE WIND AG in the offshore wind power sector, it is of great importance to obtain a strong capital investor, since the completion of an offshore wind farm requires large investment costs.

A supplier risk exists in the wind power turbine sector due to the growing worldwide demand in relation to the available capacities. In spite of the swift expansion of capacities at the manufacturers of wind power turbines, delivery bottlenecks cannot be excluded in the event of further increases in international demand. Such delivery bottlenecks could lead to delays in the realisation of wind farm projects. The Company therefore places great importance on the conclusion at the earliest possible moment of delivery contracts with reputable manufacturers of wind power turbines as well as sub-suppliers (e.g. foundations) and the agreement for delivery on schedule. PNE WIND AG has concluded corresponding agreements.

Medium or long term risks could arise in respect of projects in the international sector. In the operating field, foreign currency risks result primarily from the fact that planned transactions are undertaken in a currency other than the euro. With regard to investments, foreign currency risks may arise mainly from the acquisitions or divestments of foreign companies.

With regard to the risk of long-term loan obligations and the interest payments resulting from this, hedging transactions (SWAPs) are concluded in individual cases, which could lead to an additional strain on the liquidity of the Company in the event of negative interest development.

Political risks / market risks

Incalculable risks can also affect the market from outside. These include in particular a sudden change in the general legal conditions in Germany. Deterioration is, however, not to be feared in the medium term, since the Renewable Energy Sources Act (EEG) was amended and came into force on January 1, 2009. The next amendment is expected in 2012 on the basis of an experience report, which the Federal German Government must submit to the German Parliament in 2011. However, the Federal Government committed to the wind energy in its just published energy concept and underlines that wind energy will be an essential part of electricity generation in 2050.

The political risks and the market risks abroad could have an effect on the planned project implementations over the next few years. PNE WIND AG and its subsidiaries are intensively

observing the current market developments abroad in order to recognise at an early stage possible changes in the market situation or the political landscape and to introduce any measures at the right time.

Legal risks

All recognisable risks are reviewed constantly and have been taken into consideration in this report as well as in the corporate planning. At present the Board of Management considers the risks to be fairly clear and thus assumes that they will have no material influence on the development of the Company. These include also risks from cases not yet legally concluded, such as the case concerning SSP Technology A/S, for which an appeal has been launched by SSP Technology Holding ApS.

Tax risks

PNE WIND AG and its subsidiaries are currently active in eight countries in the world and are thus subject to many different tax laws and regulations. Changes in tax laws and regulations could lead to higher tax expenditure and to higher tax payments. Furthermore, changes in the tax laws and regulations could have an influence on our tax receivables and tax liabilities as well as on deferred taxes carried as assets and liabilities. We are operating in countries with complex tax regulations, which could be interpreted in different ways. Future interpretations and development of tax laws and regulations could have an influence on our tax liabilities, profitability and our business operations. In order to minimise these risks, we are working continuously throughout the Group with specific tax consultants from the relative countries and are analysing the current tax situation.

The last external audit of corporation, trade and value added tax of the major companies of the PNE WIND AG Group covered the tax periods from January 1, 2002 up to and including December 31, 2005. Any differences determined were taken into account in the annual report and the consolidated financial statements 2008 and 2010, insofar as these had an effect on taxes on income and earnings. With external tax audits, there is always the risk that the results of the external audit will have an impact on the assets, financial position and results of a company.

Opportunities

As a project manager of onshore and offshore wind farms, PNE WIND AG is active in an attractive growth market. Independent studies assume high rates of growth for wind power during the next few years due to the finite state of fossil fuels, the pressure for the reduction of substances harmful to the climate as well as the requirement for secure sources of energy. In this respect, PNE WIND AG, from its many years of activity in the market, has available the prerequisites in order to benefit in the long term from this development.

The activities abroad offer special opportunities for the Company. PNE WIND AG has thus already expanded its business activity into attractive growth markets. In this respect, the expansion has taken place primarily in countries with stable political general conditions and with reliable support regulations comparable with the German Renewable Energies Law (EEG). In order to take into consideration sufficiently the corresponding local conditions, the market introduction always takes place in cooperation with a local partner, whereby PNE WIND AG assures its

necessary management and controlling rights by means of significant participation. This type of internationalisation has already proven itself during the past few years as a cost-efficient and potentially successful strategy. Joint ventures were therefore established in accordance with this model for wind farm projects in Hungary, Bulgaria, Turkey, Romania and the United Kingdom. The subsidiary established in the USA as well as the joint venture established by this company in Canada are also based on this strategy. In the future PNE WIND AG will thus also pursue this policy for selective foreign expansion and take advantage decisively of existing market opportunities. For this purpose a continuous observation takes place with regard to other wind power markets as well as a careful analysis of corresponding market introduction opportunities.

Apart from the perspectives of internationalisation, the established German market continues to offer a range of opportunities. During the next few years an increased level of replacement can be expected in respect of obsolete wind power turbines by more modern and more efficient equipment (so-called repowering). As a result of this an increase in the market size can be expected for wind power turbines. With the "Alt Zeschdorf" and "Görrike" wind farms, PNE WIND AG was already able to conclude successfully its first re-powering projects. Due to the many years of experience of PNE WIND AG, its comprehensive network as well as the proven expertise of the employees, the Company is now in a favourable position to participate on a sustainable basis in this process.

In addition, there is the planned expansion of German offshore wind power. In this respect, the country, which otherwise was considered a pioneer with regard to wind power, is still in the initial phase here. The ambitious climate objectives of the Federal German Government and the necessity for increasing the security of supply require the accelerated expansion of wind farms on the high seas. In this respect, PNE WIND AG is distinguished by the fact that it has already carried out three offshore wind farm projects up to the approval by the Federal Office for Shipping and Hydrographics. Two of the approved projects are fully owned by the Company. In view of the stronger increase in importance of offshore wind power, positive effects can be expected also in this respect for the future business development of PNE WIND AG.

Finally, the growth of the wind power sector in Germany offers increased opportunities in the area of the provision of services. PNE WIND AG considers itself to be a reliable partner of the operators of wind farms and often looks after these following the transfer with regard to technical and commercial operating management. As at date of the statement of the financial position of March 31, 2011, 289 wind power turbines were under management. With the expansion of wind power projecting there is thus the possibility of an increase in the after-sales business. Correspondingly, this could lead to favourable effects of the sales and earnings situation of the Company.

Overall, a positive development of the Company can be expected for the following fiscal years according to the estimates of the Board of Management.

15. Outlook

The expansion of renewable energies is a subject which is being discussed worldwide. This debate has received a new dynamic from the disastrous accident of the Japanese nuclear power plant at Fukushima. An increasing number of states are emphasising the urgent necessity of this

change in energy supply and are creating general conditions with which the ecologically correct expansion will also become economically meaningful. Wind power is benefiting above all from this, since, as a result of many decades of technical development, it already contributes effectively and inexpensively to the safeguarding of future electricity production.

The global effects of climate change, the finite nature of fossil fuels, insecure procurement sources for oil and gas: there are many good reasons for the sustainable expansion of renewable energies. In view of this, PNE WIND AG is operating in a growth market of the future, which also offers considerable opportunities for the further development of the company.

We take these perspectives into consideration in our corporate strategy. For the short to medium term, we consider that the planning of wind farms in Germany onshore and offshore will be a major pillar of the development of the company. This will be extended by wind farm projects abroad. The large number of projects, on which we are presently working in Germany and abroad, is the basis of the future development. During the next few years, projects which we are developing intensively today will become ready for construction and the wind farms will be able to be built as a result.

However, other areas carefully developed by us should also become major pillars. Following years of intensive planning and preliminary work, the offshore projects developed by us off the German coastline will become a reality. This is the case, above all, for the already approved "Gode Wind" I and II offshore wind farms, but also for the projects "Borkum Riffgrund" I and II, which were tendered in 2009, from which we expect further milestone payments. The offshore division is a cornerstone of our company and affects the company development positively.

We expect a positive and long-term growth effect on our business model from the replacement of small, outdated wind turbines by more powerful and more efficient ones. Older turbines will be gradually replaced as part of re-powering. With a currently installed nominal output of more than 27,000 MW in Germany, we expect a continued growing market with attractive growth opportunities for our company. We have already successfully completed two first re-powering projects. One advantage for the PNE WIND AG is that we remain connected to many of the wind farms developed by us in the long term, during the operational phase, as well as during their technical and commercial management.

Intensive preparatory work should also pay off for us abroad. In the short term, we already expect the start of wind farm construction by the first of our US subsidiaries. In the short and medium term, other projects will also be developed in other countries, so that we can begin with their construction and marketing. From this we want to generate growing sales and revenue in the future. Today, we already work on projects in seven European and North American states, where wind turbines with nominal output of up to 3,725 MW can be built. In the medium term, a further 2,500 MW will be added in the US alone. If all these projects were built in cooperation with investors and partners, it would involve an investment of more than EUR 7 billion. This shows the dimension of the potential international business development. In addition, we constantly check if the framework conditions for wind farm projects have been defined in other countries, which would make market entry of PNE WIND AG meaningful. Our cautious expansion strategy abroad is therefore beginning to bear fruit.

PNE WIND AG is optimally placed onshore and offshore, nationally and internationally. We are therefore very confident that we can continue to use the opportunities in the emerging wind market. We can thus reiterate our earnings prognosis. The Management Board maintains the view that the positive development will continue in the coming years and that the EBIT of the Group will accumulate to at least EUR 60 to 72 million in the fiscal years 2011 to 2013 (previous prognosis was EUR 42 to 54 million for the three-year period of the fiscal years from 2010 to 2012). In addition, a continued positive earnings trend is also expected for the annual report of PNE WIND AG in this period. Solid forecasts for individual years are difficult to estimate because of the operational activities of the company and the associated short-term fluctuations in earnings within two periods. The three-year EBIT forecast reflects the positive expectations of the company. The main condition for this positive development is the planned contributions from the international and offshore business.

Cuxhaven, April 29, 2011

PNE WIND AG, Board of Management

Consolidated statement of comprehensive income (IFRS)

of PNE WIND AG, Cuxhaven, for the first three months of 2011

| All figures in TEUR (differences due to rounding possible) | | 1 st Quarter 01.01.2011 - 31.03.2011 | 1 st Quarter 01.01.2010 - 31.03.2010 |
|---|---|---|---|
| 1. | Revenues | 11,011 | 16,396 |
| 2. | Changes in inventories of finished goods and work in process | 1,095 | 696 |
| 3. | Other capitalised contributions | 0 | 0 |
| 4. | Other operating income | 222 | 11,522 |
| 5. | Total aggregate output | 12,328 | 28,614 |
| 6. | Cost of materials/cost of purchased services | -2,503 | -11,933 |
| 7. | Personnel expenses | -3,684 | -2,594 |
| 8. | Depreciation of property plant and equipment (and amortization of intangible assets) | -1,237 | -1,227 |
| 9. | Other operating expenses | -2,422 | -2,632 |
| 10. | Operating profit (EBIT) | 2,482 | 10,228 |
| 11. | Income from participations | 0 | 0 |
| 12. | Other interest and similar income | 494 | 42 |
| 13. | Interest and similar expenses | -1,203 | -917 |
| 14. | Expenses for losses absorbed | -3 | -5 |
| 15. | Result from ordinary activities (EBT) | 1,770 | 9,348 |
| 16. | Taxes on income | -40 | -16 |
| 17. | Other taxes | -15 | -11 |
| 18. | Profit/loss before minority interests | 1,715 | 9,321 |
| 19. | Non-controlling interests | -158 | -24 |
| 20. | Consolidated profit/loss | 1,873 | 9,345 |
| Other comprehensive income | | | |
| 21. | Foreign currency translation differences | -127 | -72 |
| 22. | Others | 0 | 20 |
| 23. | Other comprehensive income for the period (net of tax) | -127 | -52 |
| 24. | Total comprehensive income for the period | 1,588 | 9,268 |
| Consolidated profit/loss for the period attributable to: | | 1,715 | 9,321 |
| | Owners of the parent company | 1,873 | 9,345 |
| | Non-controlling interests | -158 | -24 |
| Total comprehensive income for the period attributable to: | | 1,588 | 9,268 |
| | Owners of the parent company | 1,746 | 9,292 |
| | Non-controlling interests | -158 | -24 |
| | Earnings per share (undiluted), in EUR | 0.04 | 0.21 |
| | Earnings per share (diluted), in EUR | 0.04 | 0.21 |
| | Average number of shares in circulation (undiluted), in EUR million | 45.8 | 44.5 |
| | Average number of shares in circulation (diluted), in EUR million | 59.1 | 44.5 |

Curtailed group balance sheet (IFRS)

of PNE WIND AG, Cuxhaven, as at March 31, 2011

Assets

| All figures in TEUR (differences from rounding off possible) | as per 31.03.2011 | as per 31.12.2010 |
|---|-------------------|-------------------|
| Intangible assets | 39,978 | 40,024 |
| Property plant and equipment | 86,374 | 85,211 |
| Long term financial assets | 184 | 186 |
| Deferred tax assets | 1,027 | 1,027 |
| Long term assets, total | 127,563 | 126,448 |
| Inventories | 13,945 | 12,846 |
| Receivables and other assets | 25,977 | 20,181 |
| Tax receivables | 1,285 | 1,502 |
| Cash and cash equivalents | 28,644 | 39,176 |
| Current assets, total | 69,851 | 73,705 |
| Assets total | 197,414 | 200,153 |

Liabilities

| All figures in TEUR (differences from rounding off possible) | as per 31.03.2011 | as per 31.12.2010 |
|---|-------------------|-------------------|
| Subscribed capital | 45,776 | 45,776 |
| Capital reserve | 44,874 | 44,874 |
| Retained earnings | 51 | 51 |
| Foreign currency provision | -159 | -32 |
| Retained Loss | -6,372 | -8,244 |
| Minority interests | -894 | -737 |
| Shareholders equity, total | 83,276 | 81,688 |
| Other provisions | 1,222 | 1,300 |
| Deferred subsidies from public authorities | 1,172 | 1,184 |
| Long term financial liabilities | 73,426 | 75,348 |
| Deferred tax liabilities | 865 | 865 |
| Long term liabilities, total | 76,685 | 78,697 |
| Provisions for taxes | 73 | 58 |
| Other provisions | 1,176 | 1,193 |
| Short term financial liabilities | 10,378 | 10,582 |
| Trade liabilities | 5,846 | 7,989 |
| Other liabilities | 18,992 | 17,585 |
| Tax liabilities | 988 | 2,360 |
| Short term liabilities, total | 37,453 | 39,767 |
| Liabilities total | 197,414 | 200,153 |

Consolidated cash flow statement (IFRS)

of PNE WIND AG, Cuxhaven, for the first three months of 2011

| All figures in TEUR (differences from rounding off possible) | 2011 | 2010 |
|---|---------------|---------------|
| Consolidated net result | 1,715 | 9,321 |
| +/- Depreciations/write-ups of fixed assets | 1,237 | 1,227 |
| +/- Increase/decrease in provisions | -80 | 21 |
| +/- Non-cash effective income and expenses | -102 | -10,837 |
| -/+ Gain/loss from disposal of fixed assets | 0 | 0 |
| +/- Increase/decrease of inventories and other assets | -8,506 | -1,976 |
| +/- Increase/decrease of trade receivables and stage of completion accounting | 1,826 | -43 |
| +/- Increase/decrease of trade liabilities and other liabilities | -2,420 | -3,079 |
| Cash flow from ongoing business activity | -6,330 | -5,366 |
| + Inflow of funds from disposal items of property, plant and equipment | 40 | 0 |
| + Inflow of funds from intangible assets | 0 | 0 |
| - Outflow of funds for investments in property, plant and equipment | -2,417 | -595 |
| + Inflow of funds from disposal financial assets | 3 | 0 |
| + Inflow of funds from disposal of consolidated units | 0 | 0 |
| - Outflow of funds for investments in consolidated units | 0 | -5,000 |
| - Outflow of funds from disposal of intangible assets | 0 | -80 |
| Cash flow from the investing activity | -2,374 | -5,675 |
| + Additional inflow of funds from shareholders | 0 | 0 |
| + Inflow of funds from minority interests | 0 | 0 |
| + Inflow of funds from financial loans | 0 | 343 |
| + Inflow of funds from the issue of bonds | 0 | 0 |
| - Outflow of funds from the redemption of financial loans | -1,828 | -3,214 |
| - Outflow of funds from the repayment of bonds | 0 | 0 |
| - Outflow of funds for capital increase expenses | 0 | 0 |
| Cash flow from the financing activity | -1,828 | -2,871 |
| Cash effective change in liquid funds | -10,532 | -13,912 |
| + Change in liquid funds within the context of merger | 0 | 86 |
| + Liquid funds at the beginning of the period | 39,176 | 41,500 |
| Liquid funds at the end of the period* | 28,644 | 27,674 |
| * of which are pledged to a bank as security | 419 | 633 |

Supplementary information: The value of liquid funds corresponds to the "Cash and cash equivalents" item on the balance sheet as per March 31, 2011.

Group equity level (IFRS)

of PNE WIND AG, Cuxhaven, for the first three months of 2011

| All figures in TEUR (differences from rounding off possible) | Subscribed capital | Capital reserve | Retained earnings | Foreign currency reserve | Consolidated balance sheet result | Equity before minority | Minority Interests | Total shareholders' equity |
|---|--------------------|-----------------|-------------------|--------------------------|-----------------------------------|------------------------|--------------------|----------------------------|
| Status as per January 1, 2010 | 44,525 | 42,037 | 51 | 34 | -16,140 | 70,507 | 0 | 70,507 |
| Group result 01-03/2010 | 0 | 0 | 0 | 0 | 9,345 | 9,345 | -24 | 9,321 |
| Other items | 0 | 0 | 0 | -72 | 20 | -52 | 0 | -52 |
| Status as per March 31, 2010 | 44,525 | 42,037 | 51 | -38 | -6,775 | 79,800 | -24 | 79,776 |
| Status as per January 1, 2011 | 45,776 | 44,874 | 51 | -32 | -8,244 | 82,425 | -737 | 81,688 |
| Group result 01-03/2011 | 0 | 0 | 0 | 0 | 1,873 | 1,873 | -158 | 1,715 |
| Others items | 0 | 0 | 0 | -127 | 0 | -127 | 0 | -127 |
| Status as per March 31, 2011 | 45,776 | 44,874 | 51 | -159 | -6,732 | 84,170 | -894 | 83,276 |

Condensed notes to the consolidated financial statements

of PNE WIND AG, Cuxhaven, for the first three months of 2011

1. Accounting and valuation policies

The financial report on the first three months of the 2011 fiscal year of PNE WIND AG and its subsidiaries is drawn up according to the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB). New standards adopted by the IASB are in principle applied as from the time of their becoming effective as must be taken into consideration in the EU.

In the financial report on the first three months of the 2011 fiscal year as at March 31, 2011, the same accounting and valuation methods were used as in the consolidated financial statements as at December 31, 2010, except for the following standards.

The interim financial statements were drawn up in line with the regulations of IAS 34. The tax expenditure of the PNE WIND Group is determined using an estimate of the taxable income of the relevant companies. The diluted consolidated earnings per share take account of the potential shares from convertible bonds in accordance with IAS 33.

2. Consolidated group

We refer to the disclosures on the summary of business activity, sales development as well as the results of operations, financial position and net assets in the condensed interim group management report for the first three months of 2011.

3. Explanations on significant changes in the balance sheet and the profit and loss account

We refer to the disclosures on the corporate structure in the condensed interim group management report on the first three months of 2011.

4. Contingencies

The Company granted the shareholders of the Silbitz timber-fired power station an annual guaranteed dividend of the equity provided up to the year 2016 by way of a contract in the event that the Silbitz power plant is not able to pay relevant dividends from its own funds. Due to the present plans for the Silbitz power station, the Company has formed provisions in the amount of EUR 1.5 million. If the present plans are not realized in years 2011 to 2016, this amount might increase to a total of EUR 2.5 million.

Condensed notes to the consolidated financial statements

Segment reporting

Segment reporting pursuant to IFRS 8 according to areas

The internal organisation and management structure as well as internal reporting to the Board of Management and the Supervisory Board form the foundation for determining the operating segments of PNE WIND AG. As a result, a categorisation is made into the two areas of projecting of wind power turbines and electricity generation.

The “Projecting of wind power turbines” division entails project planning and realisation of wind farms in Germany and abroad (“onshore”) and project planning of wind farms on the high seas (“offshore”). Alongside this, provision of services in connection with the operation of wind farms and the set-up and operation of transformer stations is part of this business segment. The core of operating activities is the discovery of suitable sites for wind farms and subsequent project planning and realisation thereof.

The “Electricity generation” segment includes, on the one hand, the operation of the “Laubuseschbach” and “Altenbruch II” wind farms. On the other, it entails the PNE Biomasse GmbH holding company, which hires employees to the Silbitz timber-fired power station operating company on the basis of a corresponding contract for services and which also controls further contractual obligations of PNE WIND AG with regard to the Silbitz timber-fired power station. This includes, in particular, delivery of fuels to the Silbitz timber-fired power station operating company, which is also allocated to this segment. Finally, the “Electricity generation” business area also includes the corporations in the legal form of a limited commercial partnership with a limited liability company as its partner (GmbH & Co. KG), which act as supporting companies until the implementation of a wind farm project and are then sold to the investor in question. The assignment of these corporations to the “Electricity generation” segment is based on the background that they will be active in producing electricity as the future operator of a wind farm – albeit only after they have left the PNE WIND Group.

The assessment of the stated revenue and expense amounts as well as of segment assets and liabilities is based on the regulations for external accounting. A separate transition of individual pieces of segment information to the matching figures in the consolidated financial statements is not necessary for this reason.

As a matter of principle, the business relationships between the companies of the Group are based on prices that are also agreed with third parties.

The figures per March 31, 2011 are compared with the figures per March 31, 2010 or, in the case of segment assets/liabilities, the figures per December 31, 2010.

| All figures in TEUR (differences due to rounding possible) | Projecting of wind power turbines | Electricity generation | Consolidation | PNE WIND AG Group |
|---|---|---------------------------|---------------------------|---------------------------|
| | 2011 2010 | 2011 2010 | 2011 2010 | 2011 2010 |
| External sales | 8,868 14,100 | 2,143 2,297 | 0 0 | 11,011 16,396 |
| Inter-segment sales | 1,752 172 | 106 121 | -1,858 -293 | 0 0 |
| Change in inventories | 1,095 696 | 0 0 | 0 0 | 1,095 696 |
| Other capitalised contributions | 0 0 | 0 0 | 0 0 | 0 0 |
| Other income | 214 11,508 | 27 93 | -19 -79 | 222 11,522 |
| Total aggregate output | 11,929 26,475 | 2,276 2,511 | -1,877 -372 | 12,328 28,614 |
| Depreciations | -389 -341 | -847 -886 | 0 0 | -1,237 -1,227 |
| Operating result | 2,098 9,559 | 383 669 | 0 0 | 2,482 10,228 |
| Interest and similar income | 493 175 | 447 2 | -446 -135 | 494 42 |
| Interest and similar expenses | -1,024 -384 | -608 -673 | 446 135 | -1,185 -922 |
| Taxes | 113 -72 | -153 56 | 0 0 | -40 -16 |
| Investments | 2,183 5,675 | 234 0 | 0 0 | 2,417 5,675 |
| Segment assets | 210,018 208,800 | 51,234 53,899 | -63,839 -62,547 | 197,414 200,153 |
| Segment liabilities | 163,462 161,155 | 47,089 50,508 | -96,413 -93,198 | 114,137 118,465 |
| Segment shareholders' equity | 46,557 47,645 | 4,145 3,392 | 32,575 30,651 | 83,276 81,688 |

Segment companies:

Projecting of wind power turbines: PNE WIND AG, PNE WIND Betriebsführungs GmbH, PNE WIND Netzprojekt GmbH, PNE Gode Wind I GmbH, PNE Gode Wind II GmbH, PNE WIND Jules Verne GmbH, PNE WIND Nemo GmbH, PNE WIND Nautilus GmbH, PNE WIND GM Hungary Kft., PNE WIND Ausland GmbH, PNE WIND Straldja-Kamenec OOD, PNE WIND Bulgaria EOOD, PNE WIND BE Development OOD, PNE WIND Ventus Praventsi OOD, PNE WIND Yenilenebilir Enerjila Ltd., PNE WIND UK Ltd., NH North Hungarian Windfarm Kft., PNE WIND PARK Dobrudzha OOD, PNE WIND USA Inc., PNE WIND Renewable Solutions LCC, Underwood Windfarm LCC, Butte Windfarm LCC, PNE-BCP WIND Inc., PNE WIND Romania S.R.L., Plambeck GM Windfarm Pusztahencse Kft.

Electricity generation: PNE Biomasse GmbH, PNE WIND GmbH & Co. KG, PNE WIND Altenbruch II GmbH & Co. KG, PNE WIND Grundstücks GmbH, Holzheizkraftwerk Silbitz GmbH & Co. KG, limited commercial partnerships.

Of the figures in the “Projecting of wind power turbines” segment, a total performance of EUR 2.8 million (previous year: EUR 13.7 million), revenues of EUR 1.7 million (previous year: EUR 13.4 million), operating results of EUR 2.3 million (previous year: EUR -1.2 million), a share of segment assets of EUR 144.8 million (as per December 31, 2010: EUR 153,5 million) and an equity share of EUR 27.8 million (as per December 31, 2010: EUR 33.3 million) are to be ascribed to the wind power onshore sub-division.

Sales revenues with external customers and segment assets of the segments “Projecting of wind power turbines” and “Electricity generation” are attributable to Germany. The segment “Projecting of wind power turbines” generates sales revenues with external customers, which account for more than 10% of total sales revenues.

The basis of accounting for transactions between reporting segments is in line with the accounting principles applicable to the consolidated financial statements.

Cuxhaven, April 2011

PNE WIND AG, Board of Management

Imprint

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This interim report includes statements concerning the future, which are subject to risks and uncertainties. They are estimations of the Board of Management of PNE WIND AG and reflect their current views with regard to future events. Such expressions concerning forecasts can be recognised with terms such as “expect”, “estimate”, “intend”, “can”, “will” and similar terms relating to the Company. Factors, which can have an effect or influence are, for example (without all being included): the development of the wind power market, competitive influences including price changes, regulatory measures and risks with the integration of newly acquired companies and participations. Should these or other risks and uncertainty factors take effect or should the assumptions underlying the forecasts prove to be incorrect, the results of PNE WIND AG could vary from those, which are expressed or implied in these forecasts. The Company assumes no obligation to update such expressions or forecasts.

