

PNE WIND AG

First Quarter 2014 Webcast Presentation –



Windpark Buchholz

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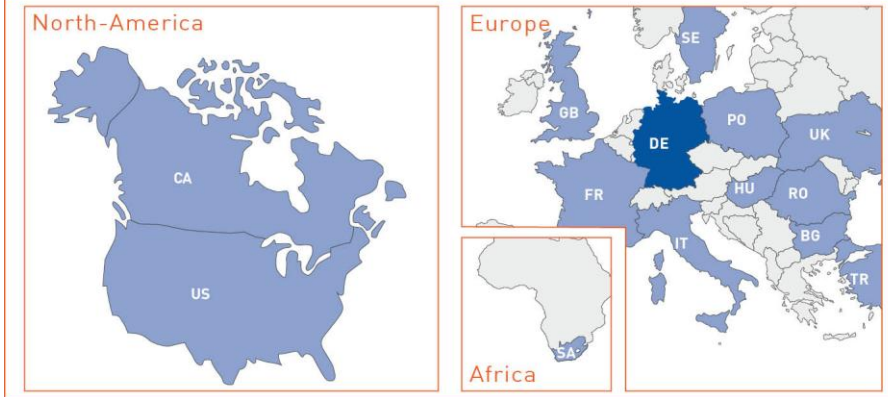
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Q1 - HIGHLIGHTS

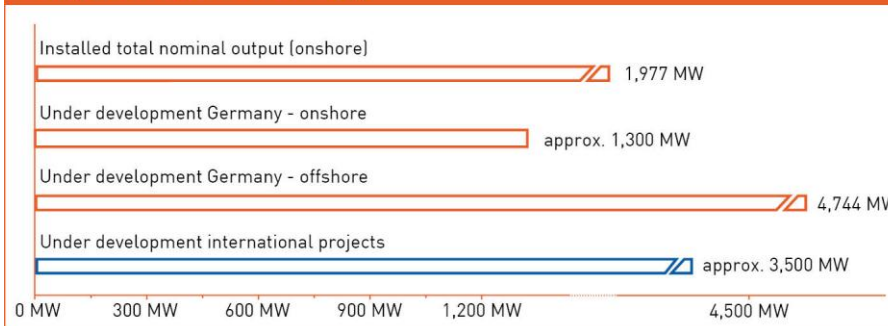
- **The first quarter of 2014 is characterized by**
 - 1) the continuation of our onshore development activities in Germany and abroad,
 - 2) intense political debates concerning the future expansion of renewable energy in Germany
 - 3) formation of a joint development agreement with STEAG for the Turkish market
- **Onshore wind farm activities progressed rapidly** - Calau IIA (15.4 MW) completed and handed over to infrastructure investor CEE & Görke-Söllenthin (6 MW) was sold to EnBW
- **100 MW of German projects are currently under construction** - these projects fall under the current Renewable Energies Legislation (EEG)
- **Permits issued for German projects with 23 MW of nominal capacity** – construction expected to start soon
- **International activities well underway** - 12 MW project under construction in France and permits received for a 20 MW project in the UK and a 10 MW project in France during the first quarter
- **EBIT at EUR -0.8 million during the first quarter vs. EUR -2.5 million last year** – Financial results reflect seasonality and upfront payments in our project development business. These investments will drive future earnings & we forecast a 3 year cumulative EBIT of EUR 110-130 million for the 2014-2016 period

PNE WIND & WKN

International operations of PNE WIND Group



Projects PNE WIND Group



- PNE WIND GROUP consists of the companies PNE WIND AG and WKN AG
- Development and implementation of wind farm projects in Germany and abroad, both onshore and offshore
- Active in 14 different countries
- More than 400 employees
- Onshore: wind farms with a nominal capacity of approx. 4,800 MW in development
- Offshore: 12 projects with a total nominal capacity of approx. 4,744 MW in development / thereof six own projects
- Operation and Maintenance (O&M) services of wind turbines support through commercial and technical management

PNE ONSHORE PIPELINE

Land*	I-II	III	IV	Total MW
Germany	888	152	60	1100
Bulgaria	121	0	0	121
Romania	55	102	0	157
Turkey	300	0	0	300
UK	710	47	0	757
Hungary	0	78	0	78
USA	169	183	0	352
Canada	575	0	0	575
Total	> 2,500	562	60	>3,100
Phase I – II = Exploration & Development		Phase III = Planning		
Phase IV = Implementation				

*Per 31.03.14

- In Germany,
 - “Calau IIA” (15.4 MW) handed over to infrastructure investor CEE
 - “Görike-Söllenthin” (6 MW) sold to EnBW
 - Projects with 60 MW of nominal capacity under construction – projects to fall under current regulatory framework
 - Permits on hand for an additional 23 MW - construction to begin in the near future
- In the USA, construction on “Chilocco” wind farm with up to 153 MW is ongoing
- In the UK, permits attained for the “Tralorg” wind farm with 20 MW during 1Q14
- In Romania, 2 projects with 102 MW of capacity are in the sales process
- Turkey - Joint development agreement with STEAG in April – pipeline expanded to up to 700 MW

WKN ONSHORE PIPELINE

Land	I-II	III	IV	Total MW
Germany	140	29	41	210
Italy	450	70	0	520
France	140	10	12	162
Poland	250	32	0	282
UK	0	66	0	66
South Africa	130	0	0	130
Sweden	240	0	0	240
Ukraine	230	0	0	230
USA	78	0	0	78
Total	> 1,500	207	53	> 1,700

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

Phase IV = Implementation

*Per 31.03.14

- In Germany, 41 MW of projects which were sold in 2013 are now under construction – these projects fall under current EEG
- In France, 12 MW wind farm under construction and an additional 10 MW project permitted in 1Q14
- In the UK, a 66 MW project permitted from Highland Council is awaiting final permit
- In South Africa, WKN AG intends to participate with the 100 MW “Ubuntu” project in next tender round
- In Italy, WKN AG intends to participate with a 40 MW project in next tender round

OFFSHORE PROJECTS

Project	Phase	WT	Total MW
Borkum Riffgrund I *	6	77	277
Borkum Riffgrund II *	5	97	349
Gode Wind 1 *	6	54	324
Gode Wind 2 *	6	84	504
Gode Wind 3 *	1	15	90
Nautilus II *	2	80	560
Nemo	2	80	480
Jules Vernes	2	80	480
Nautilus I	2	80	480
Atlantis I	2	80	400
Atlantis II	2	80	400
Atlantis III	2	80	400
Total		887	4,744
Phase 1 = Project identification		Phase 4 = Approval granted	
Phase 2 = Application conference		Phase 5 = Grid connection	
Phase 3 = Hearing		Phase 6 = Investment decision	

* PNE WIND AG acts as service provider

- “Borkum Riffgrund I” (sold to DONG Energy) under construction since mid 2013
- “Gode Wind” (sold to DONG Energy) scheduled to be operational in 2016
- EUR 129 million received from “Gode Wind” transaction since August 2012. EUR 25 million in milestone payments due
- "Nautilus II" sold to SSP Technology Holding ApS, a Ventizz portfolio company
- “Atlantis” offshore projects acquired in September 2013
- Total output of 6 own projects in planning 2,640 MW

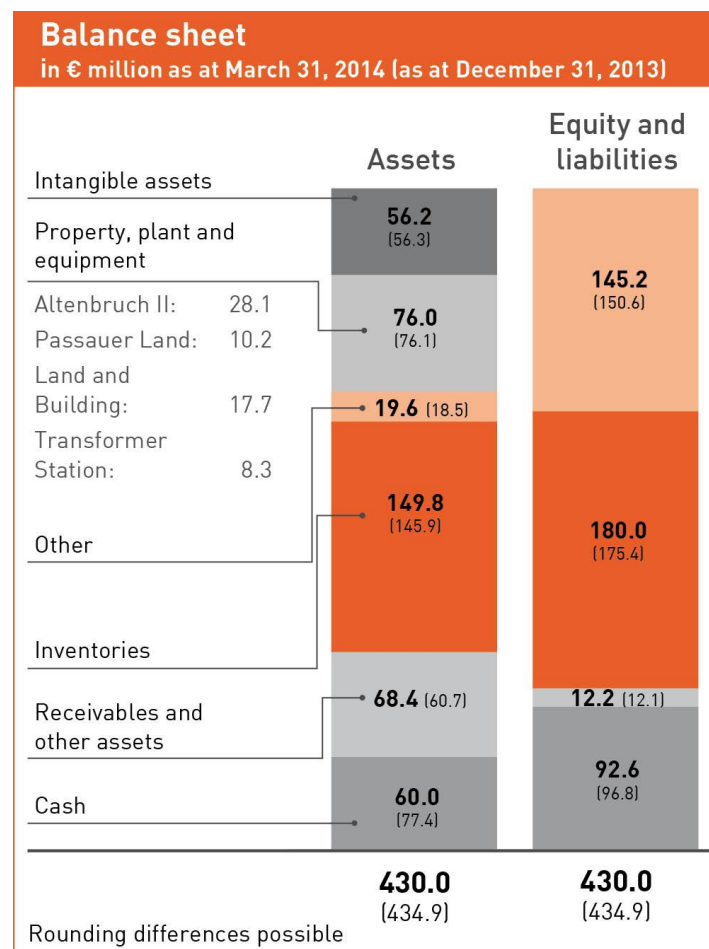
PROFIT & LOSS (IFRS)

- Group sales were generated from PNE WIND AG projects “Calau IIA” and “Göricke Söllenthin” as well as WKN AG’s German projects “Kastorf” and “Kropp” and a 12 MW project in France
- Sales from electricity generation amounted to EUR 3.4 million
- Personnel costs rise with 412 employees at end of first quarter compared to a headcount of 195 last year
- EBIT came in at near breakeven at EUR -0.8 million - despite higher upfront costs resulting from ongoing construction activities
- Net interest expense primarily rises with EUR 100 million corporate bond placed in 2013
- Net income of EUR -5.2 million translates into an EPS of EUR - 0.09

In €m	1Q14	1Q13	2013
Sales	32.9	12.2	144.0
Total performance	43.7	14.6	162.1
Cost of materials	-30.6	-9.2	-71.9
Personnel	-7.2	-3.8	-21.6
Depreciation	-1.9	-1.3	-6.2
Others	-4.9	-2.9	-17.4
EBIT	-0.8	-2.5	45.0
Net interest	-3.4	-1.1	-9.2
EBT	-4.2	-3.6	35.8
Net income	-5.2	-3.8	40.7
EPS (in €)	-0.09	-0.09	0.86
EPS diluted (in €)	-0.09	-0.06	0.81

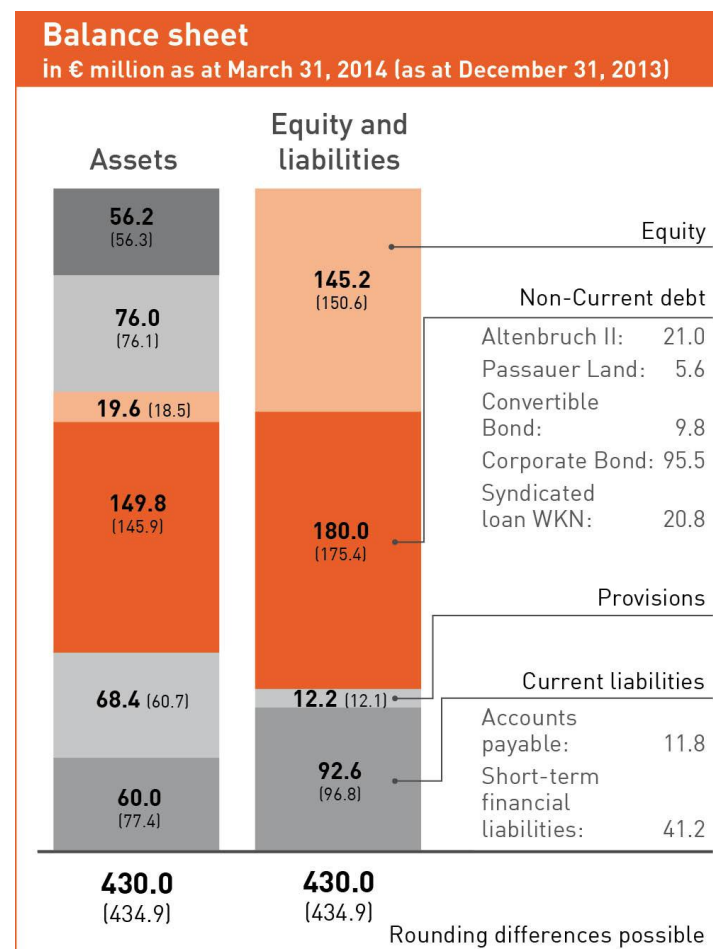
- Changes in balance sheet during the first three months of 2014, reflect negative earnings and ongoing investments in project pipeline which will drive future earnings
- Cash position ends period at EUR 60.0 million underlining strong financial position of the Group
- Property, Plant and Equipment amounts to EUR 76.0 million; main items include technical equipment (wind and solar projects) and land and buildings
- Inventories of EUR 149.8 million reflect prepayments and investments made in onshore projects in development and currently under construction. Offshore projects total approx. EUR 36.1 million
- Receivables include long term construction contacts receivables total approx. EUR 31 million

BALANCE SHEET ASSETS (IFRS)



BALANCE SHEET LIABILITIES (IFRS)

- Equity decreases to EUR 145.2 million due to negative result recorded during the first quarter - equity ratio equates to 34%
- The long term liabilities of EUR 180.0 million primarily represent corporate bond 2013/18 (gross proceeds of EUR 100 million), Syndicated WKN loan (EUR 20.8 million), convertible bonds (EUR 9.8 million)
- Project level financing (EUR 53 million) is largely long term but a portion is recorded as short term financing (EUR 19 million)
- Short term liabilities represent project financing & deferred purchase price arising from WKN transaction (EUR 10 million)
- Net debt rises to EUR 156.1 million up from EUR 134.1 million at the end of 2013

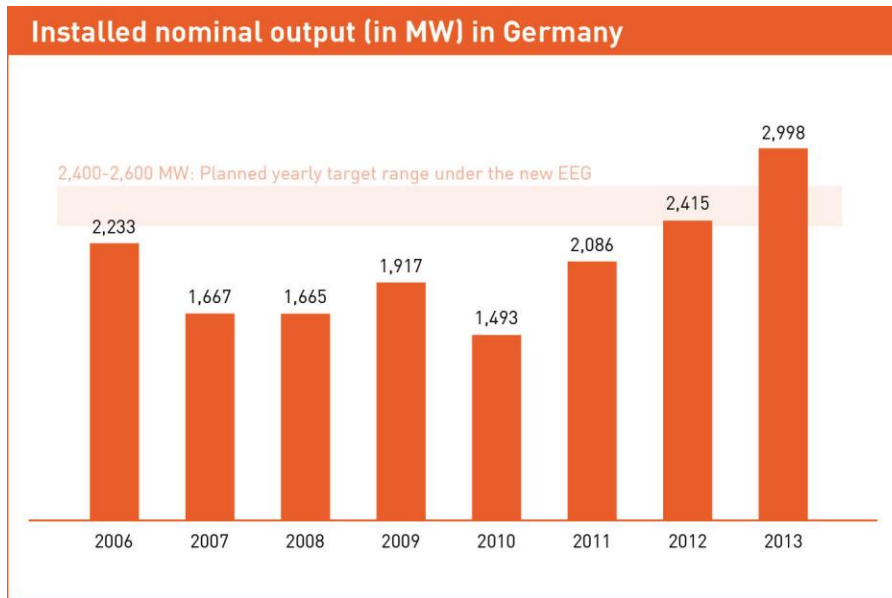


CASH FLOW (IFRS)

- Cash Flow (CF) from operating activities at EUR -19.9 million results primarily from the negative result in first quarter combined with investments in working capital
- Working capital increased primarily due to a rise in long term construction contract receivables and higher inventories levels reflecting continued investments in the project pipeline
- Cash flow from investing primarily reflects investments made in transformer stations for projects under completion
- Cash flow from financing primarily reflects the balance of taking and paying financial loans including project financing in the amount of EUR 7.2 million

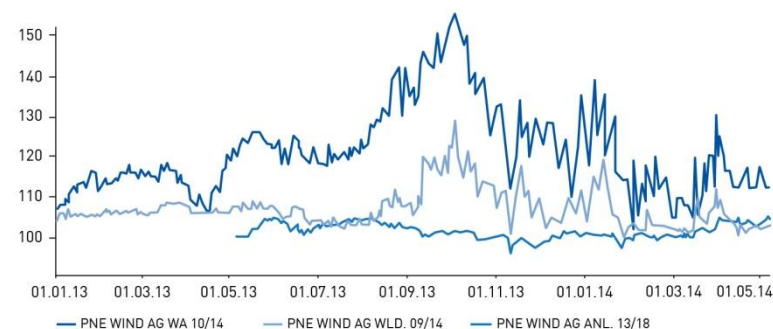
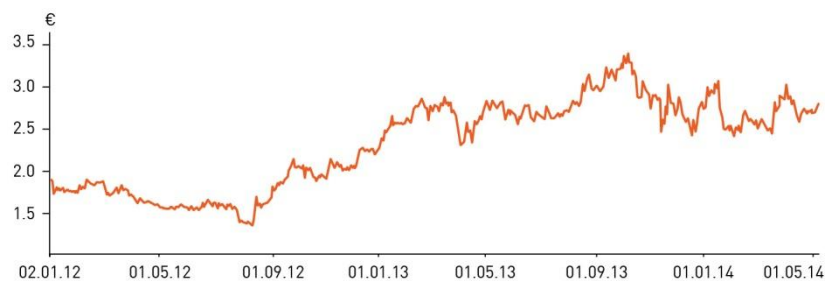
In Mio. €	1Q-2014	1Q-2013
Net income	-5.5	-4.0
Interest & tax (net)	3.8	1.1
Depreciation	1.9	1.3
Provisions & non-cash items	0.2	-0.1
Change in working capital	-20.2	17.1
CF from operating activities	-19.9	15.3
CF from the investing activities	-1.7	-0.9
CF from financing activities	4.2	-8.0
Change in liquid funds	-17.4	6.4
Liquid funds beginning of period	77.4	36.6
Liquid funds end of the period	60.0	43.0

EEG – MARKET UPDATE



- German government aims to double amount of renewable in the mix – from 25% today to 55-60% in 2035
- Onshore tariff to begins at EUR 89 per MWh (actual EEG EUR 92 per MWh) – length of initial tariff is based in part on relative strength of the wind per location
- Government targets between 2,400 - 2,600 MW per year – this target range has only been exceeded one time in past 8 years
- Capacity removed as part of repowering is netted against new installations
- Offshore framework to be extended through 2019 - providing excellent visibility for some of our projects in development
- Geopolitical issues underline importance of diversifying energy mix - Wind is cost effective and efficient supplier of electricity

STOCK & BONDS



WKN	AOJBPG / DE000AOJBPG2
Number of shares	54,896,805
Market capitalization (May 9, 2014)	€ 155.9m
Free Float	Approx. 80%
Market segment	Prime Standard
Indices	CDAX Technology, ÖkoDAX
Designated Sponsors / Market Maker	Commerzbank VEM Aktienbank Close Brother Seydler Bank
Reuters / Bloomberg	PNEGn / PNE3

Convertible bond 2009/2014 (WKN: A0Z1MR)
 Coupon 7.0%, Strike price €2.50, 38,500 bonds placed @ €100 a piece (€ 3.8m open as per March 31, 2014)

Convertible bond 2010/2014 (WKN: A1EMCW)
 Coupon 6.5%, Strike price €2.20, 260,000 bonds placed @ €100 a piece (€ 6.0m open as per March 31, 2014)

Participation certificate 2004/2014 (WKN: A0B9VG)
 Coupon 7-10%, (Volume € 0.8m as per March 31, 2013)

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

THANK YOU

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