

A large wind turbine stands in a field of red poppies. The sky is blue with scattered white clouds. The turbine is white and has three blades. The poppies are in the foreground, some in full bloom and some as buds.

THEOLIA

Annual General Meeting of Shareholders



Disclaimer

- This presentation includes forward-looking statements. Such forward-looking statements are not guarantees of future performance. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including the risks described in the documents filed by THEOLIA with the Autorité des marchés financiers (the "AMF") and available on the AMF website (www.amf-france.org) and THEOLIA website (www.theolia.com), to which investors are invited to refer. THEOLIA does not undertake, nor does it have any obligation, to provide updates or to revise any forward-looking statements.
- Certain information contained in this presentation, which is not part of THEOLIA December 31, 2008 financial statements, has not been subject to independent verification. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein.



Agenda

- └ Introduction
- └ Operational and strategic review
- └ Financial review
- └ Corporate governance
- └ Audit committee
- └ Nomination and Remuneration committee
- └ Questions and answers
- └ Vote of resolutions



Introduction

Eric Peugeot

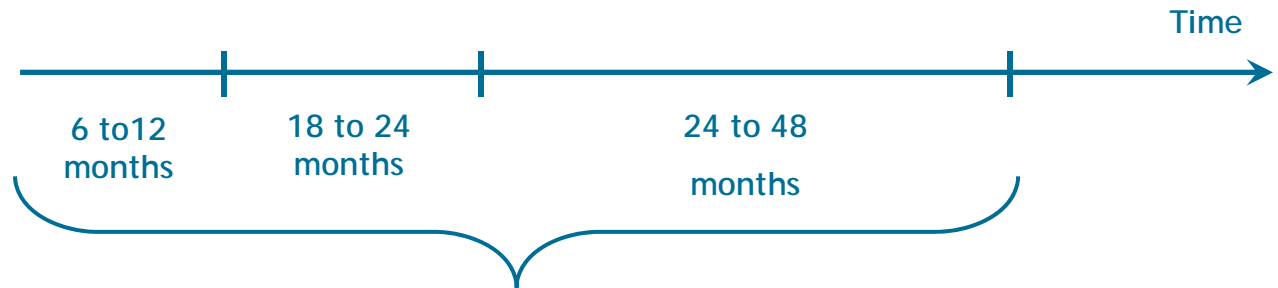
Chairman of the Board of Directors



Presentation of THEOLIA

- ✧ Founded in 1999, traded on the OTC (*marché libre*) in 2002 and listed on Eurolist July 31, 2006
- ✧ Independent Group, a European producer of electricity from wind energy
- ✧ Active in the development, construction and operation of wind farms
- ✧ Total installed capacity of 671 MW as of December 31, 2008
 - 360 MW for own account
 - 311 MW for third parties

Active over the entire wind value chain

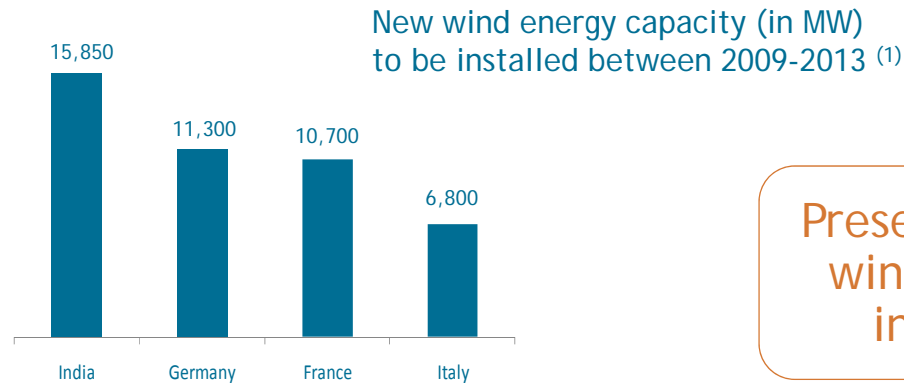


Development timeframe: 4 to 7 years





In countries with significant imminent growth



... and favorable, European regulatory environment with fixed feed-in tariffs

	Duration of PPA	% of renewable energy sources in final consumption in 2005	2020 target for % of renewable energy sources in final consumption
France	15 years	10.3%	23%
Italy	15 years	5.2%	17%
Germany	20 years	5.8%	18%



Difficulties encountered during the second half of 2008

- ✚ Confusion around build & hold strategy without having secured adequate financing
- ✚ Absence of sales of wind farms at the end of the year
- ✚ Entry into the global financial crisis with a particularly limited free cash position

One of the first decisions of the Board of Directors: reinforcement of corporate governance

- ✚ Separation of the roles of Chairman and CEO
- ✚ Acceptance of AFEP/Medef guidelines
- ✚ Revision of the remuneration policy for Board members and executive management
- ✚ Establishment of the profile of the future Board of Directors
- ✚ Search for new Board members



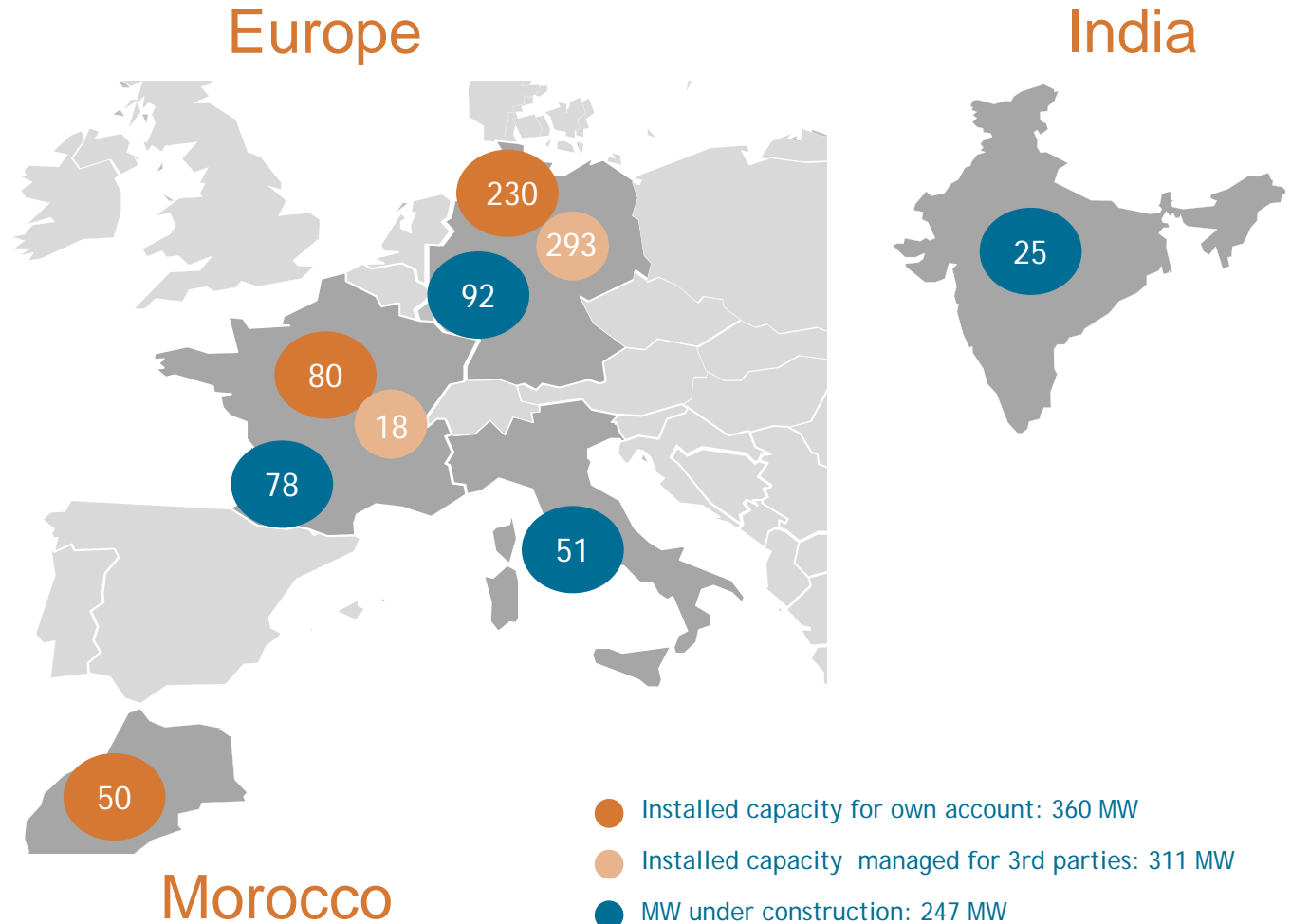
Operational and strategic review

Marc van't Noordende

Chief Executive Officer



Significant installed capacity and mature projects



Figures as of December 31, 2008



Project implementation is *the* challenge for the coming years

Pipeline of projects amounting to 2,580 MW, year end 2008

(In MW)	Prospecting	Development	Permits applied	Permits obtained	Under construction	Total pipeline	
Europe							
France	428	348	352	57	78	1,264	49%
Italy	-	90	254	25	51 ⁽¹⁾	419	17%
Germany	-	-	38	5	92	135	6%
Rest of the World							
India ⁽²⁾	-	-	-	300	25	325	13%
Brazil	240	23	70	105	-	438	17%
Total pipeline	668	461	713	491	247	2,580	
	26%	18%	28%	19%	10%		

(1) Of which 21 MW owned 50/50 with partner.

(2) Joint-venture 50/50; all figures on 100% basis.



Operational highlights

- ✚ Proven high quality operations capabilities in Germany (over 98% availability rate on 523 MW in operation)
- ✚ Transfer of German operational know-how to French subsidiary started
- ✚ Flexible diversified turbine procurement without any significant forward commitments
- ✚ Commissioning of operational capacity in 2 new markets (India and Italy) planned for 2009/2010
- ✚ Record annual electricity production in 2008, meeting the needs of 486,000 households, avoiding 538,000 tons of CO₂

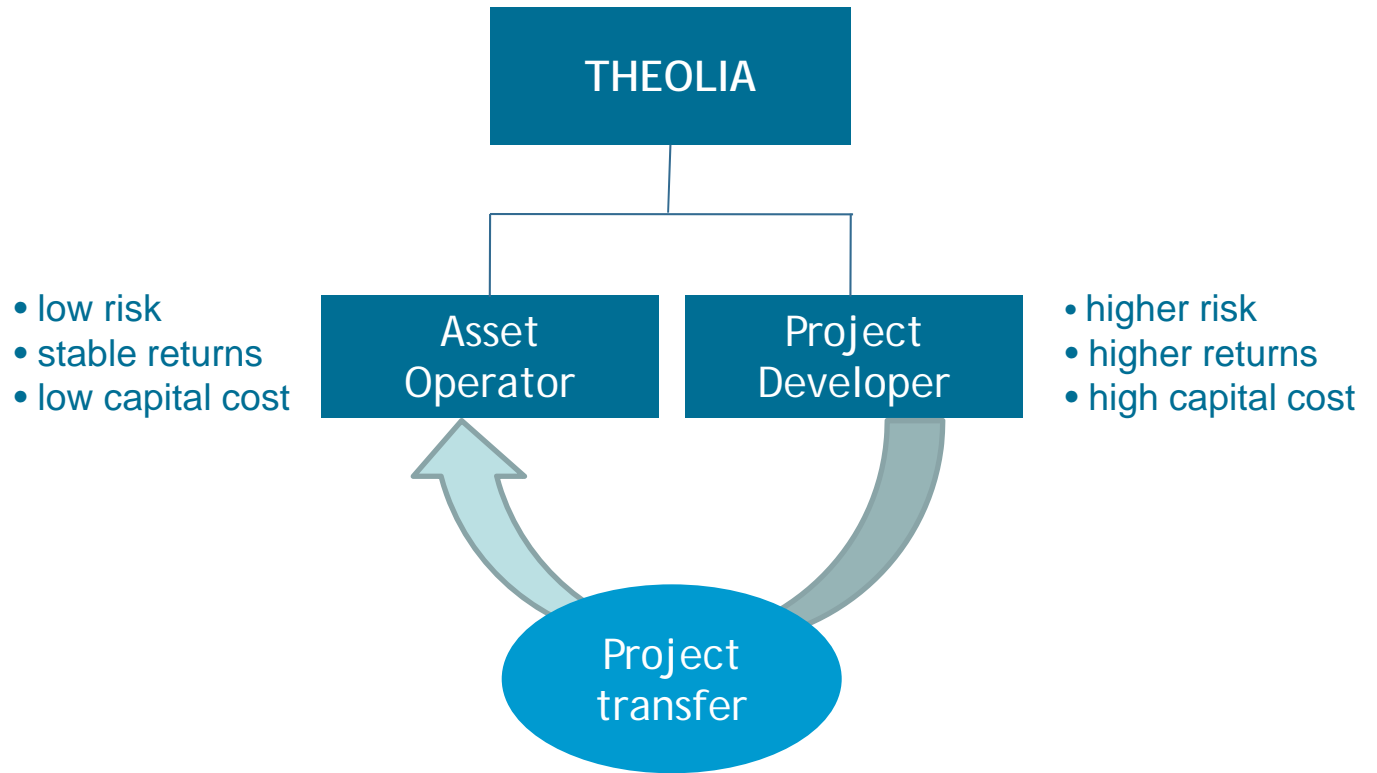


Initial decisions taken by new management

- ✚ Wind is core, the rest is not
 - ➡ Divestments of non-wind assets and participations in process
- ✚ Focus on key geographic markets
 - ➡ Closing of Spain, Greece, Czech Republic, Croatia and Poland in process
- ✚ Separate listing for Theolia Emerging Markets canceled
 - ➡ As communicated
- ✚ Reversal of build & hold strategy
 - ➡ Selling over 200 MW of projects/assets
- ✚ Project implementation is priority for subsidiaries
 - ➡ Project management and approval process in development
- ✚ Short term growth aligned with financial capacity (self-funded 2009 budget)
 - ➡ Risk due to lead times of divestments



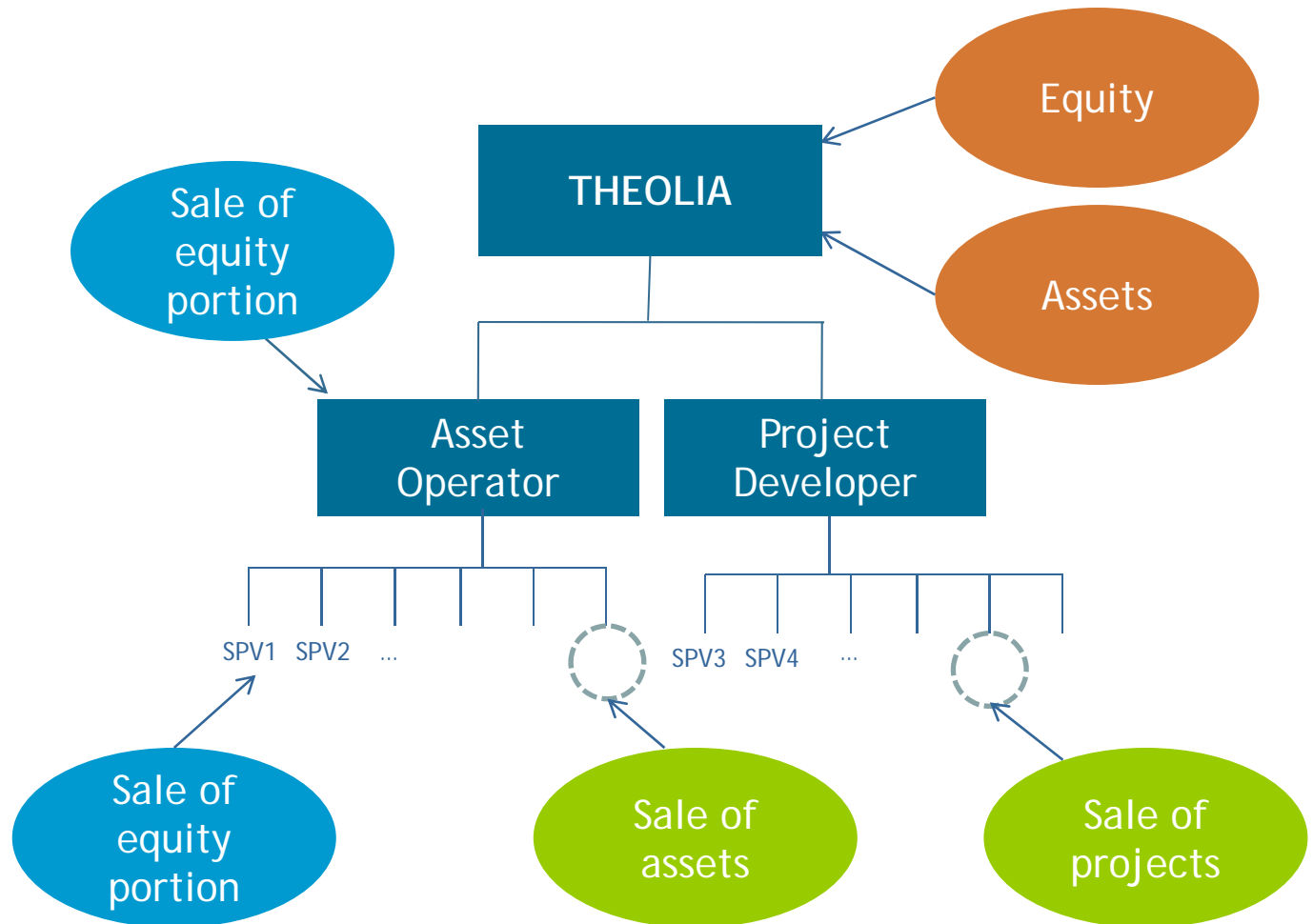
THEOLIA's business model



Two activities with several possible business models



Capital restructuring options



... with objective to grow the business beyond the base case



Foundation for future growth

- ✚ Redesign management team
- ✚ Continue cost reductions at headquarters, in German and Moroccan subsidiaries
- ✚ Manage divestments and asset sales to closing
- ✚ Select preferred business model and start process to attract new outside capital, either at corporate or asset level

- ➡ In light of uncertainty surrounding the planned divestments, the Group will not give operational or financial guidance at this stage
- ➡ Goal beyond 2009: operational growth based on reinforced capital structure



Financial review

Olivier Dubois

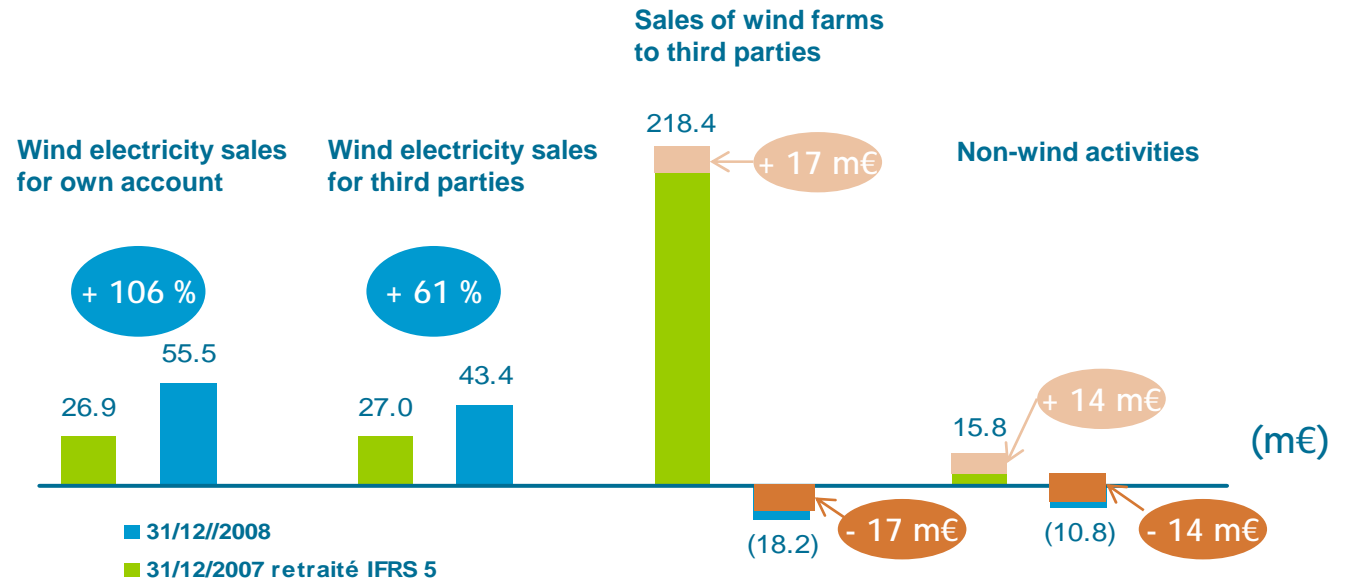
Chief Financial Officer



Consolidated Income Statement

(in million euros)	Financial year 2008	Financial year 2007 restated ⁽¹⁾
Revenue	70	288.1
Operating income	(196.4)	(37.5)
Net income from continued activities	(227.4)	(47.4)
Loss from discontinued activities	(16.7)	(1.3)
Net income	(244.1)	(48.6)

Analysis of sales



- Strong increase of wind electricity sales for own account and for third parties
- No sales of wind farms in 2008 and cancellation of a prior sale for €17m in 2007
- Cancellation of 2007 sale of a solar park for €14.4m



Impact of cancellation of two 2007 sales
on revenue= -€31.4 m





Analysis of operating income

- ⌋ Operating income: (196.4) million euros
- ⌋ After (176.1) million euros of non-recurring charges
- ⌋ After (26.6) million euros of amortization

Details of non-recurring charges (in million euros)

Goodwill depreciation (fair value tests)	77.6
Asset depreciation (fair value tests)	28.0
Subtotal of IAS 36 depreciation	105.6
Book loss on Thenergo shares	22.6
Depreciation of receivable from Thenergo sale	15.0
Depreciation for reservation fees for turbines	10.0
Other non-recurring costs	22.9
TOTAL	176.1



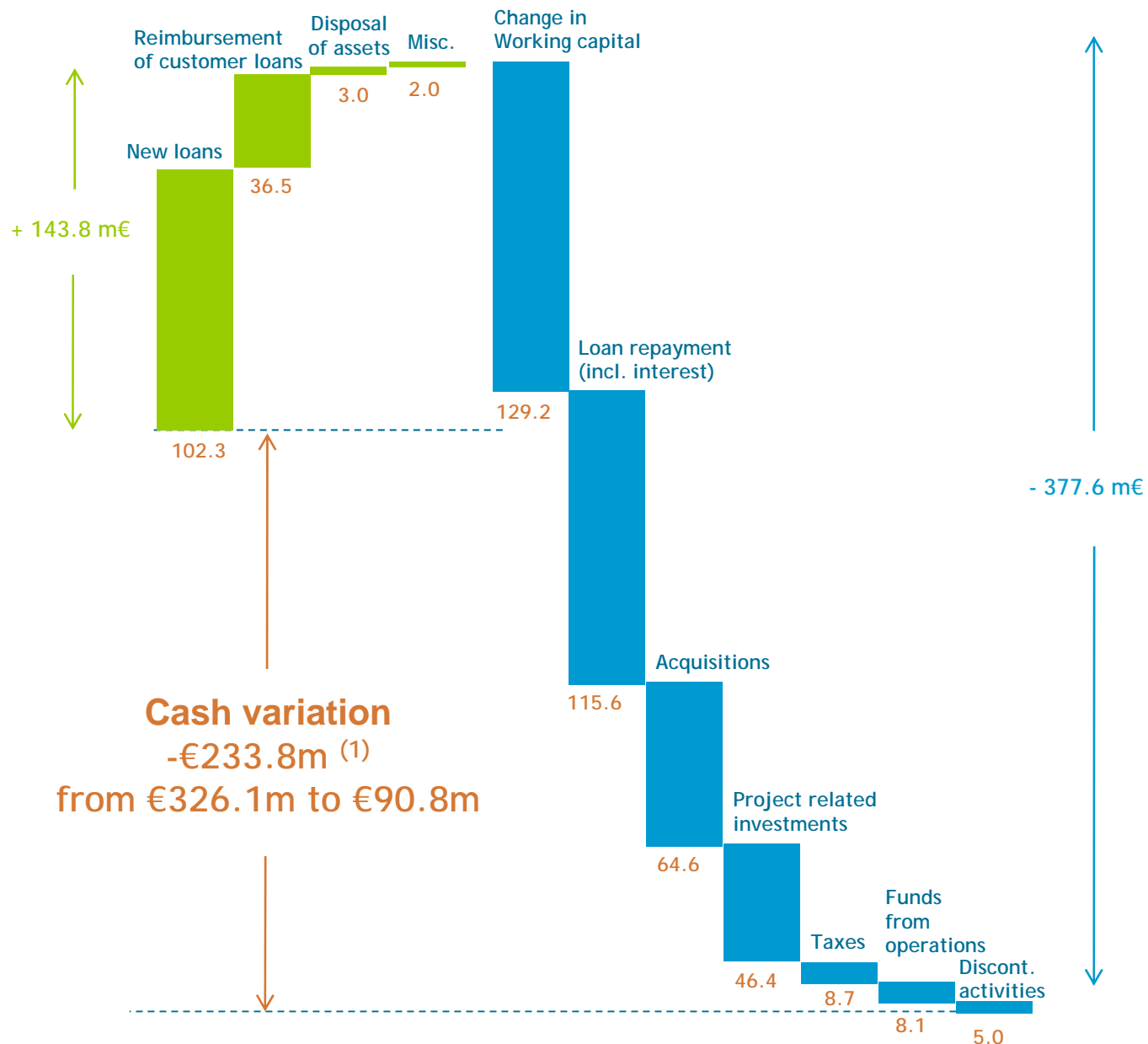
Financial structure

(in million euros)	December 31, 2008	December 31, 2007 restated ⁽¹⁾
Goodwill	78.1	120.1
Tangible and intangible assets	435.8	410.7
Other assets	313.7	296.8
- Financial debt	589.2	542.6
+ Cash and cash equivalents	91.1	327.3
- Other liabilities	159.8	207.9
Net assets	169.8	404.4
Shareholder's equity		



2008 Cash Flow

(in million euros)



(1) Including -€1.5m of cash from discontinued activities.



Debt structure

(in million euros)	December 31, 2008	December 31, 2007 restated ⁽²⁾
Financial debt	(376.7)	(346.3)
Of which non-recourse project financing	(337.1)	
Corporate debt (OCEANE) ⁽¹⁾	(204.2)	(196)
Other financial liabilities	(8.3)	(0.3)
TOTAL FINANCIAL DEBT	(589.2)	(542.6)
Cash and cash equivalents	90.8	326.2
Current financial assets	0.3	1.1
TOTAL CASH	91.1	327.3
NET FINANCIAL DEBT	(498.1)	(215.2)

(1) The stated amounts correspond to the debt component of the convertible bond.

(2) Restated for 3 accounting errors (see note 2.1 of the notes to the 2008 consolidated financial statements).



Cash position

(in million euros)	Total cash Group	Total cash Holding
December 31, 2007	326	172
December 31, 2008	91	14
Free cash ⁽¹⁾	34	9
March 31, 2009	83	27
Free cash ^{(1) (2)}	26	16
May 13, 2009		
Free cash ^{(1) (2)}		22

- (1) Cash available, neither trapped in project support companies nor pledged. Cash in subsidiaries is mainly dedicated to operating expenses and cannot be pooled at holding level.
- (2) Non audited figures.



Revenue for first quarter 2009

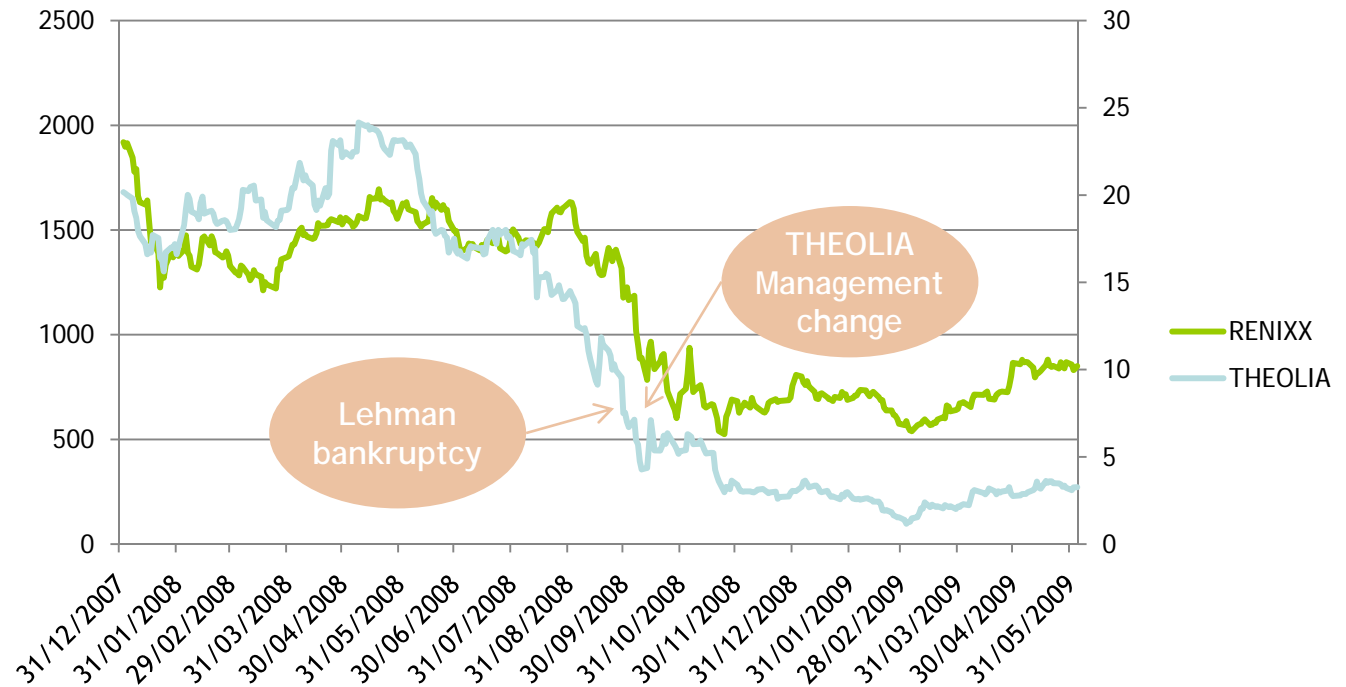
(in million euros)

	Wind activities			Non-wind activity	Consolidated Total
	Sale of electricity for own account	Development, construction, sale	Operation		
1st quarter 2009	15.7	51.9	10.4	0.3	78.2
1st quarter 2008	21.5	-	16.9	0.8 ⁽¹⁾	39.2 ⁽¹⁾

- Doubling of revenue in Q1 2009 vs Q1 2008
- Strong contribution from the activity of 'Development, construction, sale' with reactivation of sales of wind farms to third parties (35.5 MW sold)
- Activities 'Sale of electricity for own account' and 'Operation' penalized by poor wind conditions in Germany and in France



Evolution of stock price in 2008

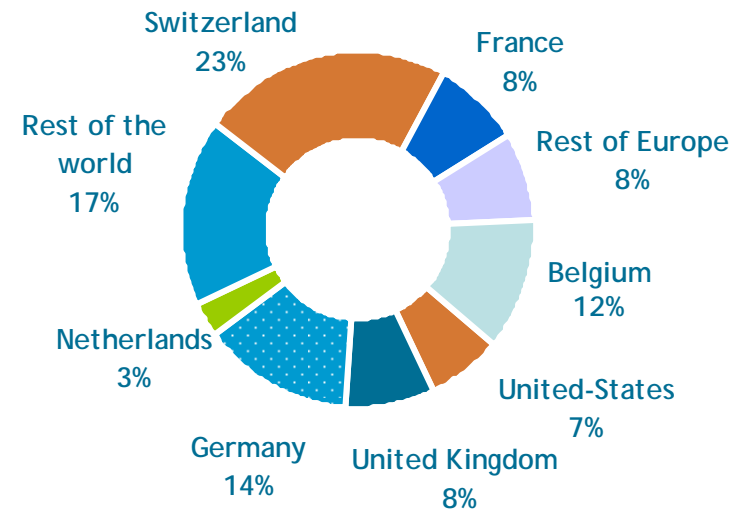
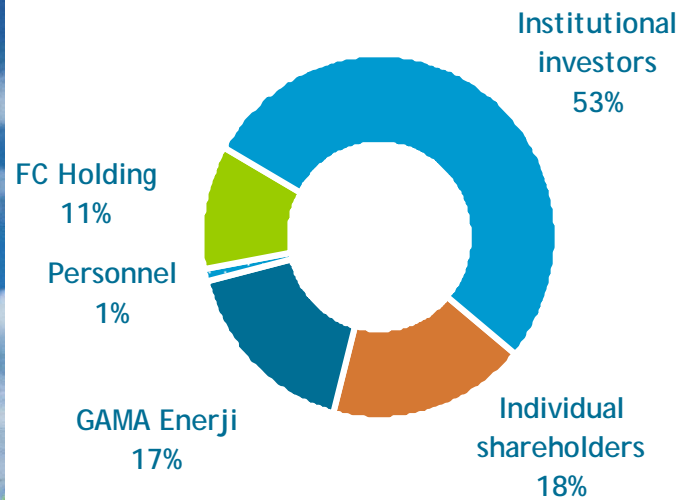


- Sharp decline in stock price during 2nd half of 2008
- In the context of a global credit crisis that severely punished the most leveraged companies
- RENIXX index(Renewable Energy Industrial Index): - 63.6 %
THEOLIA: - 84.9 %



Share ownership - December 2008

└ A balanced and diversified capital structure





Corporate governance

Eric Peugeot

Chairman of the Board of Directors



Evolution of corporate governance

Actions already taken:

- ✚ Separation of the roles of Chairman and CEO
- ✚ Acceptance of AFEP-MEDEF guidelines
- ✚ Revision of the remuneration policy for Board members and executive management
- ✚ Profile for the future Board developed
- ✚ Search for new Board members

Ongoing initiatives:

- ✚ In-depth audit of corporate governance
- ✚ Group's goal: become recognized for best-in-class governance in the coming years
- ✚ Draft ethical charter and guide of best practices for Board members
- ✚ Increase range of competencies on Board
- ✚ Create position of internal auditor



Composition of the Board of Directors

└ As of December 31, 2008, the Board of Directors comprised 7 members:

- └ Mr. Eric Peugeot, Chairman of the Board of Directors
- └ Mr. Louis Ferran
- └ Mr. Stéphane Garino
- └ Mr. Georgius J.M. Hersbach
- └ M. Arne Lorenzen
- └ Mr. Philippe Perret
- └ The company Sofinan Sprl (represented by Mr. Norbert van Leuffel)

Resignations not replaced in 2008:

- └ Jean-Marie Santander September 29, 2008
- └ Andrew Marsden and Ramzi Nassar, representing GE EFS, December 18, 2008, following the transfer of THEOLIA shares from GE EFS to Gama Enerji
- └ Jacques Putzeys, Chairman of Thenergo, December 30, 2008, following the sale by THEOLIA of its stake in Thenergo

Resignations not replaced in 2009:

- └ Philippe Perret January 21, 2009
- └ Arne Lorenzen February 11, 2009



The Board of Directors in 2008

- ✂ 18 meetings
- ✂ Attendance rate > 93%
(90% in 2007 and 73% in 2006)
- ✂ Average length of meetings: 4 hours



Very strong implication of the Board of Directors

4 Board members proposed for renewal



Mr. Louis Ferran

Vice-Chairman of the Board of Directors

Board member since 2006

Independent Board member

Swiss and French national, 63 years old. Since 2004, he is manager and investor in an important real estate project in Switzerland. He brings to THEOLIA his international general management experience acquired during his career with top firms such as: Merck Sharp & Dohme, L'Oréal, Philip Morris and Timberland. As independent entrepreneur, he reinforced his corporate experience with his involvement in private equity, corporate governance and mergers and acquisitions.

With an MBA from INSEAD (71) and a law degree from Université Paris ASSAS, Louis Ferran taught marketing at the Université Paris IX Dauphine (72-78) and gave frequent conferences (as lecturer) at Suffolk University-Boston, USA (93-94). From 2005 to 2007, he was also visiting professor at the International School of Hotel and Hospitality Management (Laureate Group) Bluche - Switzerland where he taught globalization in an MBA program.



© THEOLIA



4 Board members proposed for renewal

✦ Mr. Georgius J.M. Hersbach

Board member since 2006

Independent Board member

Dutch national, 56 years old. Mr. Hersbach is founder and Chairman & CEO of Heartstream Group. Heartstream specializes in the financing of innovative companies.

Mr. Hersbach was previously Chairman & CEO of Pharming Group, where he signed partnership agreements with major companies and raised more than 200 million euros. Mr. Hersbach holds a Master of Science in chemical technology from the University of technology of Delft (Netherlands) and an engineering diploma from FEANI in Paris.

4 Board members proposed for renewal

Mr. Eric Peugeot

Chairman of the Board of Directors
Board member since 2006
Independent Board member

French national, 53 years old. Mr. Peugeot holds a degree in marketing. He was responsible for merchandising in Europe for Peugeot automobiles and Director of Sponsoring and Partnerships for Peugeot automobiles until 2000. He holds many positions in the various subsidiaries of Group PSA including Chairman of Peugeot in Belgium, Portugal and the Netherlands. He is also Board member of E.P. Sports SA in Switzerland. He is honorary Chairman of the Football Club Sochaux Montbéliard and Board member of Établissements Peugeot Frères.





4 Board members proposed for renewal

✚ The company Sofinan Sprl (represented by Mr. Norbert van Leuffel)

Board member since 2006
Independent Board member

Mr. Norbert van Leuffel, Belgian national, 65 years old, holds degrees in accounting, business and management. He started his career at KPMG in Brussels where he held a management position. He later joined the following international groups: General Biscuits/Lu-Brun, as Internal Audit Manager, and Transmarcom, as worldwide Director of Finance and Administration. In 1991, he became an independent Consultant/Manager and realized several turn-arounds of medium to large size companies.



3 new Board members proposed for shareholder vote

Willi Balz

German national, 49 years old

Mr. Willi Balz is founder of the company Natenco-Natural Energy Corporation GmbH founded in 2000, a company specialized in the development, construction and sale of wind farms, sold to THEOLIA in 2006. He is also founder of the company Financial Consulting GmbH founded in 1986, of FC Immobilien GmbH founded in 1991 and of FC Holding GmbH founded in 1999, companies specialized in the advising and financing of real estate and wind projects, and also of the company Wetfeet Windenergy Holding GmbH, founded in 2008, a developer of offshore wind projects. He is the second most important shareholder of the German turbine builder, Führländer AG and Board member of this company since 2008.



3 new Board members proposed for shareholder vote

Philippe Dominati

French national, 54 years old

Mr. Philippe Dominati is Senator of Paris since 2004, member of the Commission of Economic Affairs.

He is Vice-Chairman of the Supervisory Board of Téléperformance, where he is also a member of the Remuneration committee, Chairman of the Supervisory Board of SRMS Marketing Services and Board member of SLE Caisse d'Epargne Ile de France.



3 new Board members proposed for shareholder vote

✧ Marc van't Noordende

Dutch national, 50 years old

CEO of THEOLIA since September 29, 2008

Before joining THEOLIA, Mr. van't Noordende was Chief Operating Officer of Essent, the largest energy company in the Netherlands, specialized in the production, transport, sales and delivery of electricity and gas. He joined Essent in 2000 as President of the Energy Division, became a member of the Executive Board in 2002 and was COO from 2005 to 2008. Prior to Essent, he was CEO of Protein Genetics, based in Wisconsin, USA, from 1997 to 2000. Prior to this, he held positions at Gemini Consulting and Akzo Nobel. Mr. van't Noordende holds an MBA from INSEAD (France), as well as a law degree from the University of Leiden (The Netherlands).



Audit committee

Stéphane Garino

Chairman of the Audit committee



Principal missions of the Audit committee

- ✚ To look after the sincerity of the annual and semi-annual accounts, of both the parent company and the Group, before presentation to the Board
- ✚ To ensure the relevance and continued application of the applied accounting rules
- ✚ To examine matters regarding the appointment, renewal, independence and amount of fees for the statutory auditors
- ✚ To assess the quality of the Company's internal auditing system
- ✚ To examine the action plans and recommendations in terms of internal auditing
- ✚ To regularly examine the financial position, cash flow and significant commitments and risks of the Group
- ✚ To oversee the quality of the information given to shareholders and the market



Audit committee

- ✂ The members are appointed by the Board of Directors, as a result of their respective financial or accounting expertise, for a period equal to the period of their mandate as Board members, renewable
- ✂ The committee:
 - ✂ appoints its Chairman
 - ✂ meets at least twice per year
 - ✂ interviews the Statutory Auditors at least once a year
 - ✂ may use external assistance if necessary



The Audit committee in 2008

└ Current composition

└ Stéphane Garino: Chairman

└ Norbert van Leuffel, representing the company
Sofinan Sprl: member

└ 3 meetings in 2008

└ Reinforced implication in light of the Company's situation
and the 2008 annual financial accounts



Nomination and Remuneration committee

Louis Ferran


Chairman of the Nomination and Remuneration committee



Principal missions of the Nomination and Remuneration committee

- ✚ Make recommendations concerning the remuneration of officers (Chairman, CEO,...)
- ✚ Make recommendations concerning the remuneration of Board members
- ✚ Evaluate potential Board members using a multi criteria grid
- ✚ Determine the appropriate number of independent members for the Board of Directors

Nomination and Remuneration committee

- 
- ✧ The members are appointed by the Board of Directors for a period equal to the period of their mandate as Board members, renewable
 - ✧ The committee:
 - ✧ appoints its Chairman
 - ✧ meets at least twice per year, in the presence of at least one-half of its members



Nomination and Remuneration committee in 2008

- ✦ Current composition (following the resignation of Jacques Putzeys, Chairman of the committee until December 30, 2008)
 - ✦ Louis Ferran: Chairman
 - ✦ Georgius JM Hersbach: member
 - ✦ Eric Peugeot: member
- ✦ 4 meetings in 2008
- ✦ Strong implication in the search for new executive managers and Board members



Remuneration for company officers in 2007 and 2008

(in thousands of euros)

Financial
year 2007

Financial
year 2008

Jean-Marie Santander, Chairman and CEO until September 29, 2008

Cash remuneration	2,028	1,326
Value of stock options	245	145
Value of free shares	1,037	1,869
Total	3,310	3,340

Eric Peugeot, Chairman since September 29, 2008

Cash remuneration	17	67.5
Value of stock options	111	94
Value of free shares	-	-
Total	128	161.5

Marc van't Noordende, CEO since September 29, 2008

Cash remuneration	N/A	195
Value of stock options	N/A	-
Value of free shares	N/A	-
Total	N/A	195



Remuneration of the CEO

- ✚ Base compensation: 400 k€
- ✚ Variable compensation: up to 50% of the base compensation
- ✚ Evaluation criteria for the variable compensation:
 - ✚ 50% on Group's financial targets
 - ✚ 25% on Group's operational targets
 - ✚ 25% on personal targets
- ✚ A maximum attribution of 600,000 free shares over 3 years according to performance criteria that are being elaborated
- ✚ Signing bonus of 200,000 free shares
- ✚ No severance package

Remuneration of the CFO

- └ Base compensation: 200 k€
- └ Variable compensation: up to 40% of the base compensation
- └ Evaluation criteria for the variable compensation:
 - └ 50% on Group's financial targets
 - └ 25% on Group's operational targets
 - └ 25% on personal targets
- └ A maximum attribution of 400,000 free shares over 3 years according to performance criteria that are being elaborated
- └ No severance package





Questions and answers



Vote of resolutions

Eric Peugeot

Chairman of the Board of Directors

1st resolution

Examination and approval of the parent company financial statements for the year ended December 31, 2008

Net income after taxes: (163,010,876) euros



2nd resolution

Examination and approval of the consolidated financial statements for the year ended December 31, 2008

Net income for the Group:
(243,342,255) euros



3rd resolution

Allocation of the year's income to the « Carry Forward » account



4th resolution

Approval of regulated agreements and undertakings



5th resolution

Renewal of the board member mandate of
Mr. Louis Ferran



6th resolution

Renewal of the board member mandate of
Mr. Georgius J.M. Hersbach



7th resolution

Renewal of the board member mandate of
Mr. Monsieur Eric Peugeot



8th resolution

Renewal of the board member mandate of the company Sofinan Sprl, represented by Mr. Norbert van Leuffel



9th resolution

Appointment of Mr. Willi Balz to the Board of Directors



10th resolution

Appointment of Mr. Philippe Dominati to the Board of Directors



11th resolution

Appointment of Mr. Marc van't Noordende to the Board of Directors



12th resolution

Determination of the annual amount of directors' fees at 400,000 euros for 2009





13th resolution

Authorization to allow the Board of Directors to buy, hold, and transfer shares in the Company, notably:

- in the context of a liquidity contract,
- in view of issuing stock options,
- in the context of an external growth transaction

14th resolution

Powers to fulfill all legal formalities

