



# THEOLIA

General Meeting

December 17, 2010

A photograph of a wind farm in a dry, hilly landscape under a clear blue sky. Several white wind turbines with red-tipped blades are visible, with one in the foreground being the most prominent. The terrain is covered in dry grass and shrubs, and a paved road is visible in the lower-left foreground.

## MAIN ACHIEVEMENTS IN 2010

# Financial restructuring

Renegotiation of the terms of the convertible bond  
Capital increase of €60.5 million

## Significant debt reduction

(in million euros)	September 30, 2010 (unaudited)	December 31, 2009 (audited)
Net financial debt	239.6	396.1

-€156.5m

- Increase in cash position by roughly €30 million, net of related costs
- Elimination of the risk of request for early reimbursement by bondholders on January 1, 2012. Early maturity extended 3 years to January 1, 2015

Significant improvement in balance sheet  
Reinforcement of shareholders' equity

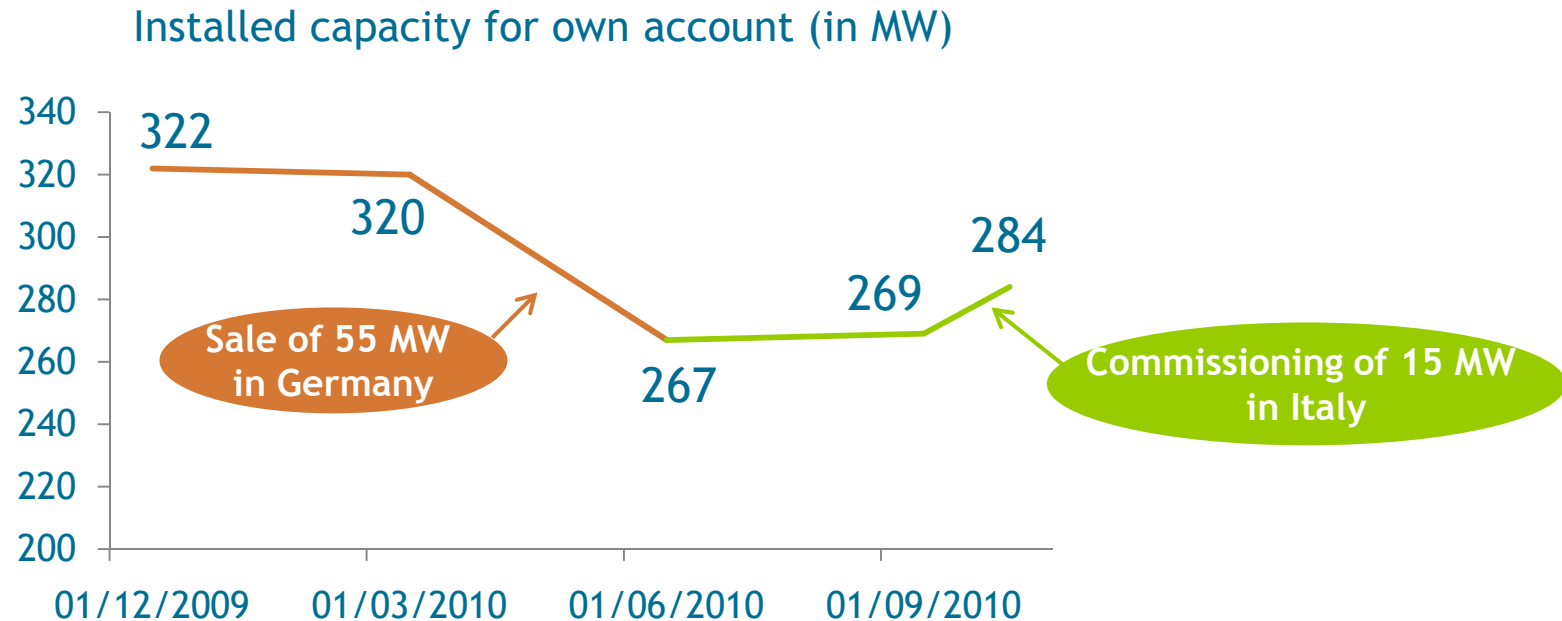
# Commissioning of the Group's first wind farm in Italy

- ✂ Giunchetto wind farm, located in the Enna province in Sicily
- ✂ Net capacity for the Group (51%): 15 MW
- ✂ Project financing implemented in January 2010
- ✂ Sale of 39% stake in this wind farm to Repower in April 2010
- ✂ Commissioning in October 2010



THEOLIA has become an electricity producer in 4 key countries:  
France, Germany, Morocco and Italy

# Reduction in the pace of disposals



The improvement in the Group's financial position  
has allowed it to reduce the pace of disposals

# Transformation of the Group

- └ Streamlining of processes and optimization of organization
  - └ Continuation of cost reduction
  - └ Implementation of reporting and management tools
  - └ Active management of Group's cash
  - └ Reinforcement of management controls
  - └ Pooling of expertise among countries
  - └ Discontinuation of non strategic activities

Goal: to build a high performance industrial Group



A photograph of a wind farm with five white wind turbines with red and white striped blades, situated in a field of tall, golden-brown corn. The background shows a line of trees and power lines under a blue sky with scattered white clouds.

## OPERATIONAL UPDATE

# Targeted geographic positioning

- Wind farm operator in 4 key markets:  
France, Germany, Italy and Morocco

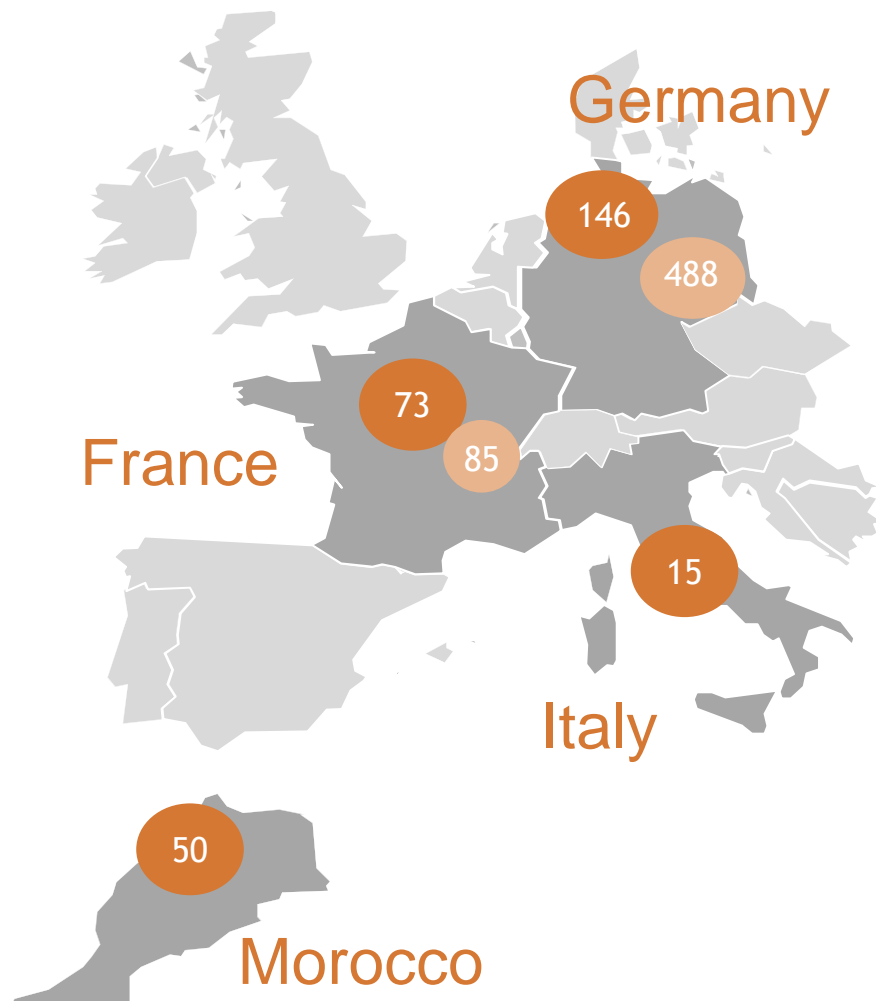


- Foothold in emerging markets to build the Group's future:  
essentially Brazil





# A significant base of installed capacity



Installed capacity in operation as of October 31, 2010

- Installed capacity for own account: 284 MW
- Installed capacity for third parties: 573 MW

857 MW managed

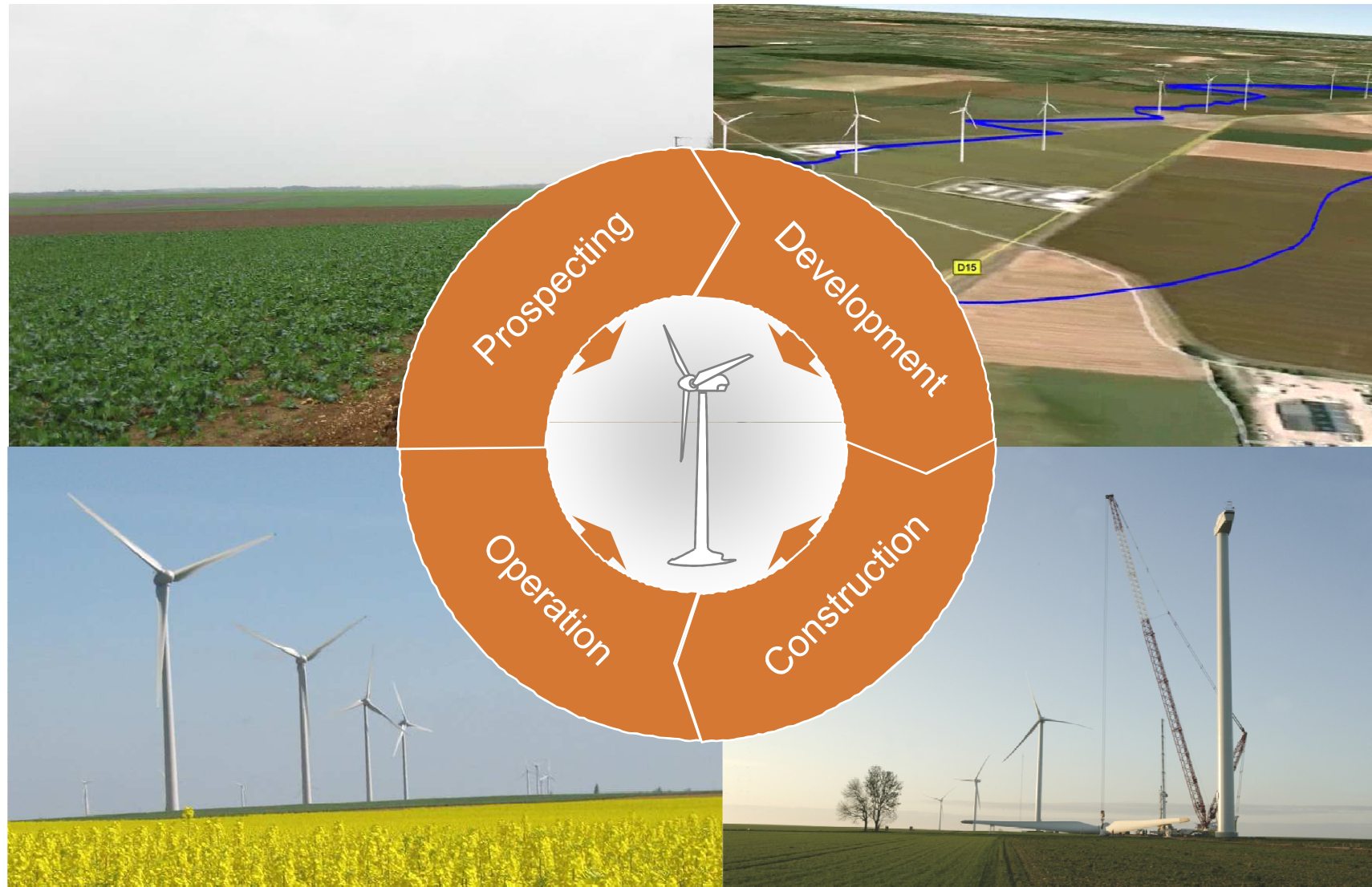
# Sizeable backlog in key countries

as of October 31, 2010

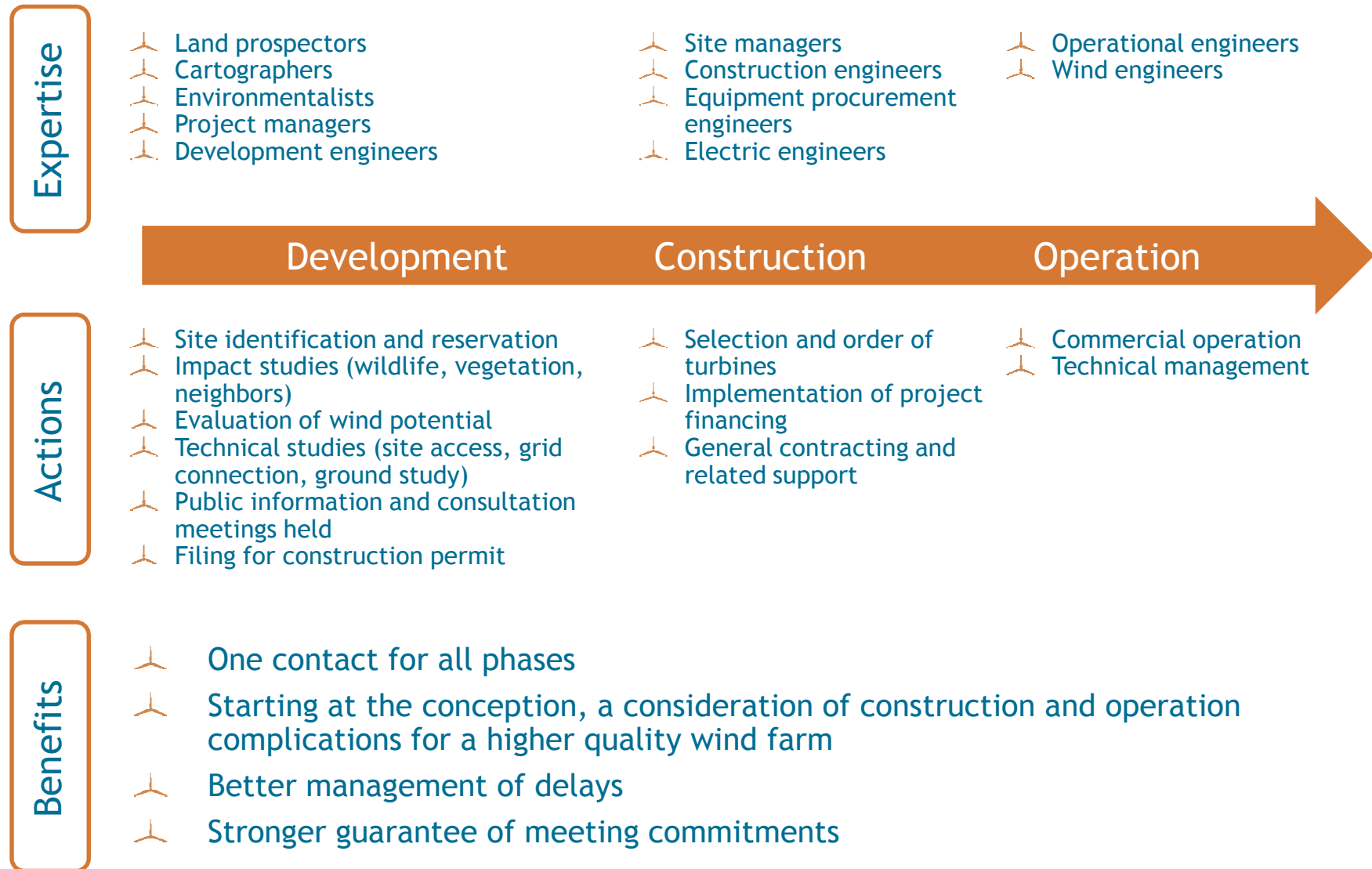
(in MW)	Permits obtained	Under construction
France	27	18
Italy	99	0
Germany	0	13
Total projects	126	31

Backlog of 157 MW

# An integrated industrial operator

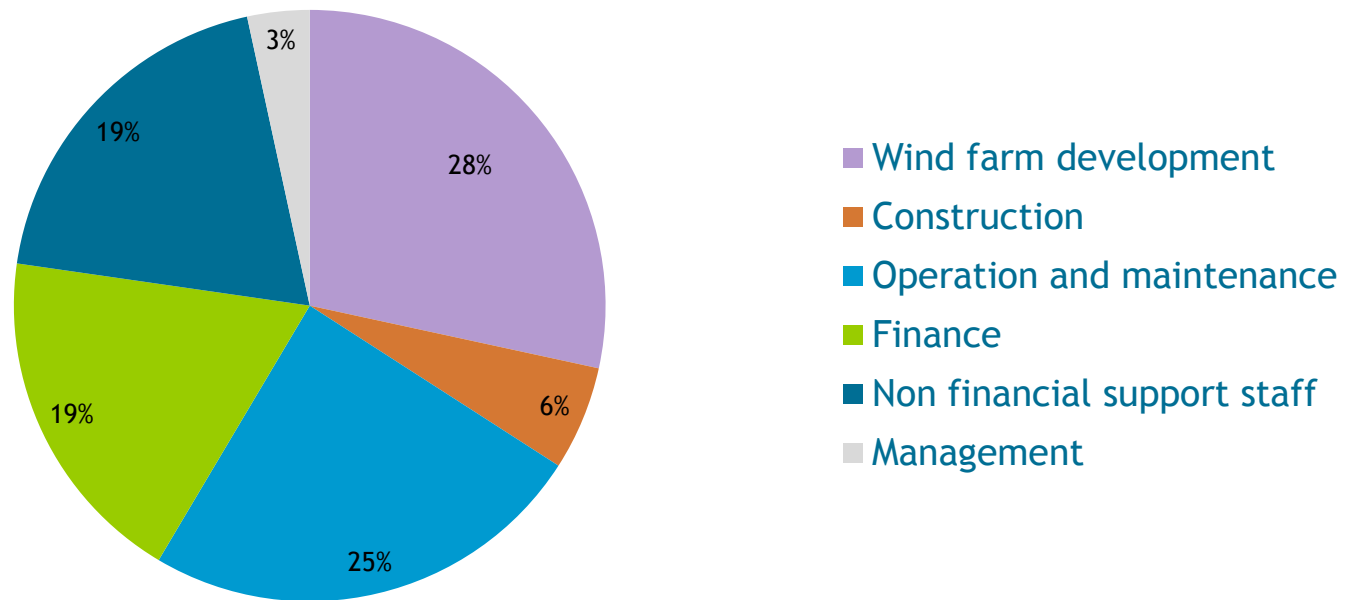


# Recognized operational expertise



# Our operational expertise

✚ Breakdown of Group staff by position as of November 30, 2010



✚ 176 colleagues in wind related activities



# Reinforcement of our operational positions in our 4 key countries

- └ Continuation of selective investments at a sustained pace
- └ Allocation of resources to projects with highest added value
- └ Focusing efforts on pipeline delivery
- └ Acceleration of the pace of the next commissionings

Goal: to move towards a profitable business model by 2012

# Recent operational progress

- ✚ Granting of two construction permits, free of third party claims
  - ✚ 12 MW in the town of Biesles, in the middle of the *Haute-Marne* department, in France. 6 wind turbines
  - ✚ 24 MW in the Puglia region in Italy. 12 wind turbines with nominal capacity of 2 MW
- ✚ Construction of the Gargouilles wind farm, in the *Eure-et-Loir* department, in France. 8 wind turbines with nominal capacity of 2.3 MW for a total capacity of 18.4 MW
- ✚ Commissioning of Giunchetto wind farm with a net capacity of 15 MW in Sicily, in Italy

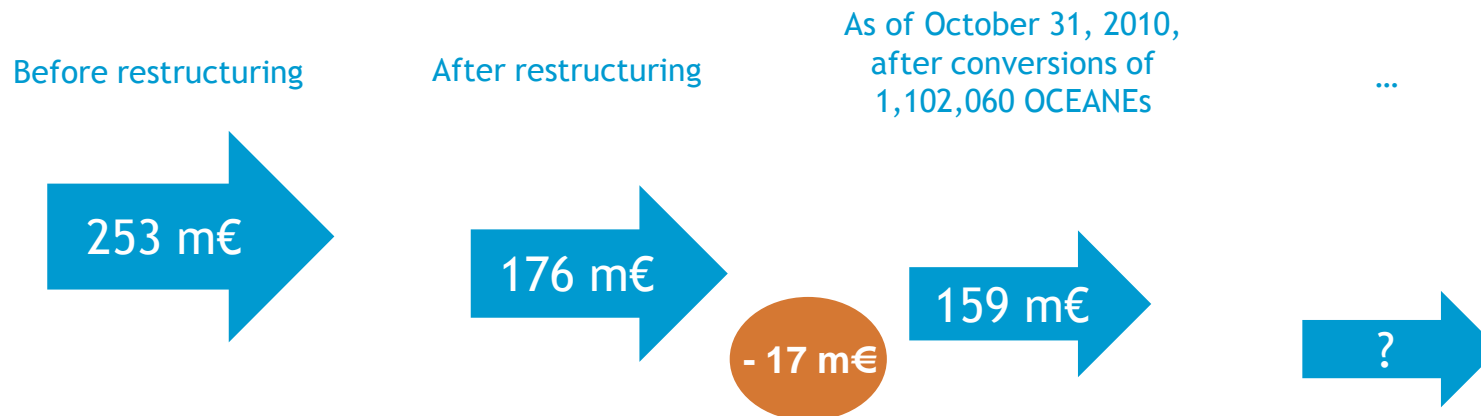


## OUTLOOK FOR 2011

# Continual improvement of the financial situation

- ✂ Strict management thanks to new management tools in place
- ✂ New conversion ratio for OCEANEs (convertible bonds) into shares (8.64 shares per bond) provides more incentive to convert => significant impact on the debt and related financial interest in case of conversion

Maximum amount to be reimbursed in case of early redemption



# Strategy to finance the mid and long term development

- ✦ Initiation of a co-investment approach
- ✦ Exploration of possibility to create a dedicated investment vehicle to hold some of our projects



# Conclusion: the strengths of the Group for its future development

- ✦ Experienced management fully supported by key shareholders
- ✦ Improved and restructured balance sheet
- ✦ Expertise in wind energy
- ✦ A value driving strategy

Leadership + financial means + expertise + strategy =  
profitable industrial Group