

Press Release

Aug. 31, 2010

3W Power Holdings/AEG Power Solutions Announces 1st Half 2010 Financial Results

- Orders increased over 30% in H1 to €153.7 million
- Sales decreased by 41% to €141.1 million in the first six months of 2010
- New business segmentation reporting and initial reorganization seeks to improve transparency and focus on renewable energy sources
- Newly appointed CEO initiates “Agenda 2012” for sustainable growth and profitability
- Sales and profitability to improve in the second half of 2010

Luxembourg / Zwanenburg, The Netherlands –August 31, 2010 – 3W Power Holdings (Euronext: 3WP) , the holding company of AEG Power Solutions, a global player in premium power electronics, today announced its financial results for the first six months of 2010. First half orders were €153.7 million, up 30% from €118 million in the first-half of 2009. The Company posted sales of €141 million, down 41% from the previous year, primarily due to an oversupply of poly silicon manufacturing impacting demand for its power control systems.

Second quarter orders were €85 million, up 23% over the first quarter and 55% over the second quarter of 2009. The strongest contributor to growth was solar orders worth €19.2 million vs. €7.7 million in the first quarter. Second quarter sales increased 18% over the first quarter but were down 33% on the second quarter of 2009 due to the weakness in the power control systems. However, two consecutive quarters of renewed orders together with exceptional demand for solar panels and rising spot price for poly silicon indicate a steadily eroding supply overhang that will lead to a resumed capacity expansion and growth for power control systems and modules.

EBITDA fell to -€0.3 million (previous year: €60.5 million on a pro forma basis) and EBIT to -€23.1 million (previous year: €25.1 million on a pro forma basis). The net result was -€7.8 million (previous year: €19.0 million on a pro forma basis), which corresponds to earnings per share of -€0.16 (previous year: €0.17 on a pro forma basis). An increase in the order entry to EUR 153.7 million (prior year: EUR 118.0 million on a pro forma basis) indicates that the Group was able to reverse the downward trend during the reporting period. The results include the consolidation of the converters business which had been held as discontinued.

Key Developments in the 1st Half of 2010

Business Reorganization

In the first six months of the year, the Group reorganized its business segments into two operating segments to further enhance its business performance and competitiveness. The Renewable Energy Solutions (RES) segment combines the power control systems and modules business (POC), as well as Group solutions for the solar industry. Combining all activities related to renewable energy sources in the RES segment serves to strengthen the Company's focus on this area. RES segment revenue in the 1st half amounted to €46.1 million

(previous year: €143.6 million on a pro forma basis) while EBITDA fell to €9.1 million (previous year: €74.2 million on a pro forma basis) again due to the global oversupply of poly silicon manufacturing capacity. The Energy Efficiency Solutions (EES) segment includes the production and distribution of highly reliable power supply systems for the oil and gas, transportation, energy generation, electricity transmission and distribution, data and information technology, and other industries, as well as the Company's telecommunication solutions. These activities generated revenue of €94.9 million (prior year: €96.1 million on a pro forma basis) and EBITDA of -€0.7 million (prior year: -€3.8 million on a pro forma basis) in the first half of 2010.

Changes to Corporate Name, Registration and Leadership

In the course of the first half, the Group took the necessary steps to change the corporate holding company's name from Germany1 Acquisition Limited to 3W Power Holdings SA and to migrate its location of registration from Guernsey to Luxembourg. Trading in the Group's ordinary shares and warrants under their new ticker symbols (3WP and 3WPW, respectively) began on April 19, 2010, and the migration to the registered office in Luxembourg became effective on June 2, 2010.

On May 18, the Company announced that Bruce Brock, Chief Executive Officer of AEG Power Solutions, planned to retire and would be succeeded by Dr. Horst J. Kayser, as of August 1, 2010.

Recent Developments and Outlook

"Agenda 2012"

Within the Company, Dr. Kayser recently unveiled the "Agenda 2012" initiative, which he developed with the management team to reinforce a new strategic direction for AEG PS. The agenda sets clear operating and financial objectives for the two operating segments, which notably include improving their market position, increasing sales, and enhancing profitability through targeted measures in selected growth areas. At the Group level, the objective is to achieve specific revenue growth and EBITDA margin targets, as well as enhance the working capital position, by 2012.

Outlook

In this transitional year of 2010, the Group's Management believes the first half was the low point in terms of revenue and earnings. The Company expects sales volume to improve in the second half of 2010. Based on the Company's current visibility, order development is expected to improve by 10% to 20% in the second half compared with the first half of 2010. Revenues are anticipated to exceed €300 million for the year as a whole, and positive EBITDA is also expected.

Despite the weak market environment in the first half, the Company took advantage of this period to improve its position and it expects to benefit when global industrial infrastructure investments pick up again, thanks to its leading market positions and close customer relationships. The Group expects to continue to see significant growth opportunities, notably in solar and renewable energies. The trend towards intelligent electricity networks – known as "smart grids" – is also expected to present growth opportunities for both business segments in the medium term.

In millions of euro	Statement of income for period to 30 June			Statement of income for period to 30 June		
	2010 ¹	2009 ²	% change	2010 ¹	2009 ³	% change
Revenue	141.1	0.0		141.1	239.7	-41.1%
Gross profit	38.4	0.0		38.4	91.6	-58.1%
	27.2%			27.2%	38.2%	
Selling, general and administrative expenses	(32.5)	(0.5)		(32.5)	(30.3)	7.2%
Research and development costs	(11.4)			(11.4)	(9.2)	24.9%
Other (expenses) / income - net	(17.5)			(17.5)	(27.0)	-35.0%
(Loss)/ profit from operating activities	(23.1)	(0.5)	4,769.0%	(23.1)	25.1	-192.0%
	-16.4%			-16.4%	10.5%	
Interest (expense) / income - net	(1.2)	3.4		(1.2)	(0.9)	
Change in fair value of warrants	12.3	2.5		12.3	2.5	
Total financial income / (expense)	11.1	5.9	89.2%	11.1	1.6	612.2%
(Loss) / profit before tax	(12.1)	5.4	-324.1%	(12.1)	26.7	-145.2%
Tax benefit/(charge)	4.3			4.3	(7.7)	-155.4%
(Loss) / profit after tax	(7.8)	5.4	-244.5%	(7.8)	19.0	-141.0%
Earnings per share						
Basic (loss) / earnings per share (euro)	(0.16)				0.40	
Diluted (loss) / earnings per share (euro)	(0.39)				0.29	
EBITDA	(0.3)	(0.5)		(0.3)	60.5	-100.4%

1. Unaudited published interim consolidated statement of income
2. Reviewed published interim financial statements of the Company as restated for the change in accounting treatment of warrants. Excludes AEG PS as it was not acquired by the Company until 10 September 2009.
3. Pro-forma income statement of the Company and AEG PS for 30 June 2009. Includes pro forma purchase price adjustments (PPA) as if AEG PS had been acquired on January 1, 2009. It assumes that had AEG PS been consolidated since January 1, 2009 there would have been no other consolidation adjustments required. PPA refers to the amortization charges on the intangible assets (recognized at the acquisition of AEG PS on 10 September 2009) for the six month period and the elimination of interest income due to the assumed use of cash for the acquisition as at 1 January 2009. In both June 2009 and 2010 the results of the Lannion operation have been presented as continuing operations following the decision to retain the activity.

Orders, revenue and operating income by segment

In millions of euro	6 months ended 30 June 2010 ¹				6 months ended 30 June 2009 ^{1,3}			
	Renewable Energy Solutions	Energy Efficiency Solutions	Unallocated	Total	Renewable Energy Solutions	Energy Efficiency Solutions	Unallocated	Total
Orders	52.7	101.0	0.0	153.7	16.7	101.2	0.0	118.0

Revenue	46.1	94.9	0.0	141.1	143.6	96.1	0.0	239.7
Segment operating income / (loss)	7.2	(2.9)	(0.5)	3.7	72.3	(10.7)	0.0	61.7
Capitalized R&D (net of amortization)	1.1	0.0	0.0	1.1	0.9	1.4	0.0	2.3
Restructuring costs	0.0	0.0	(2.0)	(2.0)	0.0	0.0	(5.7)	(5.7)
Amortization of intangibles on acquisition of AEG	(13.9)	(5.6)	(0.2)	(19.7)	(23.7)	(5.0)	(0.2)	(28.9)
Central overheads	0.0	0.0	(6.4)	(6.4)	0.0	0.0	(4.2)	(4.2)
(Loss) / profit from operating activities	(5.6)	(8.5)	(9.0)	(23.1)	49.5	(14.3)	(10.1)	25.1
EBITDA	9.1	(0.7)	(8.7)	(0.3)	74.2	(3.8)	(9.9)	60.5

1. Unaudited

3 Pro-forma income statement of the Company and AEG PS for 30 June 2009. Includes pro forma purchase price adjustments (PPA) as if AEG PS had been acquired on January 1, 2009. It assumes that had AEG PS been consolidated since January 1, 2009 there would have been no other consolidation adjustments required. PPA refers to the amortisation charges on the intangible assets (recognised at the acquisition of AEG PS on 10 September 2009) for the six month period to June 2009 and the elimination of interest income due to the assumed use of cash for the acquisition as at January 1, 2009. In the 30 June 2009 figures the results of the Lannion operation have been presented as continuing operations following the decision to retain the activity.

Consolidated statement of financial position

In millions of euro	30 June 2010 ¹	31 Dec 2009 ²	30 June 2009 ³
Assets			
Property, plant and equipment	40.6	30.9	0.0
Intangible assets	273.1	278.7	0.0
Goodwill	105.5	102.5	0.0
Non-current financial assets	1.6	1.5	0.0
Total non current assets	420.8	413.6	0.0
Inventories	60.5	59.4	0.0
Trade and other receivables	79.5	70.7	0.1
Prepayments	1.8	4.4	0.0
Cash and cash equivalents	39.5	58.0	255.3
Assets held for sale	0.0	24.8	0.0
Total current assets	181.3	217.2	255.4
Total assets	602.0	630.8	255.4
Equity			
Minority interests	0.1	0.0	0.0
Stockholders' equity	358.7	362.4	236.7
Liabilities			
Employee benefits	23.5	22.6	0.0
Deferred tax liabilities	66.4	73.1	0.0
Provisions	6.5	8.0	0.0
Total non-current liabilities	96.4	103.6	0.0
Warrants	18.5	31.0	13.3
Loans and borrowings	14.3	10.7	0.0
Trade and other payables	75.4	59.9	0.1
Income tax liabilities	11.7	16.1	0.0
Deferred income	21.9	32.1	5.3
Provisions	5.0	2.8	0.0
Liabilities held for sale	0.0	12.2	0.0
Total current liabilities	146.8	164.8	18.7
Total liabilities	243.2	268.4	18.7
Total liabilities and equity	602.0	630.8	255.4

1. Unaudited published interim consolidated statement of financial position
2. Audited consolidated statement of financial position
3. Reviewed, published interim financial statements of the Company as restated for the change in accounting treatment of warrants. Excludes AEG PS as it was not acquired by the Company until 10 September 2009.

**Condensed statement of cash flows
for the period 1 January to 30 June**

In millions of euro

	2010 ¹	2009 ³
Cash flow (used in) operating activities	(7.4)	(0.5)
Net cash used in investing activities	(15.1)	0.0
Net cash from (used in) financing activities	2.5	3.4
Effect of movement in exchange rates	0.6	0.0
Net (decrease) / increase in cash and cash equivalents	(19.4)	2.8
Cash and cash equivalents at the beginning of the period	58.0	252.5
Cash and cash equivalents of discontinued operations at beginning of period	0.9	0.0
Cash and cash equivalents at end of period	39.5	255.3

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About AEG Power Solutions

AEG Power Solutions is a world provider of premium power electronics. It offers one of the world's most comprehensive product and service portfolios in power conversion and control, for customers spanning the infrastructure markets of energy, telecom, lighting, transportation and general industrial sectors. System solutions from AEG PS are designed to interface with the electrical power grid and to offer power solutions for mission-critical applications in harsh environments, such as power plants, offshore oil rigs, chemical refineries, and utility-scale renewable energy plants. The company has developed a full range of products for the solar energy industry, from solar inverters to turnkey solutions and is investing in solutions that will enable distributed power generation and smart micro-grids.

Renowned for engineering excellence, the company's customers benefit from over a century of expertise and field proven products under the AEG PS, Harmer & Simmons, and Saft Power Systems brands.

Headquartered near Amsterdam, AEG PS generated revenue of €400 million in 2009 with more than 1,500 employees around the world.

AEG Power Solutions became a public company in 2009 following a business combination with 3W Power Holdings Ltd. (formerly Germany1 Acquisition Ltd). Shares in the combined company are listed on Euronext Amsterdam (ticker: 3WP).

For more information and the complete half yearly 2010 financial report: www.aegps.com

This communication does not constitute an offer or the solicitation of an offer to buy, sell or exchange any securities of 3W Power. This communication contains forward-looking statements which include, inter alia, statements expressing our expectations, intentions, projections, estimates, and assumptions. These forward-looking statements are based on the reasonable evaluation and opinion of the management but are subject to risks and uncertainties which are beyond the control of 3W Power and, as a general rule, difficult to predict. The management and the company cannot and do not,

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3W Power undertakes no obligation to update or revise any forward-looking statement contained herein.

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