



# Annual General Meeting FY 2014

Luxembourg, 19 May 2015

**AEG**  
POWER SOLUTIONS

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# AGENDA



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# AEG PS GROUP – Key Performance Indicators 2014



| EURm                | Quarter to December |         |          | Twelve months to December |        |          |
|---------------------|---------------------|---------|----------|---------------------------|--------|----------|
|                     | Q4 2014             | Q4 2013 | % change | 2014                      | 2013   | % change |
| Order backlog       | 85.7                | 85.2    | 0.6%     | 85.7                      | 85.2   | 0.6%     |
| Orders              | 47.6                | 52.1    | -8.6%    | 210.0                     | 228.5  | -8.1%    |
| Revenue             | 57.5                | 62.3    | -7.7%    | 203.3                     | 260.3  | -21.9%   |
| Book to Bill        | 0.83                | 0.84    | -1.0%    | 1.03                      | 0.88   | 17.7%    |
| EBITDA              | (5.6)               | (13.4)  | 57.8%    | (12.2)                    | (23.6) | 48.2%    |
| <i>% of revenue</i> | -9.8%               | -21.5%  |          | -6.0%                     | -9.1%  |          |
| Normalized EBITDA   | 1.8                 | 1.8     | 1.8%     | (17.7)                    | (5.3)  |          |
| <i>% of revenue</i> | 3.1%                | 2.9%    |          | -8.7%                     | -2.0%  |          |

%-changes are not shown if considered not to be helpful in the understanding of the KPIs.  
Rounding differences may occur.  
Historical numbers have been represented for comparative purposes.

## RES – Key Performance Indicators 2014



| EURm                | Quarter to December |               |          | Twelve months to December |              |           |
|---------------------|---------------------|---------------|----------|---------------------------|--------------|-----------|
|                     | Q4 2014             | Q4 2013       | % change | 2014                      | 2013         | % change  |
| Backlog             | 8.0                 | 14.1          | -42.9%   | 8.0                       | 14.1         | -42.9%    |
| Orders              | 7.0                 | 9.2           | -24.4%   | 32.6                      | 57.4         | -43.1%    |
| Revenue             | 7.6                 | 10.4          | -26.5%   | 30.5                      | 96.1         | -68.3%    |
| Book to bill        | 0.92                | 0.89          | 2.9%     | 1.07                      | 0.60         | 79.5%     |
| EBITDA              | (10.5)              | (8.9)         | -17.6%   | (7.8)                     | (6.8)        | -15.4%    |
| <i>% of revenue</i> | <i>-137.7%</i>      | <i>-86.0%</i> |          | <i>-25.6%</i>             | <i>-7.0%</i> |           |
| Normalized EBITDA   | (0.6)               | (1.1)         | 45.8%    | (18.7)                    | 1.2          | <i>na</i> |
| <i>% of revenue</i> | <i>-7.9%</i>        | <i>-10.8%</i> |          | <i>-61.4%</i>             | <i>1.2%</i>  |           |

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## EES – Key Performance Indicators 2014



| EURm                | Quarter to December |         |          | Twelve months to December |       |          |
|---------------------|---------------------|---------|----------|---------------------------|-------|----------|
|                     | Q4 2014             | Q4 2013 | % change | 2014                      | 2013  | % change |
| Backlog             | 77.7                | 71.1    | 9.2%     | 77.7                      | 71.1  | 9.2%     |
| Orders              | 40.7                | 42.9    | -5.2%    | 177.4                     | 171.2 | 3.6%     |
| Revenue             | 49.9                | 51.9    | -3.9%    | 172.8                     | 164.2 | 5.3%     |
| Book to bill        | 0.82                | 0.83    | -1.3%    | 1.03                      | 1.04  | -1.5%    |
| EBITDA              | 3.9                 | 2.8     | 36.9%    | 3.4                       | 0.5   |          |
| <i>% of revenue</i> | 7.8%                | 5.5%    |          | 2.0%                      | 0.3%  |          |
| Normalized EBITDA   | 2.4                 | 6.7     | -63.8%   | 3.6                       | 5.7   | -35.9%   |
| <i>% of revenue</i> | 4.9%                | 13.0%   |          | 2.1%                      | 3.5%  |          |

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# AEG PS GROUP – Balance Sheet 2014



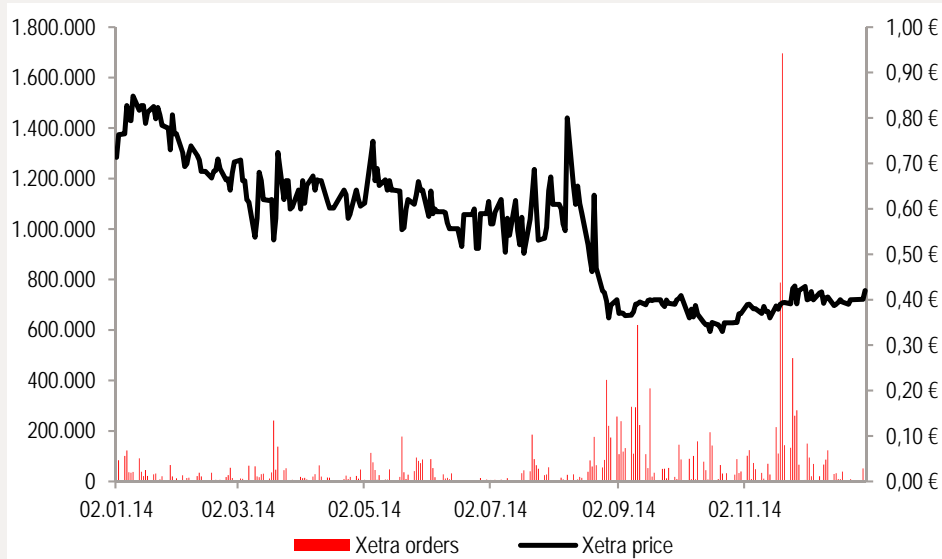
| ASSETS, [EURm]                     | December 31, 2014 | December 31, 2013 | OWNER'S EQUITY / LIABILITIES, [EURm]          | December 31, 2014 | December 31, 2013 |
|------------------------------------|-------------------|-------------------|---|-------------------|-------------------|
| Property, plant and equipment      | 26.8              | 30.2              | Share capital                                 | 0.8               | 12.5              |
| Intangible assets                  | 33.9              | 54.4              | Share premium                                 | 418.8             | 383.8             |
| Goodwill                           | 12.0              | 13.1              | Retained earnings                             | (354.5)           | (359.3)           |
| Other non-current financial assets | 1.7               | 3.6               | Reserve for own shares                        | (22.9)            | (22.9)            |
| Deferred tax assets                | 1.4               | -                 | Cumulative translation adjustment             | 1.7               | 3.6               |
| <b>Total non-current assets</b>    | <b>75.7</b>       | <b>101.3</b>      | <b>Total equity attrib. to equity holders</b> | <b>44.0</b>       | <b>17.8</b>       |
| Inventories                        | 32.3              | 45.9              | Loans and borrowings                          | 37.8              | 99.3              |
| Trade and other receivables        | 54.6              | 60.7              | Employee benefits                             | 28.6              | 26.1              |
| Prepayments                        | 2.8               | 0.6               | Deferred tax liabilities                      | -                 | 3.8               |
| Cash and cash equivalents          | 29.9              | 32.7              | Provisions                                    | 12.0              | 6.4               |
| <b>Total current assets</b>        | <b>119.6</b>      | <b>139.9</b>      | <b>Total non-current liabilities</b>          | <b>78.3</b>       | <b>135.6</b>      |
| <b>Total assets</b>                | <b>195.3</b>      | <b>241.2</b>      | Loans and borrowings                          | 2.6               | 6.2               |
|                                    |                   |                   | Trade and other payables                      | 56.9              | 69.4              |
|                                    |                   |                   | Income tax liabilities                        | 0.1               | 0.8               |
|                                    |                   |                   | Deferred income                               | 5.6               | 5.8               |
|                                    |                   |                   | Provisions                                    | 7.7               | 5.5               |
|                                    |                   |                   | <b>Total current liabilities</b>              | <b>73.0</b>       | <b>87.8</b>       |
|                                    |                   |                   | <b>Total equity and liabilities</b>           | <b>195.3</b>      | <b>241.2</b>      |

Rounding differences may occur.

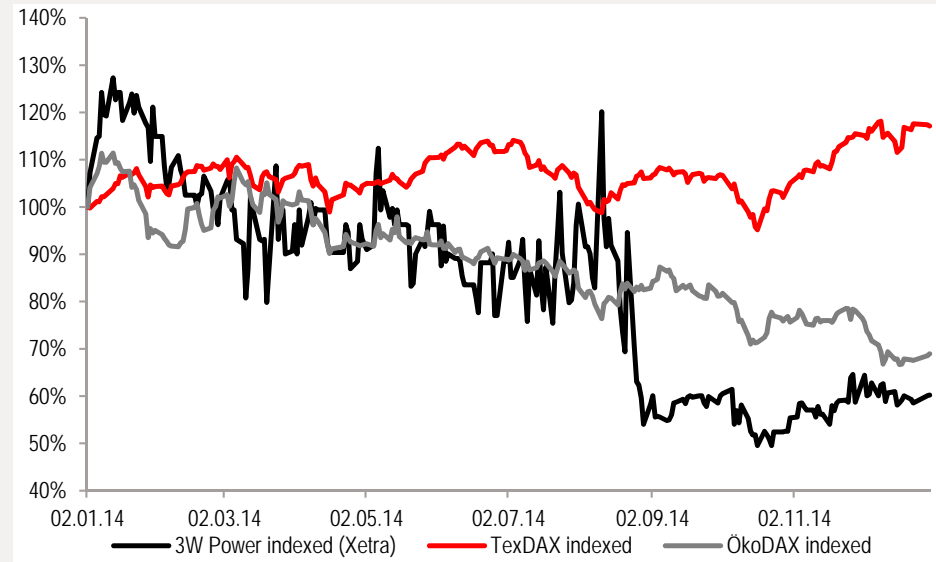
# SHARE PRICE DEVELOPMENT 2014



**Xetra share price development & order volumes**



**Indexed share price development of 3W Power against TecDAX & ÖkoDAX**



**High in 2014:** €0.93 (January 28, 2014); based on 83,703,703 shares

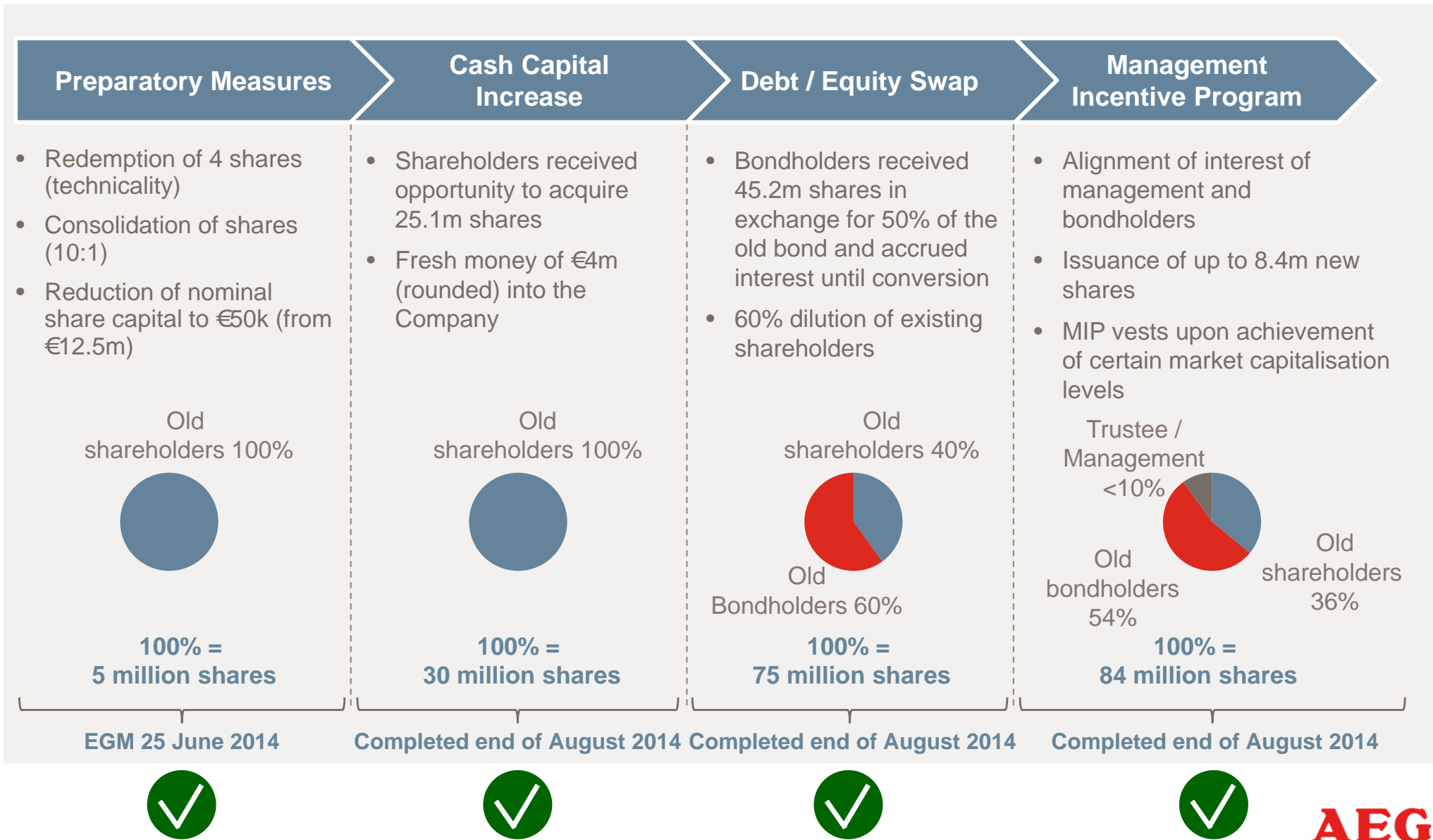
**Low in 2014:** €0.30 (October 16, 2014); based on 83,703,703 shares

**Market capitalization:** €35.16 million as of 30 December 2014

**Number of shares:** 83,703,703

Source: Deutsche Börse

# FINANCIAL RESTRUCTURING 2014 – Capital Measures – Step-by-step



# FINANCIAL RESTRUCTURING 2014 – Results



## Rights Offering to Shareholders

- Capital increase of €4m successfully accomplished
- Offering was fully underwritten, all 25,109,731 new shares issued could be placed
- Subscription rate amounted to approx. 78%
- Rights not exercised by existing shareholders were sold as private placements to those conducting the underwrite
- Price of the rights offer was €0.16 per share
- Rights offer shares were included in the existing shares listing on 29 August 2014

## Exchange Offer to Bondholders

- Creditors of the old bond exercised their acquisition rights to the new shares amounting to approx. 82% and to the new notes amounting to approx. 84%
- New shares and new notes for which no acquisition rights were exercised or creditors of the old bond chose cash compensation have been offered in an accelerated bookbuilding on 25/26 August 2014; placement price for these shares was set at €0.26 and for these notes was set at 70%, i.e. €350
- Inclusion of new notes to trading effective since 27 August 2014 by way of trading on terms of issue; rights offer shares were included in the existing shares listing on 29 August 2014

 After successful closing of the financial restructuring, the Company is focused exclusively on the continued operational improvement initiatives

## FINANCIAL RESTRUCTURING 2014 – Results



- Successful conversion of the bond resulted in:
  - Reduction in loans from €100m to €50m in exchange for 45.200.000 new shares (debt to equity)
  - Reduced interest expense from 9.25% p.a. (flat) to an initial rate of 4.00% p.a. with annual step up of 2% per year to a maximum of 12.00% p.a.
  - Extended maturity to 29 August 2019
  - New bond is freely pre-payable at any time
- Cash capital increase from authorized capital and successful placement of 25,109,731 new shares at a price of €0.16 means cash inflow of about €4 million

The conversion of the bond and the capital increase resulted in a substantial improvement of the Company's equity which represented 22.5% of the total balance sheet as at 31 December 2014

# OUR COMPETITIVE STRENGTHS



AEG PS Group provides high quality electrical power supply for mission critical applications

- Best in class customer specific systems and solutions
- High quality assembly, installation, commissioning, and field service
- R&D excellence and proven ability to bring new technologies and applications to market
- Large installed base and potential for growing services
- Strong brand recognition
- Certified supplier by major customers
- Know-how of energy storage technology

# KEY PRODUCT OFFERING



## Industrial & Commercial Power Supplies

Systems & Solutions

UPS



Battery charger/  
DC Systems



Applications

Oil &  
Gas



Power  
Generation



Data & IT



Electrolysis  
(H<sub>2</sub>)



Polysilicon



Power Plants



General  
Industry



Transportation



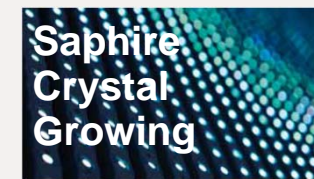
Telecom



Grid stabi-  
lization



Sapphire  
Crystal  
Growing



Commercial



## Advanced Power Systems

Power to  
Gas rectifier  
system



Voltage  
controller



BESS

Solar  
Inverter



# SELECTED CUSTOMERS





# MAJOR PROJECTS – Selected New & Ongoing Industrial Projects Q1 2015

## AEG PS continues to build its strong position in Oil & Gas, Transportation and Power Generation

### Italy

- Owner: Total E&P Italia
- AEG PS Contract Value: c. €1.8m
- EPC: Tecnimont spa
- Products: 15 AC UPS, 4 DC UPS systems, 6 combined A.C. and D.C. systems, NiCd batteries and services
- Application: Central control room, substation
- Project: Tempa Rossa



### Middle East

- Owner: Emirates Nuclear Energy Corporation/TRANSCO Abu Dhabi Transmission and Dispatching Company
- AEG Contract Value: c. €0.8m via our partner MDS
- Products: Protect RSC
- Application: Control system and the monitoring station of the power distribution center
- Project: Nuclear Power Plant



### Germany

- Owner: Ministry of Energy Kurdistan
- AEG PS Contract Value: c. €2.2m
- EPC: Siemens Turkiye
- Products: More than 220 MIP DC systems, NiCd batteries and services
- Application: Substation communication systems



### Middle East

- Owner: Utility company in Qatar
- AEG PS Contract Value: c. €1.7m
- EPC: Siemens
- Product: Several AC (P8 inv) & DC systems, batteries and services
- Application: Substation switchgear protection
- Project: Phase 11



# MAJOR PROJECTS – Selected New Industrial Projects Q4 2014 & Q1 2015

## AEG PS continues to build its strong position in Oil & Gas, Transportation and Power Generation

### China / Germany

- Owner: Chinese Nuclear Power Engineering Company (CNPEC)
- AEG PS Contract Value: c. €0.7m
- Products: 8 + 9 Seismic proof inverters and services
- Application: E qualified power supplies
- Project: Daya Bay/Ling Ao



### Middle East

- Owner: BP
- AEG PS Contract Value: c. €2.7m
- EPC: Petrofac
- Products: Dual Protect 8 AC & DC UPS systems with VRLA AGM battery content. 7 AC units and 7 DC units
- Application: Critical operations
- Project: BP Khazzan project (Oman)



### Germany

- Owner: Bombardier
- AEG Contract Value: Undisclosed-frame contract possibly until 2023
- First phase: 130 locomotives to be equipped
- Products: On-board battery chargers, inverters and DC/DC converters
- Application: Locomotives on board power supply



### Middle East

- Owner: Saudi Arabian Major Oil player
- AEG PS Contract value: c. €1.4m
- Products: AC UPS and VRLA batteries
- Application: Hospital
- Project: Social corporate initiative



# MAJOR PROJECTS – Ongoing & New Industrial Projects Q1-Q2 2015

## AEG PS continues to build its strong position in Oil & Gas, Transportation and Power Generation

### UK

- Owner: Crossrail
- AEG PS Contract Value: €2.6m (part of frame contract)
- Products : AC & DC UPS systems (Total frame contract 67 systems for 19 locations)
- Application: Upgrading of London metro stations



### Italy

- Owner: Major Ship Builder
- AEG Contract Value Undisclosed
- Products: Protect 8 UPSs , DC systems, distribution panels and batteries
- Application: Cruise vessel power supply



### Singapore

- Owner: Oil Company in Angola
- EPC: Major Power & automation player
- AEG PS Contract Value: €0.9m
- Products: 4 pcs. Protect 8.33 High Power UPS and 2 Chargers Protect RCS TPre Battery Chargers, all complete with distribution boards and lead acid batteries
- Application: Oil & Gas



# MAJOR PROJECTS – New Advanced Systems Projects Q4 2014 / Q1 2015

## AEG PS innovates and builds pilot and operational projects in off-grid and on-grid energy storage

### Spain

- Owner: Iberdrola
- Project value: €0.5m
- R&D Consortium with Tecnalia & Iberdrola
- Products: Full on-grid energy storage solution (BESS) including Batteries, Wireless Battery Management system, Storage Converter (SC AEG PS range) and Local Monitoring Unit
- Application: Grid stabilization and energy storage for renewables and smart grids networks
- Project: SAGER 600 Kwh



### Africa

- Owner: Electricité de Mali (EDM)
- AEG PS Contract Value: Ca. €3.2m
- Via our partner ZED SA
- Products: Full Hybrid off-grid power plant
- Application: Power generation and storage
- Project: Cities of Nara, Diema and Ansongo



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# CHANGE IN REPORTABLE SEGMENTS & ORGANIZATIONAL STRUCTURE

- The Group will no longer distinguish its operating results between product clusters divided into the previous segments “Renewable Energy Solutions” (RES) and “Energy Efficiency Solutions” (EES).
- In accordance with IFRS 8, the Group will have just one reportable business segment – “Industrial Products and Services” (IPS) – going forward, in combination with a reportable unallocated segment (“Unallocated”) that represents non business related expenses.
- In addition the Group reviews its business activities through analyzing the key vertical markets and develops product and service offerings to address these needs.
- In order to reflect its vertical market end-customer structure, the Group has made a change to its reportable segment structure starting with the Q1 2015 publication.
- For the IPS segment, Q1 2015 orders and revenue numbers correspond to those of the Group. Historical numbers of Q1 2014 and Q4 2014 have been adjusted by adding the previous reportable RES and EES segments, adjusted for the operating results of discontinued operations (sale of skytron and India), thereby enabling a like-for-like comparison of the Company’s operating activities.

## STATUS QUO Q1 2015



- The restructuring measures taken in 2014 resulted into dedicated focus on the Company's core business activities: Offering Industrial and commercial UPS solutions across key vertical markets in critical infrastructure such as Oil & Gas, Power Generation (including Nuclear), Transportation and Data & IT. In addition, the Company continues to pursue key new technology innovation in Grid & Storage applications including power to gas/heat and battery energy storage (BESS) solutions.
- The Group is in the midst of a difficult business transformation and development path that requires sustained effort to overcome the obstacles and further the structural improvements necessary to create a sustained and profitable business.
- A future challenge will be to develop and implement a customer-facing organization that is proactive, receptive to input and adaptive to changing commercial environments.
- Recent business developments underscore the strength of the Group's competitive position and the reputation that it maintains.
- Additions to the management team of several new leaders in the Middle East, UK and Germany in sales, finance and product management are having a material impact on the improvement of the business.

## AEG PS GROUP – Key Performance Indicators Q1 2015



| EURm                | Q1 2015 | Q1 2014 | % change  | Q1 2015 | Q4 2014 | % change  |
|---------------------|---------|---------|-----------|---------|---------|-----------|
| Backlog             | 88.0    | 101.9   | -13.6%    | 88.0    | 85.7    | 2.7%      |
| Orders              | 43.4    | 64.1    | -32.3%    | 43.4    | 47.6    | -8.8%     |
| Revenue             | 38.4    | 45.4    | -15.4%    | 38.4    | 57.5    | -33.2%    |
| Book to Bill        | 1.1     | 1.4     | -20.0%    | 1.1     | 0.8     | 36.5%     |
| EBITDA              | (3.4)   | 3.7     | <i>na</i> | (3.4)   | (5.6)   | 39.3%     |
| <i>% of revenue</i> | -8.9%   | 8.1%    |           | -8.9%   | -9.7%   |           |
| Normalized EBITDA   | (3.7)   | (12.9)  | 71.3%     | (3.7)   | 1.8     | <i>na</i> |
| <i>% of revenue</i> | -9.6%   | -28.4%  |           | -9.6%   | 3.1%    |           |

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## Industrial Products and Services (IPS) – Key Performance Indicators Q1 2015<sup>1</sup>

| EURm                | Q1 2015 | Q1 2014 | % change  | Q1 2015 | Q4 2014 | % change  |
|---------------------|---------|---------|-----------|---------|---------|-----------|
| Backlog             | 88.0    | 94.8    | -7.2%     | 88.0    | 85.7    | 2.7%      |
| Orders              | 43.4    | 59.8    | -27.4%    | 43.4    | 47.6    | -8.8%     |
| Revenue             | 38.4    | 41.6    | -7.7%     | 38.4    | 57.5    | -33.2%    |
| Book to Bill        | 1.1     | 1.4     | -21.4%    | 1.1     | 0.8     | 36.5%     |
| EBITDA              | (1.4)   | 8.9     | <i>na</i> | (1.4)   | (5.2)   | 73.1%     |
| <i>% of revenue</i> | -3.6%   | 21.4%   |           | -3.6%   | -9.0%   |           |
| Normalized EBITDA   | (2.6)   | (8.5)   | 69.4%     | (2.6)   | 3.2     | <i>na</i> |
| <i>% of revenue</i> | -6.8%   | -20.4%  |           | -6.8%   | 5.6%    |           |

<sup>1</sup> For the IPS segment, Q1 2015 orders and revenue numbers correspond to those of the Group, historical numbers of Q1 2014 and Q4 2014 have been adjusted by adding the previous reportable RES and EES segments, adjusted for the operating results of discontinued operations (sale of Skytron and India), enabling a like-for-like comparison of the Company's operating activities.

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## Unallocated – Key Performance Indicators Q1 2015



| EURm              | Q1 2015 | Q1 2014 | % change | Q1 2015 | Q4 2014 | % change  |
|-------------------|---------|---------|----------|---------|---------|-----------|
| EBITDA            | (2.0)   | (4.6)   | 56.4%    | (2.0)   | 1.0     | <i>na</i> |
| Normalized EBITDA | (1.1)   | (4.0)   | 72.5%    | (1.1)   | 0.0     | <i>na</i> |

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## Geographical Allocation – Orders Q1 2015



| Orders, EURm            | Q1 2015     | Q1 2014     | % change      | Q1 2015     | Q4 2014     | % change     |
|-------------------------|-------------|-------------|---------------|-------------|-------------|--------------|
| Europe excl. Germany    | 24.7        | 23.4        | 5.6%          | 24.7        | 16.1        | 53.4%        |
| Germany                 | 9.0         | 10.4        | -13.5%        | 9.0         | 15.0        | -40.0%       |
| Asia                    | 7.8         | 11.9        | -34.5%        | 7.8         | 6.0         | 30.0%        |
| Africa/Middle East      | 1.2         | 12.0        | -90.0%        | 1.2         | 8.7         | -86.2%       |
| Rest of the world       | 0.7         | 2.1         | -66.7%        | 0.7         | 1.8         | -61.1%       |
| <b>Total orders</b>     | <b>43.4</b> | <b>59.8</b> | <b>-27.4%</b> | <b>43.4</b> | <b>47.6</b> | <b>-8.8%</b> |
| <i>thereof products</i> | 29.7        | 44.8        | -33.7%        | 29.7        | 31.9        | -6.9%        |
| <i>thereof services</i> | 13.7        | 15.0        | -8.7%         | 13.7        | 15.7        | -12.7%       |

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Historical numbers have been represented for comparative purposes.

## Geographical Allocation – Revenue Q1 2015



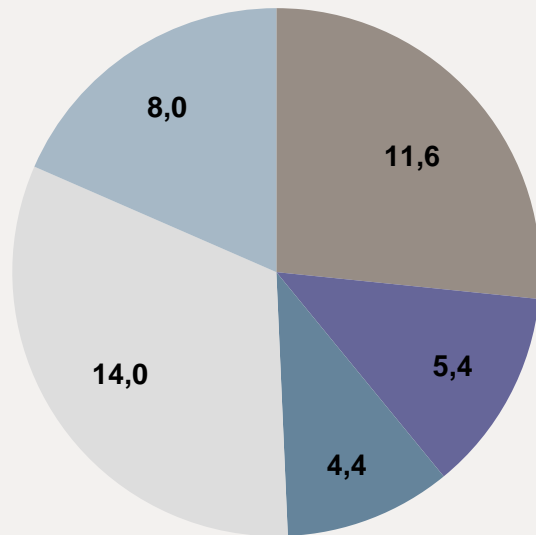
| Revenue, EURm           | Q1 2015     | Q1 2014     | % change     | Q1 2015     | Q4 2014     | % change      |
|-------------------------|-------------|-------------|--------------|-------------|-------------|---------------|
| Europe excl. Germany    | 14.6        | 18.6        | -21.5%       | 14.6        | 20.6        | -29.1%        |
| Germany                 | 10.1        | 11.4        | -11.4%       | 10.1        | 14.9        | -32.2%        |
| Asia                    | 5.9         | 6.6         | -10.6%       | 5.9         | 12.2        | -51.6%        |
| Africa/Middle East      | 6.3         | 3.9         | 61.5%        | 6.3         | 7.7         | -18.2%        |
| Rest of the world       | 1.5         | 1.1         | 36.4%        | 1.5         | 2.1         | -28.6%        |
| <b>Total revenue</b>    | <b>38.4</b> | <b>41.6</b> | <b>-7.7%</b> | <b>38.4</b> | <b>57.5</b> | <b>-33.2%</b> |
| <i>thereof products</i> | 26.5        | 29.2        | -9.2%        | 26.5        | 41.8        | -36.6%        |
| <i>thereof services</i> | 11.9        | 12.4        | -4.0%        | 11.9        | 15.7        | -24.2%        |

%-changes are not shown if considered not to be helpful in the understanding of the KPIs.  
Rounding differences may occur.  
Historical numbers have been represented for comparative purposes.

# Segment Allocation – Orders & Revenue Q1 2015

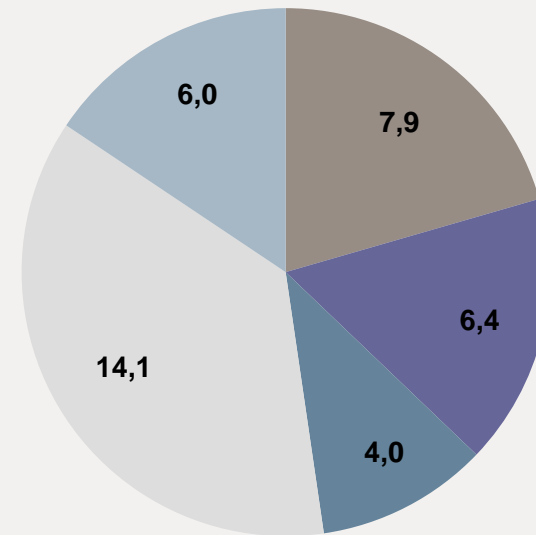


Q1 2015 Orders by Segment / Product Group, [EURm]



- Oil & Gas, Petrochem
- Power Gen. & Utilities
- Transportation
- General Industry
- Service

Q1 2015 Revenue by Segment / Product Group, [EURm]



- Oil & Gas, Petrochem
- Power Gen. & Utilities
- Transportation
- General Industry
- Service

Rounding differences may occur.

# GROUP TRANSITION



**Product / Manufacturing  
oriented organisation**



**Market / Customers  
oriented organisation**

- AEG PS has historically always been a strong product and manufacturing oriented organization
- In today's competitive market place there can be few organizations who can afford to remain product oriented rather than customer oriented
- Customer oriented companies are focused on and organized around their customers, rather than their products

*To facilitate the transition from a product driven to a customer driven organization, AEG PS has re-architected its organisation around few well selected vertical markets*

# GROUP TRANSITION



**Product / Manufacturing  
oriented organisation**



**Market / Customers  
oriented organisation**

## ■ Well selected Vertical Markets + Service !

The selection of the Vertical Markets to focus on, was done based upon different criteria such as AEG PS current market share, existing strong customer relationships, true competitive strengths, profitable growth markets, service business opportunities, etc.

### *Vertical Markets:*

*Oil & Gas incl. Petrochem, Power Generation, Transportation, General Industry, Commercial UPS, Data/IT, Grid and Storage, Service*

# GROUP TRANSITION



**Product / Manufacturing  
oriented organisation**



**Market / Customers  
oriented organisation**

- **Solution offering in line with customer requirements !**
- **Continue the transformation from a product oriented approach to a solution oriented portfolio with an array of products and services fulfilling the customer needs and requirements**
- **Strengthening of Strategic marketing and Communications to effectively position and communicate the AEG PS offering in the selected vertical markets**

*Transition from Product offering to Solution offering in dedicated vertical markets to fulfill the customer needs and requirements*



# GROUP TRANSITION



**Product / Manufacturing oriented organisation**



**Market / Customers oriented organisation**

## ■ Streamline Manufacturing and Test facilities

Continue to reorganize and streamline existing Manufacturing and Test facilities to reduce costs and to give the best support and value to the customer

## ■ Operational excellence

■ To meet customer expectations, demonstrate operational excellence along the whole value chain, from the RFQ stage to delivery, site commissioning and after sales service.

*Operational excellence along the whole value chain is key to deliver the desired customer experience*

# VERTICAL MARKETS



**Oil & Gas  
Petrochem**



**Power  
Generation**



**Transportation**



**General  
Industry**



**Commercial UPS**



**Data / IT**



**Grid & Storage**



**SERVICE**

# OUTLOOK AEG POWER SOLUTIONS GROUP



- Revenue for 2015 is expected to be in line with the revenues of 2014 on a like-for-like basis. Reaching this performance level will require a predicted uptake in orders and sales in the second half of the year.
- The medium-term goal remains having top-line growth in the mid-single digits and an EBITDA margin of 5% to 10%.
- By making carefully selected investments, the Company may see opportunities to accelerate its cash-generating capability and to further strengthen its recovery to the benefit of all stakeholders.

# AGENDA



|             |   |           |
|-------------|---|-----------|
| <b>I.</b>   | Welcome from the Chairman and the CEO       | 4         |
| <b>II.</b>  | Review 2014                                 | 5         |
| <b>III.</b> | Strategic Direction                         | 21        |
| <b>IV.</b>  | <b>Resolutions Proposed to Shareholders</b> | <b>36</b> |
| <b>V.</b>   | Questions and Answers                       | 41        |
| <b>VI.</b>  | Vote on Resolutions                         | 42        |

## PROPOSED RESOLUTIONS FOR AGM



- 1) Presentation of the annual accounts, the report of the independent auditor (*réviseur d'entreprises*) on the annual accounts of the Company and the management report of the board of directors for the accounting year ended 31 December 2014;
- 2) Approval of the annual accounts of the Company for the accounting year ended 31 December 2014;
- 3) Allocation of available earnings or losses for the accounting year ended as of 31 December 2014;
- 4) Granting of discharge to the members of the board of directors of the Company for the exercise of their mandates during the accounting year ended as of 31 December 2014;
- 5) Renewal of the mandate of Dr. Dirk Wolfertz as a non-executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;

## PROPOSED RESOLUTIONS FOR AGM



- 6) **Renewal of the mandate of Mr. Willi Loose as a non-executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;**
- 7) **Renewal of the mandate of Mr. Bernd Luft as a non-executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;**
- 8) **Renewal of the mandate of Mr. Klaus Schulze as a non-executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;**
- 9) **Renewal of the mandate of Mr. Keith Corbin as a non-executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;**

## PROPOSED RESOLUTIONS FOR AGM

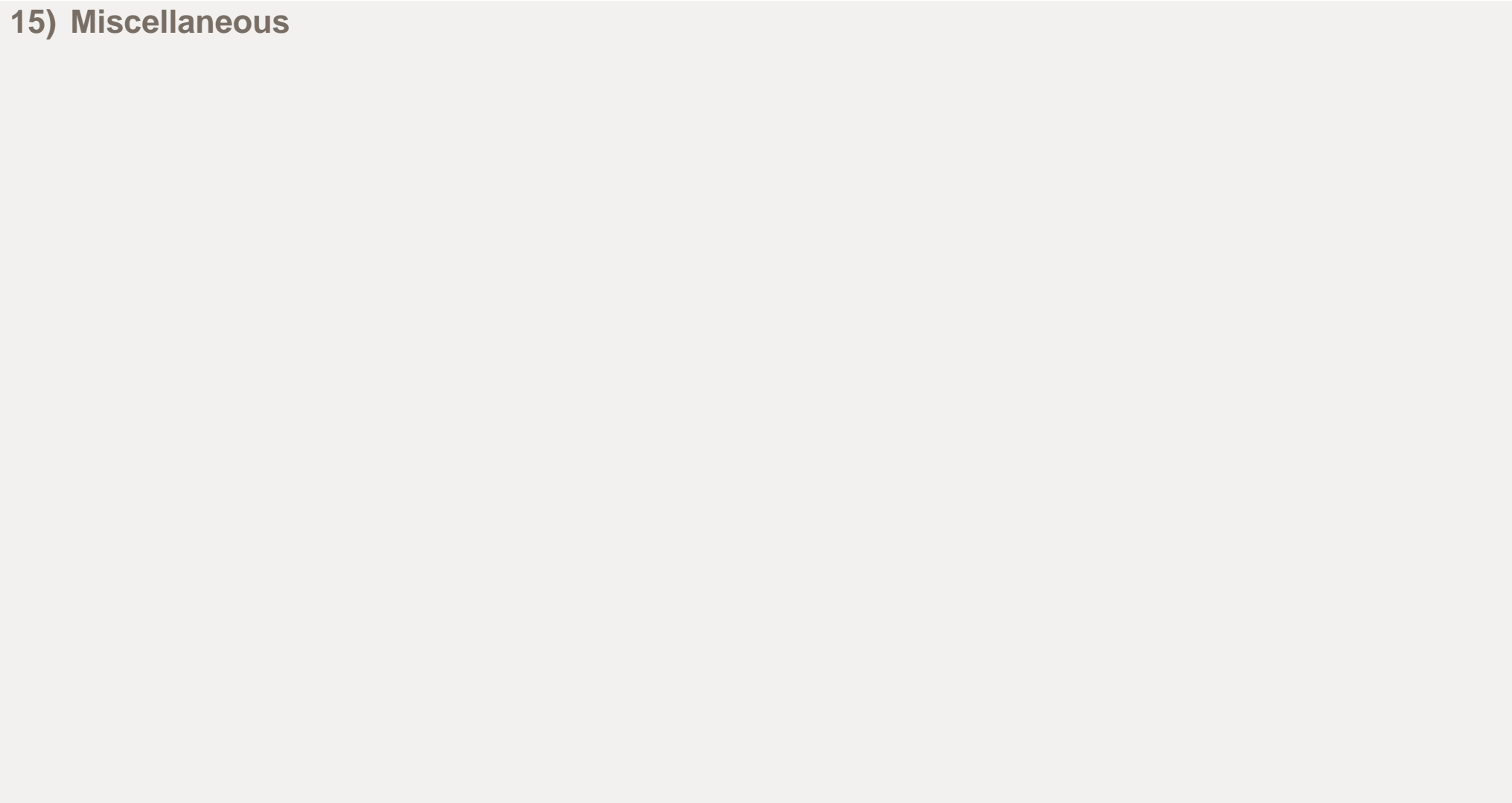


- 10) Renewal of the mandate of Mr. Jeffrey Casper as an executive member of the board of directors until the annual general meeting of shareholders to be held in 2016 to approve the annual accounts of the Company for the accounting year ending 31 December 2015;
- 11) Approval of an aggregate annual amount of €100,000 per annum for remuneration of the board of directors to be allocated from the accounting year ending 31 December 2015;
- 12) Acknowledgement of the termination of mandate of and discharge to the independent auditor of the Company in office during the financial year ended 31 December 2014 for the exercise of its mandate during such period;
- 13) Appointment of PricewaterhouseCoopers (PWC), Société cooperative, 2, rue Gerhard Mercator, L-2182 Luxembourg, as independent auditor of the Company until the general meeting of the shareholders of the Company called to approve the annual accounts as of 31 December 2015;
- 14) Granting of special powers to any board member to implement all steps required in relation with the foregoing items of the agenda.

# PROPOSED RESOLUTIONS FOR AGM



## 15) Miscellaneous





# AGENDA



|      |                                       |    |
|------|---------------------------------------|----|
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# AGENDA



|      |                                       |    |
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## CONTACT INFORMATION

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