Independent Research

Unabhängige Finanzmarktanalyse GmbH

Investment Research

ago energie + anlagen

Results H1 2008

08/27/2008

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Ongoing margin improvement

Publication of H1 2008 results

- The company's H1 2008 results corresponded to our expectations. We evaluate positively that margins increased further in Q2 compared to quarter-earlier levels. In spite of a 30% drop in sales, AGO raised its net profit to EUR0.581m (0.524; our forecast: 0.604).
- The company specified its guidance for the current fiscal year. Sales should significantly exceed EUR40m in 2008. EBIT for the full year is expected to reach a multiple of H1 EBIT (EUR0.581m). In view of the company's new orders and backlog of orders, we feel that the company's guidance is realistic. We reaffirm our sales and profit targets for 2008 through 2010.
- In our view, AGO is making good headway on attaining its strategic goals. Following the acquisition of shelf company Reindeer, AGO is going to open its first energy centre in Italy in 2010. We welcome the fact that the company has secured for itself the raw materials required for another two to three facilities.
- We expect an increasing steadiness in sales growth and cash-flow as a result of the expansion of the plant operation business and the company's internationalisation, particularly the market entry in Italy. Furthermore, we expect an increase in profitability. In our opinion, the current share price does not sufficiently reflect AGO's growth and income potential. We assume that the recent decline in fossil energy prices will be a temporary phenomenon.
- With the help of our DCF model we calculated a fair value of EUR5.99 (before: 6.38) for the AGO share, from which we derive a price target of EUR6.00 (before: 6.30). We expect that the share will be stimulated in the coming months by the announcement of further plant operation projects. At the current price level, the AGO share has an upside potential of approximately 28%. We reaffirm our Buy recommendation.

AP	FY	Sales	EBIT	EBT	EAT	EPS
IFRS	2006	33.9	1.4	1.3	0.4	0.47
IFRS	2007	41.3	-0.3	-0.6	-0.9	-0.33
IFRS	2008E	45.8	2.8	2.2	1.4	0.35
IFRS	2009E	50.9	3.9	3.2	2.1	0.52
IFRS	2010E	57.2	4.6	4.0	2.5	0.63
CAGR 2006 - 2010E		13.9%	34.7%	33.1%	62.1%	

Figures in EURm except EpS, hist. PERs based on average share prices

AGO AG Energie + Anlagen 4)

Recommandation: Buy
before: -
as of -

Price target (in EUR) (6 months)	**6.00**
Share price (Xetra) (in EUR) 08/20/08 12:48 PM	4.70
Share price potential	27.66%
Company data	
Country	GE
Sector	Renewable Energies
Market segment	Entry Standard
ISIN	DE000A0LR415
Reuters	AGYG.DE
Bloomberg	AGY
Internet	www.ago.ag
Share data	
Shares (m)	4.000
Freefloat	35.70%
Market cap. (EURm)	18.8
∅ Trading volume	1,776
52W High 07/13/07	EUR7.30
52W Low 07/04/08	EUR3.16
Beta	1.25
Volatility (60 days)	64.95

Multiples

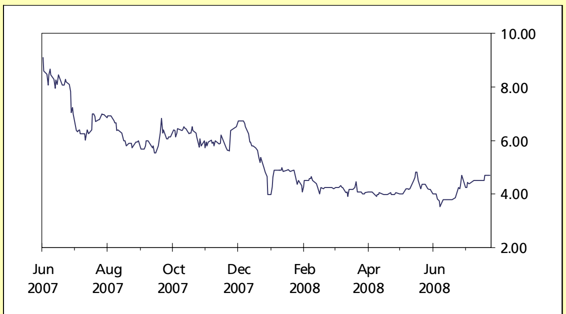
	EV/Sales	EV/EBIT	P/E ratio	Dividend yield
2006	-	-	-	-
2007	0.6	neg.	neg.	0.0%
2008E	0.5	8.7	13.3	0.0%
2009E	0.5	6.3	9.0	0.0%
2010E	0.4	5.3	7.5	0.0%

Performance (in %)

	1 month	3 months	6 months	12 months
absolut	21.8	17.8	-4.1	-
relative to:				
DAX	23.5	19.5	-2.3	-
Entry Standard	19.3	15.3	-6.6	-

Index Weighting

Entry Standard	3.973%



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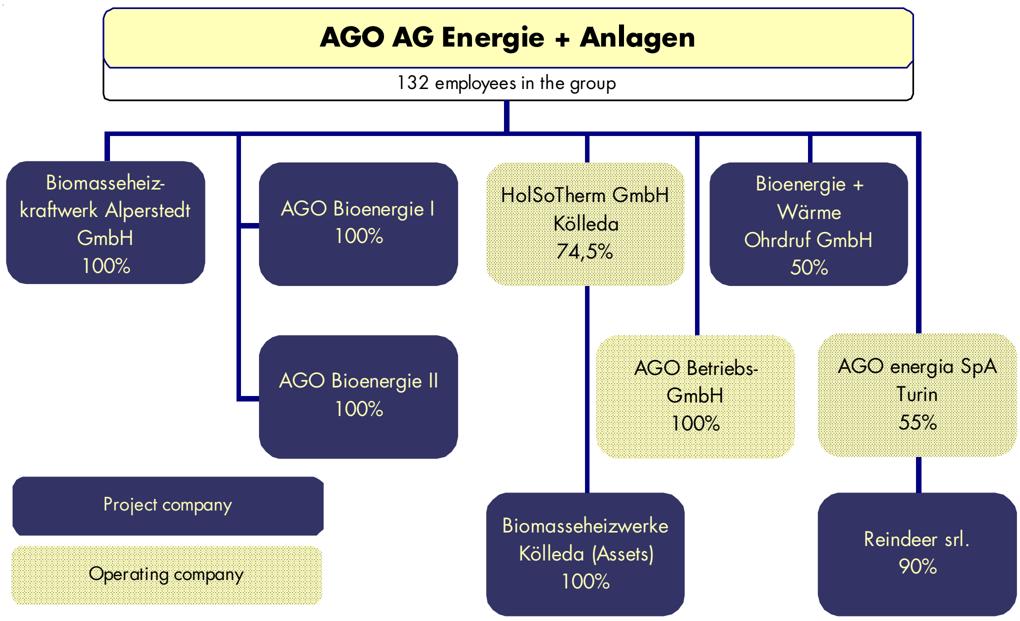
Company profil

Full service provider in the energy plant sector

AGO AG Energie + Anlagen ("AGO"), which was incorporated in 1980 and is headquartered in Kulmbach, develops, constructs and operates renewable energy plants. The company's target group includes industrial and municipal clients. The company's broad expertise ranges from customised plant engineering based on cogeneration units to complex biomass trigeneration plants (combined production of power, heat, and cooling). AGO's service portfolio is mainly covered by the three divisions project development & implementation, plant operation, and service & consulting. In addition, the company offers location research and development, consulting with regard to energy efficiency, raw material and fuel management, and emission trading management. Therefore, AGO AG is able to act as a one-stop provider offering all services from project development to plant operation, maintenance and repair.

caverion is majority shareholder with a stake of approx. 59%

AGO AG is listed on the stock exchange since June 28, 2007. The company's shares are listed in the Entry Standard/Open Market of the Frankfurt Stock Exchange. The company's main shareholder is caverion GmbH (formerly M+W Zander Gebäudetechnik GmbH) with a stake of 59.25%. Management holds a 5.10% stake and the Supervisory Board a 3.40% stake. The remaining shares are in free float.



Source: AGO AG Energie + Anlagen

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Business development in H1 2008

Sales and profit development

Gross profit margin improves markedly to 13.4%

AGO's results for H1 2008, which were published on August 14, were in line with our expectations. Sales declined by 30% to EUR14.81m (21.15; our forecast: 15.16). The drop in sales was mainly accounted for by the Project Development business, which is subject to strong fluctuation. Gross profit from sales was up 40% at EUR1.99m (1.42; our forecast: 1.80). Here, AGO benefited from, among other things, the fact that most realised projects were self-planned unlike the year before. Accordingly, the gross profit margin improved to 13.4% (6.7%). EBIT growth was disproportionately low compared to gross profit from sales with an 11% rise to EUR0.581m (0.524; our forecast: 0.604), which was due to a significant increase in distribution cost (+25.5%) entailed in acquisition measures. The EBIT margin rose to 3.9% (2.5%). In Q1 2008, AGO had recorded an EBIT loss of EUR0.09m. Owing to a decline in financial results (EUR-0.329m after EUR-0.192m), the pre-tax profit dropped by 24% to EUR0.252m (0.332; our forecast: 0.323). Thanks to a lower tax rate (38% after 74%), net income after minority interests increased by a strong 66% to EUR0.146m (0.088; our forecast: 0.151).

Net income puts on 66%

As for Q1 2008, there are no year-earlier reference figures for Q2 2008 because AGO did not release any individual results for Q1 2007 and Q2 2007. With sales of EUR9.46m, AGO recorded a gross profit from sales of EUR1.304m and EBIT of EUR0.671m. Consequently, the gross profit margin reached 13.8%, which exceeded the high Q1 margin (12.7%). The EBIT margin climbed to 7.1% (Q1 2008: -1.7%). Net income after minority interests amounted to EUR0.371m (Q1 2008: -0.225).

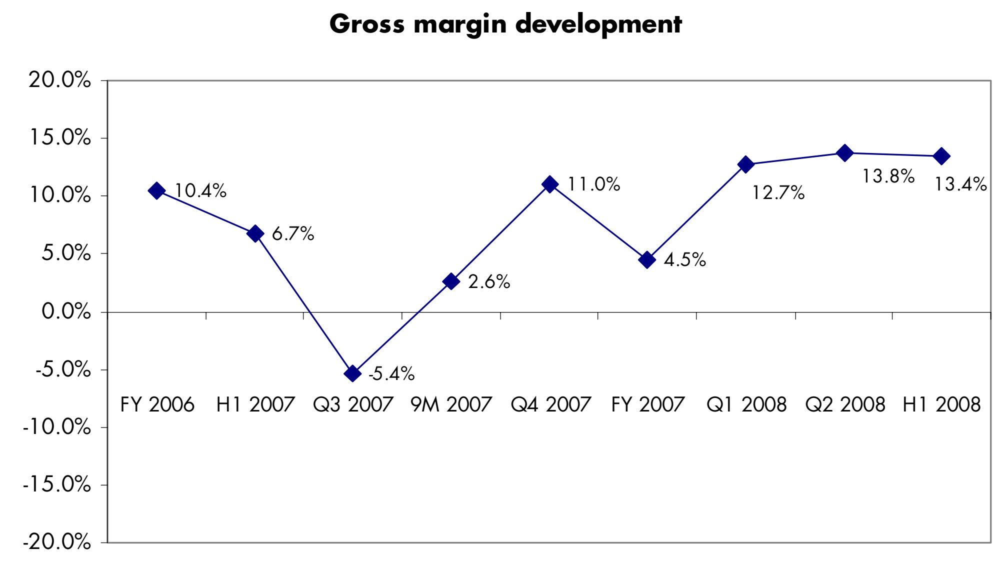
AGO achieves profit in Q2

AGO AG Energie + Anlagen

Selected key data of the consolidated income statement H1 2008

Unit : EURm **Fiscal year :** Dec 31 **Accounting standards :** IFRS	**H1 2007**	**H1 2008**	**H1 2008** (our estimate)
Sales	**21.147**	**14.813**	**15.158**
year-over-year growth		-30.0%	-28.3%
Gross profit	**1.415**	**1.986**	**1.797**
gross margin (%)	6.7%	13.4%	11.9%
EBIT	**0.524**	**0.581**	**0.604**
EBIT margin (%)	2.5%	3.9%	4.0%
Net income	**0.088**	**0.146**	**0.151**
return on sales	0.4%	1.0%	1.0%

Source: Independent Research; AGO AG Energie + Anlagen



Source: AGO AG Energie + Anlagen

Balance sheet development

Equity ratio is a solid 36.9%

As expected, the balance sheet development was still determined by the cyclical Project Development business. As of June 30, 2008, the balance sheet total was up at EUR34.10m compared to the total of March 31, 2008 (EUR30.68m). The most significant change on the assets side concerned the current assets; receivables from commissioned production climbed from EUR2.74m to EUR7.44m. The company's equity reached EUR12.59m (March 31, 2008: 12.24). Accordingly, the equity ratio declined from 39.9% at the end of March 2008 to a still solid 36.9%. Net debt increased slightly to EUR7.62m (March 31, 2008: 7.21). At the end of H1 2008, the company's gearing was 60.5% (58.9%).

Strategy - AGO has entered Italian market

Acquisition of shelf company Reindeer in Italy

After AGO had announced in November 2007 that it planned to enter the Italian market and subsequently set up AGO energia in Turin, the company concluded its market entry at the end of July 2008. AGO energia, a 55% subsidiary of AGO AG Energie + Anlagen, acquired a 90% stake in Reindeer srl. According to the company, the purchase price was EUR9,000. Reindeer, a shelf company, plans to operate a biomass heat and power plant with a heat output of 6 MW and an electrical output of 1 MW in Southern Italy. The plant will be the first Italy-based energy facility operated by AGO. The company expects the biomass heat and power plant to generate annual sales of roughly EUR2.6m from power and heat supply after its opening as from 2010. Based on a contract duration of 15 years, total revenue adds up to roughly EUR39m. Reindeer is going to fuel the plant with roughly 12,600 metric tons of wood chips per year from regional supply. The plant's raw material requirements have been secured for the entire contract period. In addition, AGO expects to generate sales proceeds of roughly EUR6.5m in 2009 from planning and construction of the plant. Moreover, AGO has an option for the purchase of raw material for two to three other plants of similar capacities. The company has revised upwards its plant operation target for Italy; AGO now expects to be operating a total of eleven energy facilities in 2014, whereas previous forecasts had called for operation of ten cogeneration plants by that year.

Raw materials for additional plants secured

Remuneration of power generation from biomass in Italy

Distance from the plant	Plant capacity <= 1 MW	Plant capacity >1 MW	Duration of incentive
Feedstock within radius of 70 km	EUR0.30	EUR0.28 (EUR0.19 (Certificati Verde) + EUR0.09 (normal remuneration))	15 years
Feedstock radius of > 70 km	EUR0.23	EUR0.20 (EUR0.11 (Certificati Verde) + EUR0.09 (normal remuneration))	12 years

Source: AGO AGO Energie + Anlagen

[1)2)3)4)] **Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document**

Company's guidance and our forecasts

Guidance for 2008

AGO specifies guidance for 2008

While AGO had revised upwards its guidance for the current fiscal year upon publication of Q1 2008 results, it now specified its targets. The company now predicts sales of markedly over EUR40m for 2008, whereas the previous forecast had called for an increase in sales over year-earlier levels (2007: EUR41.3m). EBIT for the full year 2008 is expected to reach a multiple of H1 EBIT (EUR0.581m), whereas the previous forecast called for clearly positive EBIT. In our opinion, the company's guidance is realistic. In the first seven months of 2008, new orders increased significantly by approximately 74% to EUR39m. As of June 30, 2008, backlog of orders amounted to roughly EUR31m (March 31, 2008: EUR33m; December 31, 2007: EUR13.8m)

Our forecasts for 2008 through 2010

Unchanged forecasts for 2008 through 2010

For the time being, we do not see any need to change our sales and profit forecasts for 2008 through 2010. The company's specified guidance for 2008 is in line with our expectations. Thus, we still predict a 10.7% increase in sales to EUR45.75m. Furthermore, we still predict EBIT of EUR2.825m, which would almost be a five-fold increase over H1 2008 levels (EUR0.581m). Net income ought to reach EUR1.416m. We expect sales growth to accelerate somewhat in 2009 and 2010. EBIT margins and net profits will keep increasing, in our opinion. We still do not expect any dividend payments to the AGO shareholders.

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Forecast of selected key data of the consolidated income statement

Unit : EURm Fiscal year : Dec 31 Accounting Standards : IFRS	2008E before	2008E new	2009E before	2009E new	2010E before	2010E new
Sales	**45.75**	**45.75**	**50.94**	**50.94**	**57.21**	**57.21**
EBIT	**2.83**	**2.83**	**3.89**	**3.89**	**4.62**	**4.62**
EBIT margin (%)	6.2%	6.2%	7.6%	7.6%	8.1%	8.1%
EBT	**2.19**	**2.19**	**3.23**	**3.23**	**3.95**	**3.95**
EBT margin (%)	4.8%	4.8%	6.3%	6.3%	6.9%	6.9%
Net income	**1.42**	**1.42**	**2.08**	**2.08**	**2.52**	**2.52**
Return on sales (%)	3.1%	3.1%	4.1%	4.1%	4.4%	4.4%
Number of shares (m)	4.000	4.000	4.000	4.000	4.000	4.000
Earnings per share (EUR)	**0.35**	**0.35**	**0.52**	**0.52**	**0.63**	**0.63**

Source: Independent Research

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Valuation

Valuation based on three-phase DCF model

We have based our valuation of the AGO share on the Discounted Cash Flow (DCF) model. Given the limited comparability to publicly quoted companies with similar business models, we still do not incorporate a peer group analysis in our valuation. Within the framework of our DCF model we have applied a three-phase valuation. Phase I accounts for our detailed forecasts for the profit and loss accounts for fiscal years 2008 through 2010. For Phase II we predict a slowdown in sales growth, while the EBIT margin should keep rising until the fiscal year 2012 and then stay on that level. For Phase III we still conservatively presume that free cash flow (FCF) will not increase anymore. In order to determine the WACC we presumed a risk-free interest rate of 4.50%. The risk premium is 8.0% for the company's capital and 4.50% for the outside capital. We have set the tax shield to 30%. Furthermore, we estimate the fundamental Beta at 1.25. With respect to the long-term balance sheet structure we assume a capital ratio of 50%. These premises lead to an unchanged WACC of 10.40%.

Unchanged WACC of 10.40%

DCF model AGO AG Energie + Anlagen

EURm	2008E	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E
Sales	45.8	50.9	57.2	64.2	71.6	77.6	82.6	87.1	91.1	94.6
year-over-year growth	10.7%	11.3%	12.3%	12.1%	11.6%	8.4%	6.4%	5.4%	4.6%	3.8%
EBIT margin	6.2%	7.6%	8.1%	8.4%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
EBIT	**2.8**	**3.9**	**4.6**	**5.4**	**6.5**	**7.1**	**7.5**	**7.9**	**8.3**	**8.6**
- Income taxes	-0.8	-1.2	-1.4	-1.6	-2.0	-2.1	-2.3	-2.4	-2.5	-2.6
+ Depreciation	1.1	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.6	1.6
+/- Change in long term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+/- Other items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating gross cash flow	**3.1**	**3.8**	**4.4**	**5.0**	**5.8**	**6.3**	**6.7**	**7.0**	**7.4**	**7.7**
-/+ Change in net working capital	-1.3	-1.3	-1.3	-1.3	-1.2	-1.1	-1.0	-0.9	-0.8	-0.7
-/+ Net capital expenditure	-1.4	-1.6	-1.8	-1.8	-1.9	-2.0	-2.0	-2.1	-2.1	-2.1
Free cash flow	**0.4**	**0.9**	**1.3**	**1.9**	**2.7**	**3.2**	**3.6**	**4.0**	**4.4**	**4.8**
Present values	**0.4**	**0.8**	**1.0**	**1.3**	**1.7**	**1.8**	**1.9**	**1.9**	**1.8**	**1.8**

Sum of present values	14.5
Terminal value	17.3
Value of operating business	31.8
+ Surplus liquid funds	4.1
- Financial debt	-11.8
- Fair value of minority interests (estimated)	-0.2
Fair value of equity	**24.0**
Number of shares (m)	4.000
Fair value per share (in EUR)	**5.99**

in % of total value : 54%

Model parameter / entity DCF model:

Target capital structure ->		Equity :	50%	Debt :	50%
Risk-free rate of return :	4.50%	Beta :	1.25	Risk prem. debt :	4.50%
		Risk premium :	8.0%	Tax-shield :	30.0%
		Cost of equity :	14.5%	Cost of debt :	6.30%
Growth rate of FCF :	**0.0%**	**WACC :**	**10.40%**	**Date :**	**08/21/08**

Source: Independent Research

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Sensitivity analysis (in EUR)

		Discount rate			
		9.9%	10.4%	10.9%	11.4%
Growth	0.0%	6.71	**5.99**	5.55	5.10
	0.5%	6.86	6.28	5.76	5.29
	1.0%	7.17	6.55	5.99	5.49
	1.5%	7.51	6.84	6.25	5.71

Source: Independent Research

New price target: EUR6.00 (before: 6.30)

Upside price potential: approximately 28%

Based on the assumptions mentioned above, the company's operating business is worth EUR31.8m (before: 31.4). Due to the increase in net debt, the fair value of the company's capital declined to EUR24.0m (before: 25.5). With 4.0m shares currently in circulation, this corresponds to a fair value of EUR5.99 (before: 6.38) per share, from which we derive a price target of EUR6.00 (before: 6.30) for the AGO share. At the current price level, the share thus has an upside potential of approximately 28% towards our price target. In the past months, the AGO share increased markedly thanks to the company's announcement to acquire Reindeer and other factors and outperformed the DAX and the Entry Standard. We expect that the AGO share will be stimulated in the coming months by the announcement of further plant operation projects. Based on our estimates, the share currently has a P/E ratio of 9.0 for 2009 and 7.5 for 2010, respectively.

AGO AG Energie + Anlagen

Selected key data and financial ratios

Unit : EURm Fiscal year : Dec 31 Accounting standards : IFRS	2006	2007	2008E	2009E	2010E
Key data income statement					
Sales (EURm)	33.94	41.34	45.75	50.94	57.21
EBITDA margin	4.8%	1.1%	8.7%	10.0%	10.4%
EBIT margin	4.1%	-0.6%	6.2%	7.6%	8.1%
Net yield	1.1%	neg.	3.1%	4.1%	4.4%
Rate of depreciation and amortization	0.6%	1.8%	2.5%	2.4%	2.3%
Operating expenses / sales	96.1%	103.1%	94.6%	94.3%	93.7%
Interest coverage ratio	9.62	-0.82	4.48	5.92	6.94
Profitability ratios					
ROE	10.0%	-7.0%	10.3%	13.1%	13.7%
ROCE	17.0%	-1.3%	13.0%	16.8%	18.6%
ROI	1.9%	-2.5%	3.9%	5.3%	6.0%
Accounting ratios					
Equity ratio	18.8%	35.3%	37.7%	40.6%	43.6%
Ratio of equity to non-current assets	68.5%	85.3%	94.2%	105.9%	119.5%
Ratio of non-current assets to total assets	27.4%	41.4%	40.0%	38.3%	36.4%
Trade accounts receivable / sales	31.1%	30.1%	30.4%	30.5%	30.2%
Capex / depreciation and amortization	101.4%	36.4%	120.0%	130.9%	132.9%
Capex / sales	-0.6%	-0.6%	-3.0%	-3.1%	-3.0%
Working capital ratio	35.3%	32.0%	32.4%	32.5%	32.2%
Key data per share (EUR)					
EPS	0.47	-0.33	0.35	0.52	0.63
Free cash flow per share	-3.77	-1.52	-0.11	0.12	0.26
Dividend per share	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalents per share	2.50	2.12	1.23	1.29	1.48
Book value per share	4.76	4.72	3.42	3.95	4.59
Valuation ratios					
EV / sales	-	0.6	0.5	0.5	0.4
EV / EBITDA	-	48.6	6.2	4.8	4.1
EV / EBIT	-	neg.	8.7	6.3	5.3
PER	-	neg.	13.3	9.0	7.5
Price to book value ratio	-	1.4	1.4	1.2	1.0
Price to cash flow ratio	-	neg.	19.5	9.0	6.8
Price to sales ratio	-	0.4	0.4	0.4	0.3
Dividend yield	-	0.0%	0.0%	0.0%	0.0%

Source: Independent Research; AGO AG Energie + Anlagen

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AGO AG Energie + Anlagen

Consolidated income statement

Unit : EURm Fiscal year : Dec 31 Accounting standards : IFRS	2006	2007	2008E	2009E	2010E
Sales	**33.94**	**41.34**	**45.75**	**50.94**	**57.21**
year-over-year growth	-	21.8%	10.7%	11.3%	12.3%
Cost of sales	30.41	39.49	40.52	45.06	50.35
as percentage of sales	89.6%	95.5%	88.6%	88.5%	88.0%
Gross profit	**3.53**	**1.85**	**5.24**	**5.88**	**6.86**
gross margin (%)	10.4%	4.5%	11.4%	11.5%	12.0%
Research and development costs	0.05	0.07	0.07	0.09	0.10
as percentage of sales	0.1%	0.2%	0.2%	0.2%	0.2%
Sales and marketing expenses	1.59	2.09	1.98	2.11	2.32
as percentage of sales	4.7%	5.1%	4.3%	4.1%	4.1%
Administrative expenses	0.56	1.00	0.72	0.77	0.86
as percentage of sales	1.7%	2.4%	1.6%	1.5%	1.5%
Other operating expenses	0.26	0.20	0.29	0.20	0.22
as percentage of sales	0.8%	0.5%	0.6%	0.4%	0.4%
Other operating income	0.29	1.23	0.65	1.18	1.25
as percentage of sales	0.8%	3.0%	1.4%	2.3%	2.2%
Operating profit	**1.37**	**-0.27**	**2.83**	**3.89**	**4.62**
as percentage of sales	4.0%	-0.6%	6.2%	7.6%	8.1%
Profit from companies balanced at equity	0.04	0.01	0.00	0.00	0.00
as percentage of sales	0.1%	0.0%	0.0%	0.0%	0.0%
EBIT	**1.41**	**-0.26**	**2.83**	**3.89**	**4.62**
EBIT margin (%)	4.1%	-0.6%	6.2%	7.6%	8.1%
Interests and similar income	0.13	0.42	0.34	0.30	0.29
as percentage of sales	0.4%	1.0%	0.7%	0.6%	0.5%
Interest and similar expenditure	0.28	0.74	0.97	0.96	0.95
as percentage of sales	0.8%	1.8%	2.1%	1.9%	1.7%
Financial result	**-0.15**	**-0.32**	**-0.63**	**-0.66**	**-0.67**
as percentage of sales	-0.4%	-0.8%	-1.4%	-1.3%	-1.2%
EBT	**1.26**	**-0.58**	**2.19**	**3.23**	**3.95**
EBT margin (%)	3.7%	-1.4%	4.8%	6.3%	6.9%
Income tax expenses	0.45	0.10	0.76	1.13	1.38
tax rate (%)	35.3%	-	34.6%	34.8%	35.0%
Income from continuing operations	**0.81**	**-0.68**	**1.43**	**2.11**	**2.57**
as percentage of sales	2.4%	-1.6%	3.1%	4.1%	4.5%
Income from discontinued operations	-0.45	-0.18	0.00	0.00	0.00
Group net income	**0.36**	**-0.86**	**1.43**	**2.11**	**2.57**
Return on sales (%)	1.1%	-2.1%	3.1%	4.1%	4.5%
Minority interests	0.00	0.01	0.02	0.03	0.05
Net income	**0.36**	**-0.87**	**1.42**	**2.08**	**2.52**
Return on sales (%)	1.1%	-2.1%	3.1%	4.1%	4.4%
Number of shares (m)	0.770	2.624	4.000	4.000	4.000
Earnings per share (EUR)	**0.47**	**-0.33**	**0.35**	**0.52**	**0.63**
Dividend per share (EUR)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Source: Independent Research; AGO AG Energie + Anlagen

1)2)3)4) **Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document**

AGO AG Energie + Anlagen

Consolidated balance sheet

Unit : EURm / Fiscal year : Dec 31 / Accounting standards : IFRS	2006	2007	2008E	2009E	2010E
Assets					
Non-current assets					
Intangible assets	0.00	0.15	0.17	0.18	0.20
Property, plant and equipment	2.97	13.96	14.06	14.43	14.86
Investments in companies balanced at equity	0.37	0.00	0.00	0.00	0.00
Other non-current financial assets	2.00	0.29	0.21	0.20	0.20
Deferred tax assets	0.00	0.11	0.11	0.11	0.11
Total non-current assets	**5.35**	**14.52**	**14.54**	**14.93**	**15.37**
Current assets					
Inventories and payments	1.42	0.75	0.90	1.04	1.13
Receivables from contract manufacturing	2.55	2.26	2.49	3.01	3.31
Trade receivables	8.01	10.20	11.44	12.52	13.96
Income tax receivables	0.00	0.23	0.37	0.46	0.54
Other receivables and other current assets	0.24	1.55	1.68	1.80	1.92
Cash and cash equivalents	1.92	5.56	4.90	5.17	5.94
Total current assets	**14.14**	**20.55**	**21.78**	**24.00**	**26.81**
Total assets	**19.49**	**35.06**	**36.32**	**38.93**	**42.18**
Liabilities and shareholders' equity					
Consolidated shareholders' equity					
Issued capital	0.77	4.00	4.00	4.00	4.00
Capital reserves	0.50	8.15	8.03	8.03	8.03
Revenue reserves	2.39	0.02	1.44	3.52	6.04
Minority interests	0.00	0.21	0.23	0.26	0.31
Total consolidated equity	**3.66**	**12.38**	**13.70**	**15.81**	**18.38**
Non-current liabilities					
Provisions for pension benefits	0.20	0.21	0.22	0.23	0.23
Other non-current provisions	0.45	0.48	0.44	0.44	0.44
Non-current financial liabilities	2.65	10.25	9.93	9.67	9.41
Other non-current liabilities	0.00	0.02	0.02	0.02	0.02
Deferred tax liabilities	0.44	0.24	0.20	0.20	0.20
Total non-current liabilities	**3.75**	**11.19**	**10.80**	**10.55**	**10.30**
Current liabilities					
Other current provisions	0.75	0.17	0.10	0.12	0.15
Current financial liabilities	0.21	1.00	1.10	1.13	1.13
Trade payables and advances received	7.71	7.19	7.67	8.26	8.88
Liabilities from contracted work	1.35	0.02	0.02	0.02	0.03
Income tax liabilities	0.96	0.04	0.02	0.02	0.08
Other current liabilities	1.10	3.07	2.92	3.03	3.24
Total current liabilities	**12.08**	**11.49**	**11.82**	**12.57**	**13.50**
Total liabilities and shareholders' equity	**19.49**	**35.06**	**36.32**	**38.93**	**42.18**

Source: Independent Research; AGO AG Energie + Anlagen

[1][2][3][4] **Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document**

AGO AG Energie + Anlagen

Consolidated cash flow statement

Unit : EURm Fiscal year : Dec 31 Accounting standards : IFRS	2006	2007	2008E	2009E	2010E
Profit for the period before taxes and net interest income/loss	0.70	-0.53	2.83	3.89	4.62
Paid income tax	-0.10	-1.08	-0.34	-0.51	-0.62
Paid interest	-0.28	-0.74	-0.34	-0.30	-0.29
Received interest	0.13	0.42	-0.97	-0.96	-0.95
Depreciation and amortization	0.21	0.73	1.15	1.22	1.31
Profit from companies balanced at equity	-0.04	-0.01	0.00	0.00	0.00
Increase/decrease in provisions	-1.22	-0.61	-0.10	0.03	0.04
Other non-payment related expenses/income	0.00	0.88	0.00	0.00	0.00
Profit/loss from asset disposals	-0.02	0.00	0.00	0.00	0.00
Increase/decrease of inventories, trade receivables & o. assets	-1.86	-2.31	-1.74	-1.87	-1.95
Increase/decrease of trade payables and other liabilities	0.05	-0.85	0.48	0.59	0.62
Cash flow from operating activities	**-2.41**	**-4.10**	**0.96**	**2.09**	**2.77**
Cash inflow from the disposal of fixed assets	0.06	0.04	0.01	0.01	0.01
Cash outflow for investments in fixed assets	-0.22	-0.27	-1.38	-1.59	-1.73
Cash outflow for investments in non-tangible assets	0.00	-0.01	-0.02	-0.02	-0.02
Cash outflow from investments in financial assets	-0.33	-0.16	0.00	0.00	0.00
Cash inflow from the acquisition of consolidated companies	0.00	0.52	0.00	0.00	0.00
Cash flow from investment activities	**-0.49**	**0.12**	**-1.39**	**-1.60**	**-1.74**
Cash inflow from capital increase	0.01	9.30	0.00	0.00	0.00
Cash outflow in connection with capital increase	0.00	-1.08	0.00	0.00	0.00
Cash flow from change in debts	2.21	-0.61	-0.22	-0.23	-0.26
Cash flow from financing activities	**2.22**	**7.61**	**-0.22**	**-0.23**	**-0.26**
Change in cash and cash equivalents	**-0.68**	**3.63**	**-0.65**	**0.26**	**0.77**
Cash and cash equivalents at the beginning of the period	2.60	1.92	5.56	4.90	5.17
Cash and cash equivalents at the end of the period	1.92	5.56	4.90	5.17	5.94

Source: Independent Research; AGO AG Energie + Anlagen

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Buy:	According to our assessment, the stock should register an absolute profit of at least 15% within a 6-month period.
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As of: - 08/27/2008 -

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