



Independent Research

Unabhängige Finanzmarktanalyse GmbH

Investment Research



Q3 figures 2008

12/03/2008

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Profits increased significantly in Q3**Publication of Q3 2008 results**

- ⇒ AGO's Q3 2008 figures were in line with our expectations. There were noticeable improvements on the profit side because one-off burdens recorded in the year-ago reference period were omitted, among other things. Sales stagnated at EUR10.86m (10.86; our forecast: 10.98), while EBIT climbed to EURO.81m (-0.01; our forecast: 0.90).
- ⇒ There were no significant changes to the balance sheet in the past quarter. Thanks to the profit made in Q3 2008, equity rose to EUR12.9m. Accordingly, the equity ratio reached 37.0%, slightly exceeding the ratios achieved at the beginning of the year and at the beginning of the quarter. Gearing declined to 38.3%. Altogether, the company's balance sheet is solid, in our opinion.
- ⇒ In its 9M report, AGO pointed out that it is affected by the problems of the automotive industry. The automotive suppliers are one of the company's important customer groups in Germany. AGO is faced with delays and cancellations of orders. Backlog of orders amounted to EUR21m at the end of September 2008, which matched the level at the beginning of Q3. AGO is more cautious now with regard to the full year 2008.
- ⇒ We have lowered our sales and profit forecasts for 2008 through 2010 in view of the economic slowdown. We now predict an increase in profit to EURO.70m (before: 1.42) for 2008. Our forecasts for the following two fiscal years call for a profit of EURO.66 (before: 2.08) and EUR1.34m (before: 2.25), respectively.
- ⇒ Although we have reduced our sales and profit forecasts, we are still convinced of the company's business model and prospects. Based on our DCF model we have determined a price target of EUR5.50 (before: 6.00) for the AGO share. At the current price level, the share thus has an upside potential of well over 15%. We reaffirm our Buy recommendation.

AGO AG Energie + Anlagen 4)**Recommendation: Buy****before:** -
as of: -

Price target (in EUR) (6 months)	5.50
Share price (Xetra) (in EUR)	3.10
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Share price potential	77.42%

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)	12.4
∅ Trading volume	1,274
52W High 07/13/07	EUR7.02
52W Low 07/04/08	EUR2.96
Beta	1.36
Volatility (60 days)	117.20

Multiples

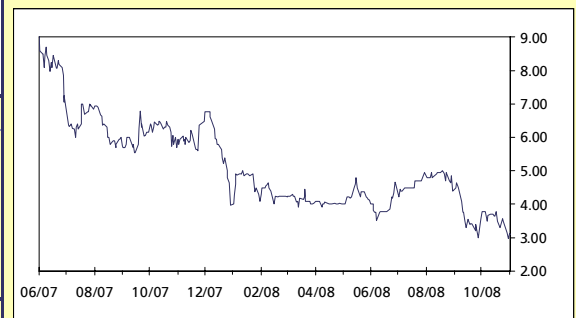
	EV/Sales	EV/EBIT	P/E ratio	Dividend yield
2006	-	-	-	-
2007	0.6	neg.	neg.	0.0%
2008E	0.5	9.1	17.7	0.0%
2009E	0.5	9.2	18.7	0.0%
2010E	0.4	5.8	9.3	0.0%

Performance (in %)

	1M	3M	6M	12M
absolut	-18.2	-35.4	-22.5	-47.9
relative to:				
DAX	-10.7	-7.3	12.5	-6.5
Entry Standard	-10.7	-0.9	18.9	7.1

Index Weighting

Entry Standard	4.644%
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**Author: S. Diermeier (analyst)**

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	35.7	2.0	1.2	0.7	0.18
IFRS	2009E	36.9	2.0	1.1	0.7	0.17
IFRS	2010E	47.4	3.1	2.1	1.3	0.34
CAGR 2006 - 2010E		8.7%	21.9%	14.1%	38.4%	

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

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

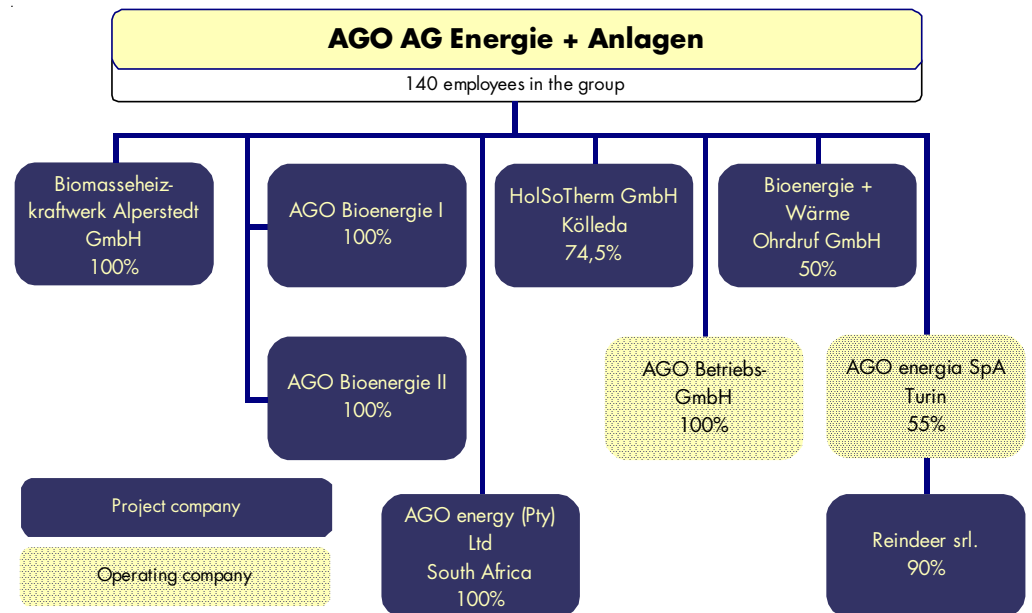
Company profil

Full service provider in the energy plant sector

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

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. AGO group has a workforce of 140 employees (as of September 30, 2008).

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

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

Business development in Q3 2008

Sales and profit development

Q3 2008 sees significant increase in profit

AGO released its results for Q3 2008 on November 20. The figures corresponded to our expectations. There were noticeable improvements on the profit side because one-off burdens recorded in the year-ago reference period were omitted, among other things. Sales stagnated at EUR10.86m (10.86; our forecast: 10.98). Gross profit on sales was up at EUR1.27m (-0.59; our forecast: 1.35). Accordingly, the gross profit margin reached 11.7% (-5.4%), falling short of H1 2008 levels (13.4%; Q1 2008: 12.7%; Q2 2008: 13.8%). EBIT climbed to EURO.81m (-0.01; our forecast: 0.90). At 7.4% (-0.1%), the EBIT margin exceeded the margin for H1 2008 (3.9%). Due to a drop in financial results (EUR-0.27m after EUR-0.05m), EBT reached EURO.54m (-0.05; our forecast: 0.62). Net income amounted to EURO.33m (0.01; our forecast: 0.43); it was dragged down by a higher tax burden - AGO recorded tax expenses of EURO.21m in the past quarter compared to a tax yield of EURO.06m in the year-ago reference period - and an increase in minority interests.

AGO AG Energie + Anlagen			
Selected key data of the consolidated income statement Q3 2008			
Unit : EURm Fiscal year : Dec 31 Accounting standards : IFRS	Q3 2007	Q3 2008	Q3 2008 (our estimate)
Sales year-over-year growth	10.86	10.86 0.0%	10.98 1.1%
Gross profit gross margin (%)	-0.59 -5.4%	1.27 11.7%	1.35 12.3%
EBIT EBIT margin (%)	-0.01 -0.1%	0.81 7.4%	0.90 8.2%
Net income Return on sales	0.01 0.0%	0.33 3.0%	0.43 3.9%

Source: Independent Research; AGO AG Energie + Anlagen

9M: sales down, profits up

In 9M 2008, AGO registered a 19.8% drop in sales to EUR25.68m (32.01), which was mainly due to the volatile project business, on which the company still depends. However, the gross profit increased significantly to EUR3.25m (0.83; gross profit margin: 12.7% (2.6%)). EBIT and pre-tax profit more than doubled to EUR1.39m (0.52) and EURO.79 (0.28), respectively. Net income increased fivefold to EURO.48m (0.09) thanks to a positive tax effect. The tax rate fell to 37.8% (66.8%).

AGO AG Energie + Anlagen			
Selected key data of the consolidated income statement 9M 2008			
	Unit : EURm		
	Fiscal year : Dec 31	9M 2007	9M 2008
	Accounting standards : IFRS		9M 2008 (our estimate)
Sales year-over-year growth		32.01	25.68 -19.8%
			25.80 -19.4%
Gross profit gross margin (%)		0.83 2.6%	3.25 12.7%
			3.34 12.9%
EBIT EBIT margin (%)		0.52 1.6%	1.39 5.4%
			1.49 5.8%
Net income Return on sales		0.09 0.3%	0.48 1.8%
			0.58 2.2%

Source: Independent Research; AGO AG Energie + Anlagen

Equity ratio: 37%

Balance sheet development

There were no significant changes to the balance sheet in the past quarter. At the end of September 2008, the balance sheet total amounted to EUR34.9m, which corresponded to the level at the beginning of the year (EUR35.1m) and at the beginning of Q3 (EUR34.1m). Deposits at financial institutions totalled EUR5.7m (December 31, 2007: 5.6; June 30, 2008: 4.1). Thanks to the profit made in Q3 2008, the company's equity rose to EUR12.9m (December 31, 2007: 12.4; June 30, 2008: 12.6). Accordingly, the equity ratio reached 37.0%, thus slightly exceeding the ratios achieved at the beginning of the year (35.3%) and at the beginning of the quarter (36.9%). Financial debt amounted to EUR10.7m (December 31, 2007: 11.2; June 30, 2008: 11.8), which corresponds to net financial debt of EUR5.0m (December 31, 2007: 5.7; June 30, 2008: 7.6). Gearing declined to 38.3% (December 31, 2007: 46.0%; June 30, 2008: 60.5%). Altogether, the company's balance sheet is solid, in our opinion.

Gearing reduced to 38.3%

Company's guidance and our forecasts

*AGO more cautious about
FY 2008 now*

The company's guidance

In its 9M report, AGO pointed out that it is affected by the problems of the automotive industry. The automotive suppliers are one of the company's important customer groups in Germany. AGO is faced with delays and cancellations of orders. New orders amounted to EUR40m (+40%) in 9M 2008 as compared to EUR39m in January through July 2008. On balance (orders minus cancellations), the company was hardly awarded any new orders in August, September and October. The situation improved somewhat in November (EUR8m). Thus, AGO has been awarded new orders to the total of EUR48m since the beginning of the year. Backlog of orders amounted to EUR21m at the end of September 2008, which matched the level at the beginning of Q3 2008. Of this amount, EUR8m were recorded in Q4 2008. The remaining order volume (EUR13m) will be treated as turnover in the coming year. AGO is more cautious now with regard to the full year 2008. The positive trend of Q3 is expected to continue in Q4 2008. Upon publication of the H1 2008 results, the company had predicted sales of well over EUR40m and a multiplication of H1 EBIT (EUR0.581m).

*Business growth will stop
accelerating in Q4*

Our forecasts for 2008 through 2010

Since the economic environment has deteriorated significantly since our last analysis (August 2008), our sales and profit forecasts need adjustment. AGO will not be able to meet our previous forecasts for the current fiscal year 2008. Although the company's results for 9M 2008 were in line with our expectations, our previous assumption that the business development would further accelerate in Q4 2008 has become unrealistic against the background of the current situation of the economy. We now predict sales of EUR35.70m (before: 45.75) for 2008, which would be a 14% decline (before: +11%) in year-on-year comparison. The noticeable reduction of our sales forecast also has an impact on our profit forecast. We now predict EBIT of EUR1.98m (before: 2.83) and a net income of EUR0.70m (before: 1.42).

*We lower our sales and
profit forecasts for 2008 ...*

*... and the following two
fiscal years*

We have revised our estimates for the following two fiscal years as well. Since the German and European economy will probably reach their lowest points first in mid-2009 and many small and mid-sized companies are struggling with a decline in profits or losses as well as financing problems, we expect to see an investment restraint. Besides, the decline in prices for fossil primary energy carriers, which we expect to be transitory, has led to a decline in investment pressure on the companies with regard to changing over to climate friendly technology for the time being. For the fiscal year, we now predict sales of EUR36.93m (before: 50.94), EBIT of EUR1.98m (before: 3.89), and a net income of EUR0.66m (before: 2.08). We expect the economy to start recovering in 2010. As a consequence, the companies' propensity to invest ought to increase markedly compared to the year before, especially as prices of the exhaustible primary energy carriers should rise again, too. We predict sales of EUR47.42m (before: 57.21), EBIT of EUR3.10m (before: 4.62), and a net income of EUR1.34m (before: 2.52) for the fiscal year 2010. We still do not expect the company to pay a dividend.

AGO AG Energie + Anlagen**Forecast of selected key data of the consolidated income statement**

	Unit : EURm	2008E	2008E	2009E	2009E	2010E	2010E
	Fiscal year : Dec 31	before	new	before	new	before	new
	Accounting Standards : IFRS						
Sales		45.75	35.70	50.94	36.93	57.21	47.42
EBIT		2.83	1.98	3.89	1.98	4.62	3.10
EBIT margin (%)		6.2%	5.6%	7.6%	5.4%	8.1%	6.5%
EBT		2.19	1.17	3.23	1.07	3.95	2.14
EBT margin (%)		4.8%	3.3%	6.3%	2.9%	6.9%	4.5%
Net income		1.42	0.70	2.08	0.66	2.52	1.34
Return on sales (%)		3.1%	2.0%	4.1%	1.8%	4.4%	2.8%
Number of shares (m)		4.000	4.000	4.000	4.000	4.000	4.000
Earnings per share (EUR)		0.35	0.18	0.52	0.17	0.63	0.34

Source: Independent Research

Valuation based on three-phase DCF model**Valuation and conclusion**

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 2013 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 4.00% (before: 4.50%). The risk premium is 8.0% for the company's equity and 5.00% (before: 4.50%) for debt capital. We have set the tax shield to 30%. Furthermore, we estimate the fundamental Beta at 1.36 (before: 1.25). With respect to the long-term balance sheet structure we assume an equity ratio of 50%. These premises lead to a WACC of 10.57% (10.40%). Based on the assumptions mentioned above, the company's operating business is worth EUR27.3m (before: 31.8). This leads to a fair value of EUR22.1m (before: 24.0) for the company's equity. With 4.0m shares currently outstanding, this corresponds to a fair value of EUR5.52 (before: 5.99) per share.

Fair value: EUR5.52 per share

DCF model AGO AG Energie + Anlagen										
EURm	2008E	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E
Sales	35.7	36.9	47.4	62.7	70.2	76.2	81.2	85.7	89.7	93.2
year-over-year growth	-13.6%	3.4%	28.4%	32.3%	11.9%	8.6%	6.6%	5.5%	4.7%	3.9%
EBIT margin	5.6%	5.4%	6.5%	7.5%	8.5%	9.1%	9.1%	9.1%	9.1%	9.1%
EBIT	2.0	2.0	3.1	4.7	6.0	6.9	7.4	7.8	8.2	8.5
- Income taxes	-0.6	-0.6	-0.9	-1.4	-1.8	-2.1	-2.2	-2.3	-2.4	-2.5
+ 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	2.5	2.5	3.3	4.5	5.5	6.2	6.6	6.9	7.3	7.6
-/+ Change in net working capital	-1.3	-1.3	-1.3	-1.3	-1.3	-1.2	-1.1	-1.0	-1.0	-0.9
-/+ 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	-0.2	-0.4	0.2	1.3	2.3	3.0	3.4	3.8	4.2	4.5
Present values	-0.2	-0.4	0.2	1.0	1.5	1.8	1.8	1.8	1.8	1.7
Sum of present values	10.9									
Terminal value	16.3									
									in % of total value :	60%
Value of operating business	27.3									
+ Surplus liquid funds	5.7									
- Financial debt	-10.7									
- Fair value of minority interests (estimated)	-0.2									
Fair value of equity	22.1									
Number of shares (m)	4.000									
Fair value per share (in EUR)	5.52									

Model parameter / entity DCF model:

Target capital structure ->	Equity :	50%	Debt :	50%	
Risk-free rate of return :	4.00%	Beta :	1.36	Risk prem. debt :	5.00%
		Risk premium :	8.0%	Tax-shield :	30.0%
		Cost of equity :	14.8%	Cost of debt :	6.30%
Growth rate of FCF :	0.0%	WACC :	10.57%	Date :	12/01/08

Source: Independent Research

Sensitivity analysis (in EUR)					
		Discount rate			
		10.1%	10.6%	11.1%	11.6%
Growth	0.0%	6.18	5.52	5.13	4.73
	0.5%	6.33	5.80	5.33	4.90
	1.0%	6.62	6.05	5.54	5.09
	1.5%	6.94	6.33	5.78	5.29

Source: Independent Research

Our recommendation: Buy

Although we have reduced our sales and profit forecasts, we are still convinced of the company's business model and prospects. The downward revision of our forecasts is based on the significant deterioration of the general setting and have nothing to do with any reasons specific to the company such as wrong decisions or mismanagement. In our opinion, the company enters a period of pronounced economic weakness with a solid balance sheet. From our calculated fair value per share we have derived a price target of EUR5.50 (before: 6.00). At the current price level, the AGO share thus has an upside potential of well over 15%. We reaffirm our Buy recommendation.

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							
Selected key data and financial ratios							
	Unit :	EURm					
	Fiscal year :	Dec 31	2006	2007	2008E	2009E	2010E
	Accounting standards :	IFRS					
Key data income statement							
Sales (EURm)			33.94	41.34	35.70	36.93	47.42
EBITDA margin			4.8%	1.1%	8.8%	8.6%	9.3%
EBIT margin			4.1%	-0.6%	5.6%	5.4%	6.5%
Net yield			1.1%	neg.	2.0%	1.8%	2.8%
Rate of depreciation and amortization			0.6%	1.8%	3.2%	3.3%	2.8%
Operating expenses / sales			96.1%	103.1%	95.1%	95.2%	93.8%
Interest coverage ratio			9.62	-0.82	2.43	2.18	3.21
Profitability ratios							
ROE			10.0%	-7.0%	5.4%	4.8%	8.9%
ROCE			17.0%	-1.3%	9.1%	8.5%	12.5%
ROI			1.9%	-2.5%	2.0%	1.8%	3.5%
Accounting ratios							
Equity ratio			18.8%	35.3%	36.4%	37.4%	39.3%
Ratio of equity to non-current assets			68.5%	85.3%	89.3%	91.6%	98.0%
Ratio of non-current assets to total assets			27.4%	41.4%	40.7%	40.8%	40.1%
Trade accounts receivable / sales			31.1%	30.1%	39.0%	42.1%	36.4%
Capex / depreciation and amortization			101.4%	36.4%	120.0%	130.9%	132.9%
Capex / sales			-0.6%	-0.6%	-3.9%	-4.3%	-3.7%
Working capital ratio			35.3%	32.0%	41.5%	44.9%	38.8%
Key data per share (EUR)							
EPS			0.47	-0.33	0.18	0.17	0.34
Free cash flow per share			-3.77	-1.52	-0.26	-0.31	-0.13
Dividend per share			0.00	0.00	0.00	0.00	0.00
Cash and cash equivalents per share			2.50	2.12	1.07	0.71	0.52
Book value per share			4.76	4.72	3.25	3.42	3.77
Valuation ratios							
EV / sales			-	0.6	0.5	0.5	0.4
EV / EBITDA			-	48.6	5.8	5.7	4.1
EV / EBIT			-	neg.	9.1	9.2	5.8
PER			-	neg.	17.7	18.7	9.3
Price to book value ratio			-	1.4	1.0	0.9	0.8
Price to cash flow ratio			-	neg.	35.7	33.8	10.0
Price to sales ratio			-	0.4	0.3	0.3	0.3
Dividend yield			-	0.0%	0.0%	0.0%	0.0%

Source: Independent Research; AGO AG Energie + Anlagen

AGO AG Energie + Anlagen**Consolidated income statement**

	Unit : EURm	2006	2007	2008E	2009E	2010E
	Fiscal year : Dec 31					
	Accounting standards : IFRS					
Sales		33.94	41.34	35.70	36.93	47.42
year-over-year growth		-	21.8%	-13.6%	3.4%	28.4%
Cost of sales		30.41	39.49	31.30	32.35	41.15
as percentage of sales		89.6%	95.5%	87.7%	87.6%	86.8%
Gross profit		3.53	1.85	4.40	4.58	6.27
gross margin (%)		10.4%	4.5%	12.3%	12.4%	13.2%
Research and development costs		0.05	0.07	0.09	0.10	0.11
as percentage of sales		0.1%	0.2%	0.3%	0.3%	0.2%
Sales and marketing expenses		1.59	2.09	1.92	2.01	2.37
as percentage of sales		4.7%	5.1%	5.4%	5.4%	5.0%
Administrative expenses		0.56	1.00	0.64	0.70	0.86
as percentage of sales		1.7%	2.4%	1.8%	1.9%	1.8%
Other operating expenses		0.26	0.20	0.22	0.23	0.27
as percentage of sales		0.8%	0.5%	0.6%	0.6%	0.6%
Other operating income		0.29	1.23	0.45	0.43	0.44
as percentage of sales		0.8%	3.0%	1.3%	1.2%	0.9%
Operating profit		1.37	-0.27	1.98	1.98	3.10
as percentage of sales		4.0%	-0.6%	5.6%	5.4%	6.5%
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	1.98	1.98	3.10
EBIT margin (%)		4.1%	-0.6%	5.6%	5.4%	6.5%
Financial result		-0.15	-0.32	-0.82	-0.91	-0.97
as percentage of sales		-0.4%	-0.8%	-2.3%	-2.5%	-2.0%
EBT		1.26	-0.58	1.17	1.07	2.14
EBT margin (%)		3.7%	-1.4%	3.3%	2.9%	4.5%
Income tax expenses		0.45	0.10	0.44	0.37	0.75
tax rate (%)		35.3%	-	37.7%	35.0%	35.0%
Income from continuing operations		0.81	-0.68	0.73	0.69	1.39
as percentage of sales		2.4%	-1.6%	2.0%	1.9%	2.9%
Income from discontinued operations		-0.45	-0.18	0.00	0.00	0.00
Group net income		0.36	-0.86	0.73	0.69	1.39
Return on sales (%)		1.1%	-2.1%	2.0%	1.9%	2.9%
Minority interests		0.00	0.01	0.03	0.03	0.05
Net income		0.36	-0.87	0.70	0.66	1.34
Return on sales (%)		1.1%	-2.1%	2.0%	1.8%	2.8%
Number of shares (m)		0.770	2.624	4.000	4.000	4.000
Earnings per share (EUR)		0.47	-0.33	0.18	0.17	0.34
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	2006	2007	2008E	2009E	2010E
	Accounting standards : IFRS					
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	4.29	2.82	2.06
Total current assets		14.14	20.55	21.16	21.66	22.93
Total assets		19.49	35.06	35.70	36.59	38.30
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	0.73	1.39	2.73
Minority interests		0.00	0.21	0.24	0.27	0.32
Total consolidated equity		3.66	12.38	12.99	13.68	15.07
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	0.29	0.29	0.29
Total non-current liabilities		3.75	11.19	10.89	10.65	10.39
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	2.72	2.58
Total current liabilities		12.08	11.49	11.82	12.26	12.84
Total liabilities and shareholders' equity		19.49	35.06	35.70	36.59	38.30

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	2006	2007	2008E	2009E	2010E
Fiscal year : Dec 31					
Accounting standards : IFRS					
Profit for the period before taxes and net interest income/loss	0.70	-0.53	1.98	1.98	3.10
Paid income tax	-0.10	-1.08	-0.20	-0.17	-0.34
Paid interest	-0.28	-0.74	-0.20	-0.25	-0.29
Received interest	0.13	0.42	-1.02	-1.16	-1.25
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	0.35	0.37	1.24
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	-1.27	-1.47	-0.76
Cash and cash equivalents at the beginning of the period	2.60	1.92	5.56	4.29	2.82
Cash and cash equivalents at the end of the period	1.92	5.56	4.29	2.82	2.06

Source: Independent Research; AGO AG Energie + Anlagen

Disclaimer

Recommendation shares - Single Issuer -:

Buy:	According to our assessment, the stock should register an absolute profit of at least 15% within a 6-month period.
Accumulate:	According to our assessment, the stock should register an absolute profit between 0% and 15% within a 6-month period.
Reduce:	According to our assessment, the stock should register an absolute loss between 0% and 15% within a 6-month period.
Sell:	According to our assessment, the stock should register an absolute loss of at least 15% within a 6-month period.

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Summary of the evaluation principles used:

Analyses of shares:

In valuing companies standard and accepted valuation methods (amongst others the Discounted Cash Flow Method (DCF Method), Peer Group Analysis) are applied. Under the DCF Method the capitalised value of the issuers is calculated which shows the sum of the discounted company results, i.e. the current value of the issuer's future net distributions. The capitalised value is therefore determined with reference to the anticipated future company results and the capitalisation yield applied. Under the Peer Group Analysis Method issuers quoted on the Stock Exchange are valued with reference to the comparison of ratio indices (e.g. price earnings ratio, price to book ratio, enterprise value / sales, enterprise value / EBITDA, enterprise value / EBIT). The comparability of the ratio indices is determined above all by business activity and commercial prospects.

Technical analyses:

Technical analyses are based on historic share price and sales developments which are analysed by mathematical-statistical tools (chart techniques, indicator technology, the Elliott wave theory, sentiment observations as well as relative strength approaches) and on forecasts of future developments.

Sensitivity of the evaluation parameters:

The figures taken from the statement of income, the cash flow statement and the balance sheet upon which the evaluation of companies is based are estimates referring to given dates and therefore subject to risks. These may change at any time without prior notice.

Regardless of the evaluation method applied, there exists a very real risk that the price target may not be reached in the anticipated period of time. These risks include unforeseen changes in competitive pressure or in the demand for the issuer's products. Such fluctuations in demand may arise as a result of changes of a technological nature, the overall level of economic activity or in some cases as a result of changes in moral standards. Changes in tax law, in currency exchange rates and, in certain industries, in regulations are further factors which can influence evaluations. This discussion of evaluation methods and risk factors makes no claim to be exhaustive.

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As of: - 12/03/2008 -

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