



Independent Research

Unabhängige Finanzmarktanalyse GmbH

Research Note



Preliminary key figures for fiscal year 2008

02/26/2009

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High confirmed order backlog**Preliminary key figures for fiscal year 2008**

- ⇒ According to preliminary figures, group sales declined to EUR36.6m (41.3) in the fiscal year 2008. However, EBIT rose by EUR1.8m to EUR1.5m (-0.3). AGO exceeded our sales forecast (EUR35.7m) but fell short of our EBIT forecast (EUR2.0m).
- ⇒ The drop in sales is primarily due to postponed projects, while the increase in EBIT was mainly a result of the company's focussing on proprietary planning in the project business. In 2007, profits and margins had been dragged down by less profitable externally planned projects.
- ⇒ We consider the high confirmed backlog of orders at the end of the fiscal year 2008 positively. It amounted to EUR28.3m, a 105% increase compared to the end of 2007. The entire backlog of EUR28.3m minus EUR2m to EUR3m is allotted to the current fiscal year. As of September 30, 2008, backlog of orders amounted to roughly EUR21m, thereof roughly EUR13m for 2009. In January 2009, order intake ranged between EUR4m and 5m, the company said.
- ⇒ We also welcome the company's statements that liquid funds increased to EUR7.7m (September 30, 2008: 5.7) and that no short-term refinancing is scheduled for 2009. The company said that the economic weakness has hardly had an impact on its operating business up to now. At the same time, AGO denoted that its profit ought to increase further in the current fiscal year.
- ⇒ We are still convinced of the company's business model and prospects. For the time being, we leave our forecasts unchanged. Based on our DCF model, our price target for the AGO share remains unchanged at EUR5.50. Since our last analysis (December 1, 2008), the AGO share remained stable despite the general weakness of the stock market. We hold on to 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)	3.01
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Share price potential	82.72%

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)	12.0
∅ Trading volume	1,030
52W High 03/09/08	EUR5.00
52W Low 01/22/09	EUR2.75
Beta	1.36
Volatility (60 days)	63.57

Multiples

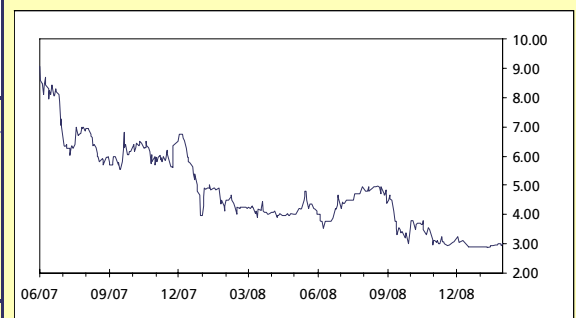
	EV/Sales	EV/EBIT	P/E ratio	Dividend yield
2006	-	-	-	-
2007	0.6	neg.	neg.	0.0%
2008(E)	0.6	15.1	77.2	0.0%
2009E	0.6	11.5	25.6	0.0%
2010E	0.5	7.3	12.7	0.0%

Performance (in %)

	1M	3M	6M	12M
absolut	3.8	-4.7	-39.1	-30.0
relative to:				
DAX	11.8	10.9	-0.2	14.1
Entry Standard	14.3	6.0	5.3	22.7

Index Weighting

Entry Standard	6.242%
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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	2008(E)	36.6	1.5	0.7	0.2	0.06
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**

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

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.

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