



Company profile

History/Highlights

Milestones since Formation

- 1980** **ASK GmbH spin-off (technical plant equipment for industrial enterprises)**
- The company was formed in 1980 as a ASK-Zander Luft- und Wärmetechnik GmbH spin-off. At the time, the business focused on ventilation systems and thermotechnical engineering. At approximately 33%, the heat pump formed the mainstay of sales.
- 1984** **Company name changed to Zander Wärmetechnik Kulmbach GmbH**
- 1995** **ISO 9001 certification for plant construction**
- A trendsetter even then, the company received its ISO 9001 certification in 1995. It was the first plant construction company in Upper Franconia to obtain this certification. This step emphasised the company's progressive, forward-looking approach of supplying energy to major industrial customers. ISO 9001 focuses on verifiable quality criteria and customer orientation. Meanwhile, the business included the development and production of heating, cooling and ventilation equipment.
- 1998** **Integration into the M+W Zander Holding / Jenoptik Group**
- In 1998, the company was integrated into M+W Zander Holding which is part of the Jenoptik Group. M+W Zander Holding is a technology company offering integrated services from consulting, planning and construction to operation and modernisation of high-tech buildings and production facilities from a single source.
- 1999** **Company name changed to M+W Zander Energie + Anlagen GmbH**
- 2003** **Entry into the emission and energy efficiency consulting field / Major order for EVC Energieversorgungscenter II in Dresden**
- With the introduction of emissions trading, the company expanded its business activities to include emissions trading services.
- 2004** **AMD cogeneration plant (plant construction reference project)**
- A revolutionary natural gas cogeneration plant for semiconductor production at the international microchip manufacturer Advanced Micro Devices (AMD) led AGO to technical and economic success. The generating plant produces 35 MW of electricity, 38 MW of heat and 53 MW of refrigeration. It was completed and commissioned over a period of just 12 months (EVC Energieversorgungscenter II, Dresden).
- January 2006** **Founding of Biomasseheizkraftwerk Alperstedt GmbH (plant operation reference project)**
- In 2006, the company embarked on its successful path as a plant operator with its first major contract to develop, construct and finance the biomass cogeneration plant in Alperstedt. The biomass cogeneration plant with an output of 19 MW of thermal and 1.7 MW of electrical energy is operated by HolSoTherm GmbH. Measured according to its annual energy output, it is among the largest ORC biomass cogeneration plants in Europe. The ventilation systems division was shut down at the end of 2006. With this strategic step, the company increasingly focused on plant operation with more stable, scalable earnings and higher sales potential.

December 2006 **Change of corporate form into AGO AG Energie + Anlagen**

In 2006, the company was reorganised as AGO AG Energie + Anlagen. The reorganisation objective was to take the company public.

December 2006 **49% investment in HolSoTherm GmbH**

In December 2006, the company became the operator of the biomass cogeneration plant in Alperstedt with its 49% investment in HolSoTherm GmbH. 50% of the generating plant is owned by AGO AG Energie + Anlagen and 50% by HolSoTherm GmbH in Kölleda. HolSoTherm GmbH has been supplying the Daimler AG engine works with heat from the combustion of wood chips since 2002.

2007 Events of the Year

January 2007 **Founding of Bio- und Wärmeenergie GmbH in Ohrdruf**

The establishment of Bio- und Wärmeenergie GmbH, 50% of which is held by AGO AG Energie + Anlagen as the founding shareholder, marked the planning stage for another bio-energy generating plant. It will also be managed by HolSoTherm GmbH in Kölleda.

April 2007 **Investment in HolSoTherm GmbH increased to 74.5%**

In April 2007, the investment in HolSoTherm GmbH was increased to 74.48%. This marked another strategic milestone in the history of AGO. HolSoTherm GmbH will accumulate expert knowledge regarding efficient plant operation for biomass cogeneration plants.

June 2007 **Initial public offering with subsequent listing in the entry standard of the Frankfurt Stock Exchange**

Up to 1,430,000 no-par bearer shares with a price spread of €6 to €7 were offered for sale under the IPO. During the subscription period from 18 to 22 June 2007, the transaction was oversubscribed several times. Gross proceeds from the issue amounted to €9.1 million. On 28 June, all 4 million shares of AGO AG Energie + Anlagen were included in the entry standard as part of the open market on the Frankfurt Stock Exchange. Trading commenced at €7.50.

August 2007 **Construction and operation of a biomass cogeneration plant in Gierstädt**

On 7 August 2007, AGO AG Energie + Anlagen announced the construction of a biomass cogeneration plant in Gierstädt with an installed capacity of 650 kW. AGO AG Energie + Anlagen plans to invest a total of €1.4 million. Revenues from the sale of electricity and heat in the amount of approximately €0.44 million annually are expected over a period of 15 years.

- October 2007** **Construction and operation of a biomass heating plant in Erfurt / Gotha**
- In October 2007, AGO AG Energie + Anlagen secured a contract for the construction and operation of a biomass heating plant. The investment in the plant amounts to €6.6 million. Annual revenues of at least €3.1 million for a period of 15 years are expected upon completion. This means total sales of up to €46.5 million will be generated over the contract term. The plant operating company Bio- und Wärmeenergie GmbH in Ohrdruf will handle raw materials management as well as operation, which includes servicing and maintenance.
- November 2007** **Decision of founding of AGO energia srl, Turin**
- With the establishment of AGO energia in Turin, AGO AG Energie + Anlagen is pursuing its operational goal of promoting the construction and operation of biomass cogeneration plants in Italy. Italy is among the leading countries in Europe that intend to massively expand the proportion of renewable energy sources used to cover gross electricity requirements by 2010. Biomass will be used as solid fuel. AGO AG Energie + Anlagen plans to implement energy projects with an investment volume of €6 to €10 million annually. Annual sales between €3.0 and €4.0 million per cogeneration plant are expected from plant operation.
- December 2007** **Plant expansion in Kölldeda**
- In December 2007, AGO AG Energie + Anlagen announced the expansion of heat generation for Daimler at the biomass heating plant in Kölldeda. HolSoTherm GmbH expects additional annual sales in the vicinity of €0.5 million once the expansion is complete. Since the heat generation contract has a term of 15 years, proceeds will total up to €7.5 million.
- December 2007** **Investor presentation at the Smart Equities Conference 2007**
- On 4 December 2007, CFO Hans-Ulrich Gruber appeared at the Smart Equities Conference in Frankfurt am Main, an investor event hosted by the "Deutsche Vereinigung für Finanzanalyse und Asset Management" (DVFA) (German Association for Financial Analysis and Asset Management).
- December 2007** **Investor presentation at the bio-energy forum**
- At the 3rd bio-energy forum in Berlin, an investor conference hosted by the Solarpraxis technical publishing company, AGO AG Energie + Anlagen presented its promising business model to numerous journalists, analysts, investors and industry experts.

Events after the Reporting Period

Feb. 2008 Construction and operation of a biomass heating plant in Upper Franconia

The construction and subsequent operation of a biomass heating plant in Upper Franconia will result in annual revenues of at least €1.4 million from the sale of heat. A total of over €21.0 million is expected over the 15-year contract term. Wood chips from the Franconia region will be used to fuel the plant with an installed capacity of 6 MWth.

Apr. 2008 Record orders in the first quarter of 2008 – company presentation at the V. Vienna Investment Forum

AGO AG Energie + Anlagen is pleased to report record orders in the amount of €20.7 million for the first quarter of the 2008 financial year. Compared to approximately €12.1 million during the comparable period last year, orders increased by €8.6 million or 71%. The record order volume is mainly due to the delivery of a variety of power plants to existing customers. On 17 April 2008, Hans Ulrich Gruber, CFO of AGO AG Energie + Anlagen, presented the company to the V. Vienna Investment Forum. In addition to the company presentation, he had numerous discussions with members of the financial community and established interesting new contacts.

Management

Management Board

Financial Officer

Hans Ulrich Gruber
Graduated Business economist
Year of Birth 1968



December 2006
Board Member
AGO AG Energie + Anlagen

March 2006
Management
Biomasseheizkraftwerk Alperstedt GmbH

2003 - 2006
Management
M+W Zander Energie + Anlagen GmbH

1999 - 2003
Director

1991 - 1998
Management Assistant
Zander Klimatechnik AG, Nuremberg

Since 1991 corporate associated

Operating Officer

Helmut Peetz
Graduated engineer
Year of Birth 1953



December 2006
Board Member
AGO AG Energie + Anlagen

2003 - 2006
Management
M+W Zander Energie + Anlagen GmbH

1999 - 2003
Authorised officer
M+W Zander Energie + Anlagen GmbH

1983 - 1999
Authorised officer
Zander Wärmotechnik Kulmbach GmbH

1979 - 1983
ASK-Zander Luft- und Wärmotechnik GmbH

Since 1979 corporate associated

Supervisory Board

Supervisory Board

Steffen Pfund (Chairman)

Klaus Hermsdorf

Johannes Eismann

Eckard Dinjus

Franz Brosch

Harald Petersen

Entry

December 2006

December 2006

November 2007

May 2007

May 2007

May 2007

Additional responsibilities

Director caverion GmbH

Director caverion GmbH

Member of the Managing Board quirin Bank AG
Member of the Managing Board
quirin business support AG
Member of the Supervisory Board Skontro AG;
Extra-Sportwertten AG

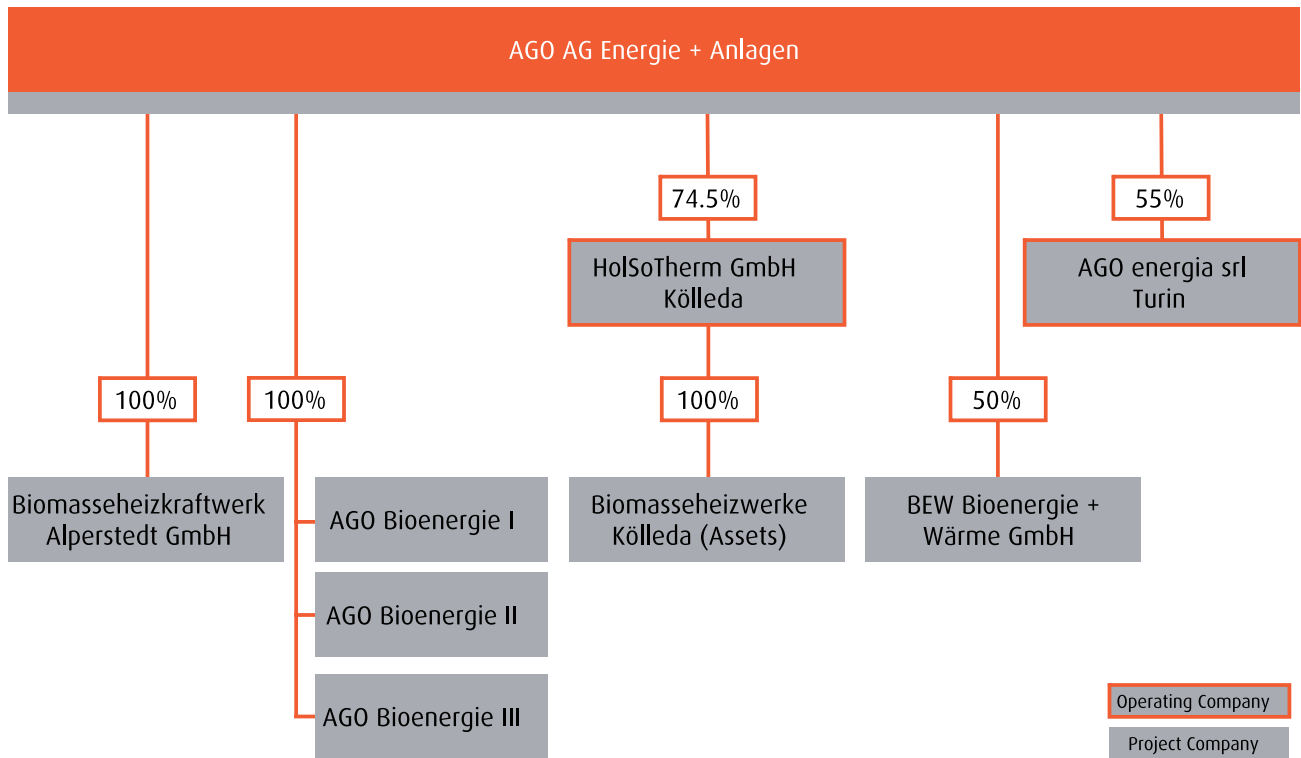
Professor of technical chemistry, university Jena

Member of the Managing Board
Upper Franconia Offensive
Board of trustees FH Coburg and Hof

Director H2M Capital Management
Director SPH Management GmbH
Chairman of the Supervisory Board Aragon AG
Member of the Supervisory Board Primacon AG;
ISPEX AG; AAA Aktionärsakademie AG;
SophistiCapital AG; J2P Real Estate GmbH & Co KGaA

Group Structure

As of May 2008



Business divisions

The Latin word “ago” means “to bring forward”, “to move”, “to operate”. It is a name that obligates our Company and employees to rise to the challenge. AGO AG Energie + Anlagen (AGO) plans, develops, installs and operates power generation facilities based on complex biomass cogeneration plants as well as heating and refrigeration plants.

Founded in 1980 as a full-service provider of heat, refrigeration, steam, compressed air and electricity in the field of power generation plants for industrial customers, AGO AG Energie + Anlagen also offers a range of consulting services as well as other services for aspects such as energy efficiency and the emissions trading obligations of industrial power plant operators.

Three business divisions allow us to meet all requirements related to the electricity and heat requirements of industrial customers. These include project development and implementation, plant operation, service and consulting.

Project development and implementation throughout Europe

In the project development and implementation field, AGO is pursuing the implementation of decentralized plants to supply energy to industrial enterprises and municipal organizations throughout Europe. As a solution and implementation-oriented project developer, the Company is fully responsible for the development, planning, financing and construction of power generation plants for its customers. AGO takes individual needs into account from design to implementation.

Since it has access to components from various manufacturers, AGO is able to meet customer requirements with suitable power generation plants without being reliant on specific suppliers. “Contracting” is becoming an increasingly popular service. Under the contracting model, responsibility for all key energy supply components and the related services are transferred from the company to AGO. With energy and plant contracting, AGO AG Energie + Anlagen – and not the customer – generates the energy required by the customer. By supplying a company with heat, steam, refrigeration, electricity or compressed air, AGO can provide its customers with complex, innovative and economical energy solutions and sell the required energy to the company.

With contracting, AGO AG Energie + Anlagen assumes responsibility for the construction, renovation, servicing, maintenance and operation of the power generation plant instead of leaving these areas to the company being supplied with energy. After all, these specific issues are normally not part of the customer's core competencies. Initial contracts are normally concluded for a period of 15 years, precluding the need for any customer investments in the power generation plant itself as well as eliminating service and maintenance. Customers are also released from any obligation to participate in emissions trading in accordance with the German Greenhouse Gas Emissions Trading Act (TEHG).

In summary, contracting offers customers a secure energy supply, which may be combined with energy savings and a reduction in emissions. Sales generated from the ongoing operation of a power generation plant as a result of contracting are reported under the plant operation business division.

Supply security through plant operation

The plant operation business division offers a full range of services including maintenance, servicing and especially raw materials management. AGO operates power generation plants for industrial customers based on conventional and renewable energy sources.

Since 2002, larger projects such as the biomass heating plant with a heat output of up to 5 MW for Daimler AG Köllda have been realized – mainly due to the 74.48% equity interest of AGO in the HolSoTherm GmbH operating company. Through this equity interest, the Company has access to a long-standing supplier network.

Raw materials and fuel management includes a comprehensive availability and heat requirements analysis before the start of a project, since raw materials procurement ranges from issues related to capacity utilization and ongoing logistics to warehousing and quality assurance for biogenic fuel. AGO AG Energie + Anlagen is able to guarantee stable heat prices by entering into long-term agreements with its fuel suppliers. The smooth operation of power generation plants using biogenic fuel is dependent on quality assurance and operational reliability – which may also involve mixed energy generation.

Service & consulting

In the service and consulting field, AGO offers servicing, repairs and maintenance including emergency services for its own or third-party power generation plants. Energy efficiency consulting, the completion of location studies and location development studies, as well as consulting and other services related to emissions trading are also bundled in this business division. AGO customer service currently includes 30 employees throughout Germany trained in refrigeration technology,

cogeneration plant technology, furnace technology, measurement and control technology, and ventilation and air conditioning technology. In addition to maintaining plants constructed and operated by AGO AG Energie + Anlagen, employees also service third-party plants to a significant extent.

AGO AG Energie + Anlagen redevelops and expands plants with its in-house assembly team. Customer service employees are deployed so as to ensure their availability 365 days a year, 24 hours a day. AGO AG Energie + Anlagen offers its customers comprehensive consulting services on energy-related issues (such as energy efficiency) and prepares energy studies in the areas of thermal technology, refrigeration technology and cogeneration, among other things. The technologies used to generate energy for customers are analyzed and, based on the preparation of feasibility studies, alternatives to the current energy generation concepts are developed. In addition, AGO AG Energie + Anlagen provides consulting on financing prior to the construction of a plant and examines the need for approvals and permits in advance. For plants that are subject to the German Greenhouse Gas Emissions Trading Act (TEHG) due to their emissions output, AGO organizes the purchase or sale of emission certificates as required.

Product categories

AGO AG Energie + Anlagen has implemented over 2,000 energy projects based on a variety of technologies since 1980. To date, most of its business activities were based in Germany. In addition to many successful projects, the Company was pleased to announce the construction and subsequent operation of four biomass cogeneration plants for industrial customers in Germany following the IPO on 28 June 2007. Starting in 2009, the operation of these four power plants will result in annual sales of €5.44 million. This means that AGO AG Energie + Anlagen will generate total sales of €81.6 million over the course of the 15-year contract for the delivery of heat, refrigeration and electricity from the four plants currently under construction.

The Company also has plans to expand its business activities to foreign markets, especially EU member states. In addition to ongoing project developments in Greece, the founding of AGO energia Turin represents the first step towards achieving the operational goal of constructing and operating biomass heating plants in Italy. The main focus is on market development for combined heat-power-refrigeration which, according to the energy mix in Italy, promises significant potential. In particular, the current amendment of Italian supply remuneration policies for electricity generated using biomass creates long-term opportunities for AGO AG Energie + Anlagen. At up to 29.5 cents per kWh supplied to the public electricity network, this far exceeds the remuneration level in Germany. The main distinguishing characteristic of AGO on the Italian market is the use of combined heat-power-refrigeration. Heat released during power generation and production processes, most of which is currently not being used, offers significant potential.

55% of the shares in the Italian project company will be held by AGO AG Energie + Anlagen. Investors Roberto Sacco and Paolo Gioia will be 45% joint shareholders of AGO energia Turin. Roberto Sacco will take on the management of AGO energia. AGO AG Energie + Anlagen is to provide the expertise for production of absorption refrigerators as well as the turnkey construction. Sales will be carried out by AGO energia via a cooperation with Pro Ambiente srl. Plaus (Bozen). Pro Ambiente is a planner of biomass cogeneration plants/ biomass heating stations, and has a long-established, broad-based sales structure with corresponding market knowledge in Italy.

Power generation plants

AGO AG Energie + Anlagen develops and implements different sizes of decentralized industrial power generation plants. These plants are based on a variety of different technologies and energy sources. Some of the technical principles of various AGO plants are described below:

Biomass cogeneration plants

Conventional cogeneration plants are industrial facilities that generate electricity and heat in a process called cogeneration. Since heat has to be fed into a remote heat network, cogeneration plants are situated in the vicinity of metropolitan areas or industrial sites that require large amounts of heat. Thermal plants only supply heat. Just as with conventional thermal generating plants, primary energy is usually converted into electricity by a closed water-steam circuit. Combustion of fossil or biogenous fuels heats the water until it is vaporized in the boiler and superheated to the maximum possible temperature in the superheater. The pressure of the fresh vapor (maximum operating conditions: 420 - 460°C, approximately 40 to 50 bar) is reduced in a steam turbine and the vapor then powers the generator.

Since the IPO on 28 June 2007, project development at AGO AG Energie + Anlagen has focused on the construction and subsequent operation of biomass cogeneration plants by project companies founded for this purpose. Unlike conventional cogeneration plants, these facilities use renewable raw materials as a source of energy. Based on current market conditions, most of the biomass that is used consists of wood chips that can be produced from any type of natural wood. Using biomass as fuel makes a significant contribution to the reduction of CO₂ emissions from the combustion of fossil fuels. Renewable raw materials are largely CO₂ neutral, since combustion of biomass only releases the same amount of CO₂ that was previously removed from the atmosphere by plant growth. Key technologies include biomass cogeneration plants using a steam process and biomass cogeneration plants based on the Organic Rankine Cycle (ORC) principle. The Organic Rankine Cycle (ORC) is similar to the thermodynamic circuit of a normal steam turbine, with the sole exception that the substance which powers the turbine is organic and has a high molecular mass. Combining various components facilitates the construction of a plant adapted to customer requirements, which can be erected directly at the site where energy will be consumed. Heat that results from the generation of electricity is used to supply hot water, steam, dry heat, etc. Using this waste heat minimizes energy loss, thereby reducing the consumption of primary energy. Since AGO AG designs its plants to meet individual customer demands based on heat and media requirements, the production of electricity and the related dependence on the German Renewable Energy Sources Act (EEG) is secondary. Cogeneration is only used when it results in an economic advantage for the heat user.

A major advantage of biomass cogeneration plants is that they can be situated in areas where raw materials such as wood processing waste abound, and the resulting thermal energy can be used to dry wood and for remote heat simultaneously. This also allows transport routes to be kept as short as possible, which in turn reduces transport losses and CO₂ emissions. As a result, the local ecological situation is improved. Favored by supply remuneration regulations from the German Renewable Energy Sources Act (EEG), numerous biomass cogeneration plants have been constructed over the course of the last few years.

In the heating plant engineering field, AGO offers power generation plants suitable for steam preparation or the generation of warm and hot water in all performance categories. AGO products allow plants to be designed for use with various energy sources. However, the main focus of the Company is on plants that use biomass (e.g. wood chips). The AGO AG Energie + Anlagen product range also includes heating plants operated using conventional energy sources (oil or gas). The choice of energy sources is based on availability, customer requirements, and annual heating capacity utilization.



Biomass cogeneration plant in Alperstedt

Boilers

Boilers are the standard heat generation solution in power generation plants. They are heat generators with combustion chambers for solid, liquid or gaseous fuels which provide heat energy used for heating rooms, producing hot water or for use in production engineering. The combustion heat generated when fuel burns is released to heat carriers (water, water vapour, thermal oil) and carried to heat consumers (radiators, heat exchangers). Different boiler designs are available for various output ratings and areas of application.



Conventional hot water system fired by natural gas

Cogeneration plants

Cogeneration plants are modular facilities used to generate electricity and heat through the principle of cogeneration. They are preferably located at the site where heat is consumed. Alternatively, heat is fed into a local heat network. Higher overall efficiency compared to the conventional combination of local heat and a large central power plant results from the use of waste heat produced when electricity is generated, immediately at the location where this waste heat arises. The efficiency of power generation is between 25 and 50%, depending on the size of the plant. Since waste heat is used locally, primary energy utilization ranges from 80 to over 90%. This means cogeneration plants reduce primary energy consumption by up to 40%, which leads to a reduction in CO₂ emissions.

A conventional cogeneration plant module has an electrical output between five kW and five MW. Combustion engines - preferably natural gas engines but also sewer gas and biogas engines, biodiesel engines and gas turbines - can be used to drive the power generator. The natural gas cogeneration plant for semiconductor production at Advanced Micro Devices, Inc. (AMD) constructed in 2004 in Dresden, with an output of 35 MW of electricity, 38 MW of heat and 53 MW of refrigeration, constitutes a prime example.



Gas engine of a combined heat and power plant for AMD Dresden



Energy Center EVC 2 in Dresden

Cooling plants

AGO AG also provides its customers with cooling plants in a variety of sizes. The product range includes split systems, piston and screw-type water coolers, turbo water coolers and absorption cooling plants. Products are individually selected depending on the area of application and the user's consumption behavior.

Compression cooling plants

Compression cooling plants use the Carnot process; they are fitted with a mechanical compressor and a refrigerant metering device (thermostatic expansion device). A compression and expansion element as well as two heat exchangers (evaporator and condenser) are required. The heat exchangers are interconnected in a circuit in such a way that they are placed on both sides between the compression and expansion element. Currently, only CFC-free coolants and ammonia are permitted as working fluids. Developments using propane, butane, air and water are underway. This technology is widely used in domestic refrigerators, freezers, top-loading freezers, dispensing equipment, cold storage, air conditioners, industrial cooling units and heat pumps. The technologies that are used include split systems discussed above, piston and screw-type water coolers and turbo water coolers. Based on these extremely widespread technologies, AGO AG Energie + Anlagen has installed a large number of such systems in recent decades.



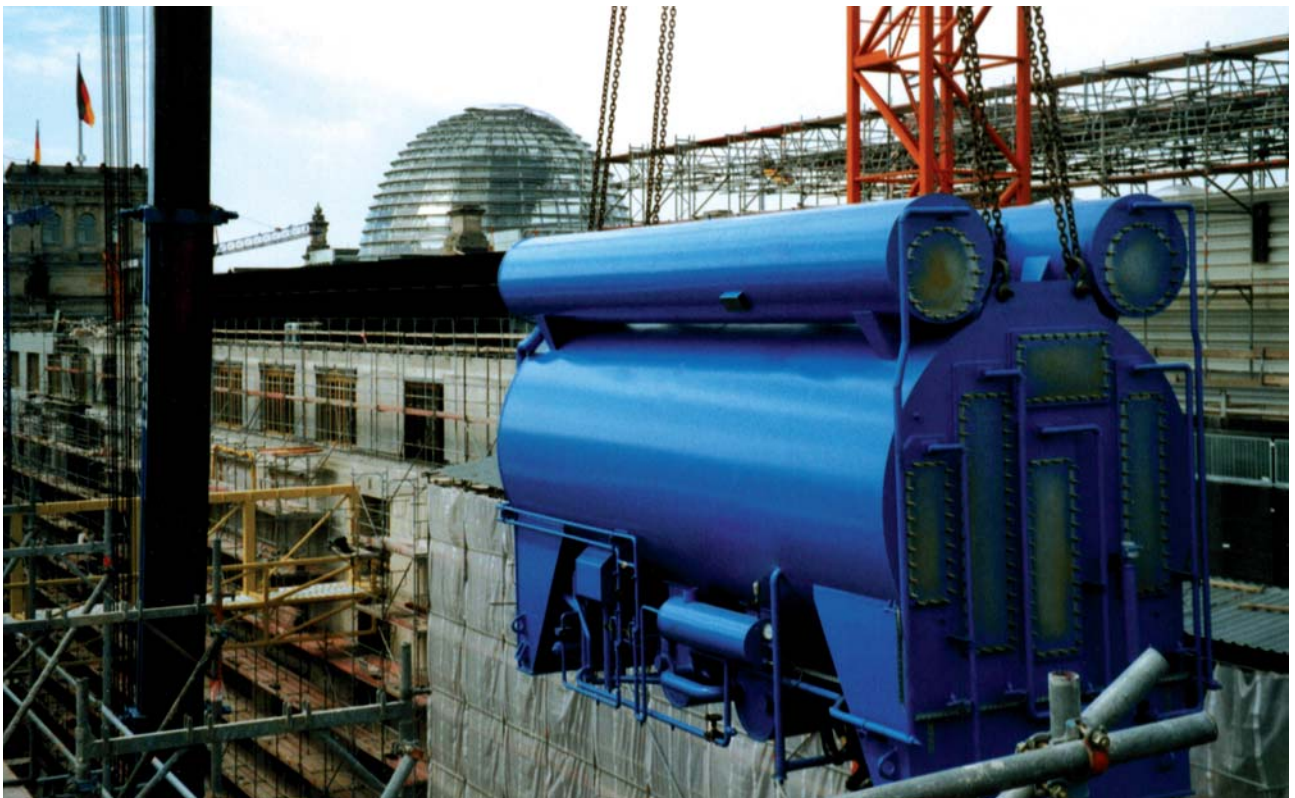
Compression-type chiller IBM Ehningen

Absorption cooling plants (combined heat-power-refrigeration)

Absorption cooling plants use a pair of substances. The process is based on the absorption capacity of substance pairs at different pressures and temperatures. Absorption cooling units have the advantage that mechanical compression is replaced by thermal energy. This means that refrigeration consumes far less electricity since heat is used as the "drive energy". This process is particularly advantageous when excess heat is available during the summer – for example waste heat from processes in a cogeneration plant – while there is simultaneous demand for refrigeration. Another advantage of absorption cooling plants is the use of significantly more environmentally friendly coolants such as water/lithium bromide or ammonia/water. AGO has decades of experience in combined heat-power-refrigeration based on absorption cooling technology. Under a cooperation agreement with Dresden Institute for Air Conditioning and Refrigeration (ILK Dresden), AGO offers an ammonia/water absorption cooling plant for temperatures below 0°C.

The benefits of this solution compared to conventional plants include a high degree of efficiency, compact construction, low servicing and maintenance costs, and the optional use of combined heat-power-refrigeration. Especially high plant efficiency is based on the fact that the operator can benefit from the so-called "efficiency bonus" offered by the German Renewable Energy Sources Act (EEG). This bonus is paid in addition to the minimum compensation amount for plants that generate both heat and electricity.

AGO AG Energie + Anlagen has implemented cogeneration or combined heat-power-refrigeration-technology in more than 150 installed cogeneration plant modules. Compared to conventional thermal power plants that only generate electricity, these power generation plants generate both electricity and heat with a relatively low consumption of energy sources. In contrast, power generation plants that do not employ cogeneration release excess heat to the environment as waste.



LiBr-water-absorption chiller