

ENRON WIND
LBO Analysis - Transaction Summary

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(dollars in millions)

Sources:	Commitment	Commit. Fee	Amount	Percent	Ownership	3 Mo. LIBOR	Interest Rate	Term	Points	Fees
Existing Cash Balances			\$0.0	0.0%		4.800%	5.00%			
Option Proceeds			0.0	0.0%		Spread +				
Revolving Credit Facility	\$50.0	0.5%	0.0	0.0%	0.0%	2.950%	7.75%	6.0	2.0%	\$1.0
A / R Facility			0.0	0.0%	0.0%	1.000%	5.80%	--	2.0%	0.0
Term Loan - A			0.0	0.0%	0.0%	2.950%	7.75%	6.0	2.0%	0.0
Term Loan - B			70.0	12.4%	0.0%	3.450%	8.25%	8.0	2.0%	1.4
Term Loan - C			0.0	0.0%	0.0%	3.700%	8.50%	8.5	2.0%	0.0
Term Loan - D			0.0	0.0%	0.0%	2.000%	6.80%	9.0	2.0%	0.0
Term Loan - E			0.0	0.0%	0.0%	2.250%	7.05%	9.5	2.0%	0.0
Total Credit Facility			70.0	12.4%						
Pre-funding for Working Capital			0.0	0.0%	0.0%	5.000%	5.30%	10.0	3.0%	0.0
7% Senior Notes due 2006			0.0	0.0%	0.0%	5.500%	7.00%	10.0	3.0%	0.0
6.5% Senior Notes due 2009			0.0	0.0%	0.0%	5.500%	6.50%	10.0	3.0%	0.0
8% Senior Notes due 2019			0.0	0.0%	0.0%	5.750%	8.00%	10.0	3.0%	0.0
7.125% Senior Notes due 2029			0.0	0.0%	0.0%	5.750%	7.13%	10.0	3.0%	0.0
Capital Lease Obligations			0.0	0.0%	0.0%	5.750%	6.80%	10.0	3.0%	0.0
Total OpCo. Debt			70.0	12.4%						
Existing Senior Sub. Notes			0.0	0.0%	0.0%	6.250%	9.50%	10.0	3.0%	0.0
New Senior Notes			225.0	39.9%	0.0%	11.00%	11.00%	10.0	3.0%	6.8
Sr. Disc. Notes @ HoldCo.	Non-Cash 0.0 yrs.		0.0	0.0%	0.0%	6.750%	11.55%	10.5	3.0%	0.0
Mezzanine Financing	Non-Cash 0.0 yrs.		0.0	0.0%	0.0%	7.500%	12.30%	11.0	3.0%	0.0
Total Debt			295.0	52.3%						
Exchangeable PIK Preferred			100.0	17.7%	3.0%	0.500%	5.30%	11.5	0.0%	0.0
Common Equity			168.9	30.0%	97.0%					
Total Sources			\$563.9	100.0%	100.0%					\$9.2

Uses:	Amount	Yrs Amort	Cumulative Debt Paydown			
			2005	2006	2007	2008
Purchase of Equity	\$498.6					
Refinance Debt	54.9		100.0%	100.0%	100.0%	100.0%
Pre-funding for Working Capital	0.0					
Working Capital Adjustments	0.0					
Financing Fees	9.2	10				
Transaction Expenses @	1.2					
Total Uses	\$563.9					

	Pro Forma	Projected FYE December 31,					
	2000	2001	2002	2003	2004	2005	2006
Operating Data:							
Total Revenues	\$473.3	\$880.4	\$1,042.2	\$1,200.7	\$1,323.4	\$1,458.8	\$1,608.1
Growth %	--	86.0%	18.4%	15.2%	10.2%	10.2%	10.2%
EBITDA	66.1	90.0	111.7	136.0	149.5	164.4	180.8
Margin %	14.0%	10.2%	10.7%	11.3%	11.3%	11.3%	11.2%
Capital Expenditures	\$20.4	\$46.2	\$36.6	\$40.0	\$40.0	\$45.0	\$50.0
Total Senior Debt	\$70.0	\$73.3	\$62.9	\$38.8	\$0.4	\$0.0	\$0.0
Total Debt	295.0	298.3	287.9	263.8	225.4	225.0	225.0
Credit Statistics:							
Total Senior Debt / EBITDA	1.06x	0.81x	0.56x	0.29x	0.00x	0.00x	0.00x
Total Senior Debt / EBITDA	1.06x	0.81x	0.56x	0.29x	0.00x	0.00x	0.00x
Total Debt / EBITDA	4.46x	3.31x	2.58x	1.94x	1.51x	1.37x	1.24x
EBITDA / Total Senior Int. Exp.	11.45x	15.25x	19.92x	32.44x	92.65x	11086.60x	--
EBITDA / Total Senior Interest Exp.	11.45x	15.25x	19.92x	32.44x	92.65x	11086.60x	--
EBITDA / Total Interest Exp.	1.54x	2.91x	3.65x	4.66x	5.62x	6.57x	7.23x
EBITDA / Cash HoldCo. Interest Expense	1.54x	2.91x	3.65x	4.66x	5.62x	6.57x	7.23x

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EBITDA - CapEx/ Total Senior Interest Exp.	7.91x	7.42x	13.39x	22.89x	67.85x	8051.64x	#DIV/0!
EBITDA - CapEx/ Total Interest Exp.	1.06x	1.42x	2.45x	3.29x	4.11x	4.77x	5.23x

Goodwill Calculation:	
Purchase Price	\$498.6
Existing Goodwill	189.3
Non-Financing Transaction Expenses	1.2
Less: Book Value Acquired (incl. option proceeds)	(483.2)
Goodwill	\$205.9
Amortization Period	20
Annual Goodwill Amortization	\$10.3

Returns Summary:				
	3 Year	5 Year	7 Year	9 Year
<u>EBITDA Multiple:</u>				
5.0x	35.5%	30.4%	27.3%	25.3%
6.0x	48.4%	36.4%	30.8%	27.6%
7.0x	59.4%	41.5%	33.9%	29.7%

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ENRON WIND
Income Statement

(dollars in millions)

Years	FYE December 31,	Pro forma	Projected Fiscal Year Ended December 31,									
	2000	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
			1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Revenues - European	\$286.6	\$286.6	\$533.1	\$631.1	\$732.1	\$812.6	\$902.0	\$1,001.2	\$1,111.3	\$1,233.6	\$1,369.3	\$1,519.9
Revenues - Americas	186.7	186.7	347.3	411.1	468.7	510.8	556.8	606.9	661.6	721.1	786.0	856.7
Total Revenues	\$473.3	\$473.3	\$880.4	\$1,042.2	\$1,200.7	\$1,323.4	\$1,458.8	\$1,608.1	\$1,772.9	\$1,954.7	\$2,155.3	\$2,376.6
Cost of Sales (Excl. Depreciation)	351.9	351.9	727.4	861.4	984.6	1,085.2	1,196.2	1,318.7	1,453.8	1,602.8	1,767.3	1,948.8
Gross Margin	121.4	121.4	153.0	180.8	216.1	238.2	262.6	289.5	319.1	351.8	387.9	427.8
SG&A	39.1	39.1	41.6	45.7	52.7	58.0	64.0	70.5	77.7	85.7	94.5	104.2
Business Development	7.3	7.3	11.9	13.1	15.1	16.6	18.3	20.2	22.3	24.6	27.1	29.9
R&D, Net	9.2	9.2	13.2	14.0	16.1	17.8	19.6	21.6	23.8	26.3	29.0	31.9
Other, Net	(0.3)	(0.3)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
	55.3	55.3	63.0	69.1	80.2	88.7	98.2	108.6	120.1	132.8	146.8	162.3
EBITDA	66.1	66.1	90.0	111.7	136.0	149.5	164.4	180.8	199.0	219.0	241.1	265.5
Depreciation	11.4	11.4	21.2	25.1	28.9	31.9	35.1	38.7	42.7	47.1	51.9	57.2
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity in Affiliates and Other Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	2.9	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
EBIT	51.8	44.4	58.5	76.3	96.7	107.3	118.9	131.8	146.0	161.6	178.9	197.9
	<i>Interest Exp.</i>											
Interest Income	5.00%	(1.7)	(1.7)	(0.9)	(0.9)	(0.9)	(2.0)	(4.3)	(7.1)	(10.6)	(14.8)	(19.8)
Revolving Credit Facility	7.75%	-	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Term Loan - A	7.75%	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Term Loan - B	8.25%	-	5.7	5.5	4.2	1.6	0.0	0.0	0.0	0.0	0.0	0.0
Term Loan - C	8.50%	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Lease Obligations	6.80%	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Senior Notes	11.00%	-	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8
Revolver Commitment Fee	0.50%	-	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Amortization of Financing Fees	-	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Net Interest Expense	11.3	42.2	30.1	30.7	29.2	26.7	24.0	21.6	18.8	15.3	11.1	6.1
Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pretax Income	40.5	2.2	28.4	45.6	67.5	80.6	95.0	110.2	127.2	146.3	167.8	191.8
Taxes	5.1	0.9	11.7	18.7	27.7	33.1	38.9	45.2	52.1	60.0	68.8	78.7
Net Income	\$35.4	\$1.3	\$11.5	\$21.3	\$33.9	\$41.4	\$49.5	\$58.1	\$67.8	\$78.7	\$91.0	\$104.8
Revenue Growth-European	--	--	86.0%	18.4%	16.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
Revenue Growth-Americas	--	--	86.0%	18.4%	14.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Revenue Growth - Total			86.0%	18.4%	15.2%	10.2%	10.2%	10.2%	10.2%	10.3%	10.3%	10.3%
European Revenue - % of Total	60.6%	60.6%	60.6%	60.6%	61.0%	61.4%	61.8%	62.3%	62.7%	63.1%	63.5%	64.0%
Americas Revenue - % of Total	39.4%	39.4%	39.4%	39.4%	39.0%	38.6%	38.2%	37.7%	37.3%	36.9%	36.5%	36.0%
COGS (% of Sales)	74.4%	74.4%	82.6%	82.7%	82.0%	82.0%	82.0%	82.0%	82.0%	82.0%	82.0%	82.0%
SG&A (% of Sales)	8.3%	8.3%	4.7%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Business Development (% of Sales)	1.5%	1.5%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
R&D (% of Sales)	1.9%	1.9%	1.5%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
EBITDA Margin	14.0%	14.0%	10.2%	10.7%	11.3%	11.3%	11.3%	11.2%	11.2%	11.2%	11.2%	11.2%
Depreciation (% of Net PP&E)	--	7.6%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%	12.1%
EBIT Margin	10.9%	9.4%	6.6%	7.3%	8.1%	8.1%	8.2%	8.2%	8.2%	8.3%	8.3%	8.3%
Tax Rate	12.6%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%	41.0%

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