

American DG Energy Inc. 45 First Avenue, Waltham, MA 02451 t: +1 781.522.6000 f: +1 781.522.6050 info@americandg.com www.americandg.com

FOR IMMEDIATE RELEASE

Investor Contact: John Hatsopoulos American DG Energy Inc. 781.622.1120

john.hatsopoulos@americandg.com

Media Contact:

Christine Cobuzzi
American DG Energy Inc.
781.522.6014
christine.cobuzzi@americandq.com

American DG Energy Reports Second Quarter 2015 Financial Performance

Company achieves positive Non-GAAP Cash Flow from Operations and Collection of UK Energy Tax Incentives for the Quarter and Gross Margin without Depreciation improves to 34.5% compared to 28.3% for the same period in 2014

WALTHAM, Mass. – August 12, 2015 - American DG Energy Inc. (NYSE MKT: ADGE), On-Site Utility™, offering clean electricity, heat, hot water and cooling solutions to hospitality, healthcare, housing and fitness facilities, reported total revenues of \$2,087,127 in the second quarter of 2015, compared to \$2,071,222 for the same period in 2014. Loss per share (EPS) was \$0.02 in the second quarter of 2015, compared with a loss per share of \$0.03 for the same period in 2014. Reflecting the Company's ongoing efforts to optimize its On-Site Utility™ production, Gross Margin without depreciation improved in the second quarter of 2015 to 34.5% from 28.3% in the same period a year ago.

Major Highlights:

Financial

- Consolidated EBITDA cash inflows, including cash received from tax incentives, improved reaching \$362,874 in the second guarter of 2015, versus outflows of \$550,005 in the second guarter of 2014.
- Excluding tax incentives, EBITDA cash outflows improved significantly and were \$305,985 for the quarter versus \$550,005 in the second quarter of 2014.
- As a result of our On-Site Utility[™] productivity efforts and profitable consulting projects, American DG Energy's business in North America, produced a margin before depreciation of 38.1% in the second quarter of 2015 versus 29.8% in the year ago period.

Operations

- We currently operate 119 energy systems and our current backlog consists of 20 energy systems.
- Second guarter revenue was attributable to the following core markets:

Hospitality	28%
Fitness	23%
Housing	19%
Education	13%
Healthcare	13%
Other	4%
TOTAL	100%

- During Q2 2015 we reached agreements for:
 - A 200 kW CHP system with BH Live for The Littledown Centre, Bournemouth UK.
 - A 100 kW CHP system with Stevenage Leisure for the new Flitwick Leisure Centre, Flitwick UK.
 - The installation and maintenance of two Ilios 600,000 Btu per hour heat pump systems in Oahu, Hawaii.
 - Design and construction management services for two Times Square hotels in New York, New York.



- During Q2 2015 we brought into operation a total of 2 additional systems:
 - The fourth and fifth CHP systems installed as part of our contract with Topland Group for seven systems – 81 kW unit at Menzies Bournemouth and 164kW unit at Menzies Welcombe Hotel, Golf Course & Spa, Stratford upon Avon.
- The total number of systems now under contract is 139, totaling 10,005kW and 4,855 tons of cooling.
- In total we currently operate 119 systems totaling 8,096kW of installed capacity with a total contract value of \$258.4 million.

American DG Energy will hold its earnings conference call today, August 12, 2015 at 11:00 a.m. Eastern Time. To listen, call (866) 364-3819 within the U.S., (855) 669-9657 from Canada, or (412) 902-4209 from other international locations. Participants should reference American DG Energy to access the call. Please begin dialing at least 10 minutes before the scheduled starting time. The earnings press release will be available on the Company website at www.americandg.com in the "Investors" section under "News Releases."

The earnings conference call will be recorded and available for playback one hour after the end of the call through Thursday, August 20, 2015. To listen to the playback, call (877) 344-7529 within the U.S., (855) 669-9658 from Canada, or (412) 317-0088 outside the U.S. and use Conference Number 10070265.

The earnings conference call will also be webcast live. To register for and listen to the webcast, go to http://investors.americandg.com/webcast. Following the call, the webcast will be archived for 30 days.

About American DG Energy

American DG Energy supplies low-cost energy to its customers through distributed power generating systems. We are committed to providing institutional, commercial and small industrial facilities with clean, reliable power, cooling, heat and hot water at lower costs than charged by local utilities - without any capital or start-up costs to the energy user - through our On-Site UtilityTM energy solutions. American DG Energy is headquartered in Waltham, Massachusetts. Learn more about how American DG Energy reduces energy costs at www.americandg.com or follow us on Facebook and Twitter.

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FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Important factors could cause actual results to differ materially from those indicated by such forward-looking statements, as disclosed on the Company's website and in Securities and Exchange Commission filings. This press release does not constitute an offer to buy or sell securities by the Company, its subsidiaries or any associated party and is meant purely for informational purposes. The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.



CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

Current assets: S 8,172,481 \$ 11,825,915 Accounts receivable, net 1,062,153 1,140,811 Unbilled revenue 14,810 12,533 Due from related party 42,266 39,682 Inventory finished goods 1,060,512 1,153,927 Prepaid and other current assets 537,462 852,069 Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term - 3,600 Other assets, long-term 72,418 92,148 TOTAL ASSETS \$36,666,464 \$40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: S Current liabilities: 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities: 49,446 485,570 Long-term liabilities: 36,500 5,730 Convertible debentures 1,615,354 1,645,444 C		Jun 30, 2015	Dec 31, 2014
Cash and cash equivalents \$8,172,481 \$1,825,915 Accounts receivable, net 1,062,153 1,140,811 Unbilled revenue 14,810 12,533 Due from related party 42,266 39,682 Inventory finished goods 1,060,512 1,153,927 Prepaid and other current assets 537,462 852,069 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$36,666,444 \$40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$551,280 \$65,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities: 4047,476 1,721,905 Long-term liabilities: - - 2,227 Convertible debentures 1,645,444 - - - 2,240 <	ASSETS		
Accounts receivable, net 1,062,153 1,140,811 Ubilided revenue 14,810 12,533 Due from related party 42,266 39,682 Inventory finished goods 1,060,512 1,153,927 Prepaid and other current assets 537,462 852,069 Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities \$ 551,280 \$ 605,530 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities 1,615,354 1,645,444 Convertible debentures 1,615,354 1,645,444 Convertible debentures 1,613,354,71 15,864,215	Current assets:		
Unbilled revenue 14,810 12,533 Due from related party 42,266 39,682 Inventory finished goods 1,060,512 1,153,927 Prepaid and other current assets 537,462 852,069 Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$36,666,464 \$40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities Accounts payable \$51,280 \$65,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liability - 3,000,000 Other long-term liabilities 22,098,301	Cash and cash equivalents	\$ 8,172,481	\$ 11,825,915
Due from related party 42,266 39,682 Inventory finished goods 1,060,512 1,153,927 Prepaid and other current assets 537,462 852,069 Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$36,666,464 \$40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$51,280 \$65,530 Accrued expenses and other current liabilities 492,446 485,750 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities 1,615,354 1,645,444 Conyertible debentures 1,615,354 1,645,444 Convertible debentures 1,615,354 1,645,444 Convertible debt due to related parties 1,615,354 1,645,444 Convertible debt due to related party 2 2,227 Total liabilities <td>Accounts receivable, net</td> <td>1,062,153</td> <td>1,140,811</td>	Accounts receivable, net	1,062,153	1,140,811
Inventory finished goods	Unbilled revenue	14,810	12,533
Prepaid and other current assets 537,462 852,069 Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$36,666,464 \$40,005,840 Current liabilities: Current liabilities: Accounts payable \$551,280 \$605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities: 4047,476 1,721,905 Long-term liabilities: 6,780 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liabilities 2,227 3,000,000 Other long-term liabilities 2,227 2,227 Total liabilities 2,227 2,227 Total liabilities 5,069 2,224,571 Commitments and contingencies 5,0694 5,140	Due from related party	42,266	39,682
Total current assets 10,889,684 15,024,937 Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debentures 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Note payable related parties 2,209,800 2,227 Total liabilities 22,098,301 22,240,571 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 50,694 5,140 Stockholders' Equity: <td< td=""><td>Inventory finished goods</td><td>1,060,512</td><td>1,153,927</td></td<>	Inventory finished goods	1,060,512	1,153,927
Property, plant and equipment, net 25,704,362 24,885,155 Accounts receivable, long-term 3,600 3,600 Other assets, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,850 Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debentures 1,615,354 1,645,444 Convertible debentures 16,433,471 15,864,215 Warrant liabilities 2 3,000,000 Other long-term liabilities 2 2,227 Total liabilities 2 2,298,301 22,240,571 Total liabilities 5 5,664 52,140 Commitments and contingencies	Prepaid and other current assets	537,462	852,069
Accounts receivable, long-term 72,418 3,600 Other assets, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 2,000,000 Total current liabilities 4,047,476 1,721,905 Long-term liabilities 4,047,476 1,721,905 Convertible debentures 1,615,354 1,645,444 Convertible debt due to related parties 1,615,354 1,645,444 Convertible debt due to related parties 1,643,471 15,864,215 Warrant liabilities - 2,227 Total liabilities 2,208,301 22,240,571 Commitments and contingencies 22,098,301 22,240,571 Commitments and contingencies 50,694 52,140 Stockholders' Equity 49,667,217 49,854,998 Accumulated deficit <t< td=""><td>Total current assets</td><td>10,889,684</td><td>15,024,937</td></t<>	Total current assets	10,889,684	15,024,937
Accounts receivable, long-term 3,600 Other assets, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 Total current liabilities 4,047,476 1,721,905 Long-term liabilities 1,615,354 1,645,444 Convertible debentures 1,615,354 1,645,444 Convertible debt due to related parties 1,615,354 1,5864,215 Warrant liability - 6,780 Note payable related party - 2,207 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 22,098,301 22,240,571 Commitments and contingencies 50,694 52,140 Additional paid-in capital 49,667,217 49,854,	Property, plant and equipment, net	25,704,362	24,885,155
Other assets, long-term 72,418 92,148 TOTAL ASSETS \$ 36,666,464 \$ 40,005,840 LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 Total current liabilities 4,047,476 1,721,905 Long-term liabilities 1,615,354 1,645,444 Convertible debet due to related parties 16,435,471 15,864,215 Warrant liability 3,000,000 Other long-term liabilities 3,000,000 Other long-term liabilities 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 22,298,301 22,240,571 Commitments and contingencies 50,694 52,140 Stockholders' Equity: 50,694 52,140 Additional paid-in capital 49,667,2		-	3,600
LIABILITIES AND STOCKHOLDERS' EQUITY Current liabilities: \$551,280 \$605,530 Accounts payable \$551,280 \$605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities: 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debt due to related parties 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities 22,098,301 22,240,571 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674	Other assets, long-term	72,418	92,148
Current liabilities: \$ 551,280 \$ 605,530 Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 Total current liabilities: 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 22,098,301 22,240,571 Commitments and contingencies 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158	TOTAL ASSETS	\$ 36,666,464	•
Current liabilities: \$ 551,280 \$ 605,530 Accounts payable \$ 551,280 \$ 605,530 Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 Total current liabilities: 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 22,098,301 22,240,571 Commitments and contingencies 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158	LIABILITIES AND STOCKHOLDERS' EQUITY		
Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000	Current liabilities:		
Accrued expenses and other current liabilities 492,446 485,570 Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000	Accounts payable	\$ 551.280	\$ 605,530
Due to related party 1,003,750 630,805 Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities: - 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	1 *		
Notes payable to related party 2,000,000 - Total current liabilities 4,047,476 1,721,905 Long-term liabilities: - - Convertible debentures 1,615,354 1,645,444 Convertible debt due to related parties 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	1		
Total current liabilities 4,047,476 1,721,905 Long-term liabilities: 1,615,354 1,645,444 Convertible debentures 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	- ·	, , , , , , , , , , , , , , , , , , ,	-
Long-term liabilities: 1,615,354 1,645,444 Convertible debt due to related parties 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies 50,694 52,140 Stockholders' Equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269			1,721,905
Convertible debentures 1,615,354 1,645,444 Convertible debt due to related parties 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Long-term liabilities:	, ,	, ,
Convertible debt due to related parties 16,435,471 15,864,215 Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: - 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269		1,615,354	1,645,444
Warrant liability - 6,780 Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269			
Note payable related party - 3,000,000 Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: Stockholders' Equity: - 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	•	-	
Other long-term liabilities - 2,227 Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: Stockholders' Equity: - 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	· · · · · · · · · · · · · · · · · · ·	-	3,000,000
Total liabilities 22,098,301 22,240,571 Commitments and contingencies Stockholders' Equity: Stockholders' Equity: Stockholders' Equity: Common Stock 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269		-	2,227
Commitments and contingencies Stockholders' Equity: American DG Energy Inc. stockholders' equity: 50,694 52,140 Common Stock 50,694 49,854,998 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Total liabilities	22,098,301	22,240,571
American DG Energy Inc. stockholders' equity: Common Stock 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Commitments and contingencies	<u> </u>	
Common Stock 50,694 52,140 Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Stockholders' Equity:		
Additional paid-in capital 49,667,217 49,854,998 Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	American DG Energy Inc. stockholders' equity:		
Accumulated deficit (37,620,906) (35,232,411) Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Common Stock	50,694	52,140
Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Additional paid-in capital	49,667,217	49,854,998
Total American DG Energy Inc. stockholders' equity 12,097,005 14,674,727 Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Accumulated deficit	(37,620,906)	(35,232,411)
Non-controlling interest 2,471,158 3,090,542 Total Stockholders' equity 14,568,163 17,765,269	Total American DG Energy Inc. stockholders' equity	12,097,005	14,674,727
Total Stockholders' equity 14,568,163 17,765,269			
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Reclassifications: certain prior period balances have been reclassified to conform with current period presentation.



CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited)

	Three Months Ended		
	June 30,	June 30,	
	2015	2014	
Revenues			
Energy revenues	\$ 1,871,110	\$ 1,752,517	
Turnkey & other revenues	216,017	318,705	
	2,087,127	2,071,222	
Cost of sales			
Fuel, maintenance and installation	1,367,484	1,485,589	
Depreciation expense	519,858	412,313	
	1,887,342	1,897,902	
Gross profit	199,785	173,320	
Operating expenses			
General and administrative	645,367	775,998	
Selling	308,428	247,358	
Engineering	215,077	198,677	
	1,168,872	1,222,033	
Loss from operations	(969,087)	(1,048,713)	
Other income (expense), net			
Interest and other income	168,167	7,364	
Interest expense	(317,650)	(378,820)	
Change in fair value of warrant liability	81	57,101	
	(149,402)	(314,355)	
Loss before benefit (provision) for income taxes	(1,118,489)	(1,363,068)	
Benefit (provisions) for income taxes	2,187	(2,940)	
Consolidated net loss	(1,116,302)	(1,366,008)	
(Loss) income attributable to the non-controlling interest	(59,759)	89,856	
Net loss attributable to American DG Energy Inc.	\$ (1,176,061)	\$ (1,276,152)	
Loss per share	\$ (0.02)	\$ (0.03)	
Weighted average shares outstanding - basic and diluted	50,655,021	49,923,697	
Non-GAAP financial disclosure			
Loss from operations	\$ (969,087)	\$ (1,048,713)	
Depreciation & other non-cash expense	532,672	428,859	
Stock based compensation	130,430	69,849	
Adjusted EBITDA	(305,985)	(550,005)	
Grants, tax rebates and incentives	668,859		
Total EBITDA cash inflows (outflows) *	\$ 362,874	\$ (550,005)	

^{*} EBITDA (cash outflows), for the second quarter of 2015, were (\$149,572) for American DG Energy in North America and this was more than fully offset by cash inflows of \$512,446 for EuroSite Power.



CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited)

	Six Months Ended		
	June 30,	June 30,	
	2015	2014	
Revenues			
Energy revenues	\$ 4,261,457	\$ 4,148,798	
Turnkey & other revenues	333,410	450,224	
	4,594,867	4,599,022	
Cost of sales	2.005.127	2 102 225	
Fuel, maintenance and installation	3,095,137	3,193,235	
Depreciation expense	1,028,315	893,877	
	4,123,452	4,087,112	
Gross profit	471,415	511,910	
Operating expenses	1.506.420	1 740 070	
General and administrative	1,506,429	1,549,958	
Selling	649,121	508,474	
Engineering	385,447	462,448	
T. C.	2,540,997	2,520,880	
Loss from operations	(2,069,582)	(2,008,970)	
Other income (expense) Interest and other income	197 422	22 249	
	186,433 (630,106)	22,348	
Interest expense	(630,106)	(733,323)	
Loss on extinguishment of debt	- - 470	(533,177)	
Change in fair value of warrant liability	(427, 104)	(9,012)	
I are hafare gravitaine for income tours	(437,194)	(1,253,164)	
Loss before provision for income taxes Provisions for income taxes	(2,506,776)	(3,262,134)	
Consolidated net loss	(5,168)	(9,880)	
	(2,511,944)	(3,272,014)	
Loss attributable to the non-controlling interest	123,449 \$ (2,388,495)	330,506	
Net loss attributable to American DG Energy Inc.		\$ (2,941,508)	
Loss per share	\$ (0.05)	\$ (0.06)	
Weighted average shares outstanding - basic and diluted	50,695,201	49,871,101	
Non-GAAP financial disclosure			
Loss from operations	\$ (2,069,582)	\$ (2,008,970)	
Depreciation & other non-cash expense	1,052,173	940,840	
Stock based compensation	280,889	208,477	
Adjusted EBITDA	(736,520)	(859,653)	
Grants, tax rebates and incentives	668,859	-	
Total EBITDA cash outflows *	\$ (67,661)	\$ (859,653)	

^{*} EBITDA (cash outflows), for the first six months of 2015, were (\$281,140) for American DG Energy in North America and inflows of \$213,479 for EuroSite Power.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES: June 30, 2014 June 30, 2014 Net loss Loss attributable to non-controlling interest Loss attributable to non-controlling interest Loss attributable to non-controlling interest Depreciation and amortization Interest Depreciation and amortization Interest Loss on extinguishment of debt Controlling Costs Interest Correct Interest Loss on extinguishment of debt Controlling Costs Interest Correct Interest Correct Interest Correct Interest Correct Interest Correct Interest Correct Correct Interest Correct Correct Interest Correct Correct Interest Correct Corre	(unudited)	Six Months Ended	
Net loss			
Net loss		2015	2014
Loss attributable to non-controlling interest	CASH FLOWS FROM OPERATING ACTIVITIES:		
Adjustments to reconcile net loss to net cash provided by (used in) operating activities: Depreciation and amortization 1,052,173 940,840 Gain attributable to distribution of nonmonetary assets to non-controlling interest 1,57,870 533,177 Amortization of deferred financing costs 11,637 7,4277 7,4271 1,637 1,637 1,	Net loss	\$ (2,388,495)	\$ (2,941,508)
Depreciation and amortization 1,052,173 940,840 Gain attributable to distribution of nonmonetary assets to non-controlling interest (157,870) - - - - - - -	Loss attributable to non-controlling interest	(123,449)	(330,506)
Gain attributable to distribution of nommonetary assets to non-controlling interest (157,870) - 533,177 Amortization of deferred financing costs 11,637 (7,427) Amortization of convertible debt premium (48,144) 15,472 Increase (decrease) in fair value of warrant liability (6,479) 9,012 Noncash interest expense 582,348 624,368 Stock-based compensation 280,889 208,478 Changes in operating assets and liabilities (Increase) decrease in: - 79,981 (90,437) Due from related party (2,485) 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: - (54,250) (230,668) Accounts payable (54,250) (2,305,688) (230,668) Accoude expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities	Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Loss on extinguishment of debt			940,840
Amortization of deferred financing costs 11,637 (7,427) Amortization of convertible debt premium (48,144) 15,472 Increase (decrease) in fair value of warrant liability (6,479) 9,012 Noneash interest expense 582,348 624,368 Stock-based compensation 280,889 208,478 Changes in operating assets and liabilities (Increase) decrease in: 79,981 (90,437) Accounts receivable and unbilled revenue 79,981 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due for related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: 2 (2,295,568) (2,664,953) Partial purchase of property and equipment (2,295,568) (2,664,953) P		(157,870)	-
Amortization of convertible debt premium (48,144) 15,472 Increase (decrease) in fair value of warrant liability (6,479) 9,012 Noncash interest expense 582,348 624,368 Stock-based compensation 280,889 208,478 Changes in operating assets and liabilities ***Concertions**Co		-	
Increase (decrease) in fair value of warrant liability Noncash interest expense			
Noncash interest expenses 582,348 624,368 Stock-based compensation 280,889 208,478 Changes in operating assets and liabilities (Increase) decrease in: 79,981 (90,437) Accounts receivable and unbilled revenue 79,981 574,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: (54,250) (230,668) Accounts payable (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Verture and acquirement (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Verture and acquirement (1,000,000) -			
Stock-based compensation 280,889 208,478 Changes in operating assets and liabilities (Increase) decrease in:			
Changes in operating assets and liabilities (Increase) decrease in: 79,981 (90,437) Accounts receivable and unbilled revenue 79,981 (90,437) Due from related party (2,485) 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: \$322,700 (230,668) Accounts payable (54,250) (230,668) Accurued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (2,7373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: \$26,226 (593,159) Purchases of property and equipment partial purchase of non-controlling interest (2,295,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: \$2,395,568 (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: \$1,450,000 \$1,450,000 Share repurchases (148,510) \$1,450,000 <t< td=""><td></td><td></td><td></td></t<>			
(Increase) decrease in: 79,981 (90,437) Accounts receivable and unbilled revenue 79,981 (90,437) Due from related party (2,485) 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: (54,250) (230,668) Accounts payable (54,250) (230,668) Acrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: - 1,450,000 Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Proceeds from issuance of	Stock-based compensation	280,889	208,478
Accounts receivable and unbilled revenue 79,981 90,437) Due from related party (2,485) 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: 322,700 (230,668) Accounts payable (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Value of the partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,295,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Value of the payable to related party (1,000,000) - Proceeds from issuance of convertible debentures (148,510) - Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - <td< td=""><td></td><td></td><td></td></td<>			
Due from related party Inventory (2,485) 274,965 Inventory 93,415 570,436 Prepaid and other current assets 322,700 (275,465) Increase (decrease) in: 322,700 (230,668) Accounts payable (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of property and equipment (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: - 1,450,000 Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (1,284,092) 1,301,375 Net cash (used in) provided by financing activities (1,284,092)		70.001	(00.427)
Inventory Prepaid and other current assets 93,415 (275,465) 570,436 (275,465) Increase (decrease) in: Accounts payable Accrued expenses and other current liabilities Due to related party 372,945 (27,373) (54,250) (230,668) (230,668) Accrued expenses and other current liabilities Due to related party (27,373) 372,945 (27,373) (27,373) Other long-term liabilities (2,227) (6,804) (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Variable of non-controlling interest (100,000) 2,664,953) Partial purchase of property and equipment Partial purchase of non-controlling interest (100,000) 2,295,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Variable of the controlling interest (100,000) 1,450,000 Share repurchases (148,510) (1,950,000) 1,450,000 1,450,000 Share repurchases (148,510) (1,000,000) (1,950,000) 1,450,000 1,450,000 Share repurchases (1,284,002) (1,301,375) 1,301,375 Net cash (used in) provided by financing activities (1,284,002) (1,956,737) 1,301,375 Net decrease in cash and cash equivalents (2,284,002) (1,956,737) 1,956,737) Oash and cash equivalents (2,295,000) (1,956,737) 1,960,0			
Prepaid and other current assets 322,700 (275,465) Increase (decrease) in:		* ,	
Increase (decrease) in: (54,250) (230,668) Accounts payable (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of property and equipment (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: - 1,450,000 Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,91			
Accounts payable (54,250) (230,668) Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: 26,226 (593,159) Purchases of property and equipment Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Value of the control of the contro	Prepaid and other current assets	322,700	(273,463)
Accrued expenses and other current liabilities 13,537 140,281 Due to related party 372,945 (27,373) Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Variable of mon-controlling interest (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Variable of the payable to related party (1,000,000) - Share repurchases (148,510) - - Repayment of note payable to related party (1,000,000) - - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291			
Due to related party Other long-term liabilities 372,945 (27,373) (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: *** Purchases of property and equipment Partial purchase of non-controlling interest (2,295,568) (2,664,953) (2,664,953) Net cash used in investing activities (2,395,568) (2,664,953) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: *** Proceeds from issuance of convertible debentures Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (1,284,092) (1,301,375) Net cash (used in) provided by financing activities (1,284,092) (1,301,375) Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 (9,804,291)			
Other long-term liabilities (2,227) (6,804) Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: 3,295,568 (2,664,953) Purchases of property and equipment Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: 3,450,000 - Proceeds from issuance of convertible debentures Share repurchases (148,510) - Repayment of note payable to related party Distributions to non-controlling interest (1,000,000) - Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291			
Net cash provided by (used) in operating activities 26,226 (593,159) CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of property and equipment Partial purchase of non-controlling interest (2,295,568) (2,664,953) Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES:			
CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of property and equipment Partial purchase of non-controlling interest Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of convertible debentures Share repurchases Repayment of note payable to related party Distributions to non-controlling interest Net cash (used in) provided by financing activities Net cash (used in) provided by financing activities (1,284,092) Net decrease in cash and cash equivalents Cash and cash equivalents, beginning of the period (2,295,568) (2,664,953) (2,664,953) (1,450,000) (1,450,000) (1,48,510) (1,48,510) (1,284,092) (1,301,375) (1,956,737) (2,910,400) (2,995,568) (2,664,953) (2,664	Other long-term liabilities	(2,227)	(6,804)
Purchases of property and equipment Partial purchase of non-controlling interest (2,295,568) (100,000) (2,664,953) Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of convertible debentures Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Net cash provided by (used) in operating activities	26,226	(593,159)
Partial purchase of non-controlling interest (100,000) - Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of convertible debentures Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used in investing activities (2,395,568) (2,664,953) CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of convertible debentures Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Purchases of property and equipment	(2,295,568)	(2,664,953)
CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from issuance of convertible debentures Share repurchases (148,510) Repayment of note payable to related party Distributions to non-controlling interest (1,000,000) Net cash (used in) provided by financing activities (1,284,092) Net decrease in cash and cash equivalents Cash and cash equivalents, beginning of the period (1,956,737) 11,825,915 9,804,291	Partial purchase of non-controlling interest	(100,000)	
Proceeds from issuance of convertible debentures Share repurchases (148,510) Repayment of note payable to related party Distributions to non-controlling interest (1,000,000) Net cash (used in) provided by financing activities (1,284,092) Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Net cash used in investing activities	(2,395,568)	(2,664,953)
Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	CASH FLOWS FROM FINANCING ACTIVITIES:		
Share repurchases (148,510) - Repayment of note payable to related party (1,000,000) - Distributions to non-controlling interest (135,582) (148,625) Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents (3,653,434) (1,956,737) Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Proceeds from issuance of convertible debentures	-	1.450.000
Repayment of note payable to related party Distributions to non-controlling interest(1,000,000) (135,582)-Net cash (used in) provided by financing activities(1,284,092)1,301,375Net decrease in cash and cash equivalents(3,653,434)(1,956,737)Cash and cash equivalents, beginning of the period11,825,9159,804,291		(148,510)	-
Net cash (used in) provided by financing activities (1,284,092) 1,301,375 Net decrease in cash and cash equivalents Cash and cash equivalents, beginning of the period (3,653,434) (1,956,737) 11,825,915 9,804,291		(1,000,000)	-
Net decrease in cash and cash equivalents Cash and cash equivalents, beginning of the period $(3,653,434) \qquad (1,956,737)$ $11,825,915 \qquad 9,804,291$	Distributions to non-controlling interest	(135,582)	(148,625)
Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Net cash (used in) provided by financing activities	(1,284,092)	1,301,375
Cash and cash equivalents, beginning of the period 11,825,915 9,804,291	Net decrease in cash and cash equivalents	(3,653,434)	(1,956,737)
	Cash and cash equivalents, end of the period		-