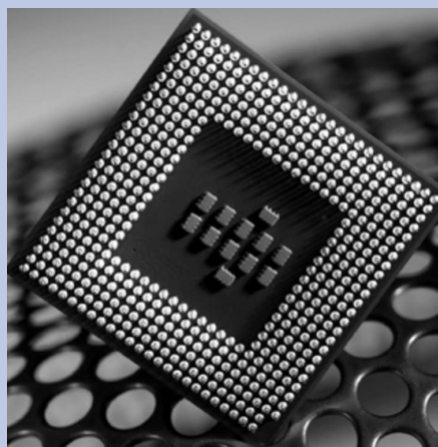


Date **14.05.2007**



### Hansen Sicherheitstechnik AG

ISIN: **DE000HAST002**  
 Price (10.05.07): **36.00 €**  
 Market cap. **45 mil. €**  
 Free Float **19.3%**

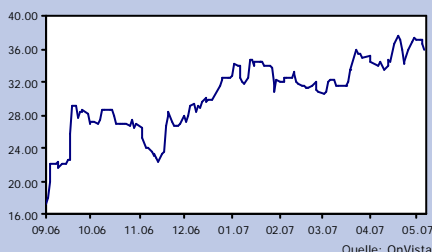
### Finanzkalender

May 2007	<b>2006 Annual Report</b>
May 2007	<b>Analyst meeting</b>
June 2007	<b>AGM</b>

### Shareholder structure

Hansen Beteiligungs GmbH/Kopex S.A. **n.a.**

### Price chart



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## Hansen Sicherheitstechnik AG

### Takeover Bid of € 35 per Share

■ **Rating: Buy**                      ■ **Target price: 51.55 €**

The current major shareholder of Hansen Sicherheitstechnik AG, Hansen Beteiligungs GmbH, Salzburg, entered into a contract on 05/10/2007 which intends to sell all of the shares in its possession—a minimum, however, of 850,000 shares (approx. 68%)—to the Polish firm Kopex S.A. at € 31 per share (+ € 1.00 dividend). The majority shareholder of Hansen Beteiligungs GmbH is, in turn, the current CEO of Hansen Sicherheitstechnik AG, Christian Dreyer. In order for the takeover to take effect, the permission of the Polish and Czech antitrust authorities is required. Based on the current growth strategy, we consider the offer to be too low; there is still uncertainty as to Kopex's strategy after the planned takeover.

### Investment Highlights

- Kopex S.A., Katowice, listed in Poland, generates annual sales of about € 250 mn. With the planned takeover of Hansen Sicherheitstechnik, Kopex is expanding its portfolio for the mining industry to include electrical engineering products. It can then present itself as a systems supplier. Since Hansen products are complementary to Kopex's products, we do not anticipate any difficulties in receiving permission from the antitrust authorities.
- Hansen Sicherheitstechnik AG's products should benefit from Kopex's strong market position in Eastern Europe and China. As a result, the management of both companies assumes that the high growth rates of the past (an average of about 15% per year) will be able to continue into the future.
- The voluntary takeover bid of € 35 per share expires on July 31, 2008. Kopex's takeover bid is purely a cash deal. At € 35 per share the offer is less than the highest price reached recently (€37.59) and also less than yesterday's closing price of the Hansen share (€36.00). We believe the offer is too low because we have already estimated a value of € 51.55 per share in the standalone valuation. Furthermore, the merger with Kopex would open the door to substantial synergy potential. The future majority shareholder structure at Hansen Sicherheitstechnik AG would reduce the Company's dependence on one person, the CEO Christian Dreyer.

### Key ratios

	Sales	EPS adj.	PE	EV/Sales	EV/EBIT	EBIT Margi	Div. yield.	ROE (%)
2004	27.7	2.68	n.a.	n.a.	n.a.	20.6	n.a.	n.a.
2005	43.9	4.24	n.a.	n.a.	n.a.	21.4	n.a.	38,6
2006e	40.6	3.65	9.9	1.33	6.7	20.0	2.8	27.4
2007e	42.3	3.99	9.0	1.28	6.4	20.1	3.1	25.3
2008e	47.0	4.51	8.0	1.15	5.7	20.1	3.2	24.1

Unternehmensangaben / Vara Research GmbH

After the sale of 68% of the shares of Hansen Sicherheitstechnik AG to Kopex, Hansen Beteiligungs GmbH would continue to hold about a 9% share. Hansen Beteiligungs GmbH has control over the roughly 112,500 shares until the contract goes into effect (permission granted by the antitrust authorities). If permission is not granted within a reasonable period of time (two to three months time is expected), Hansen Beteiligungs GmbH has a pull-out option beginning on August 31, 2007.

Hansen Sicherheitstechnik AG will remain a listed company until further notice, under the leadership of the current CEO, Christian Dreyer. Mr. Dreyer's contract term is three and one-half years.

If the antitrust authorities' permission causes the contract to go into effect before this year's annual general meeting, Kopex S.A. will still pass a resolution granting the dividend of € 1.00 per share. It appears certain that the proposed dividend will therefore be approved. Furthermore, Kopex S.A. will not delegate a representative to the Supervisory Board of Hansen Sicherheitstechnik AG in the short term.

The risk for Hansen shareholders from the takeover by Kopex S.A. is that Hansen could lose customers from the mechanical engineering for mining segment, because these are Kopex competitors. In addition, there could be a shift in unprofitable assets to Hansen Sicherheitstechnik AG after the takeover of the majority of shares, which would exert downward pressure on margins there. The long term of the takeover bid (until 07/31/2008) brings downside risks to the share. We therefore recommend that the investor take a wait-and-see position concerning trends in Kopex S.A.'s strategy. If the trend for the investor becomes a negative one, the investor could still fall back on the cash offer guaranteed by a major German bank.

## Income Statement

(in millions of €)	2004	2005	2006e	2007e	2008e
Revenues	27.749	43.923	40.566	42.273	46.956
Change in inventories	0.596	0.356	0.329	0.342	0.380
Other own output carried as assets	0.000	0.000	0.000	0.000	0.000
Other operating income / expenses	0.628	0.847	0.782	0.815	0.905
Total output	28.973	45.126	41.677	43.431	48.241
Cost of goods sold	-13.306	-21.709	-20.043	-20.867	-23.182
Gross income	15.667	23.416	21.634	22.563	25.059
Personnel expenses	-6.249	-9.480	-8.773	-9.100	-10.087
Other expenses	-3.294	-3.999	-6.275	-4.464	-4.960
EBITDA	6.125	9.938	6.586	8.999	10.013
Depreciation/amortization	-0.396	-0.551	-0.467	-0.495	-0.566
EBIT	5.729	9.387	6.120	8.505	9.446
Net financial income/expense	-0.148	-0.189	0.142	0.273	0.437
Extraordinary income (loss) before taxes	0.000	0.000	0.000	0.000	0.000
Earnings before income taxes	5.581	9.198	6.261	8.778	9.883
Extraordinary income (loss) after taxes	0.000	0.000	0.000	0.000	0.000
Income tax	-1.242	-2.241	-1.525	-2.139	-2.408
Minority interests	-1.329	-2.189	-1.689	-1.673	-1.854
Net income	3.011	4.768	3.046	4.966	5.621
Adjustment items	0.000	0.000	1.500	0.000	0.000
Adjusted net income	3.011	4.768	4.546	4.966	5.621
Weighted number of shares	1.13	1.13	1.25	1.25	1.25
Reported EPS	2.68	4.24	2.45	3.99	4.51
Adjusted EPS	2.68	4.24	3.65	3.99	4.51
DPS	0.00	1.00	1.00	1.10	1.15

Source: Company data / Vara Research GmbH

## Cash Flow Statement

(in millions of €)	2004	2005	2006e	2007e	2008e
Cash provided by operating activities	3.623	5.494	3.693	5.743	5.947
Cash used in investing activities	-1.117	-1.296	-0.485	-0.507	-0.562
Cash provided by / used in financing activities	-1.236	0.532	-2.025	-1.245	-1.370
Change in cash	1.270	4.729	1.182	3.991	4.015
Cash, end of period	2.933	8.129	9.312	13.303	17.318

Source: Company data / Vara Research GmbH

## Balance Sheet

(in millions of €)	2004	2005	2006e	2007e	2008e
Non-current assets	7.320	8.216	8.235	8.247	8.242
Intangible assets	4.321	4.284	4.284	4.284	4.284
Property, plant and equipment	2.999	3.924	3.942	3.954	3.949
Financial assets	0.000	0.009	0.009	0.009	0.009
Current assets	14.867	25.626	27.815	32.586	38.737
Inventories	5.541	6.954	7.354	7.663	8.512
Receivables	6.393	10.544	11.150	11.619	12.907
Cash and securities	2.933	8.129	9.312	13.303	17.318
Other assets	0.365	0.598	0.598	0.598	0.598
Total assets	22.552	34.441	36.648	41.430	47.577
Shareholders' equity	14.565	21.469	24.080	28.474	33.580
Reserves	11.864	17.300	19.222	23.043	27.294
Minority shares	2.702	4.169	4.858	5.431	6.285
Provisions	0.160	0.338	0.351	0.365	0.379
Liabilities	7.826	12.634	12.218	12.592	13.619
Interest-bearing liabilities	2.417	4.221	3.321	3.321	3.321
Non-interest-bearing liabilities	5.410	8.413	8.896	9.271	10.298
Other liabilities	0.000	0.000	0.000	0.000	0.000
Total equity and liabilities	22.552	34.441	36.648	41.430	47.577

Source: Company data / Vara Research GmbH

## Key Ratios

	2004	2005	2006e	2007e	2008e
<b>Valuation Key Ratios</b>					
EV/Revenues	n.a.	n.a.	1.3	1.2	1.1
EV/EBITDA	n.a.	n.a.	5.9	5.7	5.1
EV/EBIT	n.a.	n.a.	6.3	6.0	5.4
Reported P/E	n.a.	n.a.	13.7	8.4	7.4
Adjusted P/E	n.a.	n.a.	9.2	8.4	7.4
PCPS	n.a.	n.a.	8.3	7.6	6.7
Price/book value	n.a.	n.a.	2.2	1.8	1.5
<b>Profitability Key Ratios in %</b>					
Gross margin	56.5%	53.3%	53.3%	53.4%	53.4%
EBITDA margin	22.1%	22.6%	21.2%	21.3%	21.3%
EBIT margin	20.6%	21.4%	20.0%	20.1%	20.1%
Pre-tax margin	20.1%	20.9%	20.4%	20.8%	21.0%
Net margin	10.8%	10.9%	11.2%	11.7%	12.0%
ROE	n.a.	38.6%	27.4%	25.3%	24.1%
ROCE	n.a.	61.1%	45.9%	46.6%	49.6%
<b>Productivity Key Ratios</b>					
Revenues/employee (in Euro ,000)	77.9	113.8	100.1	103.8	114.7
Net income/employee (in Euro ,000)	8.5	12.4	11.2	12.2	13.7
No. of employees	356	386	405	407	409
<b>Financial Key Ratios</b>					
Equity ratio	64.6%	62.3%	65.7%	68.7%	70.6%
Gearing	-2.9%	-17.0%	-23.7%	-34.0%	-40.8%
Payout ratio	0.0%	23.6%	27.4%	27.6%	25.5%
Dividend yield	n.a.	n.a.	3.0%	3.3%	3.4%
<b>Cash Flow Key Ratios</b>					
Cash flow per share	4.46	7.70	4.04	4.40	4.98
Free cash flow per share	3.39	6.35	3.65	3.99	4.53
<b>Other Key Ratios</b>					
Working Capital/revenues	23.5%	20.7%	23.7%	23.7%	23.7%
Depreciation/revenues	1.4%	1.3%	1.2%	1.2%	1.2%
Capex/op. cash flow	37.9%	26.0%	10.7%	10.2%	10.0%
Capex/revenues	5.2%	4.2%	1.2%	1.2%	1.2%
Tax rate	22.2%	24.4%	24.4%	24.4%	24.4%

Source: Company data / Vara Research GmbH

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Authors of this financial analysis: Daniel Grossjohann, Analyst, and Michael Vara, Analyst and CEO of Vara Research GmbH

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Instruction in accordance with § 4 Par. 4 Point 4 FinAnV:

Company	Date	Rating	Target price
Hansen Sicherheitstechnik AG	03/07/2007	Buy	€51.25
Hansen Sicherheitstechnik AG	03/26/2007	Buy	€51.55

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Furthermore, discussions were held with the Management for the purpose of preparing the company study. The analysis was provided to the issuer prior to going to press; no changes were made afterwards, however.

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The expected price trend amounts to more than -15%.

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3. Date of initial publication of the financial analysis:  
(05/14/2007)

4. Date and time of the prices of financial instruments disclosed therein:  
(Price on 05/10/2007)

5. Updates:

We have currently not yet set a fixed date to provide a precise update of this analysis. Vara Research GmbH reserves the right to update the analysis unannounced.

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