

## Information analysis

### Analyst:

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## IBt: Take Over Bid Finalized Project "Asse": Site is an Issue

- Acceptance rate at 55,1% in the context of the mandatory take over bid to IBt shareholders
  - Stake increases from as yet ca. 6.6 Mio. to ca. 12.6 Mio. regular shares; in tandem with the acquisition of all outstanding 25.000 beneficiary shares Type B and 120.440 warrants this translates into 56% of voting rights and into 72% of economic interest
  - Total costs for the tender amount to ca. €22.3 Mio.
    - Regular shares: €3.64/shr.
    - Beneficiary shares Type B: €3,28/shr.
    - Warrants: a total of ca. T€103
  - Initial charge of liquidity
    - in our view counterbalanced by consolidation effects and future implementation of synergies
  - In the future, EZAG's segment „Therapy“ will benefit even more from the robust growth of IBt
- Location for the interim storage and conditioning of the waste resulting from Asse has now turned into a political issue
  - Potential locational advantages have become obsolete
  - Management is currently evaluating several options regarding facility site
- Preliminary FY '09 reporting shows operative records - we will comment in depth on the consolidated financial statement upon the publication of the annual report on March 30, 2010
- On the occasion of its meeting on March 24, the supervisory board recommended a 2009 dividend of €0.45 (previous year: €0.30)

### Key Financials (in Mill. €, except EPS/DPS)

Year	Sales	EBITDA	EBIT	EBT	adj. Net	adj. EPS	DPS	EBIT Margin	Net Margin
2008	71.61	18.62	9.47	8.30	3.44	1.10	0.25	13.2%	6.3%
2009e	105.83	27.02	21.32	19.90	6.84	1.79	0.30	20.1%	13.2%
2010e	117.10	20.57	14.77	13.42	7.39	1.41	0.33	13.4%	6.3%
2011e	133.72	25.91	20.01	18.66	11.06	2.10	0.35	15.0%	8.3%
2012e	160.41	36.62	30.62	29.27	18.49	3.51	0.53	19.1%	11.5%

Source: BankM Research

**Fair Value: € 24.00**

**Neutral**

Financial Figures	2009e	2010e	2011e
EV/Sales	1.2	1.0	0.9
EV/EBITDA	4.5	5.9	4.7
EV/EBIT	5.7	8.2	6.1
P/E adj.	13.0	16.6	11.1
Price/Bookvalue	0.3	0.3	0.2
Price/FCF	4.6	n.a.	5.0
ROE	17.4	8.6	11.6
Dividend yield	1.4	1.5	2.3
<b>Number shares</b> (million)			5.260
<b>MarketCap / EV</b> (million €)			123.6/ 121.7
<b>Free Float</b>			61.67%
<b>WKN</b>			565970
<b>ISIN</b>			DE0005659700
<b>Bloomberg</b>			EUZGY Equity
<b>Sector</b>			Medical Technology
<b>Accounting</b>			IFRS
<b>Market segment</b>			Regulated Market
<b>Transparency</b>			Prime Standard
<b>Financial Year</b>			31.12.
<b>Price March 24, 2010</b> (XETRA-close)			€ 23.32



Eckert & Ziegler AG (blue/black), Performance 1 year vs. DAX Subsector MedTech (red/grey)  
Source: Deutsche Börse AG

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With an acceptance rate of 55.1%, EZAG further expands its stake in International Brachytherapy S.A. (IBt BEBIG). In light of IBT's achievements in terms of clear profitability (according to preliminary financials for FY 2009) and the potential to even further unfold potential synergies - in particular with respect to administrative functions (by way of example, IBT's former CEO resigned from the firm by mutual amicable agreement thereby streamlining management structure) - we perceive the initial liquidity burden resulting from the stake extension as by all means justifiable. Further, it may be conceivable in our view if EZAG satisfied the cash demand - at least in part - via debt (for EZAG, we perceive favorable conditions with a maximum of 4.5% interest). This approach would attenuate the initial liquidity charge and help to avoid a potential negative impact on operational flexibility.

The extension of EZAG's segment "Environmental Services" - especially in light of the Asse-derived waste - has turned into a political issue; therefore, management has only limited influence on the progress of the current discussion. The municipalities in the proximate vicinity of the mine shafts are reluctant regarding an intermediate waste storage and conditioning site in their immediate neighborhood. For instance, the site in Braunschweig, which we previously perceived ideal for the segment's extension into the temporary storage and conditioning of the Asse-derived waste is currently being blocked due to a municipal development freeze decision. It is especially this location that - beside its vicinity to the mine shaft "Asse" - would have the advantage to being connected to the infrastructure of the already existing site. Currently, management evaluates alternative offers from other municipalities; whether or not the resulting delay in this process will have an impact on our forecasts is, at present, beyond our predictability. Therefore, we have to await the management discussion in the context of the presentation of the 2009 annual report in order to adjust our forecast and valuation, if necessary.

For now, we reiterate our fair value of €24.00 and rate the stock as "Neutral".

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# Eckert & Ziegler AG

March 25, 2010

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**Author: Dr. Roger Becker, CEFA, Biologist**

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Analyst	Date	Evaluation result	Fair Value
Dr. Roger Becker	April 1, 2009	Buy	€10.56
Dr. Roger Becker	May 5, 2009	Buy	€10.56
Dr. Roger Becker	July 10, 2009	Buy	€14.50
Dr. Roger Becker	August 7, 2009	Neutral	€19.26
Dr. Roger Becker	November 4, 2009	Buy	€22,21
Dr. Roger Becker	November 16, 2009	Buy	€22,90
Dr. Roger Becker	December 17, 2009	Buy	€22,90
Dr. Roger Becker	January 29, 2010	Buy	€24.00

II. Additional Information:

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Main sources of information for the compilation of this document are publications in national and international media and information services (e.g. Reuters, VWD, Bloomberg, dpa-AFX and others), financial newspapers and magazines (e.g. Börsenzeitung, Handelsblatt, Frankfurter Allgemeine Zeitung, Financial Times and others), specialist media, published statistics, rating agencies as well as publications by peer group companies and the company itself. Furthermore talks with the management of the issuer have been held. This document was made available to the issuer before publication to ensure the accuracy of the information provided. This did not result in any changes.

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3. Date of first publication of this document:

**March 25, 2010**

4. Date and time of prices of the instruments quoted in this document:

Closing prices of March 24, 2010

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