

THE DOCUMENTS CONTAINED WITHIN THIS PACK ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer, the contents of these documents or the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Hansen Shares, Hansen DIs and/or Warrants, please send this document and any accompanying documents but not (where relevant) any personalised Form of Acceptance, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this document should not be distributed, forwarded or transmitted in or into any jurisdiction if to do so would constitute a violation of the laws of such jurisdiction (a “Restricted Territory”). If you have sold or otherwise transferred only part of your holding of Hansen Shares, Hansen DIs and/or Warrants, you should retain these documents.

Recommended Cash Offer
by
ZF International BV, a wholly-owned subsidiary of
ZF Friedrichshafen AG,
for
Hansen Transmissions International NV

Your attention is drawn to the enclosed Offer Document contained within this pack, which sets out, among other things, the terms and conditions of the Offer and the process by which you may accept it. Terms defined in the Offer Document shall bear the same meanings whenever used on this page.

Your attention is also drawn to the Hansen Position Statement contained within this pack, which sets out the reasons why the Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Hansen Shareholders accept the Offer.

THIS PACK OF DOCUMENTS CONTAINS:

- 1. Offer Document**
- 2. Hansen Position Statement**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Hansen Shares, Hansen DIs and/or Warrants, please send this Offer Document and any accompanying documents but not (where relevant) any personalised Form of Acceptance, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. **However this Offer Document should not be distributed, forwarded or transmitted in or into any Restricted Territory. If you have sold or otherwise transferred only part of your holding of Hansen Shares, Hansen DIs and/or Warrants, you should retain these documents.**

RBS Corporate Finance Limited ("RBS"), RBS Hoare Govett Limited ("RBS Hoare Govett") and The Royal Bank of Scotland NV (Belgium) Branch ("RBS Belgium"), are acting for ZF Friedrichshafen AG ("ZF") and ZF International BV ("ZF Bidco") and no-one else in connection with the Offer and will not be responsible to anyone other than ZF and ZF Bidco for providing the protections afforded to clients of RBS, RBS Hoare Govett or RBS Belgium nor for providing advice in relation to the Offer, the content of this Offer Document or any matter referred to herein.

BofA Merrill Lynch is acting exclusively for Hansen in connection with the Offer and for no one else and will not be responsible to anyone other than Hansen for providing the protections afforded to its clients or for providing advice in relation to the Offer.

Recommended Cash Offer

by

ZF International BV, a wholly-owned subsidiary of

ZF Friedrichshafen AG,

for



Hansen Transmissions International NV

Your attention is drawn to the letter from the Chairman of Hansen in this Offer Document and in the Hansen Position Statement which is appended to this Offer Document, which sets out the reasons why the Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Hansen Shareholders accept the Offer.

THE PROCEDURE FOR ACCEPTANCE OF THE OFFER IS SET OUT ON PAGES 12 TO 19 OF THIS OFFER DOCUMENT AND (IN RESPECT OF BOTH HANSEN SHARES HELD IN REGISTERED FORM AND WARRANTS) IN THE ACCOMPANYING FORMS OF ACCEPTANCE. THE OFFER SHALL CLOSE AT 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. ANY TTE INSTRUCTION, BLUE FORM OF ACCEPTANCE OR PINK FORM OF ACCEPTANCE RECEIVED AFTER THIS TIME SHALL NOT BE ACCEPTED.

If you are a DI Holder, the procedure for accepting the Offer is set out in Part C of Appendix I at page 41 of this Offer Document. An instruction to accept the Offer by a DI Holder must be made electronically through CREST. As CREST does not operate on UK public holidays or weekends, the acceptance should be made so that the TTE Instruction settles NO LATER THAN 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. If you are a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear.

If you are a Registered Holder, the procedure for accepting the Offer is set out in Part D of Appendix I at page 44 of this Offer Document. To accept the Offer, the Blue Form of Acceptance which accompanies this Offer Document (or is available from the Receiving Agent or, if you are a Belgian Registered Holder, RBS Belgium) must be completed and returned as soon as possible and, in any event, so as to be received by Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom NO LATER THAN 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. In respect of Registered Holders in Belgium only, the Blue Form of Acceptance may alternatively be returned to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium, as soon as possible and in any event so as to be received by RBS Belgium by NO LATER THAN 2.00 P.M. (BRUSSELS TIME) ON 19 SEPTEMBER 2011.

If you are a Warrant Holder, the procedure for accepting the Offer is set out in Part E of Appendix I at page 47 of this Offer Document. To accept the Offer in respect of Warrants, the Pink Form of Acceptance which accompanies this Offer Document (or is available from the Receiving Agent or, if you are a Belgian Warrant Holder, RBS Belgium) must be completed and returned as soon as possible, and in any event, so as to be received by Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom NO LATER THAN 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. In respect of Warrant Holders in Belgium only, the Pink Form of Acceptance may alternatively be returned to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium, as soon as possible and in any event so as to be received by RBS Belgium by NO LATER THAN 2.00 P.M. (BRUSSELS TIME) ON 19 SEPTEMBER 2011.

The attention of any Warrant Holder considering accepting the Offer is drawn to paragraph 12(c) of the letter from ZF, at page 16 of this Offer Document, paragraph 14 of the letter from ZF, at page 20 of this Offer Document, and paragraph 11 of Appendix IV to this Offer Document. If you are a Warrant Holder and DO NOT wish to accept the Offer in respect of your Warrants, you are nevertheless asked to complete Part B of the Pink Form of Acceptance and return it in accordance with the instructions set out in the paragraph above, so that in the event of a squeeze out being implemented by ZF Bidco and your Warrants being compulsorily acquired by ZF Bidco, you receive electronically the consideration due to you for such Warrants.

The Offer is not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory and the Offer should not be accepted by any such use, means, instrumentality or facility or from within a Restricted Territory. Doing so may render invalid any purported acceptance. Accordingly, none of this Offer Document or the accompanying documents are being, nor may they be, mailed or otherwise forwarded, distributed or sent in, into or from (whether by use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange) of a Restricted Territory. All Hansen Shareholders and Warrant Holders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to or who may have a contractual or legal obligation to, forward this Offer Document and/or the accompanying documents to any jurisdiction outside the United Kingdom or Belgium, should read the details in this regard which are contained in Part 12(d) of the letter from ZF at page 17 of this Offer Document and in paragraph 6 of Part B, and in Parts C, D and E of Appendix I to this Offer Document before taking any action.

Notice to US Hansen Shareholders

Each Hansen Shareholder resident in the United States is urged to consult with his independent professional adviser regarding any acceptance of the Offer including, without limitation, to consider the tax consequences associated with such shareholder's election to participate in the Offer.

No offer to acquire securities has been made, or will be made, directly or indirectly, in or into, or by use of the mails of or by any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the United States or any other country in which such offer may not be made other than (i) in accordance with the tender offer requirements under the Exchange Act or the securities laws of such other country, as the case may be; or (ii) pursuant to an available exemption from such requirements.

The Offer is for the securities of a corporation organised under the law of Belgium and is subject to the procedure and disclosure requirements of the United Kingdom, which are different from those of the United States. The Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the Exchange Act and otherwise in accordance with the requirements of the Code. Accordingly, the Offer is subject to certain disclosure and other procedural requirements which may differ from those applicable under US domestic tender offer procedures and laws.

To the extent permitted by applicable law and in accordance with the Code, normal UK and Belgian market practice and pursuant to Rule 14e-5 of the Exchange Act, ZF Bidco or its nominees or brokers (acting as agents) or their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, Hansen Shares other than pursuant to the Offer and before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Such purchases, or arrangements to purchase, will comply with all applicable UK and Belgian rules, including the Code and the rules of the London Stock Exchange, and Rule 14e-5 under the Exchange Act to the extent applicable. In addition, in accordance with the Code, normal UK and Belgian market practice and Rule 14e-5 of the Exchange Act, BofA Merrill Lynch, RBS and RBS Hoare Govett Limited and their respective affiliates will continue to act as exempt principal traders in Hansen Shares on the London Stock Exchange and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the Exchange Act. Any information about such purchases will be disclosed on a next day basis to the Panel and will be available on a Regulatory Information Service of the UK Listing Authority and made available on the London Stock Exchange website, www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom and Belgium.

Hansen American Depositary Shares

The Offer shall not extend to certain Hansen ADSs with respect to Hansen Shares. In order for holders of Hansen ADSs to participate in the Offer, such holders would need first to withdraw their underlying Hansen Shares from the relevant depository facility, by exchanging their Hansen ADSs with the relevant depository for the underlying Hansen Shares in time to be able to participate in the Offer.

Forward-looking statements

This Offer Document, including information included or incorporated by reference in this Offer Document, contains certain forward-looking statements, including statements regarding ZF's and Hansen's plans, objectives and expected performance. Such statements relate to events and depend on circumstances that will occur in the future and are subject to risks, uncertainties and assumptions. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements, including, among others, local and global political and economic changes; the enactment of legislation or regulation that may impose costs or restrict activities; the re-negotiation of contracts or licences; fluctuations in demand and pricing in the wind energy industry; fluctuations in exchange controls; changes in government policy and taxations; industrial disputes; war and terrorism. These forward-looking statements speak only as at the date of this Offer Document. Forward-looking statements include statements typically containing words such as "will", "may", "should", "intends", "expects", "anticipates", "targets", "estimates" and words of similar import.

Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. None of ZF, ZF Bidco or Hansen, nor their respective affiliates, undertakes to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable law.

Rule 8 notice

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of Hansen or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Hansen and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of Hansen or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of Hansen or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of Hansen or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Hansen and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of Hansen or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by Hansen and by any offeror and Dealing Disclosures must also be made by Hansen, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Publication of this Offer Document

A copy of this Offer Document will be available, subject to certain restrictions relating to persons resident in Restricted Territories, on ZF's website www.zf.com and Hansen's website www.hansentransmissions.com during the course of the Offer.

Copies of this Offer Document

If you have received this Offer Document in electronic form or by it being published on ZF's website, you can obtain a hard copy of the document by contacting Capita Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom or by telephoning Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

Registered Holders and Warrant Holders in Belgium may alternatively obtain a hard copy of the document by contacting RBS Belgium, (for the attention of Patrick Burin, Operations Management) at Kanselarijstraat 17A, B 1000, Brussels, Belgium, or by telephoning +32 2 546 01 69 or by emailing patrick.burin@rbs.com. If you have any questions relating to the Offer or any of the documents, please contact Capita Registrars on the number set out above. RBS Belgium is unable to answer any questions or provide any advice in connection with the Offer.

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LETTER FROM THE CHAIRMAN OF HANSEN



Directors

Tulsi R. Tanti
Alex De Ryck
Ruinemans BVBA, represented by its permanent representative
Jan Willem Ruinemans
Janice Margaret Brown
Bjerres Bureau Aps, represented by its permanent representative
Torben Bjerre-Madsen
Marc Desaedeleer
Dr.-Ing. Winfried Walzer GmbH, represented by its permanent representative
Dr. Winfried Walzer
Martin Nègre

Registered Office

De Villermontstraat 9
B-2550 Kontich
Belgium

18 August 2011

To Hansen Shareholders, persons with information rights in Hansen Shares and Warrant Holders.

Dear Shareholder

RECOMMENDED CASH OFFER BY ZF INTERNATIONAL BV, A WHOLLY-OWNED SUBSIDIARY OF ZF FRIEDRICHSHAFEN AG

1. Introduction

On 25 July 2011 it was announced that the boards of directors of ZF and Hansen had reached agreement on the terms of a recommended cash offer, to be made by ZF Bidco, a wholly-owned subsidiary of ZF, to acquire the entire issued and to be issued ordinary share capital of Hansen, including all Warrants.

The purpose of this letter is to explain the background to the Offer and the reasons why the Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Hansen Shareholders accept the Offer. In providing the financial advice to the Hansen Directors, BofA Merrill Lynch has taken into account the commercial assessments of the Hansen Directors.

Your attention is drawn to the letter from the Director of ZF Bidco and the appendices to this Offer Document which contain further details on ZF and the Offer.

2. Terms of the Offer

Details of the Offer are contained in the letter from ZF set out in this Offer Document and are subject, *inter alia*, to the full terms and conditions of the Offer set out in Appendix I to this Offer Document and (in respect of Hansen Shares in registered form and Warrants) the accompanying Forms of Acceptance.

The Offer is being made to Hansen Shareholders on the following basis:

for each Hansen Share

66 pence in cash

On the basis set out in paragraph 9 of Appendix II to this Offer Document, the Offer values the entire issued and to be issued share capital of Hansen, including all Warrants, at approximately £444.7 million. The prices offered for the various series of Warrants are detailed in paragraph 6 below.

The Offer represents a premium of approximately 95.6 per cent. over the closing price of 33.75 pence per Hansen Share on 22 July 2011, being the Business Day immediately prior to the date of the Announcement and a premium of approximately 60.2 per cent. over the volume weighted average price of 41.19 pence per Hansen Share for the three month period ended on 22 July 2011.

3. Recommendation to accept the Offer

The Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Hansen Directors, BofA Merrill Lynch has taken into account the commercial assessments of the Hansen Directors.

Accordingly, the Hansen Directors unanimously recommend that Hansen Shareholders accept the Offer, as they have irrevocably undertaken to do in respect of their entire beneficial holdings of Hansen Shares (amounting to, in aggregate, 610,375 Hansen Shares, representing approximately 0.09 per cent. of the existing issued share capital of Hansen).

4. Background to and reasons for the recommendation

The renewable wind energy sector has suffered in recent years and remains impacted by the challenging macroeconomic climate. Government subsidies, third party financing and regulatory support have all been affected and this has resulted in increased uncertainty for the wind industry. Notwithstanding this, wind industry analysts are predicting a market upturn and have a positive outlook for 2011 and 2012. Although Hansen welcomes this trend, it remains cautious about the timing and extent of the industry upturn and the outlined growth projections.

Following the divestment of Hansen Industrial Transmissions in March 2011, Hansen has pursued a strategy of focusing all of its resources on developing its wind gearbox business, which has a much larger potential global market, and to reduce some of the overheads associated with excess capacity which has impacted profitability in recent years.

Whilst the Hansen Directors are confident that Hansen has a successful and robust future as a standalone company, the Hansen Directors believe that the Offer, which is all in cash and at a significant premium to Hansen's recent share price, fully recognises and values the growth potential of the business through the ongoing pursuit of its current strategy. Consequently, the Hansen Directors believe that the Offer is in the best interests of the Hansen Shareholders as a whole and, as a result, have unanimously recommended that the Hansen Shareholders accept the Offer.

5. Employees and directors

If the Offer is successful, Hansen's employees and management will become part of a substantially larger group and ZF believes that they would benefit from increased opportunity as a result (as set out in paragraph 9 of the letter from ZF in this Offer Document). The Hansen Directors welcome the comments from ZF regarding the value that it places on the skills and experience of the existing employees and management of Hansen (as set out in paragraph 9 of the letter from ZF in this Offer Document).

ZF has confirmed (in the terms set out in paragraph 9 of the letter from ZF in this Offer Document) that, following implementation of the Offer, the existing contractual and statutory employment rights, including in relation to pension rights of the current employees and management of Hansen, will be honoured.

In accordance with Belgian law, a copy of the Announcement was sent to the Hansen works council on 25 July 2011. The Hansen works council rendered their opinion relating to the Offer on 5 August 2011 and a copy of this opinion is attached as an Appendix to the Hansen Position Statement.

6. Hansen Warrant Plans

The Offer extends to any Hansen Shares issued or unconditionally allotted prior to the date on which the Offer closes (or such earlier date as ZF may, subject to the Code, decide) as a result of the exercise of Warrants.

The Offer includes a proposal to all Warrant Holders on the basis set out below (reflecting a Black & Scholes valuation of the Warrants which is customary for Belgian companies). The aggregate consideration payable in respect of the Warrants assuming full acceptance of the Offer by Warrant Holders or compulsory acquisition of the Warrants by ZF (pursuant to the process set out in paragraph 14 of the letter from ZF in this Offer Document) is approximately £2.4 million.

<i>Hansen Warrant Plans</i>	<i>Rights outstanding</i>	<i>Current exercise price</i>	<i>Offer price</i>
2008 – Employees (Series 1A)	523,700	295.0 pence	15.0 pence
2008 – Management (Series 1B)	1,148,750	295.0 pence	0.5 pence
2009 – Management (Series 2)	1,242,750	147.0 pence	9.0 pence
2010 – Management (Series 3)	4,272,500*†	87.2 pence	22.0 pence
2011 – Management (Series 4)	3,160,000**†	41.4 pence	40.0 pence

* this includes 550,000 options granted to Ruinemans BVBA

** this includes a small number of Warrants which have not yet been formally accepted by the relevant Warrant Holder. The period for acceptance of these Warrants expires on 29 August 2011.

† these totals have been reduced since the Announcement to reflect certain Warrants which Hansen has since informed ZF had been approved for award but which have not ultimately been awarded.

The procedure for acceptance of the Offer by Warrant Holders is set out in paragraph 12(c) of the letter from ZF in this Offer Document. However, the attention of Warrant Holders is drawn to paragraph 14 of that letter in respect of the potential compulsory squeeze out process and treatment of Warrants thereunder and also to paragraph 11 of Appendix IV to this Offer Document in respect of certain tax implications for Warrant Holders accepting the Offer.

7. Irrevocable undertakings

The Hansen Directors who hold Hansen Shares have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Hansen Shares amounting to, in aggregate, 610,375 Hansen Shares, representing approximately 0.09 per cent. of the entire existing issued ordinary share capital of Hansen.

Further details of these irrevocable undertakings are set out in paragraph 4(d) of Appendix IV to this Offer Document.

8. Financial information relating to Hansen

For the year ended 31 March 2011, Hansen reported total revenues of approximately €378.7 million, loss after tax for the year from continuing operations of approximately €18.6 million and net assets of approximately €580.9 million.

Further financial information relating to Hansen is incorporated into the Offer Document by reference, as set out in Appendix III to this Offer Document.

Save as disclosed in this Offer Document and the Hansen Interim Management Statement for the period ended 30 June 2011 (which can be found at www.hansentransmissions.com under the “Investor Relations” tab on the home page, click on “Results Announcements” under “Announcements and Presentations”), there have been no material changes in the financial or trading position of Hansen since 31 March 2011 (the date to which the last audited accounts of Hansen have been prepared).

9. Taxation

Your attention is drawn to the information in relation to certain limited aspects of the taxation of Hansen Shareholders and Warrant Holders in paragraphs 10, 11 and 12 of Appendix IV to this Offer Document. If you are in any doubt as to your own tax position, you should seek appropriate independent professional advice immediately.

10. Action to be taken to accept the Offer

If you hold Hansen DIs (that is, in CREST), to enable Capita IRG to accept the Offer you should ensure that you send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction in accordance with the procedure set out in paragraph 12(a) of the letter from ZF in this Offer Document as soon as possible and, in any event, **so that the TTE Instruction settles not later than 1.00 p.m. (London time) on 19 September 2011.**

If you hold your Hansen Shares in registered form (that is, not in CREST), to accept the Offer you should ensure that you return your completed Blue Form of Acceptance (in accordance with paragraph 12(b) of the letter from ZF in this Offer Document) in the reply-paid envelope (for use in the United Kingdom only) as soon as possible and, in any event, **so as to be received by Capita Registrars by no later than 1.00 p.m. (London time) on 19 September 2011 or, if you are a Belgian Registered Holder, you may alternatively return your Blue Form of Acceptance to RBS Belgium, so as to be received by RBS Belgium by no later than by 2.00 p.m. (Brussels time) on 19 September 2011.**

Warrant Holders wishing to accept the Offer should ensure that the completed Pink Form of Acceptance is returned (in accordance with paragraph 12(c) of the letter from ZF in this Offer Document) as soon as possible and, in any event, **so as to be received by Capita Registrars by no later than 1.00 p.m. (London time) on 19 September 2011 or, if you are a Belgian Warrant Holder, you may alternatively return your Pink Form of Acceptance to RBS Belgium, so as to be received by RBS Belgium by no later than by 2.00 p.m. (Brussels time) on 19 September 2011.** Warrant Holders that **DO NOT** wish to accept the Offer in respect of their Warrants are nevertheless asked to complete and return Part B of the Pink Form of Acceptance so that in the event of a squeeze out being implemented and such Warrants being compulsorily acquired by ZF Bidco, those Warrant Holders will receive the consideration for such Warrants electronically.

THE OFFER SHALL CLOSE AT 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. ANY TTE INSTRUCTION, BLUE FORM OF ACCEPTANCE OR PINK FORM OF ACCEPTANCE RECEIVED AFTER THIS TIME SHALL NOT BE ACCEPTED.

The full procedure for acceptance is set out on pages 12 to 19 of this Offer Document, in the Blue Form of Acceptance (for Registered Holders) and in the Pink Form of Acceptance (for Warrant Holders).

Yours sincerely,

Tulsi R. Tanti
Chairman

LETTER FROM ZF



(Incorporated in the Netherlands with registered number 160 897 97)

Sole Director:

Dr. Sander Peeters

Registered Office:

ZF International BV
Distributieweg 7
2645 EG Delfgauw
PO Box 557
2600 AN Delft
The Netherlands

18 August 2011

To Hansen Shareholders, persons with information rights in Hansen Shares and Warrant Holders.

Dear Sir or Madam,

**RECOMMENDED CASH OFFER BY ZF INTERNATIONAL BV,
A WHOLLY-OWNED SUBSIDIARY OF ZF FRIEDRICHSHAFEN AG,
FOR HANSEN TRANSMISSIONS INTERNATIONAL NV**

1. Introduction

On 25 July 2011 it was announced that the boards of directors of ZF and Hansen had reached agreement on the terms of a recommended cash offer, to be made by ZF Bidco, a wholly-owned subsidiary of ZF, to acquire the entire issued and to be issued ordinary share capital of Hansen, including all Warrants.

The Offer is 66 pence in cash for each Hansen Share. The Offer values the entire issued and to be issued ordinary share capital of Hansen, including Warrants, at approximately £444.7 million. The prices offered for the various series of Warrants are detailed in paragraph 10 below.

The Offer represents a premium of approximately 95.6 per cent. over the closing price of 33.75 pence per Hansen Share on 22 July 2011, being the Business Day immediately prior to the date of the Announcement and a premium of approximately 60.2 per cent. over the volume-weighted average price of 41.19 pence per Hansen Share for the three month period ended on 22 July 2011.

This letter contains the formal Offer by ZF Bidco and is accompanied by, and should be read in conjunction with, the relevant Forms of Acceptance (where applicable).

Your attention is drawn to the Letter from the Chairman of Hansen in this Offer Document, which is also contained in the Hansen Position Statement appended to this Offer Document and which sets out the reasons why the Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Hansen Shareholders accept the Offer.

2. The Offer

ZF Bidco hereby offers to acquire, on the terms and subject to the conditions and further terms set out or referred to in this Offer Document and, where applicable, in the accompanying Forms of Acceptance, all of the Hansen Shares on the following basis:

for each Hansen Share

66 pence in cash

Hansen Shares will be acquired pursuant to the Offer fully paid and free from all liens, equities, charges, encumbrances, rights of pre-emption and other interests and together with all rights now or hereafter attaching thereto, including the right to receive and retain all dividends and other distributions declared, made or payable after the date of the Announcement. If any dividend or other distribution in respect of the Hansen Shares is declared, paid or made on or after the date of Announcement, ZF Bidco reserves the right to reduce the value of the consideration payable for each Hansen Share under the Offer by up to the amount per Hansen Share of such dividend or distribution.

Further terms and conditions of the Offer are set out in Appendix I to this Offer Document and, where applicable, in the accompanying Forms of Acceptance.

The procedure for acceptance of the Offer is set out in paragraph 12 of this letter.

For details of the tax implications for Hansen Shareholders resident in the UK for tax purposes of accepting the Offer, please refer to paragraph 10 of Appendix IV to this Offer Document and for details of the tax implications for Hansen Shareholders resident in Belgium for tax purposes of accepting the Offer, please refer to paragraph 11 of Appendix IV to this Offer Document. The attention of Warrant Holders is drawn to paragraph 11(a)(iii) of Appendix IV in particular, which provides details of the tax implications for Warrant Holders of accepting the Offer.

3. Recommendation

The attention of Hansen Shareholders is drawn to the letter from the Chairman of Hansen at the beginning of this Offer Document, which is also contained in the Hansen Position Statement appended to this Offer Document and which includes the Hansen Directors' unanimous recommendation to accept the Offer, together with the background to and reasons for the recommendation of the Offer.

4. Background to and reasons for the Offer

ZF has made a strategic decision to enter the growing and exciting field of wind energy. In June 2010 ZF announced an agreement to supply wind turbine gearboxes to Vestas Wind Systems A/S. The wind turbine gearboxes are to be manufactured at a new production facility currently under construction in the United States (State of Georgia).

ZF believes that a combination of Hansen and ZF's worldwide platform, substantial manufacturing and engineering expertise and strong research and development capability will help create a leading player in the global wind turbine gearbox market. ZF intends to operate Hansen as its global wind turbine gearbox business, including ZF's production facility in the US. As a new entrant in the wind turbine gearbox market with a single production site in construction in the United States, there is no overlap with Hansen's existing production sites in Belgium, India and China.

As part of this combination, ZF does not currently see any reason to change the location of Hansen's places of business or to redeploy any of its material fixed assets or to effect material changes to the work force or their general conditions of employment. ZF does, however, reserve the right to modify and develop Hansen's structure and its strategy from time to time in light of market conditions and the ongoing evolution of its strategic plans.

5. Information on the ZF Group

ZF is a leading worldwide automotive supplier for driveline and chassis technology with 117 production companies in 26 countries. ZF employs a workforce of approximately 70,000 employees, with approximately 30,000 employees working outside Germany. ZF generated revenue of €12.9 billion in 2010 and is one of the ten major automotive suppliers worldwide. The company was founded in 1915 for the development and production of transmissions for airships and vehicles. Today ZF's products make a major contribution to mobility. ZF develops and produces transmissions, steering systems, axles and chassis components as well as complete systems for passenger cars, commercial vehicles and off-road machinery. ZF is also an important transmission specialist for special and rail vehicles, marine craft and helicopters.

While ZF is a major player in the automotive market, the company is currently in the process of entering the wind turbine gearbox market. In June 2010 ZF announced an agreement to supply wind turbine gearboxes to Vestas Wind Systems A/S, the world leader in wind technology with an installed base of over 43,000 wind turbines. The wind turbine gearboxes are to be manufactured at a new production facility currently under construction in the United States (State of Georgia) with production scheduled to commence in 2012. Across all of its business units, ZF has a strategic objective to achieve technology leadership and worldwide presence. This strategic objective applies equally to the company's commitment to the growing and exciting field of wind energy.

ZF is owned 93.8 per cent. by The Zeppelin Foundation, Friedrichshafen and 6.2 per cent. by the Dr Jürgen und Irmgard Ulderup Foundation, Lemförde, with its corporate headquarters in Friedrichshafen, Germany.

Your attention is drawn to the financial information on the ZF Group incorporated in Appendix II to this Offer Document by reference.

6. Information on the Hansen Group

Hansen is an established global wind turbine gearbox designer, manufacturer and supplier and is one of the global leaders in gearboxes for gear-driven multi-megawatt wind turbines.

Hansen supplies gearboxes to some of the world's major manufacturers of gear-driven wind turbines throughout the world. In addition to its principal state-of-the-art manufacturing facilities located in Lommel, Belgium, Hansen has a production plant for wind turbine gearboxes in Coimbatore, India, and an assembly and testing plant for the Chinese market, located in Tianjin, China. Hansen currently has wind turbine gearbox manufacturing capabilities with a global annual output capacity of approximately 7,600 MW per annum. Strong in-house research and development operations maintain Hansen's technological leadership and it has approximately 1,450 employees worldwide.

For the year ended 31 March 2011, Hansen reported total revenues of approximately €378.7 million (2010: approximately €449.4 million), loss after tax for the year from continuing operations of approximately €18.6 million (2010: approximately €5.6 million loss) and net assets of approximately €580.9 million (2010: approximately €599.0 million).

Your attention is drawn to the financial information on the Hansen Group incorporated in Appendix III to this Offer Document by reference.

7. Financing arrangements

The cash consideration payable by ZF under the terms of the Offer is supported by standby letters of credit issued by Deutsche Bank AG and Commerzbank AG.

RBS is satisfied that ZF has the necessary financial resources available to satisfy full acceptance of the Offer. Full acceptance of the Offer, including in respect of the Warrants, would involve a maximum cash payment of approximately £444.7 million.

8. Irrevocable undertakings to accept the Offer

ZF has received irrevocable undertakings to accept the Offer from Hansen's two largest shareholders, Suzlon and Ecofin, who hold, in aggregate, 257,224,599 Hansen Shares, representing approximately 38.4 per cent. of the existing issued ordinary share capital of Hansen.

The Hansen Directors who hold Hansen Shares have also entered into irrevocable undertakings to accept the Offer in respect of their beneficial interests in Hansen Shares amounting to, in aggregate, 610,375 Hansen Shares, representing approximately 0.09 per cent. of the entire existing issued ordinary share capital of Hansen. These undertakings remain binding, even in the event of a higher competing offer for Hansen, unless the Offer otherwise lapses or is withdrawn.

Accordingly, ZF has received irrevocable undertakings from Hansen Shareholders to accept the Offer in respect of, in aggregate, 257,834,974 Hansen Shares, representing approximately 38.5 per cent. of Hansen's existing issued ordinary share capital.

Further details of these irrevocable undertakings are set out in paragraph 4(d) of Appendix IV to this Offer Document.

9. Management and employees of the Hansen Group and the ZF Group

ZF attaches great importance to the skills and experience of the management team and employees of Hansen and their ongoing role in the continued success of Hansen and the smooth integration of Hansen's and ZF's wind businesses.

The combination of Hansen and ZF's wind activities would provide Hansen and its employees and management with a supportive, long-term owner. ZF believes that the employees and management of the enlarged business would benefit from the increased opportunities that such a combination would bring. Discussions between ZF and Hansen's senior management team about the team members' specific roles in the enlarged group and the terms of their employment have yet to take place. It is envisaged that such discussions will take place after the Offer has completed.

ZF confirms that, following implementation of the Offer, the existing contractual and statutory employment rights, including in relation to pension rights, of the current employees and management of Hansen will be honoured.

ZF recognises that the talents and expertise of Hansen's management team will be critical to its success in integrating Hansen and ZF's wind businesses. As a result, following implementation of the Offer, ZF intends to put in place an appropriate long-term incentive plan in order to ensure the continuing incentivisation and retention of the senior Hansen management team. Any payout under the long-term incentive plan will be subject to the satisfaction of challenging performance targets relating to Hansen's business and to the management team remaining employed or engaged by Hansen and/or the enlarged ZF group. The amount potentially receivable under the long-term incentive plan will be broadly in line with the incentive arrangements currently enjoyed by Hansen's management team.

The opinion of Hansen's works council can be found in the Appendix to the Hansen Position Statement.

10. Hansen Warrant Plans

The Offer extends to any Hansen Shares issued or unconditionally allotted prior to the date on which the Offer closes (or such earlier date as ZF may, subject to the Code, decide) as a result of the exercise of Warrants.

The Offer includes a proposal to Warrant Holders on the basis set out below (reflecting a Black & Scholes valuation of the Warrants which is customary for Belgium companies). The aggregate consideration payable in respect of the Warrants, assuming full acceptance of the Offer by Warrant Holders or compulsory acquisition of the Warrants by ZF (pursuant to the process set out in paragraph 14 of this letter), is approximately £2.4 million.

<i>Hansen Warrant Plans</i>	<i>Rights outstanding</i>	<i>Current exercise price</i>	<i>Offer price for Warrants</i>
2008 – Employees (Series 1A)	523,700	295.0 pence	15.0 pence
2008 – Management (Series 1B)	1,148,750	295.0 pence	0.5 pence
2009 – Management (Series 2)	1,242,750	147.0 pence	9.0 pence
2010 – Management (Series 3)	4,272,500*†	87.2 pence	22.0 pence
2011 – Management (Series 4)	3,160,000**†	41.4 pence	40.0 pence

* this includes 550,000 options granted to Ruinemans BVBA under the Stock Option Plan Agreement dated 28 September 2010 between Hansen and Ruinemans BVBA.

** this includes a small number of Warrants which have not yet been formally accepted by the relevant Warrant Holder. The period for acceptance of these Warrants expires on 29 August 2011.

† these totals have been reduced since the Announcement to reflect certain Warrants which Hansen has since informed ZF had been approved for award but which have not ultimately been awarded.

The procedure for acceptance of the Offer by Warrant Holders is set out below in paragraph 12(c) of this letter. However, the attention of Warrant Holders is drawn to paragraph 14 of this letter in respect of the potential squeeze out process and treatment of Warrants thereunder and also to paragraph 11 of Appendix IV to this Offer Document in respect of certain tax implications for Warrant Holders accepting the Offer.

11. Further information on the Offer Price

The Offer of 66 pence in cash for each Hansen Share values the entire issued and to be issued share capital of Hansen, including all Warrants, at approximately £444.7 million (or €504.8 million), based on the prevailing exchange rate of 1.1352 Euros for each British pound as at 22 July 2011, being the Business Day immediately prior to the Announcement.

The Offer price represents a premium of approximately 95.6 per cent. over the closing price of 33.75 pence per Hansen Share on 22 July 2011 and a premium of approximately 60.2 per cent. over the volume weighted average price of 41.19 pence per Hansen Share over the three month period ended on 22 July 2011. ZF believes that this is an attractive price for Hansen Shares and the attention of Hansen Shareholders is drawn to the recommendation from the Hansen Directors to accept the Offer, including their reasoning behind this recommendation, as set out in the letter from the Chairman of Hansen in this Offer Document, which is also contained in the Hansen Position Statement appended to this Offer Document.

Based on the net financial indebtedness of Hansen of €41.0 million as at 30 June 2011, as disclosed by Hansen in its Interim Management Statement for the first quarter of its financial year 2012 published on 25 July 2011, the implied enterprise value of Hansen under the Offer would be €545.8 million, representing a multiple of 14.4x Hansen's reported EBITDA for the year ended 31 March 2011 of €37.9 million.

12. Procedure for acceptance of the Offer

This paragraph should be read together with the instructions and the notes on the relevant Form of Acceptance (where applicable) which are deemed to form part of the terms of the Offer.

DI Holders: DI Holders wishing to accept the Offer may only do so by making a TTE Instruction to Capita IRG to accept the Offer in respect of the Hansen Shares represented by their Hansen DIs in accordance with the procedure set out in paragraph (a) below. If Hansen DIs are held under different member account IDs, a separate TTE Instruction should be sent for each member account ID.

Registered Holders: Registered Holders wishing to accept the Offer may only do so by completing and returning the enclosed **BLUE** Form of Acceptance in accordance with the procedure set out in paragraph (b) below. Holders of Hansen Shares in registered form under different designations should complete a separate Blue Form of Acceptance for each designation. Registered Holders in Belgium are also asked to complete Box 6 of the Blue Form of Acceptance with details of their bank accounts, for the purposes of settling any consideration due electronically.

Warrant Holders: Warrant Holders wishing to accept the Offer may only do so by completing and returning the enclosed **PINK** Form of Acceptance in accordance with the procedure set out in paragraph (c) below. Holders of Warrants under different Hansen Warrant Plan series should ensure that all Warrants held in each series are reflected in the Pink Form of Acceptance. Warrant Holders who DO NOT wish to accept the Offer in respect of their Warrants are nevertheless asked to complete and return Part B of the Pink Form of Acceptance so that in the event of a squeeze out being implemented by ZF Bidco and such Warrants being compulsorily acquired by ZF Bidco, those Warrant Holders will receive the consideration for such Warrants electronically.

You should note that if you hold a combination of Hansen Shares both represented by Hansen DIs and in registered form and/or Warrants, you should follow the procedures set out in paragraphs (a), (b) and/or (c) below separately and as relevant for each type of holding.

THE OFFER SHALL CLOSE AT 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. ANY TTE INSTRUCTION, BLUE FORM OF ACCEPTANCE OR PINK FORM OF ACCEPTANCE RECEIVED AFTER THIS TIME SHALL NOT BE ACCEPTED.

(a) ***Hansen Shares held as Hansen DIs***

(i) *Introduction*

If you hold Hansen DIs you should take (or procure the taking of) the action set out below to transfer the Hansen DIs representing the shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s), specifying Capita Registrars (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent. You should take this action as soon as possible **and, in any event, so that the TTE Instruction settles no later than 1.00 p.m. (London time) on 19 September 2011. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instruction accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph (a) will (subject to satisfying the requirements set out in Parts B and C of Appendix I) constitute an instruction to accept the Offer in respect of the number of Hansen DIs so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Hansen DIs.

After settlement of a TTE Instruction, you will not be able to access the Hansen DIs concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared unconditional in all respects, the Depository will withdraw the Hansen Shares represented by the relevant Hansen DIs, and transfer such Hansen Shares to the Escrow Agent in accordance with paragraph (d) of Part C of Appendix I to this Offer Document.

You are recommended to refer to the CREST manual published by Euroclear for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Hansen DIs to settle prior to 1.00 p.m. (London time) on 19 September 2011. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

(ii) *To accept the Offer in respect of your Hansen DIs*

To accept the Offer in respect of Hansen DIs you will need to instruct Capita IRG to do so on your behalf. You should send (or if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE Instruction in relation to such Hansen DIs.

A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- the ISIN number for the Hansen DIs (this is **BE0947727377**);
- the number of Hansen DIs in respect of which you wish to make an instruction to Capita IRG to accept the Offer in its basic form (i.e. the number of Hansen Shares to be transferred to escrow);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent (this is **RA10**);
- the corporate action number (this is allocated by Euroclear and can be found by viewing the relevant Corporate Action details in CREST);

- the member account ID of the Escrow Agent for the Offer in its basic form (this is **ZFIHAN01**);
- the intended settlement date (this should be as soon as possible and, in any event, not later than 19 September 2011);
- a delivery priority of 80; and
- a contact telephone number in the shared note field.

(iii) *Validity of acceptances in respect of Hansen DIs*

A Form of Acceptance which is received in respect of Hansen DIs will not constitute a valid acceptance and will be disregarded. Holders of Hansen DIs who wish to instruct Capita IRG to accept the Offer should note that a TTE Instruction will only be a valid instruction of acceptance of the Offer as at the relevant closing date if it has settled on or before that date.

(iv) *DI Holders outside the United Kingdom or Belgium*

The attention of DI Holders who are citizens or residents of jurisdictions outside the United Kingdom or Belgium, or who are nominees of or custodians or trustees for any such person, should read paragraph (d) of this Part 12 below.

(b) **Registered Holders**

(i) *To accept the Offer in respect of your Hansen Shares held in registered form*

To accept the Offer in respect of Hansen Shares held in registered form you should complete Boxes 1 and 3 and you must sign Box 2 of the enclosed Blue Form of Acceptance. If you do not insert a number in Box 1, a valid acceptance will be deemed to be made in respect of all the Hansen Shares held by you in registered form.

In all cases you must sign Box 2 on the Blue Form of Acceptance in the presence of a witness, who should also sign in accordance with the instructions printed on the Blue Form of Acceptance.

If you have any questions as to how to complete the Blue Form of Acceptance or wish to receive additional Blue Forms of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

(ii) *Return of the Blue Form of Acceptance*

To accept the Offer in respect of Hansen Shares in registered form, the completed Blue Form of Acceptance should be returned by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. (London time) on 19 September 2011, together with any share certificate(s) for such Hansen Shares and/or other document(s) of title (in each case if relevant (see paragraph (iii) below)). A reply-paid envelope for use in the UK only is enclosed for your convenience. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope postmarked in a Restricted Territory or otherwise appearing to have been sent from a Restricted Territory may be rejected as an invalid acceptance of the Offer. For further information on shareholders outside of the United Kingdom and Belgium, see paragraph (v) below, paragraph 6 of Part B of Appendix I and paragraph (c) of Part D of Appendix I.

(iii) *Documents of title*

Hansen does not generally issue any share certificate(s) and/or other document(s) of title in respect of Hansen Shares in registered form. If, however, you were issued with any share certificate(s) and/or other document(s) of title in respect of Hansen Shares that you hold in registered form, the completed, signed and witnessed Blue Form of Acceptance should be accompanied by any such certificate(s) and/or other document(s) of title.

If you were issued with any share certificate(s) and/or other document(s) and for any reason any such certificate(s) and/or the other documents of title is/are lost or not readily available, you should nevertheless complete, sign and return the Blue Form of Acceptance as stated above so as to be received by the Receiving Agent **no later than 1.00 p.m. (London time) on 19 September 2011**, together with any issued share certificate(s) and/or other document(s) of title which you may have available and a letter stating that the remaining document(s) will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title which were issued to you. You should then arrange for any remaining certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost any such share certificate(s) and/or other document(s) of title, you should contact Hansen's company secretary on +32 4 450 5815 or by correspondence to the Company Secretary, Hansen Transmissions International NV, De Villermontstraat 9, 2550 Kontich, Belgium. Hansen cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

(iv) *Validity of acceptance*

If a Registered Holder was issued with a share certificate(s) and/or other document(s) of title and such certificate(s) and/or other document(s) of title are not in the Registered Holder's possession, without prejudice to Parts B and D of Appendix I to this Offer Document, ZF reserves the right (subject to the provisions of the Code) to treat as valid in whole or in part any acceptance of the Offer in relation to Hansen Shares in registered form which is not entirely in order or which is not accompanied by any relevant share certificate(s) and/or other document(s) of title (in each case if relevant).

(v) *Registered Holders outside the United Kingdom or Belgium*

Any Blue Form of Acceptance received in an envelope postmarked in a Restricted Territory or otherwise appearing to have been sent from a Restricted Territory may be rejected as an invalid acceptance of the Offer.

The attention of Registered Holders who are citizens or residents of jurisdictions outside the United Kingdom or Belgium, or who are nominees of or custodians or trustees for any such person, should read paragraph (d) of this Part 12 below.

(vi) *Specific information for Belgian citizens or residents*

In addition to the procedure for acceptance set out above, Belgian citizens or residents may alternatively accept the Offer in respect of Hansen Shares held in registered form by returning the completed, signed and witnessed Blue Form of Acceptance, by post or by hand (during normal business hours only) to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium together with any share certificate(s) for such Hansen Shares and/or other document(s) of title (if relevant), as soon as possible **but, in any event, so as to be received by RBS Belgium no later than 2.00 p.m. (Brussels time) on 19 September 2011**. No acknowledgement of receipt of documents will be given.

If you are in any doubt as to the procedure for acceptance, have any questions as to how to complete the Blue Form of Acceptance or wish to receive additional Blue Forms of Acceptance, please contact Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

(c) ***Warrant Holders***

Warrant Holders may accept the Offer in the manner detailed below if they wish to do so. However, the attention of Warrant Holders is drawn to:

- paragraph 11 of Appendix IV in respect of certain tax implications of accepting the Offer in respect of Warrants; and
- paragraph 14 of this letter, detailing the fact that any squeeze out procedure launched by ZF, if the conditions for squeeze out are met and it chooses to do so, would extend to any outstanding Warrants. Warrant Holders should note that there is no guarantee that ZF will be able to satisfy the conditions which will allow it to launch such a squeeze out process.

Warrant Holders who DO NOT wish to accept the Offer in respect of their Warrants are nevertheless asked to complete and return Part B of the Pink Form of Acceptance so that in the event of a squeeze out being implemented by ZF Bidco and such Warrants being compulsorily acquired by ZF Bidco, those Warrant Holders will receive the consideration for such Warrants electronically.

(i) ***To accept the Offer in respect of your Warrants***

To accept the Offer in respect of Warrants you should complete the relevant parts of Box 1 and complete Box 3 and you must sign Box 2 of the enclosed Pink Form of Acceptance. If you do not insert a number in Box 1 in respect of the Warrants held by you, a valid acceptance will be deemed to be made in respect of all the Warrants held by you in that Hansen Warrant Plan series.

In all cases you must sign Box 2 on the Pink Form of Acceptance in the presence of a witness, who should also sign in accordance with the instructions printed on the Pink Form of Acceptance.

If you have any questions as to how to complete the Pink Form of Acceptance or wish to receive additional Pink Forms of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

(ii) ***Return of the Pink Form of Acceptance***

To accept the Offer in respect of Warrants, a completed Pink Form of Acceptance should be returned by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible but, in any event, so as to be received by **no later than 1.00 p.m. (London time) on 19 September 2011**. No acknowledgement of receipt of documents will be given.

(iii) *Validity of acceptance*

Without prejudice to Parts B and E of Appendix I to this Offer Document, ZF reserves the right (subject to the provisions of the Code) to treat as valid in whole or in part any acceptance of the Offer in relation to Warrants which is not entirely in order.

(iv) *Warrant Holders outside the United Kingdom or Belgium*

Any Pink Form of Acceptance received in an envelope postmarked in a Restricted Territory or otherwise appearing to have been sent from a Restricted Territory may be rejected as an invalid acceptance of the Offer.

The attention of Warrant Holders who are citizens or residents of jurisdictions outside the United Kingdom or Belgium, or who are nominees of or custodians or trustees for any such person, should read paragraph (d) of this Part 12 below.

(v) *Specific information for Belgian citizens or residents*

In addition to the procedure for acceptance set out above, Belgian citizens or residents may alternatively accept the Offer in respect of Warrants by returning the completed, signed and witnessed Pink Form of Acceptance, by post or by hand (during normal business hours only), to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium, as soon as possible **but, in any event, so as to be received by RBS Belgium by no later than 2.00 p.m. (Brussels time) on 19 September 2011**. No acknowledgement of receipt of documents will be given.

If you are in any doubt as to the procedure for acceptance, have any questions as to how to complete the Pink Form of Acceptance or wish to receive additional Pink Forms of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

(d) *DI Holders, Registered Holders and Warrant Holders outside the United Kingdom or Belgium*

The attention of DI Holders, Registered Holders and Warrant Holders who are citizens or residents of jurisdictions outside the United Kingdom or Belgium, or who are nominees of, or custodians or trustees for, any such person, or who intends to forward this Offer Document to any jurisdiction outside the United Kingdom or Belgium is drawn to:

- in respect of DI Holders, paragraph 6 of Part B and paragraph (c) of Part C of Appendix I;
- in respect of Registered Holders, paragraph 6 of Part B and paragraph (c) of Part D of Appendix I; or
- in respect of Warrant Holders, paragraph 6 of Part B and paragraph (c) of Part E of Appendix I,

which they should read before taking any action.

The availability of the Offer to persons not resident in the United Kingdom or Belgium may be affected by the laws of the jurisdictions in which such persons are resident. Persons who are subject to the laws of any jurisdiction other than the United Kingdom or Belgium should inform themselves about and observe any applicable requirements. If you are such a person and you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

The Offer is not being made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory. Copies of this Offer Document, the Forms of Acceptance and any related offering documents are not being, and may not be, mailed or otherwise distributed in, into or from a Restricted Territory.

Accordingly, any accepting DI Holder, Registered Holder or Warrant Holder who is unable to give the representation and warranty respectively set out in paragraph (c) of Part C, paragraph (c) of Part D or paragraph (c) of Part E of Appendix I to this Offer Document may be deemed not to have accepted the Offer.

This Offer Document has been prepared for the purposes of complying with English law and is subject to the Code and the information disclosed may not be the same as that which would have been disclosed if this Offer Document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

(e) **General**

ZF will make an appropriate announcement if any of the details contained in paragraph (a), (b) or (c) above alter for any reason.

Normal CREST procedures (including timings) apply in relation to any Hansen DIs that are, or are to be converted into registered form, or any Hansen Shares that are, or are to be, converted from registered form to Hansen DIs, during the course of the Offer (whether any such conversion arises as a result of a transfer of Hansen Shares or otherwise). Registered Holders or DIs Holders who are proposing so to convert any such holdings are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares or depositary interests (as applicable) as a result of the conversion to take all necessary steps in connection with an Electronic Instruction to Capita IRG, or completion of Blue Form of Acceptance, to accept the Offer or to transfer to an escrow balance as described above prior to 1.00 p.m. (London time) on 19 September 2011.

Under the Offer, ZF intends to acquire your Hansen Shares and Warrants.

If you are a DI Holder, the Offer may be validly accepted by Capita IRG as a result of you making an Electronic Instruction to Capita IRG via a TTE Instruction in accordance with the terms set out in this Offer Document. Such method of acceptance will constitute a valid acceptance of the Offer in respect of each Hansen DI which is the subject of the relevant Electronic Instruction.

If a valid acceptance of the Offer has been made in respect of a Hansen DI, unless the relevant Hansen Shareholder has become the registered holder of the related Hansen Share represented by the relevant Hansen DI, no separate acceptance of the Offer may be made by the relevant holder of the Hansen DI, or Capita IRG, in respect of the Hansen Share which such Hansen DI represents and no person other than ZF shall have any rights whatsoever under the Offer in respect of the Hansen Share which such Hansen DI represents.

Where the Offer is validly accepted in respect of a Hansen DI in the manner described above, ZF intends, following the Offer being declared unconditional in all respects (or, if later, following the date of receipt of such acceptance), to direct the Depositary to cancel that Hansen DI held in escrow and withdraw the Hansen Share represented by it, in order to be registered as the direct holder of that Hansen Share in the shareholder register of Hansen. In such circumstances, ZF will be directly acquiring the relevant Hansen Share and not the relevant Hansen DI. Alternatively, ZF may, at its sole discretion, elect to be registered as the holder of the relevant Hansen DI in the register of Hansen DIs. In either case, each Hansen Share and/or Hansen DI will be acquired by ZF pursuant to the Offer fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching to them after 25 July 2011, including without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid after 25 July 2011.

If you are in any doubt as to the procedure for acceptance, please telephone Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

13. Settlement

Subject to the Offer becoming or being declared unconditional in all respects (and except as provided in paragraph 6 of Part B of Appendix I to this Offer Document in the case of certain Hansen Shareholders or Warrant Holders outside the UK or Belgium) settlement of the consideration to which any Hansen Shareholder or Warrant Holder is entitled under the Offer will be effected (due to the requirements of Regulation 14E of the Exchange Act) (i) in the case of acceptances received, valid and complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within three US Business Days of such date, or (ii) in the case of acceptances received, valid and complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects but while it remains open for acceptance, within three US Business Days of such receipt, in the following manner:

(a) ***Hansen DIs***

Where a valid acceptance relates to Hansen DIs, settlement of any cash due to the relevant DI Holder entitled will be paid by means of one or more CREST payment(s) in favour of the DI Holder's payment bank, in accordance with CREST payment arrangements.

ZF reserves the right to settle all or any part of the cash consideration due to any DI Holder, in the manner referred to in paragraph (b) below, if for any reason it wishes to do so.

(b) ***Hansen Shares in registered form***

Where a valid acceptance relates to Hansen Shares in registered form, settlement of any cash due to non-Belgian Registered Holders will be dispatched by first class post (or by such other method as the Panel may approve) to the relevant Hansen Shareholder or its appointed agent (but not into any Restricted Territory). All such payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank. Belgian Registered Holders are referred to paragraph (d) below.

(c) ***Warrants***

Where a valid acceptance relates to Warrants, settlement of any cash due to non-Belgian Warrant Holders will be dispatched by first class post (or by such other method as the Panel may approve) to the relevant Warrant Holder or its appointed agent (but not into any Restricted Territory). All such payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank. Belgian Warrant Holders are referred to paragraph (d) below.

(d) ***Specific information for Belgian citizens or residents***

Settlement of the consideration to which any Registered Holder or Warrant Holder is entitled under the Offer will be effected for those who are Belgian citizens or residents by means of an electronic payment by RBS Belgium to each such Belgian Registered Holder or Warrant Holder, to the account specified in the relevant Form of Acceptance.

Registered Holders and Warrant Holders in Belgium accepting the Offer are reminded to complete: (i) Box 6 of the Blue Form of Acceptance in respect of Registered Holders; or (ii) Box 6 of the Pink Form of Acceptance in respect of Warrant Holders, with their account details, as this information will be used for the purposes of settling any consideration that may be due to you,

electronically. Any Warrant Holder **NOT** accepting the Offer should still complete Part B of the Pink Form of Acceptance, in respect of account details for electronic settlement of consideration in the event of a squeeze out of remaining Hansen Shareholders and Warrant Holders.

(e) **General**

If the Offer does not become or is not declared unconditional in all respects (i) the Escrow Agent will, immediately after the lapsing of the Offer (or within such longer period, not exceeding 14 days after the Offer lapses, as the Panel may approve), give TFE Instructions to Euroclear to transfer all Hansen DIs held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the DI Holders concerned and (ii) completed Form(s) of Acceptance and any relevant share certificate(s) and/or other document(s) of title (in each case if relevant) will be returned by post (or such other method as may be approved by the Panel) within 14 days of the Offer lapsing, to the person or agent whose name and address (other than a Restricted Territory) is set out in Box 5 of the Blue or Pink Form of Acceptance (as relevant) or, if none is set out, to the first named or sole holder at his registered address (outside a Restricted Territory).

All documents and remittances sent by, to or from Hansen Shareholders or Warrant Holders or their appointed agents will be sent at their own risk.

14. Cancellation of listing of Hansen Shares and compulsory acquisition of remaining Hansen Shares and Warrants (“squeeze out”)

If the Offer becomes or is declared unconditional in all respects, and sufficient acceptances are received, ZF intends to procure the delisting of Hansen. In such circumstances, Hansen will make applications to cancel the admission to trading of Hansen Shares on the London Stock Exchange’s market for listed securities and to cancel the listing of Hansen Shares on the UKLA’s Official List.

It is expected that the cancellation of the admission to trading of the Hansen Shares on the London Stock Exchange and listing of Hansen Shares on the UKLA’s Official List will take effect from no earlier than 20 Business Days after ZF has acquired or agreed to acquire 75 per cent. of the voting rights attaching to the Hansen Shares. **The cancellation of the admission to trading and listing of Hansen Shares on the UKLA’s Official List would significantly reduce the liquidity and marketability of any Hansen Shares not assented to the Offer at that time.**

Subject to the Offer having become or been declared unconditional in all respects, if ZF receives acceptances under the Offer in respect of, or otherwise acquires, 95 per cent. or more of Hansen’s share capital conferring voting rights and 95 per cent. of Hansen’s securities with voting rights, ZF reserves the right to launch a subsequent squeeze out, in accordance with Articles 42 and 43 of the Belgian Royal Decree of 27 April 2007 relating to takeover bids, and thereby acquire compulsorily the remaining Hansen Shares and Warrants in respect of which the Offer has not been accepted or that have not otherwise been acquired by ZF, provided that ZF has received acceptances under the Offer in relation to at least 90 per cent. of the Hansen share capital conferring voting rights to which the Offer relates.

It is also intended that, following the Offer becoming or being declared unconditional in all respects and after the Hansen Shares are delisted, Hansen will be re-registered as a private company under the relevant provisions of Belgian company law.

15. Implementation Agreement

ZF, ZF Bidco and Hansen have entered into an Implementation Agreement in relation to the Offer and related matters. Pursuant to the Implementation Agreement, Hansen has given certain assurances and confirmations, including regarding the conduct of business of Hansen pending implementation of the Offer.

Inducement fee arrangements

Hansen has agreed to pay to ZF an inducement fee of £4,422,687 if, prior to the Offer lapsing or being withdrawn, an Alternative Proposal from a third party is announced and:

- the board of directors of Hansen withdraws, adversely qualifies or adversely amends its recommendation of the Offer and the Offer subsequently lapses or is withdrawn as a result of the acceptance condition not being satisfied; or
- that Alternative Proposal or any other Alternative Proposal subsequently becomes or is declared unconditional in all respects or is otherwise completed.

Non-solicitation arrangements

Hansen has undertaken, in respect of itself, members of the Hansen Group, Hansen Directors and respective employees and advisers, not to solicit, initiate, encourage or otherwise seek to procure, directly or indirectly, any enquiries, proposals or approaches from any persons in respect of, or in connection with, any Alternative Proposal.

However, this shall not prevent Hansen or its directors from responding to unsolicited approaches from third parties to the extent that the Hansen board determines in good faith that it is required to do so in order to serve the corporate interest of Hansen in accordance with Belgian law.

Hansen has also undertaken to notify ZF of any third party approach or communication made to Hansen regarding an Alternative Proposal and to inform ZF of the principal terms of such approach and, save to the extent that such notification would be a breach of any duty of confidentiality to any other person, the identity of the person making such approach.

16. Merger clearance

The Offer falls within the scope of, and is conditional upon receipt of approval by the Commission under, the EU Merger Regulation. ZF has already had preliminary discussions with the Commission and currently proposes to submit a formal notification in respect of the Offer within the next two weeks, subject to any further inquiries raised by the Commission during the usual pre-notification discussions. In view of the largely complementary nature of the activities of ZF and Hansen, ZF is confident that Commission clearance will be achieved in a timely manner.

An anti-trust filing and formal clearance is not required in the United States in respect of the Offer.

17. Further information

Your attention is drawn to the further information contained in the Appendices which form part of this Offer Document. The letter from the Chairman of Hansen at page 4 of this Offer Document, which is also contained in the Hansen Position Statement appended to this Offer Document, contains important information relating to the Offer. Hansen Shareholders should read the letter from the Chairman of Hansen and the Hansen Position Statement carefully before making any decisions with respect to their Hansen Shares, Hansen DIs and/or Warrants.

18. Action to be taken

IF YOU WISH TO PARTICIPATE IN THE OFFER IN RESPECT OF HANSEN DIs, please send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction in accordance with the procedure set out above in paragraph 12(a) and Part C of Appendix I to this letter as soon as possible and, in any event, so that the TTE Instruction settles not later than 1.00 p.m. (London time) on 19 September 2011.

IF YOU WISH TO ACCEPT THE OFFER IN RESPECT OF HANSEN SHARES IN REGISTERED FORM (that is, not DI Holders) please return the BLUE Form of Acceptance duly completed in accordance with the procedure set out above in paragraph 12(b) of this letter and Part D of Appendix I to this Offer Document, by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible and, in any event, to be received by no later than 1.00 p.m. (London time) on 19 September 2011.

IF YOU WISH TO ACCEPT THE OFFER IN RESPECT OF WARRANTS, please return the PINK Form of Acceptance duly completed in accordance with the procedure set out above at paragraph 12(c) of this letter and Part E of Appendix I to this Offer Document, by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom as soon as possible and, in any event, to be received by no later than 1.00 p.m. (London time) on 19 September 2011. If you are a Warrant Holder and DO NOT wish to accept the Offer in respect of your Warrants, you are nevertheless asked to complete Part B of the Pink Form of Acceptance and return it in accordance with the foregoing instructions so that in the event of a squeeze out being implemented and your Warrants being compulsorily acquired by ZF Bidco, you receive the consideration for such Warrants due to you electronically.

In respect of Registered Holders or Warrant Holders in Belgium, Forms of Acceptance may alternatively be returned to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium as soon as possible and, in any event, to be received by RBS Belgium by no later than 2.00 p.m. (Brussels time) on 19 September 2011.

Yours faithfully

for ZF International BV
Dr. Sander Peeters
Director

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE OFFER

PART A

CONDITIONS

The Offer is subject to the shared jurisdiction of the Panel and FSMA. The terms of the Offer, which is made by ZF Bidco, a wholly-owned subsidiary of ZF, are governed by the Code with regard to consideration and procedural matters (as defined in paragraph 3(a) of the Introduction to the Takeover Code). Matters relating to employee information and company law matters are governed by Belgian law. The Offer and any dispute or claim arising out of or in connection with it (whether contractual or non-contractual in nature) is governed by, and construed in accordance with, English law and is subject to the jurisdiction of the courts of England. The Offer is made on the terms and conditions set out in this Offer Document.

1. Conditions of the Offer

The Offer is subject to the following conditions:

- (a) valid acceptances being received (and not, where permitted, withdrawn) by 1.00 p.m. (London time) on 19 September 2011 (or such later time(s) and/or date(s) as ZF may, subject to the rules of the Code, decide) in respect of Hansen Shares that, together with Hansen Shares that would, as the case may be, otherwise be acquired by ZF, constitute not less than 95 per cent. (or such lesser percentage as ZF may decide) in nominal value of Hansen's share capital conferring voting rights, provided that this condition will not be satisfied unless ZF and/or any of its wholly-owned subsidiaries shall have acquired or agreed to acquire, whether pursuant to the Offer or otherwise, Hansen Shares carrying, in aggregate, more than 50 per cent. of the voting rights then exercisable at a general meeting of Hansen, including for this purpose to the extent (if any) required by the Panel, any such voting rights attaching to any Hansen Shares that may be unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances whether pursuant to the exercise of any outstanding conversion or subscription rights or otherwise, and for this purpose:
 - (i) the expression "shares that may be unconditionally allotted or issued" shall include any Treasury Shares which are unconditionally transferred or sold by Hansen; and
 - (ii) shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights which they will carry on being entered into the register of members of Hansen;
- (b) insofar as the Offer constitutes a concentration with a Community dimension within the scope of Council Regulation (EC) 139/2004 (the "Merger Regulation"), the European Commission indicating in terms satisfactory to ZF that it does not intend to initiate proceedings under Article 6(1)(c) of the Merger Regulation or make a referral to a competent authority in the United Kingdom under Article 9(1) of the Merger Regulation in respect of the proposed acquisition of Hansen by ZF;
- (c) all necessary notifications and filings having been made and all or any applicable waiting periods (including any extensions thereof) under the United States Hart Scott Rodino Antitrust Improvements Act of 1976 (as amended) and the rules and regulations made thereunder having expired, lapsed or been terminated as appropriate, in each case in respect of the Offer and the proposed acquisition of Hansen Shares, or control of Hansen, by ZF;
- (d) no government or governmental, quasi governmental, supranational, statutory, administrative or regulatory body, authority, court, trade agency, association, institution, environmental body or any other person or body in any jurisdiction (each a "Relevant Authority") having decided to take,

instituted, implemented or threatened any action, proceedings, suit, investigation, enquiry or reference, or made, proposed or enacted any statute, regulation, order or decision or taken any other steps and there not continuing to be outstanding any statute, regulation, order or decision, which would or might be reasonably expected to:

- (i) make the Offer or the acquisition of any Hansen Shares, or control of Hansen by ZF void, illegal or unenforceable or otherwise restrict, restrain, prohibit, delay or interfere with the implementation thereof, or impose additional materially adverse conditions or obligations with respect thereto, or require material amendment thereof;
- (ii) require or prevent the divestiture by Hansen or any of its subsidiaries or subsidiary undertakings or any associated undertaking or any company of which 20 per cent. or more of the voting capital is held by the Hansen Group or any partnership, joint venture, firm or company in which any member of the Hansen Group may be interested (the “wider Hansen Group”) or by ZF or any of its subsidiaries or subsidiary undertakings or any associated undertaking or any company of which 20 per cent. or more of the voting capital is held by the ZF Group or any partnership, joint venture, firm or company in which any member of the ZF Group may be interested (the “wider ZF Group”) of all or a material portion of their respective businesses, assets or property or impose any material limitation on the ability of any of them to conduct their respective businesses or own any of their material assets or property, which, in any such case, is material in the context of the Hansen Group taken as a whole;
- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the wider Hansen Group or the wider ZF Group to acquire or to hold or to exercise effectively any rights of ownership of shares or loans or securities convertible into shares in any member of the wider Hansen Group or of the wider ZF Group held or owned by it or to exercise management control over any member of the wider Hansen Group or of the wider ZF Group to an extent which is material in the context of the Hansen Group taken as a whole or, as the case may be, the ZF Group taken as a whole;
- (iv) other than pursuant to implementation of the Offer, require any member of the wider ZF Group or the wider Hansen Group to acquire or offer to acquire any shares or other securities in any member of the wider Hansen Group where such acquisition would be material in the context of the Hansen Group taken as a whole; or
- (v) otherwise materially and adversely affect the assets, business, profits or prospects of any member of the wider ZF Group or of any member of the wider Hansen Group;

and all applicable waiting and other time periods during which any such Relevant Authority could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference having expired, lapsed or been terminated;

- (e) all necessary notifications and filings having been made, all applicable waiting periods (including any extensions thereof) under any applicable legislation or regulations of any jurisdiction having expired, lapsed or been terminated, in each case in respect of the Offer and the acquisition of any Hansen Shares, or of control of Hansen, by ZF, and all authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals (“Authorisations”) necessary or appropriate in any jurisdiction for, or in respect of, the Offer and the proposed acquisition of any Hansen Shares, or of control of Hansen, by ZF and to carry on the business of any member of the wider ZF Group or of the wider Hansen Group having been obtained, in terms and in a form satisfactory to ZF, from all appropriate Relevant Authorities and from any persons or bodies with whom any member of the wider ZF Group or the wider Hansen Group has entered into contractual arrangements (in each case where the absence of such authorisation would have a material adverse effect on the Hansen Group taken as the whole or the ZF Group taken as the whole) and all such Authorisations remaining in full force and effect at the time at which the Offer becomes unconditional in all respects and ZF having no knowledge of an intention or proposal to revoke, suspend or modify or not to renew any of the same and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

- (f) except as publicly announced by Hansen prior to the date hereof (whether by the delivery of an announcement to a Regulatory Information Service or included in the annual report and accounts of Hansen, a class 1 circular posted by Hansen or any other mandatory announcement), there being no provision of any arrangement, agreement, licence, permit or other instrument to which any member of the Hansen Group is a party or by or to which any such member or any of their assets is or may be bound, entitled or be subject to and which, in consequence of the Offer or the acquisition or proposed acquisition of any Hansen Shares, or control of Hansen, by ZF or otherwise, would or might, to an extent which is material in the context of the Hansen Group taken as a whole, result in:
- (i) any monies borrowed by, or other indebtedness (actual or contingent) of, any such member of the Hansen Group being or becoming repayable or being capable of being declared immediately or prior to its or their stated maturity or the ability of any such member to borrow monies or incur any indebtedness being inhibited or becoming capable of being withdrawn;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member or any such security (whenever arising or having arisen) being enforced or becoming enforceable;
 - (iii) any such arrangement, agreement, licence or instrument being terminated or adversely modified or any action being taken of an adverse nature or any obligation or liability arising thereunder;
 - (iv) any assets of any such member being disposed of or charged, or right arising under which any such asset could be required to be disposed of or charged, other than in the ordinary course of business;
 - (v) the interest or business of any such member of the Hansen Group in or with any firm or body or person, or any agreements or arrangements relating to such interest or business, being terminated or adversely modified or affected;
 - (vi) any such member ceasing to be able to carry on business under any name under which it presently does so;
 - (vii) the creation of liabilities (actual or contingent) by any such member; or
 - (viii) the financial or trading position of any such member being prejudiced or adversely affected, and no event having occurred which, under any provision of any arrangement, agreement, licence or other instrument to which any member of the Hansen Group is a party, or to which any such member or any of its assets may be bound, entitled or subject, could result in any of the events or circumstances as are referred to in paragraphs (i) to (viii) of this condition (f);
- (g) except as publicly announced by Hansen prior to the date hereof (whether by the delivery of an announcement to a Regulatory Information Service or included in the annual report and accounts of Hansen, a class 1 circular posted by Hansen or any other mandatory announcement), no member of the Hansen Group having, since 31 March 2011:
- (i) issued, agreed to issue or proposed the issue of additional shares or securities of any class, or securities convertible into, or exchangeable for or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities (save as between Hansen and wholly-owned subsidiaries of Hansen and save for warrants and options granted and (where notified to ZF prior to the date hereof) to be granted under the Hansen Warrant Plans), or redeemed, purchased or reduced any part of its share capital;
 - (ii) sold or transferred or agreed to sell or transfer any Treasury Shares;
 - (iii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution other than to Hansen or a wholly-owned subsidiary of Hansen;

- (iv) agreed, authorised, proposed or announced its intention to propose any merger or demerger or acquisition or disposal of assets or shares which are material in the context of the Hansen Group taken as a whole (other than in the ordinary course of trading) or to any material change in its share or loan capital;
 - (v) issued, authorised or proposed the issue of any debentures or incurred any indebtedness or contingent liability which is material in the context of the Hansen Group taken as a whole;
 - (vi) acquired or disposed of or transferred, mortgaged or encumbered any asset or any right, title or interest in any asset (other than in the ordinary course of trading) in a manner which is material in the context of the Hansen Group taken as a whole;
 - (vii) entered into or varied or announced its intention to enter into or vary any contract, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term or unusual nature or involves or could reasonably be expected to involve an obligation of a nature or magnitude, and in either case which is material in the context of the Hansen Group taken as a whole;
 - (viii) entered into or proposed or announced its intention to enter into any reconstruction, amalgamation, transaction or arrangement (otherwise than in the ordinary course of business) which is material in the context of the Hansen Group taken as a whole;
 - (ix) taken any action nor having had any steps taken or legal proceedings started or threatened against it for its winding up or dissolution or for it to enter into any arrangement or composition for the benefit of its creditors, or for the appointment of a receiver, administrator, trustee or similar officer if it or any of its assets (or any analogous proceedings or appointment in any overseas jurisdiction);
 - (x) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
 - (xi) entered into or varied or made any offer to enter into or vary the terms (in any material respect) of any service agreement or arrangement with any of the Hansen Directors;
 - (xii) waived, compromised or settled any claim (other than in the ordinary course of business) which is material in the context of the Hansen Group; or
 - (xiii) entered into or made an offer (which remains open for acceptance) to enter into any agreement, arrangement or commitment or passed any resolution with respect to any of the transactions or events referred to in this condition (g);
- (h) since 31 March 2011, except as publicly announced by Hansen prior to the date hereof (whether by the delivery of an announcement to a Regulatory Information Service or included in the annual report and accounts of Hansen, a class 1 circular posted by Hansen or any other mandatory announcement);
- (i) there having been no adverse change in the business, assets, financial or trading position or profits or prospects of any member of the Hansen Group which in any such case is material in the context of the Hansen Group taken as a whole;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted, announced or threatened by or against or remaining outstanding against any member of the Hansen Group and no enquiry or investigation by or complaint or reference to any Relevant Authority against or in respect of any member of the Hansen Group having been threatened, announced or instituted or remaining outstanding which in any such case could have a material adverse effect on that member of the Hansen Group; and
 - (iii) no contingent or other liability having arisen or been incurred which would be likely to adversely affect any member of the Hansen Group in a manner which is material in the context of the Hansen Group;

- (i) ZF not having discovered that, save as publicly announced by Hansen prior to the date hereof (whether by the delivery of an announcement to a Regulatory Information Service or included in the annual report and accounts of Hansen, a class 1 circular posted by Hansen or any other mandatory announcement):
- (i) the financial, business or other information concerning the Hansen Group which has been disclosed at any time by or on behalf of any member of the wider Hansen Group whether publicly (whether by the delivery of an announcement to a Regulatory Information Service or included in the annual report and accounts of Hansen, a class 1 circular posted by Hansen or any other mandatory announcement) or to ZF, either contains a misrepresentation of fact or omits to state a fact necessary to make the information contained therein not materially misleading, which, in any such case, is material and adverse to the financial and trading position of the Hansen Group;
 - (ii) any member of the Hansen Group is subject to any liability, contingent or otherwise, which is not disclosed in the annual report and accounts of Hansen for the financial year ended 31 March 2011 and which is material in the context of the Hansen Group taken as a whole;
 - (iii) any past or present member of the Hansen Group has not complied with all applicable legislation or regulations of any jurisdiction or any notice or requirement of any Relevant Authority with regard to the storage, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health which non-compliance would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Hansen Group, which, in any such case, is material in the context of the Hansen Group taken as a whole;
 - (iv) there has been a disposal, spillage, emission, discharge or leak of waste or hazardous substance or any substance likely to impair the environment or harm human health on, or from, any land or other asset now or previously owned, occupied or made use of by any past or present member of the Hansen Group, or in which any such member may now or previously have had an interest, which would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Hansen Group, which, in any such case, is material in the context of the Hansen Group taken as a whole;
 - (v) there is or is likely to be any material obligation or material liability (whether actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Hansen Group or in which any such member may now or previously have had an interest under any environmental legislation or regulation or notice, circular or order of any Relevant Authority in any jurisdiction; or
 - (vi) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture, or materials used therein, now or previously manufactured, sold or carried out by any past or present member of the wider Hansen Group which claim or claims would be likely to affect adversely any member of the wider Hansen Group, which, in any such case, is material in the context of the Hansen Group taken as a whole.

ZF reserves the right to waive, in whole or in part, all or any of conditions (d) to (i) inclusive. ZF also reserves the right, subject to the consent of the Panel, to extend the time allowed under the Code for satisfaction of condition (a) until such time as conditions (b) to (i) have been satisfied, fulfilled or, to the extent permitted, waived. If ZF is required by the Panel to make a mandatory offer for Hansen Shares under the applicable law, ZF may make such alterations to the above conditions, including condition (a) above, as are necessary to comply with the provisions of that Rule.

The Offer will lapse unless the conditions set out above (other than condition (a) to the Offer) are fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by ZF in its reasonable opinion to be or to remain satisfied by no later than 21 days after the later of 19 September 2011 or the date on which the Offer becomes or is declared unconditional as to acceptances, or such later date as ZF may, with the consent of the Panel, decide. ZF shall be under

no obligation to waive or treat as satisfied any of conditions (d) to (i) inclusive by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other conditions of the Offer may at such earlier date have been waived or fulfilled or satisfied and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment or satisfaction.

The Offer will lapse if either (i) it is referred to the Competition Commission; or (ii) the European Commission either initiates proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or makes a referral to a competent authority of the United Kingdom under Article 9(1) thereof and it is subsequently referred to the Competition Commission, in either case before 1.00 p.m. (London time) on 19 September 2011 or the date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later. If the Offer so lapses the Offer will cease to be capable of further acceptance and accepting Hansen Shareholders and ZF will cease to be bound by acceptances received before the time when the Offer lapses.

With the exception of condition (a), ZF will not seek to invoke any condition to the Offer set out in this Appendix I so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to ZF in the context of the Offer.

PART B

FURTHER TERMS OF THE OFFER

The conditions in Part A of this Appendix I and the following further terms apply, unless the context otherwise requires, to the Offer.

Except where the context requires otherwise, any reference in this Offer Document and in the Forms of Acceptance to:

- (i) the “Offer” will mean the Offer and will include any revision, variation or renewal thereof or extension thereto and any election in connection therewith;
- (ii) the Offer “becoming unconditional” will include the Offer being or becoming or being declared unconditional;
- (iii) the Offer being or becoming or being declared “unconditional” will be construed as the Offer being or becoming or being declared unconditional as to acceptances whether or not any other condition of the Offer remains to be fulfilled;
- (iv) the “acceptance condition” means the condition as to acceptances of the Offer set out in paragraph (a) of Part A of this Appendix I and references to the Offer becoming unconditional as to acceptances will be construed accordingly; and
- (v) the “Offer Document” will mean this Offer Document and any other document containing details of the Offer.

1. Acceptance Period and Acceptance Condition

- (a) The Offer will initially be open for acceptance until 1.00 p.m. (London time) on 19 September 2011. Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 days (or such other period as may be permitted by the Panel) following the date on which the revised Offer is sent to Hansen Shareholders and Warrant Holders. Except with the consent of the Panel, no revision of the Offer may be made or sent to Hansen Shareholders and Warrant Holders after 3 October 2011 or, if later, the date which is 14 days before the last date on which the Offer can become unconditional.
- (b) The Offer, whether revised or not, shall not (without the consent of the Panel) be capable of becoming unconditional after midnight on 17 October 2011 (or any other time and/or date beyond which ZF has stated (and not withdrawn such statement) that the Offer will not be extended), nor of being kept open for acceptance after that time and/or date, unless it has previously become unconditional, provided that ZF reserves the right, with the permission of the Panel, to extend the time for the Offer to become unconditional to any later time(s) and/or date(s).

Except with the consent of the Panel, ZF may not, for the purpose of determining whether the acceptance condition has been satisfied, take into account acceptances received or purchases of Hansen Shares made after 1.00 p.m. (London time) on 17 October 2011 (or any other time(s) and/or date(s) beyond which ZF has stated (and not withdrawn such statement) that the Offer will not be extended) or such later time(s) and/or date(s) as ZF, with the permission of the Panel, may determine. If the latest time at which the Offer may become unconditional is extended beyond midnight on 17 October 2011, acceptances received and purchases made in respect of which the relevant documents are received by the Receiving Agent after 1.00 p.m. (London time) on the relevant date may (except where the Code permits) only be taken into account with the agreement of the Panel.

- (c) If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice, then not less than 14 days’ notice in writing will be given to those Hansen Shareholders and Warrant Holders who have not accepted the Offer prior to the closing of the Offer.

- (d) If a competitive situation arises (as determined by the Panel) after a “no increase” and/or a “no extension” statement has been made by or on behalf of ZF in relation to the Offer, ZF may, if it has specifically reserved the right to do so at the time such statement is made, or otherwise with the consent of the Panel, choose not to be bound by or withdraw such statement and be free to revise or extend the Offer provided it complies with the requirements of the Code and in particular that (i) it makes an announcement to such effect as soon as possible and, in any event, within four business days after the firm announcement of the competing offer or other competitive situation and notifies Hansen Shareholders and Warrant Holders to that effect in writing at the earliest opportunity or, in the case of Hansen Shareholders and Warrant Holders with registered addresses outside the United Kingdom or whom ZF reasonably believes to be nominees, custodians or trustees holding Hansen Shares or Warrants for such persons, by announcement in the United Kingdom and in Belgium at the earliest opportunity; and (ii) any Hansen Shareholders or Warrant Holders who accepted the Offer after the date of the “no increase” or “no extension” statement are given a right of withdrawal as described in paragraph 3(c) below.

ZF may choose not to be bound by a “no increase” or “no extension” statement if, having reserved the right to do so, it announces/publishes an increased or improved Offer which is recommended for acceptance by the board of directors of Hansen, or in any other circumstances permitted by the Panel.

If a competitive situation arises (as determined by the Panel) and is continuing on 17 October 2011, ZF will enable Hansen Shareholders and Warrant Holders who have not already validly accepted the Offer but who have previously accepted the competing offer to accept the Offer by special form of acceptance to take effect on 17 October 2011. It shall be a condition of such special form of acceptance being a valid acceptance of the Offer that (i) it is received by the Receiving Agent on or before 17 October 2011; (ii) the relevant Hansen Shareholder or Warrant Holder shall have applied to withdraw his acceptance of the competing offer but that the Hansen Shares or Warrants to which such withdrawal relates shall not have been released from escrow before 17 October 2011 by the escrow agent to the competing offer; and (iii) the Hansen Shares or Warrants to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from ZF contained in this Offer Document on or before 17 October 2011, but an undertaking is given that they will be so transferred as soon as possible thereafter. Hansen Shareholders or Warrant Holders wishing to use such special forms of acceptance should apply to the Receiving Agent on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399 between 9.00 a.m. and 5.30 p.m. (London time) on the business day preceding 17 October 2011 in order that such forms can be despatched. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Notwithstanding the right to use such special form of acceptance, Hansen Shareholders or Warrant Holders may not use a Form of Acceptance (or any other purported acceptance form) for the purpose of accepting the Offer in respect of such shares.

- (e) For the purpose of determining at any particular time whether the acceptance condition has been fulfilled, ZF shall not be bound (unless otherwise required by the Panel) to take into account any Hansen Shares normally carrying voting rights which have been issued or unconditionally allotted or which arise as the result of the exercise of conversion rights or which have ceased to be Treasury Shares before such time unless Hansen has notified the Receiving Agent on behalf of ZF, before that time in writing, of the relevant details of such issue, allotment, conversion or sale or transfer of Treasury Shares prior thereto at the addresses and by the methods of delivery referred to in paragraph 12 of the letter from ZF in this Offer Document. Notification by telex, facsimile or other electronic transmission will not be sufficient.
- (f) If a Registered Holder was issued with share certificate(s) and/or other document(s) of title and such certificate(s) and/or other document(s) of title are not in the Registered Holder’s possession, or, in respect of a DI Holder, such DI Holder does not send the relevant TTE Instruction, ZF reserves the right to treat as valid in whole or in part acceptances of the Offer which are not entirely in order or which are not accompanied by any relevant share certificate(s) and/or other relevant document(s) of title or not accompanied by the relevant TTE instruction, (subject to paragraphs 6(c) of this Part B).

- (g) For the avoidance of doubt, acceptances in respect of Warrants shall not count for the purpose of determining at any particular time whether the acceptance condition has been fulfilled.

2. Announcements

- (a) Without prejudice to paragraph 3(a) below, by 8.00 a.m. on the next business day (the “relevant day”) following the day on which the Offer is due to expire or becomes or is declared unconditional or is revised or extended (or such later time or date as the Panel may agree), ZF will make an appropriate announcement to a Regulatory Information Service of the position. Such announcement will also state (unless otherwise permitted by the Panel) the total number of Hansen Shares and rights over Hansen Shares (as nearly as practicable):
 - (i) for which acceptances of the Offer have been received, specifying the extent to which acceptances have been received from persons acting in concert with ZF or in respect of Hansen Shares which were subject to an irrevocable commitment or a letter of intent procured by ZF or any person acting in concert with ZF;
 - (ii) in which ZF or any person acting in concert with it has an interest or in respect of which he has a right to subscribe, in each case specifying the nature of the interests or rights concerned, including similar details of any short positions (whether conditional or absolute and whether in the money or otherwise) and any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
 - (iii) in respect of which ZF or any person acting in concert with it has an outstanding irrevocable commitment or letter of intent; and
 - (iv) which ZF or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold.

Such announcement will also specify the percentage of the Hansen Shares represented by each of these figures.

Any decision to extend the time and/or date by which the acceptance condition has to be fulfilled may be made at any time up to, and will be announced not later than, 8.00 a.m. on the relevant day (or such later time and/or date as the Panel may agree) and the announcement will state the next expiry date (unless the Offer is unconditional in which case the announcement may state that the Offer will remain open until further notice). In computing the number of Hansen Shares represented by acceptances and/or purchases, there may be included or excluded for announcement purposes, subject to paragraph 6(c) below, acceptances and purchases not in all respects in order or not accompanied by a share certificate(s) and/or other document(s) of title (where such were issued) or not accompanied by the relevant TTE instruction or which are subject to verification.

- (b) In this Appendix I, references to the making of an announcement or the giving of notice by or on behalf of ZF include the release of an announcement by public relations consultants or by RBS in each case on behalf of ZF and the delivery by hand or telephone, telex or facsimile or other electronic transmission of an announcement to a Regulatory Information Service. An announcement made otherwise than to a Regulatory Information Service shall be notified simultaneously (unless the Panel agrees otherwise) to a Regulatory Information Service.

3. Rights of Withdrawal

- (a) If ZF, having announced the Offer to be unconditional, fails to comply by 3.30 p.m. (London time) on the relevant day (or such later time(s) and/or date(s) as the Panel may agree) with any of the other requirements specified in paragraph 2(a) above, an accepting Registered Holder or Warrant Holder may (unless the Panel otherwise agrees) immediately thereafter withdraw his acceptance of the Offer by written notice signed by such shareholder (or his agent duly appointed in writing and evidence of whose appointment satisfactory to ZF is produced with the notice) given by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom receiving such notice on behalf

of ZF. Alternatively, Registered Holders that are Belgian citizens or residents may send such written notice to RBS Belgium, for the attention of Patrick Burin, Operations Management at Kanselarijstraat 17A, B 1000, Brussels, Belgium. In the case of DI Holders, withdrawals shall be affected in the manner set out in paragraph 3(f) below. Subject to paragraph 1(b) above, this right of withdrawal may be terminated not less than eight days after the relevant day by ZF confirming, if such be the case, that the Offer is still unconditional and complying with the other relevant requirements specified in paragraph 2(a) above. If any such confirmation is given, the first period of 14 days referred to in paragraph 1(c) will run from the date of that confirmation and compliance.

- (b) If by 1.00 p.m. (London time) on 10 October 2011 (or such later time and/or date as the Panel may agree) the Offer has not become unconditional as to acceptances, an accepting Hansen Shareholder or Warrant Holder may withdraw his acceptance of the Offer at any time thereafter in the manner referred to in paragraph 3(a) above (or, in the case of Hansen DIs, in the manner set out in paragraph 3(f) below) before the earlier of (i) the time that the Offer becomes unconditional as to acceptances; and (ii) the final time for lodgement of acceptances of the Offer which can be taken into account in accordance with paragraph 1(b) above.
- (c) If a “no increase” and/or “no extension” statement has been withdrawn in accordance with paragraph 1(d) above, any acceptance of the Offer after such statement is made may be withdrawn thereafter in the manner referred to in paragraph 3(a) above (or in the case of Hansen DIs, in the manner set out in paragraph 3(f) below) not later than the eighth day after the date on which notice of the withdrawal of such statement is sent to Hansen Shareholders.
- (d) Except as provided by this paragraph 3 (and subject to paragraph 5 below), acceptances and elections shall be irrevocable.
- (e) In this paragraph 3, “written notice” (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Hansen Shareholder(s) or Warrant Holder(s) or his/their agent(s) duly appointed in writing (satisfactory evidence of whose appointment must be produced with the notice). Notification by telex or facsimile or other electronic transmission or copies will not be sufficient to constitute written notice. No notice which is postmarked in, or otherwise appears to ZF or its agents to have been sent from, a Restricted Territory will be treated as valid.
- (f) In the case of Hansen DIs, if withdrawals are permitted pursuant to paragraph (3)(a), (3)(b) or (3)(c) of this Part B, an accepting Hansen Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Instruction to be withdrawn. Each ESA instruction must, in order for it to be valid and settle, include the following details:
- the number of Hansen DIs to be withdrawn;
 - the ISIN number of the Hansen DIs (this is **BE0947727377**);
 - the member account ID of the accepting DI Holder;
 - the participant ID of the DI Holder;
 - the member account ID of the Escrow Agent included in the relevant Instruction;
 - the Escrow Agent’s participant ID (this is **RA10**);
 - the CREST transaction ID of the Electronic Instruction to be withdrawn (to be inserted in the shared note field);
 - a delivery priority of 80;
 - the intended settlement date for the withdrawal; and
 - the corporate action number for the Offer.

- (g) Any such withdrawal will be conditional upon the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will on behalf of Offeror reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message. The Receiving Agent will give instructions for the release of relevant Hansen DIs from escrow.
- (h) Upon receipt of any such written notice of withdrawal, all share certificate(s) or document(s) of title lodged with the relevant Form(s) of Acceptance will be returned as soon as practicable and, in any event, within 14 days of such receipt.

4. Revised Offer

- (a) Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or form of the consideration offered or otherwise), and any such revised Offer(s) represent(s) on the date on which such revision is announced (on such basis as ZF may consider appropriate) an improvement (or no diminution) in the value of the consideration received and/or retained by a Hansen Shareholder or Warrant Holder (under the Offer or otherwise), the benefit of the revised Offer will, subject as provided in paragraphs 4(b), 4(c) and 5 below be made available to any Hansen Shareholder or Warrant Holder who has accepted the Offer in its original or previously revised form(s), and not validly withdrawn such acceptance (each a "Previous Acceptor"). The acceptance by or on behalf of a Previous Acceptor of the Offer in its original or any previously revised form(s) shall, subject as provided in paragraphs 4(b), 4(c) and 5 below, be deemed to be an acceptance of the Offer as so revised and shall, subject as aforesaid also constitute a separate appointment of each of ZF, ZF Bidco and their respective directors as his attorney and/or agent with authority to accept any such revised Offer on behalf of such Previous Acceptor and, if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or to accept such alternative forms of consideration on his behalf in such proportions as such attorney and/or agent in his absolute discretion thinks fit and to execute on behalf of and in the name of such Previous Acceptor all such further documents (if any) and take such further actions (if any) as may be required to give effect to such acceptances and/or elections. In making any such acceptances or making any such election, the attorney and/or agent shall take into account the nature of any previous acceptances and/or elections made by or on behalf of the Previous Acceptor and such other facts or matters as he may reasonably consider relevant.
- (b) The deemed acceptances and elections referred to in this paragraph 4 shall not apply and the authorities conferred by paragraph 4(a) above shall not be exercised if, as a result thereof, the Previous Acceptor would (on such basis as ZF may consider appropriate) thereby receive and/or retain (as appropriate) less consideration in aggregate under the Offer or otherwise than would have been received and/or retained (as appropriate) in aggregate consideration as a result of acceptance of the Offer in the form in which it was originally accepted and/or elected by such Previous Acceptor or on his behalf (unless such Previous Acceptor has previously agreed to receive and/or retain (as appropriate) less in aggregate consideration).
- (c) The deemed acceptances and elections referred to in this paragraph 4 shall not apply and the authorities conferred by this paragraph 4 shall be ineffective to the extent that a Previous Acceptor:
 - (i) in respect of Hansen Shares in registered form or Warrants, lodges with the Receiving Agent at the appropriate address set out in paragraph 3(a) above within 14 days of the publication of the document pursuant to which the revision of the Offer is made available to Hansen Shareholders or Warrant Holders (or such later date as ZF may determine), a Form of Acceptance or some other form issued by or on behalf of ZF in which he validly elects to receive the consideration receivable by him under such revised Offer in some other manner; or

- (ii) in respect of Hansen DIs, sends (or, if a CREST sponsored member, procures that his CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Instruction in respect of which an election is to be varied. Each ESA instruction must, in order for it to be valid and settle, include the following details:
- the number of Hansen DIs in respect of which the changed election is made;
 - the ISIN number of the Hansen DIs (this is **BE0947727377**);
 - the member account ID of the Previous Acceptor;
 - the participant ID of the Previous Acceptor;
 - the member account ID of the Escrow Agent included in the relevant Electronic Instruction;
 - the Escrow Agent's participant ID included in the relevant Electronic Instruction;
 - the CREST transaction ID of the Electronic Instruction in respect of which the election is to be changed (to be inserted in the shared note field);
 - a delivery priority of 80;
 - the intended settlement date for the changed election;
 - the corporate action number for the Offer; and
 - in order that the desired change of election can be effected, must include the member account ID of the Escrow Agent relevant to the new election.

Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent will on behalf of ZF reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

- (d) The authorities conferred by this paragraph 4 and any acceptance of a revised Offer and/or any election pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 3 above and duly does so.
- (e) Subject to paragraph 5 below, ZF reserves the right to treat an executed Form of Acceptance or TTE Instruction relating to the Offer (in its original or any previously revised form(s)) which is received (or dated) on or after the announcement or publication of the Offer in any revised form as a valid acceptance of the revised Offer and, where applicable, a valid election for any alternative form of consideration made available pursuant thereto, and such acceptance shall constitute an authority in the terms of paragraph 4(b) above on behalf of the relevant Hansen Shareholder.

5. General

- (a) The Offer extends to all Hansen Shares unconditionally allotted or issued on the date on which the Offer is made, and any further Hansen Shares unconditionally allotted or issued, in each case, while the Offer remains open for acceptance (or such earlier date or dates as ZF may, subject to the Code and in accordance with the Conditions, decide). The Offer extends to all rights under the Hansen Warrant Plans that remain outstanding while the Offer remains open for acceptance (or such earlier date or dates as ZF may, subject to the Code and in accordance with the Conditions, decide).
- (b) The Hansen Shares are to be acquired by ZF fully paid and free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto, including the right to all dividends or other distributions declared, paid or made after the date of Announcement of the Offer. The outstanding rights under the Hansen Warrant Plans are to be acquired by ZF free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto. If a dividend and/or a distribution and/or a return of capital is proposed,

declared, made, paid or becomes payable by Hansen in respect of a Hansen Share on or after the date of Announcement and prior to the Offer becoming or being declared unconditional in all respects or lapsing or being withdrawn, ZF reserves the right to reduce the value of the consideration payable for each Hansen Share under the Offer in respect of any Hansen Share by up to the amount of the dividend and/or distribution and/or return of capital except where the Hansen Share is or will be transferred pursuant to the Offer on a basis which entitles ZF to receive the dividend and/or distribution and/or return of capital and to retain it.

- (c) Save with the consent of the Panel and ZF, the Offer will lapse unless all conditions relating to the Offer have been satisfied or (if capable of waiver) waived or, where appropriate, have been determined by ZF in its reasonable opinion to be or remain satisfied, by midnight on the later of 10 October 2011 and the date which is 21 days after the date on which the Offer becomes unconditional as to acceptances such later date as ZF may, with the consent of the Panel, decide. If the Offer lapses for any reason, the Offer will cease to be capable of further acceptance and Hansen Shareholders, Warrant Holders and ZF will cease to be bound by prior acceptances. ZF shall be under no obligation to waive or treat as satisfied any of the conditions (d) to (i) (inclusive) in Part A of this Appendix I by a date earlier than the latest date specified or referred to above for the satisfaction thereof notwithstanding that such condition or the other conditions of the Offer may at such earlier date have been waived or satisfied and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of being satisfied.
- (d) Save with the consent of the Panel, settlement of the consideration to which any Hansen Shareholder or Warrant Holder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which ZF may otherwise be, or claim to be, entitled as against such Hansen Shareholder or Warrant Holder and will be effected in the manner described in paragraph 13 of the letter from ZF contained in this Offer Document within three US Business Days of the date on which the Offer becomes or is declared unconditional in all respects and the receipt of a valid and complete acceptance. Subject to paragraph 6 below, no consideration will be sent to an address in a Restricted Territory.
- (e) If a Registered Holder was issued with share certificate(s) and/or other document(s) of title, notwithstanding the right reserved by ZF to treat an acceptance of the Offer as valid (even though, in the case of Hansen Shares held in registered form or Warrants, the relevant Form of Acceptance is not entirely in order or not accompanied by any relevant share certificate(s) and/or other document(s) of title), except as otherwise agreed with the Panel:
 - (i) an acceptance of the Offer will only be counted towards fulfilling the acceptance condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it;
 - (ii) a purchase of Hansen Shares by ZF or its nominee(s) or, if ZF is required to make a Rule 9 offer, a person acting in concert with ZF, if any, will only be counted towards fulfilling the acceptance condition if the requirements of Note 5 and, if applicable, Note 6 of Rule 10 of the Code are satisfied in respect of it; and
 - (iii) the Offer will not become unconditional unless the Receiving Agent has issued a certificate to ZF or RBS which states the number of Hansen Shares in respect of which acceptances have been received which comply with paragraph (i) above, and the number of Hansen Shares otherwise acquired, whether before or during the offer period, which comply with the requirements of paragraph (ii) above. Copies of such certificate will be sent to the Panel and to BofA Merrill Lynch as soon as possible after issue.
 - (iv) Hansen Shares which have been borrowed by ZF may not be counted towards fulfilling the acceptance condition.

- (f) The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Forms of Acceptance will, in respect of Hansen Shares held in registered form and Warrants, also constitute part of the terms of the Offer. Words and expressions defined in this Offer Document have the same meanings when used in the Forms of Acceptance unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated in the Forms of Acceptance.
- (g) The Offer and the Forms of Acceptance and all acceptances and elections in respect of the Offer, or pursuant thereto, and all contracts made pursuant thereto and any action taken or made or deemed to be taken or made under any of the foregoing (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law. Execution of a Form of Acceptance or the sending of a TTE Instruction by or on behalf of a DI Holder, Registered Holder or Warrant Holder (as the case may be) constitutes his irrevocable submission in relation to all matters arising out of or in connection with the Offer and the Forms of Acceptance to the jurisdiction of the courts of England and his agreement that nothing shall limit the right of ZF or RBS to bring any action, suit or proceeding arising out of or in connection with the Offer or the Forms of Acceptance in any other manner permitted by law or in any court of competent jurisdiction.
- (h) All references in this Offer Document and in the Forms of Acceptance to 19 September 2011 shall (except in the definition of “offer period” and in paragraph 1(a) above and where the context otherwise requires) be deemed, if the expiry date of the Offer is extended, to refer to the expiry date of the Offer as so extended.
- (i) Any omission or failure to dispatch this Offer Document, the Forms of Acceptance or any notice required to be dispatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. Subject to paragraph 6 below, the Offer extends to persons to whom the Offer is made or should be made but to whom this Offer Document, the Forms of Acceptance or any related offering documents may not be dispatched or by whom such documents may not be received, and such persons may collect copies of these documents from the Receiving Agent at the appropriate address set out in paragraph 3(a).
- (j) Notwithstanding any other provision in this Part B of Appendix I, ZF and RBS reserve the right to treat acceptances of the Offer and/or elections pursuant thereto as valid if received by or on behalf of either of them at any place or places or in any manner determined by either of them otherwise than as set out in this Offer Document or in the Forms of Acceptance.
- (k) All powers of attorney, appointments of agents and authorities in the terms conferred by or referred to in this Appendix I or in the Forms of Acceptance are given by way of security for the performance of the obligations of the Hansen Shareholder or Warrant Holder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 unless and until the donor of such power of attorney or authority or appointment validly withdraws his acceptance in accordance with paragraph 3 above.
- (l) No acknowledgement of receipt of any Form of Acceptance, TTE Instruction, any share certificate(s) and/or other document(s) of title (if relevant) will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Hansen Shareholders or Warrant Holders (or their designated agent(s)) will be delivered by or sent to or from such Hansen Shareholders or Warrant Holders (or their designated agent(s)) at their own risk.
- (m) If the Offer lapses:
 - (i) in respect of Hansen Shares held in registered form or Warrants, the relevant Form of Acceptance, any share certificate(s) and/or other document(s) of title (if relevant) will be returned by post (or such other method as may be approved by the Panel) within 14 days of the Offer lapsing, at the risk of the person entitled thereto, to the person or agent whose name and address outside a Restricted Territory is set out in the relevant box in the Form of Acceptance or, if none is set out, to the first-named or sole holder at his registered address outside a Restricted Territory. No such document will be sent to an address in any Restricted Territory; and

- (ii) in respect of Hansen DIs, the Receiving Agent will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days after the lapsing of the Offer), give instructions to Euroclear to transfer all Hansen DIs held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the DI Holders concerned.
- (n) In relation to any acceptance of the Offer in respect of a holding of Hansen DIs, ZF reserves the right to make such alterations, additions or modifications as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Code or are otherwise made with the consent of the Panel.
- (o) The Offer is made at 1.00 p.m. (London time) on 18 August 2011 and is capable of acceptance from and after that date. The Offer is being made by means of this Offer Document. Copies of this Offer Document, the Forms of Acceptance and any related documents may be collected from the Receiving Agent at the appropriate address set out in paragraph 3(a) above.
- (p) For the purposes of this Offer Document, the time of receipt of a TTE Instruction, an ESA Instruction or an Electronic Instruction shall be the time at which the relevant instruction settles in CREST.
- (q) If sufficient Hansen Shares are acquired, whether pursuant to acceptances of the Offer or otherwise, ZF intends to apply the provisions of Article 42 of the Royal Decree on Takeover Bids to acquire compulsorily any outstanding Hansen Shares to which the Offer relates.
- (r) All references in this Appendix I to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).
- (s) The Offer extends to all the Hansen Shares unconditionally allotted or issued on 18 August 2011, to all outstanding rights under the Hansen Warrant Plans and to any further Hansen Shares unconditionally allotted or issued and fully paid, any Treasury Shares unconditionally sold or transferred by Hansen and to any further rights awarded under the Hansen Warrant Plans, in each case, while the Offer remains open for acceptance (or such earlier date or dates as ZF may decide).

6. Hansen Shareholders and Warrant Holders outside the United Kingdom or Belgium

- (a) The making of the Offer in or to Hansen Shareholders or Warrant Holders resident in, or citizens or nationals of, jurisdictions outside the United Kingdom or Belgium, or to persons who are custodians, nominees of or trustees for, citizens, residents or nationals of such jurisdictions, may be prohibited or affected by the laws of the jurisdiction in which such persons are resident. Such persons should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such person wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, which may be required and the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Any such person will be responsible for any such issue, transfer or other taxes or other requisite payments by whomsoever payable and ZF and RBS and any person acting on their behalf shall be fully indemnified and held harmless by such person for any such issue, transfer or other taxes as ZF may be required to pay.
- (b) The Offer is not being, and will not be, made, directly or indirectly, in or into a Restricted Territory, or by use of the mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or of any facilities of a national securities exchange of, a Restricted Territory, and the Offer can not be accepted by any such use, means, instrumentality or facility or otherwise from within a Restricted Territory.

Copies of this Offer Document, the Forms of Acceptance and any related offering documents are not being, and should not be, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Territory. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute them in, into or from a Restricted Territory or use such mails or any such means, instrumentality or facility for any purpose directly or indirectly in connection with the Offer, and so doing may render invalid any related purported acceptance of the Offer. Persons wishing to accept the Offer should not use a Restricted Territory mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Offer. Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer should not be postmarked in a Restricted Territory or otherwise dispatched from a Restricted Territory and all acceptors must provide addresses outside of any Restricted Territories for the receipt of the consideration to which they are entitled under the Offer or for the return of Forms of Acceptance and (in relation to Hansen Shares in registered form) any share certificate(s) and/or other document(s) of title (if supplied).

- (c) A Hansen Shareholder or Warrant Holder may be deemed NOT to have accepted the Offer or to have made a valid election thereunder if (i) he puts “NO” in Box 4 of the relevant Form of Acceptance and therefore does not give the representation and warranty set out in paragraph (c) of Part C of this Appendix I; or (ii) he completes Box 3 of the relevant Form of Acceptance with an address in a Restricted Territory or has a registered address in a Restricted Territory and in each case does not insert in Box 5 of the relevant Form of Acceptance the name and address of a person or agent outside a Restricted Territory to whom he wishes the consideration to which he is entitled under the Offer to be sent; or (iii) he inserts in Box 5 of the relevant Form of Acceptance the name and address and/or telephone number of a person or agent in a Restricted Territory to whom he wishes the consideration to which he is entitled under the Offer to be sent; or (iv) the relevant Form of Acceptance received from him is received in an envelope postmarked in, or which otherwise appears to ZF or its agents to have been sent from, a Restricted Territory; or (v) he makes a Restricted Escrow Transfer pursuant to paragraph (e) below unless he also makes a related Restricted ESA instruction which is accepted by the Receiving Agent. ZF reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representation and warranty set out in paragraph (c) of Part C or (as the case may be Part D) of this Appendix I could have been truthfully given by the relevant Hansen Shareholder or Warrant Holder and, if such investigation is made and as a result ZF determines (for any reason) that such representation and warranty could not have been so given, such acceptances and any election thereunder may be rejected as invalid.
- (d) If, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees) whether pursuant to a contractual or legal obligation or otherwise forwards this Offer Document, the Forms of Acceptance or any related document in, into or from a Restricted Territory or uses the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory in connection with such forwarding, such person should (i) inform the recipient of such fact, (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient and (iii) draw the attention of the recipient to this paragraph 6.
- (e) If a Hansen Shareholder holding Hansen DIs is unable to give the warranty set out in paragraph (c) of Part C of this Appendix I, but nevertheless can provide evidence satisfactory to ZF that he is able to accept the Offer in compliance with all relevant legal and regulatory requirements, he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both (1) a Transfer to Escrow instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”) and (2) one or more valid ESA instructions (a “**Restricted ESA instruction**”) which specify the form of consideration which he wishes to receive (consistent with the alternatives offered under the Offer). Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA instruction(s) settle in CREST and ZF decides, in its absolute discretion, to exercise its right described in paragraph 6 of this Part B of Appendix I to waive, vary or modify the terms of the Offer relating to shareholders outside of the United Kingdom or Belgium, to the extent required to permit

such acceptance to be made in each case during the acceptance period set out in paragraph 1 of this Part B of Appendix I. If ZF accordingly decides to permit such acceptance to be made, the Receiving Agent will on behalf of ZF accept the purported acceptance as an Electronic Instruction on the terms of this Offer Document (as so waived, varied or modified) by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, Receiving Agent will on behalf of Offeror reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message. Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- the number of Hansen DIs in respect of which the Restricted Escrow Transfer is made;
- the ISIN number of the Hansen DIs (this is **BE0947727377**);
- the member account ID of the DI Holder;
- the participant ID of the DI Holder;
- the participant ID of the Escrow Agent (this is **RA10**);
- the member account ID if the Escrow Agent specific to a Restricted Escrow Transfer (this is **RESTRICT**); and
- the intended settlement date.

Each Restricted ESA instruction must, in order for it to be valid and settle, include the following details:

- the number of Hansen DIs in respect of which the Restricted EAS instruction is made;
- the ISIN number of the Hansen DIs (this is **BE0947727377**);
- the member account ID of the DI Holder;
- the participant ID of the DI Holder;
- the member account ID of the Escrow Agent included in the Restricted Escrow Transfer;
- the participant ID if the Escrow Agent included in the Restricted Escrow Transfer;
- the CREST transaction ID of the relevant Restricted Escrow Transfer;
- the member account of the Escrow Agent relevant to the form of consideration required;
- the intended settlement date; and
- the corporate action number for the Offer.

(f) ZF and ZF Bidco reserve the right to notify any matter, including the fact that the Offer has been made, to all or any Hansen Shareholders or Warrant Holders:

- (i) with a registered address outside the United Kingdom or Belgium; or
- (ii) whom ZF knows to be a custodian, trustee or nominee holding Hansen Shares or Warrants for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom or Belgium,

by announcement or by paid advertisement in a daily national newspaper published and circulated in the United Kingdom or by notice in the London Gazette (in which event such notice shall be deemed to have been sufficiently given, notwithstanding any failure by any such Hansen Shareholder to receive or see such notice) and all references in this Offer Document to notice or the provision of information in writing by or on behalf of ZF shall be construed accordingly.

- (g) The provisions of this paragraph 6 override any terms of the Offer inconsistent with them. The provisions of this paragraph 6 and/or any other terms of the Offer relating to Hansen Shareholders or Warrant Holders outside the United Kingdom or Belgium may be waived, varied or modified as regards specific Hansen Shareholder(s) or Warrant Holder(s) or on a general basis by ZF in its absolute direction.
- (h) References in this paragraph 6 to a Hansen Shareholder or Warrant Holder shall include the person or persons executing a Blue or Pink (as relevant) Form of Acceptance and, in the event of more than one person executing a Blue or Pink (as relevant) Form of Acceptance, the provisions of this paragraph shall apply to them jointly and to each of them.

Hansen Shareholders and Warrant Holders outside the United Kingdom and Belgium should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position you should consult your professional adviser in the relevant territory.

Registered Holders or Warrant Holders in Belgium returning Forms of Acceptance or other documents to the Receiving Agent may, alternatively, at the option of the Registered Holder or Warrant Holder, choose to return any such Forms of Acceptance or other documents to RBS Belgium and any references to “Receiving Agent” in this Part B shall be construed so as to include a reference to RBS Belgium, but only in connection with providing such alternative method of returning any Forms of Acceptance or other documents.

PART C
ELECTRONIC INSTRUCTIONS

Each DI Holder by whom, or on whose behalf, an Electronic Instruction is made irrevocably undertakes, represents, warrants and agrees to and with ZF and ZF Bidco and the Receiving Agent (so as to bind him, his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the Electronic Instruction shall constitute: an acceptance of the Offer in respect of the number of Hansen Shares underlying the Hansen DIs to which a TTE Instruction relates; and
- in each case on and subject to the terms and conditions set out or referred to in this Offer Document and that, subject only to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix I, each such acceptance and election shall be irrevocable;
- (b) that the Hansen DIs in respect of which the Offer is accepted or deemed to be accepted are sold free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching thereto after 25 July 2011, including, without limitation, voting rights and the right to receive and retain all dividends or other distributions declared, made or paid after 25 July 2011;
- (c) (i) the documents relating to the Offer have not been mailed or otherwise distributed or sent (directly or indirectly) in, into or from a Restricted Territory or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
- (ii) in connection with the Offer, there has been no use, directly or indirectly, of the mails of, or any means or instrumentality (including, without limitation, electronic mail, or any electronic publication or advertisement, facsimile transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national securities exchange of, any Restricted Territory or such other jurisdiction;
- (iii) such Hansen Shareholder was outside a Restricted Territory at the time of the input and settlement of the relevant TTE Instruction;
- (iv) in respect of the Hansen DIs to which the Electronic Instruction relates, such Hansen Shareholder is not, and is not accepting the Offer through, an agent or fiduciary acting on a non-discretionary basis for a principal, unless such principal is a corporation or partnership and such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Offer from outside a Restricted Territory; and
- (v) if such accepting Hansen Shareholder is not a citizen, resident or national of the United Kingdom, he has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or other requisite payments due from him in each case in connection with such acceptance, in any jurisdiction and that he has not taken or omitted to take any action which will or may result in ZF, ZF Bidco or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance thereof and he is lawfully entitled to make such election under the laws of any jurisdiction to which he is subject;
- (d) that the Electronic Instruction constitutes the irrevocable separate appointment of each of ZF, ZF Bidco and their respective directors, authorised representatives and agents as such Hansen Shareholder's attorney and/or agent (the "attorney"), and an irrevocable instruction to the attorney (in accordance with section 4 of the Powers of Attorney Act 1971) (i) if the Offer becomes unconditional in all respects in accordance with its terms, and subject to the accepting Hansen Shareholder not having validly withdrawn the acceptance, to do all such acts and things as may in the opinion of the attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer and to vest in ZF or its nominee(s) the Hansen DIs referred to in

- paragraph (a) above; and (ii) if the Offer does not become unconditional in all respects, to give instructions to Euroclear, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing of the Offer), to transfer all Relevant Hansen DIs to the original available balance of an accepting Hansen Shareholder;
- (e) that the Electronic Instruction constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Hansen Shareholder not having validly withdrawn the acceptance, a separate and irrevocable authority and request:
- (i) to Hansen or its agents to procure the transfer to Bidder, or as it may direct, by means of CREST all or any of the Hansen DIs referred to in paragraph (a) above;
 - (ii) to ZF, ZF Bidco or their respective agents (subject to the provisions of paragraph 6 of Part B of this Appendix I) to procure the making of a CREST payment obligation in favour of the Hansen Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such Hansen Shareholder is entitled, provided in relation to a CREST member whose registered address is in a Restricted Territory, ZF, ZF Bidco or their respective agents shall instead procure that all of, and in relation to any other Hansen shares ZF, ZF Bidco or their respective agents may (if, for any reason, it wishes to do so) determine that all or any part of, any such cash consideration shall be paid by cheque despatched by post to the first named or sole holder at his registered address outside a Restricted Territory;
- (f) that in relation to Hansen DIs, the Electronic Instruction constitutes a separate authority to each of ZF, ZF Bidco and their respective directors in the terms of paragraph 5 of Part B of this Appendix I;
- (g) that, subject to the Offer becoming unconditional in all respects in accordance with its terms (or, in the case of voting by proxy, if the Offer will become unconditional in all respects or lapse depending upon the outcome of the resolution in question or in such other circumstances as ZF may request and the Panel may permit), in respect of the Hansen DIs in respect of which the Offer has been accepted, or is deemed to be accepted, which acceptance has not been validly withdrawn, and which have not been registered in the name of ZF or as it may direct:
- (i) ZF or its agents shall be entitled to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting or separate class meeting of Hansen) attaching to any such Hansen Shares;
 - (ii) the Electronic Instruction by a Hansen Shareholder shall constitute with regard to such Hansen Shares:
 - (A) an authority to Hansen or its agents from such Hansen Shareholders to send any notice, circular, warrant or other document or communication which may be required to be sent to him as a member of Hansen to ZF at its registered office;
 - (B) an authority to ZF or its agents to sign any consent to short notice of a general meeting or separate class meeting on his behalf and/or to execute a form of proxy in respect of such Hansen DIs appointing any person nominated by ZF to attend general meetings and separate class meetings of Hansen or its members or any of them (and any adjournment thereof) and to exercise the votes attaching to such Hansen DIs on his behalf, such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and
 - (C) the agreement of such Hansen Shareholder not to exercise any of such rights without the consent of ZF and the irrevocable undertaking of such Hansen Shareholder not to appoint a proxy for or to attend any such general meeting or separate class meeting;
- (h) that if, for any reason, any Hansen DIs in respect of which a TTE Instruction has been effected in accordance with paragraph 12(a) of the letter from ZF contained in this Offer Document are converted to registered form, he will (without prejudice to paragraph (g)(ii)(A) above) immediately deliver or procure the immediate delivery of (to the extent that any are issued) any share

certificate(s) or other document(s) of title (if relevant) in respect of all such Hansen DIs as so converted, to the Receiving Agent at the appropriate address referred to in paragraph 12 of the letter contained within this Offer Document or to Offeror at its registered office or as Offeror or its agents may direct; and he shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Part C of this Appendix I in relation to such Hansen DIs;

- (i) that the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph (d) above shall, to the extent of the obligation so created, discharge in full any obligation of ZF and/or ZF Bidco to pay to him the cash consideration to which he is entitled pursuant to the Offer;
- (j) that, he will do all such acts and things as shall in the opinion of ZF or the Receiving Agent be necessary or expedient to vest in ZF, or its nominee(s) or such other persons as ZF may decide, title to the number of Hansen DIs comprised in the Electronic Instruction and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its functions as Escrow Agent for the purposes of the Offer;
- (k) that he agrees to ratify each and every act or thing which may be done or effected by ZF or ZF Bidco or the Receiving Agent or any of their respective directors or agents or Hansen or its agents, as the case may be, in the exercise of any of his powers and/or authorities hereunder;
- (l) that if any provision of Part B or this Part C of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford ZF or ZF Bidco or the Receiving Agent or any authorised representative of any of them or their respective agents the benefit or authority expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Part B and Part C of this Appendix I;
- (m) that he submits in relation to all matters arising out of the Offer and the Electronic Instruction, to the jurisdiction of the English courts; and
- (n) that, by virtue of the Regulations, the making of an Electronic Instruction constitutes an irrevocable power of attorney by the relevant holder of Hansen DIs in the terms of all the powers and authorities expressed to be given by Part B and (where applicable by virtue of paragraph (h) above) Part C of this Appendix I to ZF, the Receiving Agent and ZF Bidco and any of their respective agents.

References in this Part C to a Hansen Shareholder shall include references to the person or persons making an Electronic Instruction, and in the event of more than one person making an Electronic Instruction the provisions of this Part C shall apply to them jointly and to each of them.

PART D

FORM OF ACCEPTANCE FOR HANSEN SHARES HELD IN REGISTERED FORM

Registered Holders or Warrant Holders in Belgium returning Forms of Acceptance or other documents to the Receiving Agent may, alternatively, at the option of the Registered Holder or Warrant Holder, choose to return any such Forms of Acceptance or other documents to RBS Belgium and any references to “Receiving Agent” in this Part D shall be construed so as to include a reference to RBS Belgium, but only in connection with providing such alternative method of returning any Forms of Acceptance or other documents.

Each Hansen Shareholder by whom, or on whose behalf, a Blue Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with ZF and RBS and the Receiving Agent (so as to bind him, his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the Blue Form of Acceptance, whether or not any other boxes are completed shall constitute:
 - (i) an acceptance, subject to paragraph 6 of Part B of this Appendix I to the Offer in respect of the relevant Hansen Shareholder’s entire holding of Hansen Shares in registered form (or such lesser number as may have been inserted in Box 1 of the Blue Form of Acceptance provided that if no number is inserted in Box 1, or a number is inserted in Box 1 which exceeds such Hansen Shareholder’s holding of Hansen Shares in registered form, the acceptance will be deemed to have been made in respect of the Hansen Shareholder’s entire holding of Hansen Shares in registered form); and
 - (ii) an undertaking to execute any further documents, take any further action and given any further assurances which may be required to enable ZF to obtain the full benefit of the terms of this Appendix I and/or to perfect any of the authorities expressed to be given hereunder or otherwise in connection with such Hansen Shareholder’s acceptance of the Offer,

in each case on and subject to the terms and conditions set out or referred to in this Offer Document and the Blue Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix I, each such acceptance and election shall be irrevocable;

- (b) that the Hansen Shares in registered form in respect of which the Offer is accepted or deemed to be accepted are sold free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching thereto on or after the date hereof, including, without limitation, voting rights and the right to receive and retain all dividends or other distributions declared, made or paid after the date of the Announcement;
- (c) that, unless “NO” is inserted in Box 4 of the Blue Form of Acceptance:
 - (i) the Blue Form of Acceptance and any related offering documents have not been mailed or otherwise distributed or sent (directly or indirectly) in, into or from a Restricted Territory or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
 - (ii) in connection with the Offer, there has been no use, directly or indirectly, of the mails of, or any means or instrumentality (including, without limitation, electronic mail, or any electronic publication or advertisement, facsimile transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national securities exchange of, a Restricted Territory or such other jurisdiction;
 - (iii) such Hansen Shareholder was outside a Restricted Territory when the Blue Form of Acceptance was sent and at the time of accepting the Offer in respect of the Hansen Shares to which such Form of Acceptance relates; and

- (iv) in respect of the Hansen Shares to which the Blue Form of Acceptance relates, such Hansen Shareholder is not, and is not accepting the Offer through, an agent or fiduciary acting on a non-discretionary basis for a principal, unless such principal is a corporation or partnership and such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Offer from outside a Restricted Territory;
- (d) that, in relation to Hansen Shares in registered form, the execution of the Blue Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms, the irrevocable separate appointment of each of ZF, RBS and their respective directors, authorised representatives and agents as such Hansen Shareholder's attorney and/or agent (the "attorney"), and an irrevocable instruction to the attorney (in accordance with section 4 of the Powers of Attorney Act 1971) to complete and execute all or any form(s) of transfer and/or other document(s) at the discretion of the attorney in relation to the Hansen Shares referred to in paragraph (a)(i) above, in respect of which the accepting Hansen Shareholder has not validly withdrawn the acceptance, in favour of ZF or such other person or persons as ZF or its agents may direct and to deliver such form(s) of transfer and/or other document(s) at the discretion of the attorney together with any share certificate(s) and/or other document(s) of title (if relevant) relating to such Hansen Shares for registration within six months of the Offer becoming unconditional in all respects and to do all such other acts and things as may in the opinion of the attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer and to vest in ZF or its nominee(s) the Hansen Shares as aforesaid;
- (e) that in relation to Hansen Shares in registered form the execution of the Blue Form of Acceptance and delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Hansen Shareholder not having validly withdrawn the acceptance, a separate and irrevocable authority and request:
 - (i) to Hansen or its agents to procure the registration of the transfer of the Hansen Shares referred to in paragraph (a)(i) above in registered form pursuant to the Offer and the delivery of any share certificate(s) and/or any document(s) of title (if relevant) in respect thereof to ZF or as it may direct; and
 - (ii) to ZF, RBS or their respective agents, (subject to the provisions of paragraph 6 of Part B of this Appendix I) to procure (i) in respect of non-Belgian Registered Holders, the dispatch by post (or such other method as may be approved by the Panel) of a cheque in respect of any cash consideration to which such Hansen Shareholder is entitled, at the risk of such Hansen Shareholder, to the person or agent whose name and address outside a Restricted Territory is set out in Box 5 of the Blue Form of Acceptance or, if none is set out, to the first-named or sole holder at his registered address outside a Restricted Territory; and (ii) in respect of Belgian Registered Holders, the electronic payment by RBS Belgium in respect of any cash consideration to which such Hansen Shareholder is entitled, at the risk of such Hansen Shareholder, to the account as detailed in Box 6 of the Blue Form of Acceptance;
- (f) that in relation to Hansen Shares in registered form the execution of the Blue Form of Acceptance and its delivery to the Receiving Agent constitutes a separate authority to each of ZF, RBS and their respective directors in the terms of paragraph 5 of Part B of this Appendix I;
- (g) that, subject to the Offer becoming unconditional in all respects in accordance with its terms (or, in the case of voting by proxy, if the Offer will become unconditional in all respects or lapse depending upon the outcome of the resolution in question or in such other circumstances as ZF may request and the Panel may permit), in respect of the Hansen Shares in registered form in respect of which the Offer has been accepted, or is deemed to be accepted, which acceptance has not been validly withdrawn, and which have not been registered in the name of ZF or as it may direct:
 - (i) ZF or its agents shall be entitled to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting or separate class meeting of Hansen) attaching to any such Hansen Shares;

- (ii) the execution of a Blue Form of Acceptance by a Hansen Shareholder shall constitute with regard to such Hansen Shares:
 - (A) an authority to Hansen or its agents from such Hansen Shareholders to send any notice, circular, warrant or other document or communication which may be required to be sent to him as a member of Hansen to ZF at its registered office;
 - (B) an authority to ZF or its agents to sign any consent to short notice of a general meeting or separate class meeting on his behalf and/or to execute a form of proxy in respect of such Hansen Shares appointing any person nominated by ZF to attend general meetings and separate class meetings of Hansen or its members or any of them (and any adjournment thereof) and to exercise the votes attaching to such Hansen Shares on his behalf, such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and
 - (C) the agreement of such Hansen Shareholder not to exercise any of such rights without the consent of ZF and the irrevocable undertaking of such Hansen Shareholder not to appoint a proxy for or to attend any such general meeting or separate class meeting;
- (h) that he will deliver to the Receiving Agent, at the appropriate address set out in paragraph 12 of the letter from ZF contained in this Offer Document, any share certificate(s) and/or other document(s) of title in respect of the Hansen Shares in registered form referred to in paragraph (a)(i) of this Part D (if relevant) and in relation to which acceptance has not been validly withdrawn, as soon as possible and, in any event, within six months of the Offer becoming unconditional in all respects;
- (i) that he will do all such acts and things as shall, in the opinion of ZF or the Receiving Agent be necessary or expedient to vest in ZF or its nominee(s) or such other person as ZF may decide title to the number of Hansen Shares in registered form inserted or deemed to be inserted in Box 1 of the Blue Form of Acceptance;
- (j) that the terms and conditions of the Offer contained in this Offer Document shall be incorporated in and form part of the Blue Form of Acceptance, which shall be read and construed accordingly;
- (k) that he agrees to ratify each and every act or thing which may be done or effected by ZF or RBS or any of their respective directors or agents or Hansen or its agents, as the case may be, in the proper exercise of any of the powers and/or authorities hereunder;
- (l) that on execution and delivery, any Blue Form of Acceptance shall take effect as a deed;
- (m) that if any provision of Part B or Part D of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford ZF or RBS or the Receiving Agent or any authorised representative of any of them or their respective agents the benefit or authority expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents as may be required to enable those persons to secure the full benefits of Part B or Part D of this Appendix I; and
- (n) that he submits, in relation to all matters arising out of the Offer and the Blue Form of Acceptance, to the jurisdiction of the English courts.

References in this Part D to a Hansen Shareholder shall include references to the person or persons executing a Blue Form of Acceptance and in the event of more than one person executing a Blue Form of Acceptance the provisions of this Part D shall apply to them jointly and to each of them.

PART E

FORM OF ACCEPTANCE FOR WARRANTS

Registered Holders or Warrant Holders in Belgium returning Forms of Acceptance or other documents to the Receiving Agent may, alternatively, at the option of the Registered Holder or Warrant Holder, choose to return any such Forms of Acceptance or other documents to RBS Belgium and any references to “Receiving Agent” in this Part E shall be construed so as to include a reference to RBS Belgium, but only in connection with providing such alternative method of returning any Forms of Acceptance or other documents.

Each Warrant Holder by whom, or on whose behalf, a Pink Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with ZF and RBS and the Receiving Agent (so as to bind him, his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the Pink Form of Acceptance, whether or not any other boxes are completed shall constitute:
 - (i) an acceptance, subject to paragraph 6 of Part B of this Appendix I to the Offer in respect of the relevant Warrant Holder’s entire holding of Warrants (or such lesser number as may have been inserted in Box 1 of the Pink Form of Acceptance provided that if no number is inserted in Box 1, or a number is inserted in Box 1 which exceeds such Warrant Holder’s holding of Warrants, the acceptance will be deemed to have been made in respect of the Warrant Holder’s entire holding of Warrants); and
 - (ii) an undertaking to execute any further documents, take any further action and given any further assurances which may be required to enable ZF to obtain the full benefit of the terms of this Appendix I and/or to perfect any of the authorities expressed to be given hereunder or otherwise in connection with such Warrant Holder’s acceptance of the Offer,

in each case on and subject to the terms and conditions set out or referred to in this Offer Document and the Pink Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix I, each such acceptance and election shall be irrevocable;

- (b) that the Warrants in respect of which the Offer is accepted or deemed to be accepted are sold free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching thereto on or after the date hereof, including, without limitation, voting rights and the right to receive and retain all dividends or other distributions declared, made or paid after the date of the Announcement;
- (c) that, unless “NO” is inserted in Box 4 of the Pink Form of Acceptance:
 - (i) the Pink Form of Acceptance and any related offering documents have not been mailed or otherwise distributed or sent (directly or indirectly) in, into or from a Restricted Territory or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
 - (ii) in connection with the Offer, there has been no use, directly or indirectly, of the mails of, or any means or instrumentality (including, without limitation, electronic mail, or any electronic publication or advertisement, facsimile transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national securities exchange of, a Restricted Territory or such other jurisdiction;
 - (iii) such Warrant Holder was outside a Restricted Territory when the Pink Form of Acceptance was sent and at the time of accepting the Offer in respect of the Warrants to which such Form of Acceptance relates;

- (iv) in respect of the Warrants to which the Pink Form of Acceptance relates, such Warrant Holder is not, and is not accepting the Offer through, an agent or fiduciary acting on a non-discretionary basis for a principal, unless such principal is a corporation or partnership and such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Offer from outside a Restricted Territory;
- (d) that, in relation to Warrants, the execution of the Pink Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms, the irrevocable separate appointment of each of ZF, RBS and their respective directors, authorised representatives and agents as such Warrant Holder's attorney and/or agent (the "attorney"), and an irrevocable instruction to the attorney (in accordance with section 4 of the Powers of Attorney Act 1971) to complete and execute all or any form(s) of transfer and/or other document(s) at the discretion of the attorney in relation to the Warrants referred to in paragraph (a)(i) above, in respect of which the accepting Warrant Holder has not validly withdrawn the acceptance, in favour of ZF or such other person or persons as ZF or its agents may direct and to deliver such form(s) of transfer and/or other document(s) at the discretion of the attorney together with any share certificate(s) and/or other document(s) of title (if relevant) relating to such Warrants for registration within six months of the Offer becoming unconditional in all respects and to do all such other acts and things as may in the opinion of the attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer and to vest in ZF or its nominee(s) the Warrants as aforesaid;
- (e) that in relation to Warrants the execution of the Pink Form of Acceptance and delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Warrant Holder not having validly withdrawn the acceptance, a separate and irrevocable authority and request:
 - (i) to Hansen or its agents to procure the registration of the transfer of the Warrants referred to in paragraph (a)(i) above in registered form pursuant to the Offer and the delivery of any document(s) of title (if relevant) in respect thereof to ZF or as it may direct; and
 - (ii) to ZF, RBS or their respective agents, (subject to the provisions of paragraph 6 of Part B of this Appendix I) to procure (i) in respect of non-Belgian Registered Holders, the dispatch by post (or such other method as may be approved by the Panel) of a cheque in respect of any cash consideration to which such Warrant Holder is entitled, at the risk of such Warrant Holder, to the person or agent whose name and address outside a Restricted Territory is set out in Box 5 of the Pink Form of Acceptance or, if none is set out, to the first-named or sole holder at his registered address outside a Restricted Territory; and (ii) in respect of Belgian Registered Holders, the electronic payment by RBS Belgium in respect of any cash consideration to which such Warrant Holder is entitled, at the risk of such Warrant Holder, to the account as detailed in Part B of the Pink Form of Acceptance;
- (f) that in relation to Warrants the execution of the Pink Form of Acceptance and its delivery to the Receiving Agent constitutes a separate authority to each of ZF, RBS and their respective directors in the terms of paragraph 5 of Part B of this Appendix I;
- (g) that he will deliver to the Receiving Agent, at the appropriate address set out in paragraph 12 of the letter from ZF contained in this Offer Document, any document(s) of title in respect of the Warrants referred to in paragraph (a)(i) of this Part E (if relevant) and in relation to which acceptance has not been validly withdrawn, as soon as possible and, in any event, within six months of the Offer becoming unconditional in all respects;
- (h) that he will do all such acts and things as shall, in the opinion of ZF or the Receiving Agent be necessary or expedient to vest in ZF or its nominee(s) or such other person as ZF may decide title to the number of Warrants inserted or deemed to be inserted in Box 1 of the Pink Form of Acceptance;
- (i) that the terms and conditions of the Offer contained in this Offer Document shall be incorporated in and form part of the Pink Form of Acceptance, which shall be read and construed accordingly;

- (j) that he agrees to ratify each and every act or thing which may be done or effected by ZF or RBS or any of their respective directors or agents or Hansen or its agents, as the case may be, in the proper exercise of any of the powers and/or authorities hereunder;
- (k) that on execution and delivery, any Pink Form of Acceptance shall take effect as a deed;
- (l) that if any provision of Part B or Part E of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford ZF or RBS or the Receiving Agent or any authorised representative of any of them or their respective agents the benefit or authority expressed to be given therein, he shall with all practicable speed do all such acts and things and execute all such documents as may be required to enable those persons to secure the full benefits of Part B or Part E of this Appendix I; and
- (m) that he submits, in relation to all matters arising out of the Offer and the Pink Form of Acceptance, to the jurisdiction of the English courts.

References in this Part E to a Warrant Holder shall include references to the person or persons executing a Pink Form of Acceptance and in the event of more than one person executing a Pink Form of Acceptance the provisions of this Part E shall apply to them jointly and to each of them.

APPENDIX II

FINANCIAL INFORMATION ON THE ZF GROUP

The following table sets out financial information in respect of the ZF Group as required by Rule 24.2(c) of the Code. References in the first column are to Rule 24.2(a), as required to be set out in accordance with Rule 24.2(c). The documents referred to in the table are incorporated into this Offer Document by reference.

<i>Code Reference</i>	<i>Financial Information</i>	<i>Reference</i>
24.2(a)(i)	For the last three financial years for which the information has been published, turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share	<p>Financial year ended 31 December 2010: http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>The consolidated income statement on page 70 of the report provides the information for the financial year ended 31 December 2010.</p> <p>Financial year ended 31 December 2009: http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2009”</i></p> <p>The consolidated income statement on page 68 of the report provides the information for the financial year ended 31 December 2009.</p> <p>Financial year ended 31 December 2008: http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2008”</i></p> <p>The consolidated income statement on page 71 of the report provides the information for the financial year ended 31 December 2008.</p>
24.2(a)(ii)	A statement of the assets and liabilities shown in the last published audited accounts	<p>http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>The consolidated balance sheet appears on page 72 of the report and provides this information.</p>
24.2(a)(iii)	A cash flow statement provided in the last published accounts	<p>http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>The consolidated cash flow statement on page 74 of the report provides this information.</p>

<i>Code Reference</i>	<i>Financial Information</i>	<i>Reference</i>
24.2(a)(vii)	Significant accounting policies	<p>http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>Pages 87 to 89 of the report provide details of the accounting policies applied to the financial statements for the year ended 31 December 2010.</p>
24.2(a)(ix)	The names of ZF directors	<p>http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>Pages 4 and 5 of the report give the names and positions of ZF Directors.</p>
24.2(a)(x)	The nature of ZF’s business and its financial and trading prospects	<p>http://www.zf.com/hansen-offer</p> <p><i>Click on the pdf icon titled “Audited consolidated accounts of ZF for financial year ended 31 December 2010”</i></p> <p>Pages 52 to 68 outline the nature of ZF’s business.</p> <p>Pages 10 to 47 outline ZF’s financial and trading prospects.</p>

Please note that the annual reports and accounts referred to above for the ZF Group for 3 years ended 31 December 2010 can be accessed free of charge from the ZF website:

<http://www.zf.com/hansen-offer>

Save as disclosed above, neither the content of ZF’s website, nor the content accessible from hyperlinks on ZF’s website, is incorporated into, or forms part of, this Offer Document.

Please see paragraph 14 of Appendix IV for further details of obtaining copies of documents incorporated by reference in this Offer Document.

APPENDIX III

FINANCIAL INFORMATION ON THE HANSEN GROUP

The following table sets out financial information in respect of the Hansen Group. The documents referred to in the table are incorporated into this Offer Document by reference.

<i>Information</i>	<i>Source of information</i>
1. For the last three financial years for which the information has been published, turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share	Hansen annual report and accounts 2011, consolidated income statement on page 80, consolidated statement of cash flows on page 83 and the Notes to the accounts. Hansen annual report and accounts 2010, consolidated income statement on page 70, consolidated statement of cash flows on page 73 and the Notes to the accounts. Hansen annual report and accounts 2009, consolidated income statement on page 76, consolidated statement of cash flows on page 79 and the Notes to the accounts.
2. A statement of the assets and liabilities shown in the last published audited accounts	Hansen annual report and accounts 2011, consolidated balance sheet on page 81.
3. A cash flow statement provided in the last published accounts	Hansen annual report and accounts 2011, consolidated statement of cash flows on page 83.
4. Significant accounting policies	Hansen annual report and accounts 2011, Notes to the consolidated financial statements. Hansen annual report and accounts 2010, Notes to the consolidated financial statements. Hansen annual report and accounts 2009, Notes to the consolidated financial statements.
5. Details in respect of any interim statement or preliminary announcement made since the last published accounts	Interim Management Statement for the Hansen Group for the three months ended 30 June 2011.

Please note that the annual reports and accounts referred to above for the Hansen Group for the three years ended 31 March 2009, 31 March 2010 and 31 March 2011 can be accessed free of charge from the Hansen website: www.hansentransmissions.com under the "Investor Relations" tab, by clicking on "Annual Reports" under the section headed "Reports". The Interim Management Statement for the three months ended 30 June 2011 can also be accessed free of charge from the Hansen website, under the "Investor Relations" tab, by clicking on "Results Announcements" under "Announcements and Presentations".

Save as disclosed above, neither the content of Hansen's website, nor the content accessible from hyperlinks on Hansen's website, is incorporated into, or forms part of, this Offer Document.

Please see paragraph 14 of Appendix IV for further details of obtaining copies of documents incorporated by reference in this Offer Document.

APPENDIX IV

ADDITIONAL INFORMATION

1. Responsibility

- (a) The members of the management board (Vorstand) of ZF and the sole director of ZF Bidco, whose names are set out in paragraphs 2(a) and (b) below, each accept responsibility for the information contained in this Offer Document, except for information for which responsibility is taken by the Hansen Directors. To the best of the knowledge and belief of the ZF Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Offer Document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Hansen Directors, whose names are set out in paragraph 2(c) below, each accept responsibility for the information contained in this Offer Document relating to the Hansen Group and the Hansen Directors and members of their immediate families, related trusts and parties acting in concert with Hansen for the purposes of the Code. To the best of the knowledge and belief of the Hansen Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Offer Document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors and Registered Offices

- (a) ZF is an Aktiengesellschaft (public limited company) incorporated under the law of Germany. The principal and registered office of ZF is at: ZF Friedrichshafen AG, 88038 Friedrichshafen, Germany.

The members of the management board of ZF are:

Hans-Georg Härter	Chief Executive Officer, ZF Group
Reinhard Buhl	Member of the Board of Management, ZF Group
Jürgen Holeksa	Member of the Board of Management, ZF Group
Rolf Lutz	Member of the Board of Management, ZF Group
Dr. Peter Ottenbruch	Member of the Board of Management, ZF Group
Dr. Michael Paul	Member of the Board of Management, ZF Group
Dr. Konstantin Sauer	Member of the Board of Management, ZF Group
Dr. Stefan Sommer	Member of the Board of Management, ZF Group
Dr. Gerhard Wagner	Member of the Board of Management, ZF Group

- (b) ZF International BV is a company incorporated under the law of The Netherlands. The principal and registered office of ZF Bidco is at Distributieweg 7, 2645 EG Delfgauw, P.O. Box 557, 2600AN Delft, The Netherlands.

The sole director of ZF International BV is Dr. Sander Peeters.

- (c) Hansen Transmissions International NV is a company incorporated under the laws of Belgium. The principal and registered office of Hansen is at De Villermontstraat 9, B-2550 Kontich, Belgium.

The Hansen Directors are:

Tulsi R. Tanti	Chairman of the board of directors of Hansen
Alex De Ryck	Permanent representative of ADR Consulting BVBA Chief Executive Officer
Ruinemans BVBA, represented by its permanent representative Jan Willem Ruinemans	Chief Financial Officer
Janice Margaret Brown	Independent non-Executive Director and Senior Independent Director
Bjerrres Bureau Aps, represented by its permanent representative Torben Bjerre-Madsen	Independent non-Executive Director Vice Chairman of the board of directors of Hansen
Marc Desaedeleer	Independent non-Executive Director
Dr.-Ing. Winfried Walzer GmbH, represented by its permanent representative Dr. Winfried Walzer	Independent non-Executive Director
Martin Nègre	Second (non-Executive) Nominee Director

3. Stock Exchange Quotations

The following table sets out the closing middle market quotations for a Hansen Share as derived from the London Stock Exchange Daily Official List, for the first dealing day in each of the six months immediately prior to the date of this Offer Document, for 22 July 2011 (being the last dealing day prior to the commencement of the offer period) and for 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document):

<i>Date</i>	<i>Hansen Share price (p)</i>
17 August 2011	61.75
1 August 2011	64.75
22 July 2011	33.75
1 July 2011	37.25
1 June 2011	43.75
3 May 2011	49.50
1 April 2011	49.50
1 March 2011	42.59

4. Interests and dealings in shares and persons acting in concert

(a) *Definitions and references*

For the purposes of this Appendix IV:

- (i) “acting in concert” with ZF (or Hansen) means any such person acting or deemed to be acting in concert with ZF (or Hansen as the case may be) for the purposes of the Code;
- (ii) “arrangement” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing, details of which are set out in paragraph 4(e) below; and
- (iii) “dealing” or “dealt” includes the following:
 - (A) the acquisition or disposal of securities;

- (B) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - (C) subscribing or agreeing to subscribe for securities;
 - (D) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (E) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (F) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (G) any other action resulting, or which may result, in an increase or decrease in a number of securities in which a person is interested or in respect of which he has a short position;
- (iv) “derivative” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (v) “disclosure period” means the period commencing on 26 July 2010 (being the date twelve months prior to the commencement of the offer period) and ending on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document);
- (vi) “interested” in securities includes if a person:
- (A) owns them;
 - (B) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - (C) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire them or call for their delivery; or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
 - (D) is party to any derivative whose value is determined by reference to their price; and which results, or may result, in his having a long position in them; and
 - (E) has long economic exposure, whether absolute or conditional, to changes in the price of those securities (but a person who only has a short position in securities is not treated as interested in those securities);
- (vii) “relevant securities” includes:
- (A) Hansen Shares and any other securities of Hansen conferring voting rights;
 - (B) equity share capital of Hansen or, as the case may be, ZF; and
 - (C) any securities convertible into, or rights to subscribe for the securities of Hansen or, as the case may be, ZF described in paragraphs (A) and (B) above; and
- (viii) ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status and “control” means an interest or interests in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give *de facto* control.

(b) ***Interests and dealings in Hansen Shares***

- (i) At the close of business on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), the Hansen Directors, their close relatives and related trusts of Hansen were interested, directly or indirectly, in the following Hansen Shares:

<i>Directors</i>	<i>Number of Hansen Shares</i>
Bjerres Bureau Aps (represented by its permanent representative Torben Bjerre-Madsen)	13,500
Alex de Ryck	476,875
Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)	120,000

- (ii) At the close of business on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), the Hansen Directors, their close relatives and related trusts held the following Warrants:

<i>Directors</i>	<i>Number of Warrants</i>
Alex de Ryck	1,270,000
Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)	400,000

- (iii) At the close of business on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), the following members of the Hansen Executive Committee held more than one per cent. of the Warrants:

<i>Member of the Executive Committee</i>	<i>Number of Warrants</i>
Advieskantoor B. Moerman BVBA (represented by its permanent representative Bernard Moerman)	750,000
Bernard Moerman	250,000
Lammens & Ladang BVBA (represented by its permanent representative Dr. Stefan Lammens)	810,000
NAG BVBA (represented by its permanent representative Mohan Nagamangala Srinivasan)	250,000
Dr. Stefan Lammens	200,000
Mohan Nagamangala Srinivasan	120,000

- (iv) At the close of business on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), the following options over relevant securities of Hansen had been granted to the Hansen Directors, their close relatives and related trusts under the Hansen Warrant Plans:

<i>Director</i>	<i>Number of Hansen Shares under option</i>
Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)	550,000

- (v) At the close of business on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), the following persons acting in concert with Hansen were interested in the following relevant securities of Hansen:

<i>Party</i>	<i>Number of Hansen Shares</i>
AE-Rotor Holding BV	174,632,079

- (vi) The following dealings in relevant securities of Hansen (including the exercise of warrants and options under the Hansen Warrant Plans) by the Hansen Directors, their close relatives and related trusts have taken place between 25 July 2011 and 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document):

<i>Date</i>	<i>Party</i>	<i>Transaction</i>	<i>Price per unit</i>
25 July 2011	ADR Consulting BVBA (represented by its permanent representative Alex de Ryck)	ADR Consulting BVBA accepted 360,000 Warrants issued by Hansen pursuant to the Hansen Warrant Plans	£0.4141
26 July 2011	Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)	Ruinemans BVBA accepted 400,000 Warrants issued by Hansen pursuant to the Hansen Warrant Plans	£0.4141

- (vii) Save as disclosed in this paragraph 4(b), no Hansen Director, nor their close relatives or related trusts is interested in or had a right to subscribe for any relevant securities of Hansen nor has any such person dealt therein in the period commencing on 25 July 2011 (the commencement of the offer period) and 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document).
- (viii) Save as disclosed in this paragraph 4(b) no persons acting in concert with Hansen and no person with whom Hansen or a person acting in concert with Hansen has an arrangement is interested in or has a right to subscribe for any relevant securities of Hansen nor has any such person dealt therein in the period commencing on 25 July 2011 (the commencement of the offer period) and 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document), nor is Hansen or any person acting in concert with Hansen a party to any dealing arrangement for the purposes of Note 11 to the Code's definition of "acting in concert" in respect of relevant securities of Hansen or ZF, which may be an inducement to deal or refrain from dealing in relevant securities of Hansen or ZF.
- (ix) None of ZF, any director of ZF or their close relatives or related trusts, and none of ZF Bidco, any director of ZF Bidco or their close relatives or related trusts, or any person acting in concert with ZF or ZF Bidco, was interested in or had a right to subscribe for any relevant securities of Hansen on 17 August 2011 (being the latest practicable date prior to the publication of this Offer Document) nor has any such person dealt for value in relevant securities of Hansen during the disclosure period.
- (x) None of ZF or any person acting in concert with ZF, or ZF Bidco or any person acting in concert with ZF Bidco, or Hansen or any person acting in concert with the Hansen Directors has borrowed or lent any relevant securities of Hansen.
- (xi) In the disclosure period, Hansen has not redeemed or purchased any relevant securities.

(c) ***Interests and dealings in ZF shares***

None of Hansen, or any Hansen Director, or their close relatives and related trusts is interested in or has any right to subscribe for any relevant securities of ZF nor has any such person dealt in relevant securities of ZF during the period commencing on 25 July 2011 (date of commencement of offer period) and ending on 17 August 2011 (being the latest practicable date prior to publication of this Offer Document).

(d) **Irrevocable undertakings**

(i) *Irrevocable undertakings from Hansen Shareholders:*

Irrevocable undertakings to accept or to procure acceptance of the Offer have been received by ZF from the following persons in respect of the following holdings of Hansen Shares:

<i>Name</i>	<i>Number of Hansen Shares</i>
AE-Rotor Holding BV	174,632,079
Ecofin Water & Power Opportunities plc	52,235,126
Ecofin Special Situations Utilities Master Fund Limited	30,357,394

The irrevocable undertaking received from AE-Rotor Holding BV remains binding in the event of a competing higher offer for Hansen save where such offer is at a level at least 12.5 per cent. in excess of the Offer or where the Offer otherwise lapses or is withdrawn.

The irrevocable undertakings received from Ecofin Water & Power Opportunities plc and Ecofin Special Situations Utilities Master Fund Limited remain binding in the event of a competing higher offer for Hansen save where such offer is at a level at least 10 per cent. in excess of the Offer or where the Offer otherwise lapses or is withdrawn.

The irrevocable undertakings will apply to any further Hansen Shares acquired after the date of the Announcement, including through the exercise of any rights.

(ii) *Irrevocable undertakings from Hansen Directors:*

Irrevocable undertakings to accept or to procure acceptance of the Offer have been received by ZF from the following Hansen Directors who hold Hansen Shares in respect of all their holdings of Hansen Shares:

<i>Name</i>	<i>Number of Hansen Shares</i>
Bjerrers Bureau Aps (represented by its permanent representative Torben Bjerre-Madsen)	13,500
Alex de Ryck	476,875
Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)	120,000

These undertakings remain binding, even in the event of a higher competing offer for Hansen, unless the Offer otherwise lapses or is withdrawn. The undertakings apply to any further Hansen Shares acquired following the date of Announcement, including through the exercise of any rights under the Hansen Warrant Plans.

(e) **General**

Save for the irrevocable undertakings referred to in paragraph 4(d) above, none of ZF, ZF Bidco, or any person acting in concert with ZF or ZF Bidco, has any arrangement relating to relevant securities of Hansen. No such person is a party to any dealing arrangement for the purposes of Note 11 to the Code's definition of "acting in concert" in respect of relevant securities of Hansen or ZF, which may be an inducement to deal or refrain from dealing in relevant securities of Hansen or ZF.

(f) **Persons acting in concert**

(i) The following persons are acting in concert (as defined in paragraph 4(a)(i)) with ZF Bidco:

- ZF Friedrichshafen AG, (ZF Bidco's parent company) an Aktiengesellschaft (public limited company) with its registered office at 88038 Friedrichshafen, Germany;
- RBS Corporate Finance Limited, (acting as ZF Bidco's financial adviser), a private limited company authorised and regulated in the United Kingdom by the Financial Services Authority, having its registered office at 250 Bishopsgate London EC2M 4AA; and
- RBS Hoare Govett Limited, (acting as ZF Bidco's corporate broker), a private limited company authorised and regulated in the United Kingdom by the Financial Services Authority, having its registered office at 250 Bishopsgate London EC2M 4AA.

- (ii) In addition to the Hansen Directors set out in 2(c) above (together with their close relatives and trusts) the following persons are acting in concert (as defined in paragraph 4(a)(i)) with Hansen:
- Merrill Lynch International (acting as Hansen’s financial adviser and corporate broker), a company registered in England and Wales under company number 2312079 and having its registered office at 2 King Edward Street, London EC1A 1HQ;
 - Goldman Sachs International (acting as Hansen’s corporate broker), a company registered in England and Wales under company number 2263951, having its registered office at 133 Fleet Street, London EC4A 2BB; and
 - AE-Rotor Holding BV (as an associated company of Hansen for the purposes of the definition of “acting in concert” in the Code), a limited liability company with its registered office at Goudstraat 15, 7554 NG Hengelo (Overijssel), The Netherlands.

5. Material Contracts

(a) ZF Material Contracts

The following contracts have been entered into by ZF or its subsidiaries (excluding ZF Bidco, which is dealt with at paragraph 5(b) below) otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) which are or may be material:

(i) *Implementation Agreement*

Please see paragraph 6 below for further details.

(ii) *Merger Agreement ZF/ZF Getriebe GmbH*

ZF was the sole shareholder of ZF Getriebe GmbH (based in Saarbruecken, registration number B 5280, District Court of Saarbruecken).

On 28 June 2011, ZF and ZF Getriebe GmbH signed a merger agreement under which ZF Getriebe GmbH’s assets were transferred to ZF (the latter being the surviving entity):

- The asset transfer was an intra group transfer with effect from the end of the 31 December 2010 based on ZF Getriebe GmbH’s closing balance sheet from on that date.
- The transaction was valued at €923 million.
- The merger had no consequences on ZF’s employment contracts nor employees’ representative bodies. The ZF succeeded to the rights and duties under ZF Getriebe GmbH’s employment relationships existing at the time of the transfer.

(iii) *Merger Agreements ZF/ZF Lemfoerder GmbH/ZF Lemfoerder Schaltungssysteme GmbH*

ZF was the sole shareholder of its subsidiary ZF Lemfoerder GmbH (based in Lemfoerde, registration number B 200378, District Court of Walsrode). The latter was in turn sole shareholder of ZF Lemfoerder Schaltungssysteme GmbH (based in Lemfoerde, registration number B 100118, District Court of Walsrode).

On 28 June 2011, ZF and ZF Lemfoerder GmbH signed a merger agreement under which ZF Lemfoerder GmbH’s assets were transferred to ZF, the latter of which was the surviving entity. With completion of the merger, ZF became sole shareholder of ZF Lemfoerder Schaltungssysteme GmbH.

On the same day, ZF and ZF Lemfoerder Schaltungssysteme GmbH signed a merger agreement subject to completion of the merger described above under which ZF Lemfoerder Schaltungssysteme GmbH’s assets were transferred to ZF, the latter of which was the surviving entity.

The same provisions applied in relation to both mergers:

- The asset transfer was an intra group transfer with effect from the end of the 31 December 2010 based on ZF Lemfoerder GmbH's and ZF Lemfoerder Schaltungssysteme GmbH's closing balance sheets from on that date.
- The transactions were valued at €989 million.
- The merger had no consequences on ZF's employment contracts nor employees' representative bodies. ZF succeeded to the rights and duties under ZF Lemfoerder GmbH's and ZF Lemfoerder Schaltungssysteme GmbH's employment relationships existing at the time of the transfer.

(iv) *Merger Agreements ZF/ZF Passau GmbH/ZF Achsgetriebe Gesellschaft mit beschränkter Haftung*

ZF was the sole shareholder of its subsidiary ZF Passau GmbH (based in Passau, registration number B 4017, District Court of Passau). The latter was in turn sole shareholder of ZF Achsgetriebe Gesellschaft mit beschränkter Haftung (based in Thyrnau, registration number B 5811, District Court of Passau).

On 28 June 2011, ZF and ZF Passau GmbH signed a merger agreement under which ZF Passau GmbH's assets were transferred to ZF, (ZF being the surviving entity). With completion of the merger, ZF became the sole shareholder of ZF Achsbetriebe Gesellschaft mit beschränkter Haftung.

On the same day, ZF and ZF Achsgetriebe Gesellschaft mit beschränkter Haftung signed a merger agreement subject to completion of the merger described above under which ZF Achsgetriebe Gesellschaft mit beschränkter Haftung's assets were transferred to ZF (ZF being the surviving entity).

The same provisions applied in respect of both mergers:

- The asset transfer was an intra group transfer with effect from the end of the 31 December 2010 based on ZF Passau GmbH's and ZF Achsgetriebe Gesellschaft mit beschränkter Haftung's closing balance sheets from on that date.
- The transactions were valued at a combined valuation of €848 million.
- The merger had no consequences on ZF's employment contracts nor employees' representative bodies. The ZF succeeded to the rights and duties under ZF Passau GmbH's and ZF Achsgetriebe Gesellschaft mit beschränkter Haftung's employment relationships existing at the time of the transfer.

(v) *Merger Agreement ZF/ZF Sachs AG/August Rabeneick Gesellschaft mit beschränkter Haftung*

ZF was sole shareholder of its subsidiary ZF Sachs AG (based in Schweinfurt, registration number B 4, District Court of Schweinfurt). The latter was in turn sole shareholder of August Rabeneick Gesellschaft mit beschränkter Haftung (based in Bielefeld, registration number B 7395, District Court of Bielefeld).

ZF Services GmbH was based in Schweinfurt (registration number B 2532, District Council of Schweinfurt) and had a share capital of €8.571 million, with the ZF holding €2.57 million and the ZF Sachs AG holding €6 million.

On 28 June 2011, ZF and ZF Sachs GmbH signed a merger agreement under which ZF Sachs GmbH's assets were transferred to ZF, (ZF being the surviving entity). With completion of the merger, ZF became sole shareholder of August Rabeneick Gesellschaft mit beschränkter Haftung and ZF Services GmbH.

On the same day, ZF, ZF Services GmbH and August Rabeneick Gesellschaft mit beschraenkter Haftung signed a merger agreement subject to completion of the merger described above under which ZF Services GmbH's and August Rabeneick Gesellschaft mit beschraenkter Haftung's assets were transferred to ZF (ZF being the surviving entity).

The same provisions apply for all three mergers unless otherwise specified:

- The asset transfer were intra group transfers with effect from the end of the 31 December 2010 based on ZF Sachs GmbH's, ZF Services GmbH's and August Rabeneick Gesellschaft mit beschraenkter Haftung's closing balance sheets from on that date.
- The transactions were valued at a combined value of €1374 million.
- August Rabeneick Gesellschaft mit beschraenkter Haftung did not have any employees nor employee's representatives. The merger had no consequences on ZF's employment contracts nor employees' representative bodies. ZF succeeded to the rights and duties under ZF Sachs GmbH's and ZF Services GmbH's employment relationships existing at the time of the transfer.

Save as disclosed above no contracts have been entered into by ZF Bidco or its subsidiaries otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) which are or may be material.

(b) ***ZF Bidco Material Contracts***

The following contracts have been entered into by ZF Bidco or its subsidiaries otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) which are or may be material:

(i) *Implementation Agreement*

Details are as set out above in paragraph 6 below.

(ii) *Intra-group Sale and Purchase Agreement*

On April 1 2011, ZF Asia Pacific Pte.Ltd ("**ZF Asia Pacific**"), and HRP Nederland B.V. ("**HRP**"), both members of the ZF Group, entered into an intra-group sale and purchase agreement (the "**ZF Singapore Sale and Purchase Agreement**") pursuant to which HRP agreed to sell to ZF Asia Pacific the entire issued share capital of ZF Marine Singapore Pte. Ltd., a proprietary company limited by shares and registered in the State of Singapore ("**ZF Marine Singapore**").

Consideration

The total amount payable by ZF Asia Pacific on completion in accordance with the terms of the ZF Singapore Sale and Purchase Agreement was €10,151,000 (the "**Purchase Price**").

The Purchase Price was based on the financial statements of ZF Marine Singapore, which were prepared as of December 31 of 2010 and were stated in the ZD Singapore Sale and Purchase Agreement as considered by ZF Asia Pacific to be in accordance with local accounting principles.

Warranties

HRP has given commercial warranties to ZF Asia Pacific relating to HRP's completeness of interests in the shares of ZF Marine Singapore, the financial statements and the recognised assets of ZF Marine Singapore, the further proper management of ZF Marine Singapore and pending litigation in relation to ZF Marine Singapore.

If HRP breaches one of these warranties, HRP must pay to ZF Asia Pacific damages for that breach, and any costs reasonably incurred by ZF Asia Pacific in connection with enforcing its rights concerning that breach.

The liability of HRP under these warranties expires unless claims are brought under the warranties before the 3rd anniversary of the date of the ZF Singapore Sale and Purchase Agreement.

(iii) *Share Issue Deed – Share Contribution Deed*

On 31 December 2010, ZF Bidco and ZF entered into a share issuance deed and a share contribution deed which, pursuant to which ZF contributed 40 shares in HRP Nederland B.V. (“**HRP Nederland**”) into ZF Bidco, as consideration for which ZF Bidco issued ten new shares to ZF.

ZF and ZF Bidco have given each other corporate warranties of a type normally given in a transaction of this nature, including warranties on corporate existence, capacity, and title.

Save as disclosed above no contracts have been entered into by ZF Bidco or its subsidiaries otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) which are or may be material.

(c) *Hansen Material Contracts*

The Implementation Agreement (details of which are set out in paragraph 6 of this Appendix IV) and the following contracts have been entered into by Hansen or its subsidiaries otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) and are or may be material:

(i) *Sale and Purchase Agreement*

On 20 December 2010, Hansen and Sumitomo Heavy Industries, Ltd (“**Sumitomo HI**”) entered into a sale and purchase agreement (the “**Sale and Purchase Agreement**”) pursuant to which Hansen agreed to sell to Sumitomo HI the entire issued share capital of Hansen Industrial Transmissions NV (“**HIT**”). The Sale and Purchase Agreement is governed by the laws of Belgium.

Consideration

The net consideration payable by Sumitomo HI in cash on completion in accordance with the terms of the Sale and Purchase Agreement (“**Completion**”) was €91,163,748.

Warranties

Hansen has given commercial warranties to Sumitomo HI of a type normally given in a transaction of this nature. These include warranties relating to Hansen’s ability to sell the shares in HIT, the assets of HIT, accounting and financial matters, the contracts of HIT, insurance, intellectual property matters, litigation, the properties which HIT either owns or occupies, environmental matters, employees, pensions and benefits, taxation, product liability and competition matters. Hansen’s liability under the warranties is subject to certain thresholds and limitations.

Indemnities

Hansen has given specific indemnities in relation to, amongst others:

- the litigation commenced on 16 June 2009 by Ferromatrix NV (“**FMX**”) against Hansen and HIT;
- any employment litigation relating to the termination of employment, or any other measures to reduce employment of the employees employed as at 14 October 2010 by HIT at HIT’s plant in Edegem, Belgium; and
- certain tax liabilities.

Other provisions

Hansen has agreed to certain non-compete provisions relating to the business carried out by HIT as at 14 October 2010 in those territories in which that business is or was carried on as of that date for a period of three years after completion. Hansen has also agreed not to solicit

directors or senior employees of HIT for the same period. In addition, Hansen has licensed certain intellectual property to HIT and has agreed not to use such intellectual property to engage in the business of HIT for a contractually agreed term.

However, Hansen has specifically safeguarded its ability to continue its renewable energy business (defined as the design, production, distribution, commercialisation and conduct of servicing activities of, or for, gearboxes, drive train components and accessories for renewable energy applications, such as wind energy applications (including yaw and pitch drives), renewable energy extraction of ocean current, tidal currents, tidal barrages, wave and river hydrokinetic energy). In particular, under the licensing agreements referred to above, HIT are prohibited from using the Hansen name or the technology which is the subject of the licensing agreements to conduct renewable energy business (as defined above).

(ii) *Cooperation Agreement between Hansen and Romax Technology Limited*

On 9 September 2010, Hansen entered into an agreement with Romax Technology Limited (“**Romax**”). Hansen and Romax have agreed to work together to deliver to certain Chinese and South Korean wind turbine manufacturers a complete and technically advanced service for the design, development and supply of state-of-the-art gearboxes for multi-MW wind turbines. The companies’ offering will include the design, certification and field validation of their wind turbine drive trains as well as serial supply of the main components thereof through a one-stop service. The cooperation between Hansen and Romax aims to combine a shorter time to market, with high-end standards, plus serial testing and supply. The serial supply can be provided from Hansen’s existing production facilities in Asia, including its state-of-the-art assembly and test facility in Tianjin, China. The collaborative agreement is non-exclusive and allows both companies to continue to work independently subject to a restriction on either company from entering into any other collaborative agreement to provide similar combined services to customers who have their main place of business in either China or South Korea.

(iii) *Amendments to the €260,000,000 credit facility agreement dated 26 January 2007 (as amended and restated from time to time) and entered into between, amongst others, Hansen as Borrower and KBC Bank NV as Facility Agent and Security Agent and HIT as Guarantor (the “Facility Agreement”)*

Details of the Facility Agreement are set out in the Hansen’s prospectus dated 6 December 2007 in relation to its admission to the LSE’s Official List (at pages 194 to 196). Since 26 January 2007, the Facility Agreement has undergone a number of amendments (dated 3 February 2009, 7 October 2009 and 9 March 2009). A summary of the key provisions in the Facility Agreement which have been amended since 26 January 2007 are set out below:

Covenant levels

The current covenant levels in respect of the Facility Agreement are:

- (i) For the leverage ratio (Consolidated Net Senior Debt to Consolidated EBITDA):
 - (A) for the period up to and including 31 December 2010, a maximum covenant ratio of 3.25; and
 - (B) for the period up to and including 31 March 2011 and all periods expiring thereafter, a maximum covenant ratio of 3.00.

Hansen may exceed the ratio of the Consolidated Net Financial Debt to Consolidated EBITDA for not more than two measurement periods prior to (and including) 31 March 2012 (such periods may be consecutive), provided that the ratio of Consolidated Net Financial Debt to Consolidated EBITDA does not at any time exceed 4.00; and

- (ii) For the solvency ratio, the ratio of consolidated net worth (calculated as total assets minus total liabilities) to total consolidated assets must be higher than 40 per cent.

The Facility Agreement also contains certain customary representations and events of default, the occurrence of which will allow the lenders to accelerate all outstanding loans and terminate their commitments.

Security

As security for its obligations under the Facility Agreement, Hansen granted a mortgage over real estate properties in Edegem and Lommel, Belgium as well as a floating charge over its business assets located in Edegem and Lommel. The mortgage and the floating charge had each been granted in order to secure a principal amount of €10 million under the Facility Agreement. Hansen also granted a mandate to the lenders pursuant to which they were entitled to take further mortgages and floating charges over the same property and business assets in order to secure a principal amount of up to €240 million in aggregate.

In connection with the banks' approval in relation to the transfer of the industrial gearbox business of Hansen to HIT, HIT acceded to the Facility Agreement as Guarantor and adaptations were made to the security package. The adaptation of the security package can be summarised as follows: (i) mortgage over HIT's plant in Edegem, Belgium and mortgage over Hansen's plant in Lommel, Belgium, (ii) a floating charge granted by HIT to secure a principal amount of €1 million and a similar floating charge granted by Hansen to secure a principal amount of €10 million. Hansen and HIT also granted a mandate to the lenders pursuant to which they were entitled to take further mortgages and floating charges over the same property and business assets in order to secure a principal amount of up to €24 million in aggregate for HIT and up to €240 million in aggregate for Hansen.

The security package relating to HIT (and its assets, including the Edegem plant) above was released pursuant to a release agreement dated 1 March 2011 between, amongst others, Hansen, HIT and KBC Bank NV.

Save as disclosed above no contracts have been entered into by Hansen or its subsidiaries otherwise than in the ordinary course of business since 25 July 2009 (the date two years prior to the commencement of the offer period) which are or may be material.

6. Implementation Agreement

ZF, ZF Bidco and Hansen have entered into an Implementation Agreement in relation to the Offer and related matters. Pursuant to the Implementation Agreement, Hansen has given certain assurances and confirmations, including regarding the conduct of business of Hansen pending implementation of the Offer.

(a) *Inducement fee arrangements*

Hansen agrees to pay to ZF an inducement fee on the occurrence of certain events after the release of the Announcement. Hansen has agreed to pay to ZF an amount equal to one per cent. of the value of the Offer calculated by reference to the Offer Price and the fully diluted ordinary share capital of Hansen (as such term is understood by the Panel and in accordance with Practice Statement 23 issued by the Panel) (inclusive, in certain circumstances, of VAT, if applicable) in the event that, prior to the Offer lapsing or being withdrawn, an Alternative Proposal from a third party is announced and:

- (i) the board of directors of Hansen withdraws, adversely qualifies or adversely amends its recommendation of the Offer and the Offer subsequently lapses or is withdrawn as a result of the acceptance condition not being satisfied; or
- (ii) that Alternative Proposal or any other Alternative Proposal subsequently becomes or is declared unconditional in all respects or is otherwise completed.

Nothing in the Implementation Agreement obliges Hansen to pay any amount which the Panel determines would not be permitted by Rule 21.2 of the Code.

(b) ***Non-solicitation arrangements***

Hansen has undertaken, in respect of itself, members of the Hansen Group, Hansen Directors and respective employees and advisers, not to solicit, initiate, encourage or otherwise seek to procure, directly or indirectly, any enquiries, proposals or approaches from any persons in respect of, or in connection with any Alternative Proposal.

However, this shall not prevent Hansen or its directors from responding to unsolicited approaches from third parties to the extent that the Hansen board determines in good faith that it is required to do so in order to serve the corporate interest of Hansen in accordance with Belgian law.

Hansen has also undertaken to notify ZF of any third party approach or communication made to Hansen regarding an Alternative Proposal and to inform ZF of the principal terms of such approach and, save to the extent that such notification would be a breach of any duty of confidentiality to any other person, the identity of the person making such approach.

The Implementation Agreement terminates if the Offer becomes or is declared unconditional in all respects.

7. Service Contracts

A. Executive Hansen Directors

The annual basic salary of the executive Hansen Directors, ADR Consulting BVBA (represented by its permanent representative Alex De Ryck) and Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans), for the exercise of the functions of, respectively, Chief Executive Officer (**CEO**) and Chief Financial Officer (**CFO**), is set forth in the table below:

<i>Name</i>	<i>Current annual basic salary (€)</i>	<i>Annual basic salary for the financial year ended 31 March 2011 (€)</i>
ADR Consulting BVBA, represented by its permanent representative Alex De Ryck	469,125	454,500
Ruinemans BVBA, represented by its permanent representative Jan Willem Ruinemans	406,575	393,750

Alex De Ryck joined the Hansen Group on 12 July 2004 as CFO. As from 1 April 2008, the function of CFO has been exercised by ADR Consulting BVBA, represented by its permanent representative Alex De Ryck. As from 1 April 2010, ADR Consulting BVBA succeeded to the position of CEO. ADR Consulting BVBA provides services under the terms of a service contract dated 18 March 2010 entered into for an indefinite term with Hansen.

Ruinemans BVBA, represented by its permanent representative Jan Willem Ruinemans, was appointed as CFO with effect from 1 September 2010 and was appointed as an executive Hansen Director by the special shareholders meeting of Hansen of 23 February 2011. Ruinemans BVBA provides services under the terms of a service contract dated 30 July 2010 entered into for an indefinite term with Hansen.

The service contracts of ADR Consulting BVBA and Ruinemans BVBA are governed by Belgian law. In case of termination by Hansen of either service contract without valid reason, six months' notice must be given by Hansen and compensation must be paid by Hansen amounting to one year's annual basic salary. In the case of ADR Consulting BVBA (whose permanent representative joined Hansen in 2004), additional "special compensation" may be due amounting to an additional one year's annual basic salary.

The service contracts contain restrictive covenants in respect of competing with the business of Hansen or the Hansen Group and solicitation of the employees of Hansen or the Hansen Group for one year following the termination of the service contract.

ADR Consulting BVBA (represented by its permanent representative Alex De Ryck) and Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans) are each entitled to participate in Hansen's performance-based bonus plan and have each been awarded warrants and options under the Hansen Warrant Plans, as set out in paragraph 4(b) of Appendix IV to this Offer Document.

Pursuant to cash bonus letters dated 13 July 2011, Hansen has established a cash bonus plan for the executive Hansen Directors (ADR Consulting BVBA (represented by its permanent representative Alex De Ryck) and Ruinemans BVBA (represented by its permanent representative Jan Willem Ruinemans)) and members of Hansen's Executive Committee and payment under the plan is conditional on among other things, the share price per Hansen Share being equal to or in excess of £0.70 on or before 31 January 2012. If a share price per Hansen Share of £0.70 is reached, the cash bonus payable to the Hansen Director will amount to two times the director's basic salary. The amount payable under the plan will increase further on a sliding scale up to a maximum of four times the director's basic salary if the share price reaches £0.90, subject to further limits on overall remuneration for the director for the relevant period.

Hansen provides other benefits to the executive Hansen Directors, namely life insurance, accident insurance (disability due to an accident) and disability insurance (due to illness).

B. *Non-executive Directors*

The non-executive Directors have each been appointed for a term of no more than three years and each of the non-executive Directors has received a letter of appointment, the terms of which are governed by Belgian law. The letters of appointment can be terminated at any time by decision of the shareholders' meeting. Remuneration is as set forth below:

<i>Name</i>	<i>Fee on an annual basis (€)</i>	<i>Notice period</i>	<i>Date of initial appointment</i>	<i>Date of reappointment</i>
Janice Margaret Brown	60,000	N/A	26 June 2008	30 June 2011
Bjerres Bureau Aps, represented by its permanent representative Torben Bjerre-Madsen	100,000	N/A	6 October 2005	24 June 2010
Marc Desaedeleer	60,000	N/A	10 May 2006	25 June 2009
Dr.-Ing. Winfried Walzer GmbH represented by its permanent representative Dr. Winfried Walzer	120,000	N/A	3 October 2007	24 June 2010
Martin Nègre	60,000	N/A	24 June 2010	30 June 2011
Tulsi Tanti	Nil	N/A	10 May 2006	25 June 2009

Save as disclosed in this Offer Document, no new service contracts for Hansen Directors have been entered into, nor existing service contracts for Hansen Directors amended, in the six months prior to the date of this Offer Document, and there are no service contracts between any of the Hansen Directors and any member of the Hansen Group.

8. **Financing arrangements**

The cash consideration payable by ZF under the terms of the Offer is supported by standby letters of credit issued by Deutsche Bank AG and Commerzbank AG.

RBS is satisfied that ZF has the necessary financial resources available to satisfy full acceptance of the Offer. Full acceptances of the Offer, including all outstanding rights under the Hansen Warrant Plans would involve a maximum cash payment of approximately £444.7 million.

ZF does not intend that the payment of any interest on, repayment of or security for any liability (contingent or otherwise) in respect of the letters of credit will depend to any significant extent on the business of Hansen.

9. Calculations and sources of information

Unless otherwise stated in this Offer Document:

- (a) the financial information relating to Hansen is extracted from the audited consolidated financial statements of Hansen for the relevant years, is presented in euros (€) and has been prepared in accordance with the recognition and measurement criteria of IFRS as adopted by the European Union. Hansen applied IFRS 5 for discontinued operations in its financial results related to the completion of the disposal of the industrial gearbox divisions in March 2011. IFRS 5 discontinued operations was not applicable for the annual accounts of 31 March 2010. However, in the financial results of 31 March 2011, the presentation of the comparative consolidated income statement for the year ended 31 March 2010 has been adjusted in accordance with IFRS 5 discontinued operations. The consolidated balance sheet, the consolidated statement of comprehensive income and the consolidated cash flow statement have not been adjusted in accordance with the IFRS 5 discontinued operations;
- (b) the net financial indebtedness of Hansen as at 30 June 2011 is extracted from the unaudited Interim Management Statement for the first quarter of financial year 2012, published on 25 July 2011;
- (c) the financial information relating to ZF has been extracted from the audited consolidated financial statements of ZF for the relevant years without adjustment;
- (d) the value attributed to the fully diluted share capital of Hansen and the outstanding rights under the Hansen Warrant Plans is based on the 670,104,208 ordinary shares in issue and the 10,347,700 total outstanding rights under the Hansen Warrant Plans;
- (e) the value of the Offer is based on the issued share capital and outstanding rights under the Hansen Warrant Plans as described in (d) above;
- (f) closing price data for Hansen Shares has been sourced from the Daily Official List of the London Stock Exchange;
- (g) the volume weighted average price per Hansen Share for the three month period ended on 22 July 2011 is sourced from Bloomberg; and
- (h) the prevailing British pound sterling to Euro exchange rate as at 22 July 2011, being the Business Day immediately prior to the Announcement, is also sourced from Bloomberg.

10. United Kingdom taxation

The following paragraphs are intended only as a general guide to certain UK tax considerations. They are based on current legislation and HM Revenue and Customs practice, both of which may change, possibly with retroactive effect. They summarise certain limited aspects of the UK taxation consequences of acceptance of the Offer and relate only (except as otherwise expressly stated) to the position of Hansen Shareholders who are resident (and, in the case of individuals, ordinarily resident and domiciled) in the UK for tax purposes and hold their Hansen Shares beneficially as an investment (otherwise than under a personal equity plan or an individual savings account). The tax position of certain categories of Hansen Shareholders who are subject to special rules, such as persons acquiring their shares in connection with employment (including acquisitions pursuant to any rights outstanding under the Hansen Warrant Plans), dealers in securities, insurance companies and collective investment schemes) is not considered.

The descriptions of taxation contained in this Offer Document are general in character. If you are in any doubt as to your taxation position or, if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent professional adviser without delay.

(a) ***UK taxation of chargeable gains***

Liability to UK taxation of chargeable gains will depend on a Hansen Shareholder's circumstances. The receipt of the cash under the Offer will constitute a disposal of the Hansen Shares for the purposes of UK taxation of chargeable gains. Such a disposal may give rise to a liability to UK tax on chargeable gains depending on the Shareholder's circumstances (including the availability of exemptions, reliefs or allowable losses).

(i) ***Individual shareholders***

For individual Hansen Shareholders, capital gains tax at the rate of 18 per cent. (for basic rate taxpayers) and 28 per cent. (for additional and higher rate taxpayers) will be payable on any gain.

Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which presently exempts the first £10,600 of gains from tax) depending on their circumstances.

(ii) ***Corporate shareholders***

Hansen Shareholders within the charge to corporation tax will generally be subject to UK corporation tax on any chargeable gain arising on the disposal of the Hansen Shares. Indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index, may be available to reduce any chargeable gain. Indexation allowance cannot be used to create or increase a loss.

(iii) ***Hansen Shareholder not resident in the UK***

Hansen Shareholders who are neither resident nor (in the case of an individual shareholder) ordinarily resident in the UK for UK tax purposes are not generally subject to UK tax on chargeable gains on disposal of Hansen Shares unless such Hansen Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the UK through a branch or agency or, in the case of a corporate shareholder, through a permanent establishment.

Individual Hansen shareholders who are temporarily neither UK resident or ordinarily resident may be liable to UK capital gains tax on chargeable gains realised on their return to the UK.

(b) ***Stamp duty and stamp duty reserve tax ("SDRT")***

No stamp duty or SDRT will be payable by Hansen Shareholders as a result of accepting the Offer.

11. Belgium taxation

The following paragraphs, are intended only as a general guide, summarise the Belgian federal income tax consequences of the acceptance of the Offer by a Hansen Shareholder who sells Hansen Shares, Warrants, or Options carrying rights to subscribe for Hansen Shares in accordance with the Hansen Warrant Plans through acceptance of this Offer.

The present summary does not purport to address all material tax consequences of the sale of Hansen Shares or Warrants and does not take into account certain specific circumstances of any particular investors, some of which may be subject to special rules, or the tax laws of any country other than Belgium. In particular, the summary deals only with investors that hold the Hansen Shares or Warrants as a capital asset and does not address the tax treatment of investors that are subject to special rules, such as banks, insurance companies, investment undertakings, dealers in securities or currencies, persons who hold the Hansen Shares as a position in a straddle, share-purchase transaction, conversion transaction, synthetic security or other integrated financial transaction.

This summary is based on the current laws, regulations, treaties and interpretation of the Belgian tax authorities, all of which being subject to change including those changes that could have a retroactive effect. They constitute a general overview of the Belgian taxation consequences of acceptance of the Offer and relate only to the position of Hansen Shareholders who are resident in Belgium for tax purposes.

The descriptions of taxation contained in this Offer Document are general in character. They express no opinion or advice from ZF Bidco on the taxation consequences pertaining to acceptance of the Offer. Hansen Shareholders or Warrant Holders should consult an appropriate professional tax advisor in order to determine the taxation consequences in their hands.

For the purposes of this summary of the Belgian federal tax consequences of the acceptance of the Offer, a Belgian resident is an individual subject to the Belgian personal income tax (i.e., an individual who is domiciled in Belgium or has the seat of his wealth in Belgium, or a person assimilated to a resident), a corporation subject to the Belgian corporate income tax (i.e., a corporate entity that has its statutory seat/registered office, its main establishment, its administrative seat or seat of management in Belgium) or a legal entity subject to the Belgian income tax on legal entities (i.e., a legal entity other than a corporation subject to the Belgian corporate income tax, that has its statutory seat/registered office, its main establishment, its administrative seat or seat of management in Belgium). A non-resident Belgian is a person that is not a Belgian resident.

(a) ***Belgian resident***

(i) *Taxation of capital gain on Hansen Shares*

(i.i.) Individuals

Individual Belgian residents holding the Hansen Shares as a private investment are not subject to Belgian capital gains tax on the disposal of the Hansen Shares and losses are not deductible.

Individual Belgian residents may, however, be subject to a 33 per cent. tax if the capital gain is deemed to be speculative or if the capital gain is otherwise realized outside the scope of the normal management of one's own private estate. They may be subject to a 16.5 per cent. tax if, during the five years before the transfer of the Hansen Shares, the shareholder, or (provided that the Hansen Shares were not acquired for consideration) his/her legal predecessor, has held an important shareholding in the Company (i.e., a shareholding of more than 25 per cent., together with the Hansen Shares held by his/her spouse and some relatives), and the Hansen Shares are transferred directly or indirectly to a corporate or legal entity (or an assimilated body or a foreign state or one of its political subdivisions or local collectivities) located outside the European Economical Area. These taxes are subject to a local surcharge.

Individual Belgian residents who hold the Hansen Shares for professional purposes are taxable at the ordinary progressive income tax rates per scales provided for business income on any capital gains realized on the disposal of the Hansen Shares, save for Hansen Shares held for more than five years, which are taxed at a separate rate of 16.5 per cent. Reductions in value and losses on Hansen Shares realized by individual Belgian residents who hold the Hansen Shares for professional purposes are generally deductible from business income.

(i.ii) Corporations

Belgian resident corporations are normally not subject to Belgian capital gains taxation on the disposal of shares, on the basis that Hansen meets the taxation requirements of Article 203 Income Tax Code.

Reductions in value and losses on Hansen Shares realized by resident corporations will not in general be deductible.

(i.iii.) Legal entities other than corporations

Belgian resident legal entities subject to the income tax on legal entities will not normally be subject to the Belgian capital gains taxation on the disposal of Hansen Shares, but they may be subject to the 16.5 per cent. tax described above (see "i.i. Individuals") if they hold or have held an important participation (more than 25 per cent.).

Reductions in value and losses on Hansen Shares are not deductible.

(ii) *Stamp tax on securities transactions*

A stock market tax is levied on the purchase and the sale, and on any other acquisition and transfer for consideration in Belgium, of existing shares through a professional intermediary. The usual tax rate is 0.17 per cent. of the purchase price, with a maximum of €500 per transaction, per party. The tax is levied on the delivery through a professional intermediary to the subscriber. Investors that purchase shares from persons that have acquired shares in their own name and for their own account are subject to the usual 0.17 per cent. tax rate.

No stock market tax is payable by:

- professional intermediaries described in Article 2, 9° and 10° of the Law of 2 August 2002 acting for their own account;
- insurance companies described in Article 2, §1 of the Law of 9 July 1975 acting for their own account;
- pension funds described in Article 2, 1°, of the Law of 27 October 2006 acting for their own account; or
- collective investment institutions described in the Law of 4 December 1990 acting for their own account.

(iii) *Taxation regime of a sale or exercise of Warrants*

(iii.i.) Individuals

ZF understands that Warrants were granted to employees of and self-employed persons working with Hansen in accordance with the legal framework of the Belgian Stock Option Act (Law of 26 March 1998 pertaining to the Belgian Action plan for employment and introducing miscellaneous provisions). As a consequence, a taxable benefit in kind was added to the professional income of the Belgian resident beneficiaries of the Hansen Warrant Plans for the year during which the Warrants must be considered as having been granted.

ZF understands that pursuant to the Hansen Warrant Plans, (certain) Warrant Holders may have elected to commit not to sell Warrants before the expiry of a certain period of time in order to benefit from the favourable tax regime provided by the Belgian Stock Options Act (i.e., application of the reduced percentage of valuation of the taxable benefit in kind). In addition, the Hansen Warrant Plans may also contain provisions implying (directly or indirectly) transfer restrictions.

Although an offer will be formally made in respect of all outstanding Warrants, those transfer restrictions remain in effect. As a result, certain Warrant Holders may not be allowed to tender Warrants that they hold and are covered by these transfer restrictions. According to the Belgian Stock Option Act, in the event that a Warrant Holder does not respect this transfer restriction, additional tax will be due (i.e., the difference between the taxes due on the basis of the normal valuation percentage and the taxes due on the basis of the reduced rate will be added to the other income taxable at the ordinary progressive tax rates increased by the applicable local surcharge).

In the event that no transfer restrictions apply at the time of the Offer and that the Warrants may be validly exercised pursuant to the Hansen Warrant Plans, the Warrant Holders may exercise the Warrants and offer to ZF the Hansen Shares that were acquired further to this exercise. As a matter of principle, under the Belgian Stock Option Act, the exercise of the Warrants under such circumstances should not trigger additional taxation.

Further, if ZF obtains sufficient acceptances and launches a squeeze out bid in respect of the Hansen Shares and the Warrants, the restrictions on transfer will be superseded by operation of Belgian law, and ZF will be able to acquire all outstanding Warrants

by operation of Belgian law upon completion of the squeeze out process. In these circumstances, the Warrant Holders will be entitled to receive the Offer price for the Warrants upon such acquisition by ZF.

In the hands of Warrant Holders holding Warrants not covered by any transfer restriction, a sale of the Warrants subsequent to the squeeze out bid should not trigger additional taxation since the Belgian Stock Option Act provides an exemption from taxation on the sale or exercise of Warrants granted in accordance with its provisions. However, certain Warrants may be subject to transfer restrictions that will be superseded by operation of Belgian law, leading to a forced sale of the Warrants to ZF. Although pursuant to the Belgian Stock Option Act, additional tax should be due in that event, the Belgian tax authorities have already considered such forced sale as caused by the 'force majeure' which does not trigger additional Belgian taxes. The Belgian tax authorities have already issued advanced tax rulings in this respect, confirming that under similar circumstances no additional taxes were due.

(b) ***Belgian non-residents***

(i) *Capital gains and losses on Hansen Shares*

Capital gains realised on Hansen Shares by a non-resident individual who does not hold the Hansen Shares in connection with a business conducted in Belgium through a fixed base or a Belgian (permanent) establishment, are not subject to taxation and losses are not deductible.

However, if the gain is deemed to be speculative or is realised outside the scope of normal management of the holder's assets, the gain will be taxable at the rate of 33 per cent., and if, during the five years before the transfer of the Hansen Shares, the shareholder or (provided that the Hansen Shares were not acquired for consideration) his/her legal predecessor has held, directly or indirectly, a shareholding of more than 25 per cent. in the Company (including any Hansen Shares held by his/her spouse and certain relatives), and the Hansen Shares are transferred directly or indirectly to a non-resident corporate or legal entity (or an assimilated body or a foreign State or one of its political subdivisions or local collectivities) located outside the European Economical Area, the gain will be taxable at the rate of 16.5 per cent. The tax rates are to be increased with a local surcharge. Losses on speculative transactions on shares or on transactions outside the scope of normal management of the holder's assets are deductible from the income from similar transactions.

Belgium has concluded tax treaties with more than 85 countries which generally provide for a full exemption from Belgian capital gain taxation on such gains realised by residents of those countries.

Capital gains will be taxed at the ordinary progressive income tax rates and losses will be deductible, if those gains or losses are realized on Hansen Shares by a non-resident individual that holds the Hansen Shares in connection with a business conducted in Belgium through a fixed base or a Belgian (permanent) establishment. In such case, reductions in value and losses on Hansen Shares are generally deductible.

Capital gains realised by a non-resident corporation that holds the Hansen Shares in connection with a business conducted in Belgium through a Belgian (permanent) establishment are normally not subject to Belgian capital gains taxation on the disposal of shares, on the basis that Hansen meets the taxation requirements of Article 203 Income Tax Code.

(ii) *Stamp tax on securities transactions*

A stock market tax is normally levied on the purchase and the sale, and on any other acquisition and transfer for consideration in Belgium, of existing shares or subscription rights through a professional intermediary. The usual tax rate is 0.17 per cent., with a maximum of €500 per transaction, per party. The tax is levied on the delivery through a professional intermediary. Investors that purchase Hansen Shares from persons that have acquired the Hansen Shares or Warrants in their own name and for their own account are subject to the usual 0.17 per cent. tax rate.

Belgian non-residents who act for their own account through an intermediary may be exempt from the stock market tax in Belgium if they deliver an affidavit to the intermediary in Belgium confirming their non-resident status.

There is also an exemption (without need of such affidavit) for:

- professional intermediaries described in Article 2, 9° and 10° of the Law of 2 August 2002 acting for their own account;
- insurance companies described in Article 2, §1 of the Law of 9 July 1975 acting for their own account;
- pension funds described in Article 2, 1°, of the Law of 27 October 2006 acting for their own account; or
- collective investment institutions described in the Law of 4 December 1990 acting for their own account; or
- non-residents.

(iii) *Taxation regime of a Sale or Exchange of Warrants*

The tax consequences of a sale or exercise of the Warrants in the hands of non-resident individuals or entities must be analysed on a case-by-case basis, in the light of the relevant provisions of the applicable bilateral tax treaty and personal situation of the Warrant Holder concerned. Non-resident Warrant Holders should investigate with their personal tax advisor the possible tax consequences of a sale or exchange of the Warrants.

12. United States taxation

Each Hansen Shareholder resident in the United States is urged to consult with his independent professional adviser regarding any acceptance of the Offer including, without limitation, to consider the tax consequences associated with such shareholder's election to participate in the Offer.

13. Other information

- (a) No agreement, arrangement or understanding (including any compensation arrangement) exists between ZF or any party acting in concert with ZF and any of the directors, recent directors, shareholders or recent shareholders of Hansen or any person interested or recently interested in Hansen Shares which has any connection with, or dependence on, or which is conditional upon the outcome of the Offer.
- (b) There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Hansen Shares to be acquired pursuant to the Offer will be transferred to any person, but ZF reserves the right to transfer any such shares to any member of the ZF Group.
- (c) Save as disclosed in this Offer Document and Hansen's Interim Management Statement for the period ended 30 June 2011 (which can be found at www.hansentransmissions.com under the "Investor Relations" tab on the homepage, click on "Results Announcements" under "Announcements and Presentations"), there have been no material changes in the financial or trading position of Hansen since 31 March 2011 (the date to which the last audited accounts of Hansen have been prepared).
- (d) RBS has given and has not withdrawn its written consent to the publication of this Offer Document and to its name in the form and context in which they appear.
- (e) RBS Hoare Govett Limited has given and has not withdrawn its written consent to the publication of this Offer Document and to its name in the form and context in which they appear.
- (f) BofA Merrill Lynch has given and has not withdrawn its written consent to the publication of this Offer Document with the inclusion of the references to its name in the form and context in which they appear.

14. Documents available for inspection

Copies of the following documents will be available for inspection at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS, during usual business hours on any weekday (Saturdays and public holiday excepted) and on www.zf.com (at www.zf.com/hansen-offer) during the offer period (and any related competition reference period):

- (a) the Memorandum and Articles of Association of ZF;
- (b) the Memorandum and Articles of Association of Hansen;
- (c) the audited consolidated accounts of ZF for the financial years ended 31 December 2010, 31 December 2009 and 31 December 2008;
- (d) the audited consolidated accounts of Hansen for the financial years ended 31 March 2011, 31 March 2010 and 31 March 2009 and the Interim Management Statement for the period ended 30 June 2011;
- (e) those material contracts referred to in paragraph 5 of this Appendix IV which have been entered into in connection with the Offer;
- (f) the written consents referred to in paragraph 13 of this Appendix IV;
- (g) copies of the irrevocable undertakings to accept the Offer referred to in paragraph 4(d) of this Appendix IV;
- (h) copies of the Implementation Agreement referred to in paragraph 6 of this Appendix IV;
- (i) any documents relating to financing arrangements as referred to in Rule 26(j); and
- (j) this Offer Document and the Forms of Acceptance.

ZF will provide without charge to each person to whom a copy of this Offer Document has been delivered (upon written or oral request of such person) a copy of any document incorporated by reference to this Offer Document. Requests for copies of any such document should be directed to Capita Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, or by telephoning Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. Copies of any document or information incorporated by reference into this Offer Document will not be provided unless such a request is made.

18 August 2011

DEFINITIONS

The following definitions apply throughout this Offer Document and the accompanying Forms of Acceptance unless the context requires otherwise:

“Alternative Proposal”	means any proposal put forward by any third party which is not acting in concert with ZF, in respect of, or for: (i) any offer (construed in accordance with the Code and including any transaction subject to the Code as referred to in section 3(b) of the Introduction to the Code, whether or not subject to pre-conditions) for the issued ordinary share capital of Hansen or the sale (in one transaction or a series of transactions) of the whole of the assets or undertaking of the Hansen Group, or any part of the same which is material in the context of the Hansen Group; or (ii) any transaction or series of transactions howsoever implemented which if implemented would be reasonably considered to be likely to preclude the Offer or its implementation
“Announcement”	the announcement of ZF’s firm intention to make the Offer, made on 25 July 2011
“Blue Form of Acceptance”	the blue form of acceptance and authority for use by Hansen Shareholders who hold their Hansen Shares in registered form in connection with acceptance of the Offer
“BofA Merrill Lynch”	Merrill Lynch International, a subsidiary of Bank of America Corporation
“Business Day”	a day (other than a Saturday or Sunday) on which banks are generally open in London for the transaction of normal banking business
“Capita IRG”	Capita IRG Trustees (Nominees) Limited, the shareholder of Hansen Shares represented by Hansen DIs
“Capita Registrars”	Capita Registrars Limited (trading as “Capita Registrars”) of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom
“Code”	the City Code on Takeovers and Mergers
“Companies Act 2006”	the Companies Act 2006
“Commission”	the European Commission, the executive body of the European Union
“Conditions”	the conditions to the Offer set out in Part A of Appendix I to this Offer Document
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations)
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Depositary”	Capita IRG Trustees Limited, in its capacity as depositary of the Hansen DIs

“DI Holders”	holders of Hansen DIs
“Ecofin”	Ecofin Water & Power Opportunities plc and Ecofin Special Situations Utilities Master Fund Limited
“Electronic Instruction”	the inputting and settling of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this Offer Document
“ESA instruction”	an Escrow Account Adjustment Input (AESN), transaction type “ESA” (as described in the CREST manual issued by Euroclear)
“Escrow Agent”	Capita Registrars in its capacity as escrow agent (as defined by the CREST Manual issued by Euroclear)
“Euroclear”	Euroclear UK & Ireland Limited
“EU Merger Regulation”	Council Regulation (EC) 139/2004
“Exchange Act”	the United States Securities and Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder
“Forms of Acceptance”	both the Blue Form of Acceptance and the Pink Form of Acceptance (and each a “Form of Acceptance”)
“FSMA”	the Belgian Financial Services and Markets Authority
“Group”	in respect of either ZF or Hansen (as the case may be), ZF and its subsidiary undertakings or Hansen and its subsidiary undertakings (as the case may be)
“Hansen”	Hansen Transmissions International NV, a company incorporated in Belgium (enterprise number 0403.646.296) and whose registered office is at De Villermontstraat 9, B-2550 Kontich, Belgium
“Hansen Directors”	the members of the board of directors of Hansen
“Hansen DIs”	depository interests each representing an underlying Hansen Share
“Hansen Position Statement”	the statement appended to this Offer Document at Part 2 of this pack of documents containing, amongst other things, the letter from the Chairman of Hansen, setting out the reasons why the Hansen Directors unanimously recommend that Hansen Shareholders accept the Offer
“Hansen Shareholders” or “Shareholders”	holders of Hansen Shares
“Hansen Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares in the capital of Hansen including such shares represented by depository interests (but excluding any Treasury Shares held by Hansen) and any further such shares which are unconditionally allotted or issued and fully paid, and any Treasury Shares unconditionally sold or transferred by Hansen, in each case, before the date on which the Offer closes (or such earlier date(s) as ZF may, subject to the Code, determine), including any such shares so unconditionally allotted or issued pursuant to the exercise of rights granted under the Hansen Warrant Plans including, where the context so requires, Hansen DIs representing such shares

“Hansen Warrant Plans”	Hansen’s Warrant Plan 2007 dated 27 November 2007 and Hansen’s Employee Warrants Grants 2008 dated 26 June 2008 (in each case as amended from time to time) together with the Stock Option Agreement dated 28 September 2010 between Hansen and Ruinemans BVBA
“Implementation Agreement”	the agreement entered into between ZF, ZF Bidco and Hansen, as more fully described in paragraph 15 of the letter from ZF in this Offer Document
“Listing Rules”	the listing rules issued by the UK Listing Authority pursuant to Part VI of the Financial Services and Markets Act 2000
“London Stock Exchange”	London Stock Exchange plc
“member account ID”	the identification code or number attached to any member account in CREST
“Offer”	the recommended cash offer being made by ZF to acquire all of the Hansen Shares and all Warrants, subject to the terms and conditions set out in this Offer Document and in the Forms of Acceptance, and, where the context so requires, any subsequent revision, variation, extension or renewal of such offer
“Offer Document”	Part 1 “Offer Document” of this pack of documents
“offer period”	the period commencing on (and including) 25 July 2011 until whichever of the following times and dates shall be the latest: <ul style="list-style-type: none"> (i) 1.00 p.m. (London time) on 19 September 2011; and (ii) the earlier of: <ul style="list-style-type: none"> (a) the time and date at which the Offer lapses; and (b) the time and date at which the Offer becomes unconditional
“Panel”	the UK Panel on Takeovers and Mergers
“participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or a CREST participant
“Pink Form of Acceptance”	the pink form of acceptance, authority and instruction for use by Warrant Holders in connection with acceptance of the Offer or the provisions of account information for use in connection with any squeeze out
“RBS”	RBS Corporate Finance Limited, acting as financial adviser to ZF
“RBS Belgium”	The Royal Bank of Scotland NV (Belgium) branch of Kanselarijstraat 17A, B 1000, Brussels, Belgium
“Receiving Agent”	Capita Registrars
“registered” or “in registered form”	a share or other security which is not in unregistered form (that is, not in CREST)
“Registered Holder”	a Hansen Shareholder who holds Hansen Shares in registered form
“Regulations”	the Uncertificated Securities Regulations 2001 CSI No. 2001/3755
“Regulatory Information Service”	a Regulatory Information Service that is approved by the Financial Services Authority and is on the list maintained by the Financial Services Authority in Appendix 3 to the Listing Rules

“Restricted Territory”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Hansen Shareholders in such jurisdiction
“Royal Decree on Takeover Bids”	The Belgian Royal Decree of 27 April 2007 relating to takeover bids (MB/BS 23.05.2007)
“squeeze out”	the compulsory acquisition of Hansen Shares and all Warrants in respect of which the Offer has not been accepted or that have not otherwise been acquired by ZF pursuant to the Royal Decree on Takeover Bids (see paragraph 14 of the letter from ZF in this Offer Document for further information)
“subsidiary” and “subsidiary undertaking”	have the meanings given to them in the Companies Act 2006
“Suzlon”	AE-Rotor Holding BV, a subsidiary undertaking of Suzlon Energy Limited
“Treasury Shares”	shares held as treasury shares as defined in section 724(5) of the Companies Act 2006
“TFE Instruction”	a Transfer from Escrow instruction (as defined by the CREST Manual issued by Euroclear)
“TTE Instruction”	a Transfer to Escrow instruction (as described in the CREST manual issued by Euroclear) in relation to Hansen DIs meeting the requirements set out in paragraph 12(a)(i) of the letter from ZF Bidco contained in this Offer Document
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKLA”	the UKLA Listing Authority, being the Financial Services Authority acting in its capacity as competent authority for the purposes of Part VI of the United Kingdom’s Financial Services and Markets Act 2000 (as amended)
“United States of America”, “US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia, and all other areas subject to its jurisdiction
“US Business Days”	any day, other than a Saturday, Sunday or federal holiday consisting of the time period from 12.01 a.m. to midnight (Eastern time)
“Warrants”	the warrants and options issued and outstanding under the Hansen Warrant Plans
“Warrant Holder”	a holder of Warrants
“ZF”	ZF Friedrichshafen AG and/or, where the context so requires, ZF Bidco
“ZF Bidco”	ZF International BV, a wholly-owned subsidiary of ZF
“€” or “euro”	euro, the currency introduced at the start of the third stage of economic union pursuant to the treaty establishing the European Union
“£” or “Sterling”	pounds sterling, the lawful currency for the time being of the UK and references to “pence” and “p” shall be construed accordingly

Any reference to a time shall mean to the time in London, save where expressly stated otherwise.

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HANSEN POSITION STATEMENT

POSITION STATEMENT

regarding the recommended cash offer by ZF International BV, a wholly-owned subsidiary of ZF Friedrichshafen AG, for the entire issued and to be issued share capital of Hansen Transmissions International NV.

Dated 18 August 2011

IMPORTANT INFORMATION. THIS POSITION STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the Offer or the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Hansen Shares, Hansen DIs and/or Warrants, please send this Position Statement and any accompanying documents but not (where relevant) the personalised Form of Acceptance, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However this Position Statement should not be distributed, forwarded or transmitted in or into any Restricted Territory if to do so would constitute a violation of the laws of such jurisdiction. If you have sold or otherwise transferred only part of your holding of Hansen Shares, Hansen DIs and/or Warrants, you should retain these documents.

The Offer is not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory and the Offer should not be accepted by any such use, means, instrumentality or facility or from within a Restricted Territory. Doing so may render invalid any purported acceptance. Accordingly, none of this Position Statement or the accompanying documents are being, nor may they be, mailed or otherwise forwarded, distributed or sent in, into or from (whether by use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange) of a Restricted Territory. All Hansen Shareholders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to or who may have a contractual or legal obligation to, forward this Position Statement and/or the accompanying documents to any jurisdiction outside the United Kingdom or Belgium, should read the details in this regard which are contained in paragraph 12 of the letter from ZF at page 17 of the Offer Document and in paragraph 6 of Part B of Appendix I to the Offer Document before taking any action.

RBS Corporate Finance Limited (“RBS”), RBS Hoare Govett Limited (“RBS Hoare Govett”) and The Royal Bank of Scotland NV (Belgium) Branch (“RBS Belgium”), are acting for ZF Friedrichshafen AG (“ZF”) and ZF International BV (“ZF Bidco”) and no-one else in connection with the Offer and will not be responsible to anyone other than ZF and ZF Bidco for providing the protections afforded to clients of RBS, RBS Hoare Govett or RBS Belgium nor for providing advice in relation to the Offer, the content of this Offer Document or any matter referred to herein.

BofA Merrill Lynch is acting exclusively for Hansen, and no one else in connection with the Offer and for no one else and will not be responsible to anyone other than Hansen for providing the protections afforded to its clients or for providing advice in relation to the Offer.

Notice to US Shareholders of Hansen

Each Hansen Shareholder resident in the United States is urged to consult with his independent professional adviser regarding any acceptance of the Offer including, without limitation, to consider the tax consequences associated with such shareholder’s election to participate in the Offer.

No offer to acquire securities has been made, or will be made, directly or indirectly, in or into, or by use of the mails of or by any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the United States or any other country in which such offer may not be made other than (i) in accordance with the tender offer requirements under the Exchange Act or the securities laws of such other country, as the case may be; or (ii) pursuant to an available exemption from such requirements.

The Offer is for the securities of a corporation organised under the law of Belgium and is subject to the procedure and disclosure requirements of the United Kingdom, which are different from those of the United States. The Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the Exchange Act and otherwise in accordance with the requirements of the Code. Accordingly, the Offer is subject to certain disclosure and other procedural requirements which may differ from those applicable under US domestic tender offer procedures and laws.

To the extent permitted by applicable law and in accordance with the Code, normal UK and Belgian market practice and pursuant to Rule 14e-5 of the Exchange Act, ZF Bidco or its nominees or brokers (acting as agents) or their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, Hansen Shares other than pursuant to the Offer and before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Such purchases, or arrangements to purchase, will comply with all applicable UK and Belgian rules, including the Code and the rules of the London Stock Exchange plc, and Rule 14e-5 under the Exchange Act to the extent applicable. In addition, in accordance with the Code, normal UK and Belgian market practice and Rule 14e-5 of the Exchange Act, BofA Merrill Lynch, RBS and RBS Hoare Govett and their respective affiliates will continue to act as exempt principal traders in Hansen Shares on the London Stock Exchange and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e-5 under the Exchange Act. Any information about such purchases will be disclosed on a next day basis to the Panel on Takeovers and Mergers and will be available on a Regulatory Information Service of the UK Listing Authority and made available on the London Stock Exchange website, www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom and Belgium.

Hansen American Depositary Shares

The Offer shall not extend to certain Hansen ADSs with respect to Hansen Shares. In order for holders of Hansen ADSs to participate in the Offer, such holders would need first to withdraw their underlying Hansen Shares from the relevant depository facility, by exchanging their Hansen ADSs with the relevant depository for the underlying Hansen Shares in time to be able to participate in the Offer.

Forward-looking statements

This Position Statement, including information included or incorporated by reference in this Position Statement, contains certain forward-looking statements, including statements regarding ZF's and Hansen's plans, objectives and expected performance. Such statements relate to events and depend on circumstances that will occur in the future and are subject to risks, uncertainties and assumptions. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by such forward looking statements, including, among others local and global political and economic changes, the enactment of legislation or regulation that may impose costs or restrict activities; the re-negotiation of contracts or licences; fluctuations in demand and pricing in the wind energy industry; fluctuations in exchange controls; changes in government policy and taxations; industrial disputes; war and terrorism. These forward-looking statements speak only as at the date of this Position Statement. Forward-looking statements include statements typically containing words such as "will", "may", "should", "intends", "expects", "anticipates", "targets", "estimates" and words of similar import.

Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Neither ZF nor Hansen nor their respective affiliates undertake to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable law.

Rule 8 notice

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of Hansen or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its Offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Hansen and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of Hansen or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of Hansen or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of Hansen or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Hansen and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of Hansen or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by Hansen and by any offeror and Dealing Disclosures must also be made by Hansen, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

The information included in this Position Statement reflects the situation as of the date of this Position Statement. Hansen does not undertake any obligation to publicly release any revisions to this information to reflect events or circumstances after the date of this Position Statement, except as may be required by applicable securities laws or regulations or by any appropriate regulatory authority. The current Hansen Directors (whose names are set out on page 54) accept responsibility for the information contained in this Position Statement relating to themselves and to the Hansen Group. The only responsibility accepted by them in respect of the information contained in this Position Statement relating to ZF, any of its respective parent or subsidiary undertakings and the directors of ZF, is to ensure that such information has been correctly and fairly reproduced and presented. To the best of the knowledge and belief of the current Hansen Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Position Statement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of that information.

Copies of this Position Statement can be obtained free of charge from Hansen's website (www.hansentransmissions.com). You can obtain a hard copy of the document by contacting Capita Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom or by telephoning Capita Registrars on 0871 664 0321 or, if calling from outside the United Kingdom, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute

from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. Registered Holders and Warrant Holders in Belgium may alternatively obtain a hard copy of the document by contacting RBS Belgium (for the attention of Patrick Burin, Operations Management) at Kanselarijstraat 17A, B 1000, Brussels, Belgium, or by telephoning +32 2 546 01 69 or by emailing patrick.burin@rbs.com. If you have any queries relating to the Offer or any of the documents, please contact Capita Registrars on the number above. RBS Belgium is unable to answer any questions or provide any advice in connection with the Offer.

As the Hansen Shares are listed on the London Stock Exchange, the Offer is made under the laws of England and Wales and is subject to the UK Takeover Code. Pursuant to European Directive 2004/25/EC on Takeovers, the Panel on Takeovers and Mergers in London is the authority competent to supervise the Offer. BofA Merrill Lynch is acting as the independent financial adviser to the Directors in connection with the Offer under Rule 3 of the UK Takeover Code.

This Position Statement has been prepared for the purpose of complying with Belgian law and the UK Takeover Code and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the UK or Belgium, including those of the United States.

In particular, this Position Statement is subject to disclosure requirements that are different from those applicable under US domestic tender offer procedures and laws. The Offer in the United States is being made pursuant to Section 14(e) of, and Regulation 14E under, the Exchange Act and otherwise in accordance with the requirements of the UK Takeover Code.

This Position Statement includes the Appendix.

Any capitalised terms in this Position Statement (other than in the Appendix) shall have the meaning attributed to them in the Offer Document. Any reference in this Position Statement to defined terms in plural form shall constitute a reference to such defined terms in singular form, and vice versa. All grammatical and other changes required by the use of a definition in singular form shall be deemed to have been made herein and the provisions hereof shall be applied as if such changes have been made.

LETTER TO HANSEN SHAREHOLDERS



Directors

Tulsi R. Tanti
Alex De Ryck
Ruinemans BVBA, represented by its permanent representative
Jan Willem Ruinemans
Janice Margaret Brown
Bjerres Bureau Aps, represented by its permanent representative
Torben Bjerre-Madsen
Marc Desaedeleer
Dr.-Ing. Winfried Walzer GmbH, represented by its permanent representative
Dr. Winfried Walzer
Martin Nègre

Registered Office

De Villermontstraat 9
B-2550 Kontich
Belgium

18 August 2011

To Hansen Shareholders, persons with information rights in Hansen Shares and Warrant Holders.

Dear Shareholder

RECOMMENDED CASH OFFER BY ZF INTERNATIONAL BV, A WHOLLY-OWNED SUBSIDIARY OF ZF FRIEDRICHSHAFEN AG

1. Introduction

On 25 July 2011 it was announced that the boards of directors of ZF and Hansen had reached agreement on the terms of a recommended cash offer, to be made by ZF Bidco, a wholly-owned subsidiary of ZF, to acquire the entire issued and to be issued ordinary share capital of Hansen, including all Warrants.

The purpose of this letter is to explain the background to the Offer and the reasons why the Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Hansen Shareholders accept the Offer. In providing the financial advice to the Hansen Directors, BofA Merrill Lynch has taken into account the commercial assessments of the Hansen Directors.

Your attention is drawn to the Offer Document, to which this letter is appended and which sets out further details on ZF and the Offer.

Any defined terms used in this Hansen Position Statement shall have the same meaning as set out in the Offer Document.

2. Terms of the Offer

Details of the Offer are contained in the letter from ZF set out in the Offer Document and are subject, *inter alia*, to the full terms and conditions of the Offer set out in Appendix I to the Offer Document and (in respect of Hansen Shares in registered form and Warrants) the accompanying Forms of Acceptance.

The Offer is being made to Hansen Shareholders on the following basis:

for each Hansen Share

66 pence in cash

On the basis set out in paragraph 9 Appendix II to the Offer Document, the Offer values the entire issued and to be issued share capital of Hansen, including all Warrants, at approximately £444.7 million. The prices offered for the various series of Warrants are detailed in paragraph 6 below.

The Offer represents a premium of approximately 95.6 per cent. over the closing price of 33.75 pence per Hansen Share on 22 July 2011, being the Business Day immediately prior to the date of the Announcement and a premium of approximately 60.2 per cent. over the volume weighted average price of 41.19 pence per Hansen Share for the three month period ended on 22 July 2011.

3. Recommendation to accept the Offer

The Hansen Directors, who have been so advised by BofA Merrill Lynch, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Hansen Directors, BofA Merrill Lynch has taken into account the commercial assessments of the Hansen Directors.

Accordingly, the Hansen Directors unanimously recommend that Hansen Shareholders accept the Offer, as they have irrevocably undertaken to do in respect of their entire beneficial holdings of Hansen Shares (amounting to, in aggregate, 610,375 Hansen Shares, representing approximately 0.09 per cent. of the existing issued share capital of Hansen).

4. Background to and reasons for the recommendation

The renewable wind energy sector has suffered in recent years and remains impacted by the challenging macroeconomic climate. Government subsidies, third party financing and regulatory support have all been affected and this has resulted in increased uncertainty for the wind industry. Notwithstanding this, wind industry analysts are predicting a market upturn and have a positive outlook for 2011 and 2012. Although Hansen welcomes this trend, it remains cautious about the timing and extent of the industry upturn and the outlined growth projections.

Following the divestment of Hansen Industrial Transmissions in March 2011, Hansen has pursued a strategy of focusing all of its resources on developing its wind gearbox business, which has a much larger potential global market, and to reduce some of the overheads associated with excess capacity which has impacted profitability in recent years.

Whilst the Hansen Directors are confident that Hansen has a successful and robust future as a standalone company, the Hansen Directors believe that the Offer, which is all in cash and at a significant premium to Hansen's recent share price, fully recognises and values the growth potential of the business through the ongoing pursuit of its current strategy. Consequently, the Hansen Directors believe that the Offer is in the best interests of the Hansen Shareholders as a whole and, as a result, have unanimously recommended that the Hansen Shareholders accept the Offer.

5. Employees and directors

If the Offer is successful, Hansen's employees and management will become part of a substantially larger group and ZF believes that they would benefit from increased opportunity as a result (as set out in paragraph 9 of the letter from ZF in the Offer Document). The Hansen Directors welcome the comments from ZF regarding the value that it places on the skills and experience of the existing employees and management of Hansen (as set out in paragraph 9 of the letter from ZF in the Offer Document).

ZF has confirmed (in the terms set out in paragraph 9 of the letter from ZF in the Offer Document) that, following implementation of the Offer, the existing contractual and statutory employment rights, including in relation to pension rights of the current employees and management of Hansen, will be honoured.

In accordance with Belgian law, a copy of the Announcement was sent to the Hansen works council on 25 July 2011. The Hansen works council rendered their opinion relating to the Offer on 5 August 2011 and a copy of this opinion is attached as an Appendix to this Hansen Position Statement.

6. Hansen Warrant Plans

The Offer extends to any Hansen Shares issued or unconditionally allotted prior to the date on which the Offer closes (or such earlier date as ZF may, subject to the Code, decide) as a result of the exercise of Warrants.

The Offer includes a proposal to Warrant Holders on the basis set out below (reflecting a Black & Scholes valuation of the Warrants which is customary for Belgian companies). The aggregate consideration payable in respect of the Warrants assuming full acceptance of the Offer by Warrant Holders or compulsory acquisition of the Warrants by ZF (pursuant to the process set out in paragraph 14 of the letter from ZF in the Offer Document) is approximately £2.4 million.

<i>Hansen Warrant Plans</i>	<i>Rights outstanding</i>	<i>Current exercise price</i>	<i>Offer price</i>
2008 – Employees (Series 1A)	523,700	295.0 pence	15.0 pence
2008 – Management (Series 1B)	1,148,750	295.0 pence	0.5 pence
2009 – Management (Series 2)	1,242,750	147.0 pence	9.0 pence
2010 – Management (Series 3)	4,272,500*†	87.2 pence	22.0 pence
2011 – Management (Series 4)	3,160,000**†	41.4 pence	40.0 pence

* this includes 550,000 options granted to Ruinemans BVBA

** this includes a small number of Warrants which have not yet been formally accepted by the relevant Warrant Holder. The period for acceptance of these Warrants expires on 29 August 2011.

† these totals have been reduced since the Announcement to reflect certain Warrants which Hansen has since informed ZF had been approved for award but which have not ultimately been awarded.

The procedure for acceptance of the Offer by Warrant Holders is set out in paragraph 12(c) of the letter from ZF in the Offer Document. However, the attention of Warrant Holders is drawn to paragraph 14 of that letter in respect of the potential compulsory squeeze out process and treatment of Warrants thereunder and also to paragraph 11 of Appendix IV to the Offer Document in respect of certain tax implications for Warrant Holders accepting the Offer.

7. Irrevocable undertakings

The Hansen Directors who hold Hansen Shares have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Hansen Shares amounting to, in aggregate, 610,375 Hansen Shares, representing approximately 0.09 per cent. of the entire existing issued ordinary share capital of Hansen.

Further details of these irrevocable undertakings are set out in paragraph 4(d) of Appendix IV to the Offer Document.

8. Financial information relating to Hansen

For the year ended 31 March 2011, Hansen reported total revenues of approximately €378.7 million, loss after tax for the year from continuing operations of approximately €18.6 million and net assets of approximately €580.9 million.

Further financial information relating to Hansen is incorporated into the Offer Document by reference, as set out in Appendix III to the Offer Document.

Save as disclosed in the Offer Document and the Hansen Interim Management Statement for the period ended 30 June 2011 (which can be found at www.hansentransmissions.com under the “Investor Relations” tab on the homepage, click on “Results Announcements” under “Announcements and Presentations”), there have been no material changes in the financial or trading position of Hansen since 31 March 2011 (the date to which the last audited accounts of Hansen have been prepared).

9. Taxation

Your attention is drawn to the information in relation to certain limited aspects of the taxation of the Hansen Shareholders and Warrant Holders in paragraphs 10, 11 and 12 of Appendix IV to the Offer Document. If you are in any doubt as to your own tax position, you should seek appropriate independent professional advice immediately.

10. Responsibility

The Hansen Directors, whose names are set out in paragraph 2(c) of Appendix IV to the Offer Document, each accept responsibility for the information contained in the Position Statement relating to the Hansen Group and the Hansen Directors and members of their immediate families, related trusts and parties acting in concert with Hansen for the purposes of the Code. To the best of the knowledge and belief of the Hansen Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Position Statement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

11. Action to be taken to accept the Offer

If you hold Hansen DIs (that is, in CREST), to enable Capita IRG to accept the Offer you should ensure that you send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction in accordance with the procedure set out in paragraph 12(a) of the letter from ZF in the Offer Document as soon as possible and, in any event, **so that the TTE Instruction settles not later than 1.00 p.m. (London time) on 19 September 2011.**

If you hold your Hansen Shares in registered form (that is, not in CREST), to accept the Offer you should ensure that you return your completed Blue Form of Acceptance (in accordance with paragraph 12(b) of the letter from ZF in the Offer Document) in the reply-paid envelope (for use in the United Kingdom only) as soon as possible and, in any event, **so as to be received by the Receiving Agent by no later than 1.00 p.m. (London time) on 19 September 2011 or, if you are a Belgian Registered Holder, you may alternatively return your Blue Form of Acceptance to RBS Belgium, so as to be received by RBS Belgium by no later than 2.00 p.m. (Brussels time) on 19 September 2011.**

Warrant Holders wishing to accept the Offer should ensure that the completed Pink Form of Acceptance is returned (in accordance with paragraph 12(c) of the letter from ZF in the Offer Document) as soon as possible and, in any event, **so as to be received by the Receiving Agent by no later than 1.00 p.m. (London time) on 19 September 2011 or, if you are a Belgian Warrant Holder, you may alternatively return your Pink Form of Acceptance to RBS Belgium, so as to be received by RBS Belgium by no later than 2.00 p.m. (Brussels time) on 19 September 2011. Warrant Holders that DO NOT wish to accept the Offer in respect of their Warrants are nevertheless asked to complete and return Part B of the Pink Form of Acceptance so that in the event of a squeeze out being implemented and such Warrants being compulsorily acquired by ZF Bidco, those Warrant Holders will receive the consideration for such Warrants electronically.**

THE OFFER SHALL CLOSE AT 1.00 P.M. (LONDON TIME) ON 19 SEPTEMBER 2011. ANY TTE INSTRUCTION, BLUE FORM OF ACCEPTANCE OR PINK FORM OF ACCEPTANCE RECEIVED AFTER THIS TIME SHALL NOT BE ACCEPTED.

The full procedure for acceptance is set out on pages 12 to 19 of the Offer Document, in the Blue Form of Acceptance (for Registered Holders) and in the Pink Form of Acceptance (for Warrant Holders).

Yours sincerely,

Tulsi R. Tanti
Chairman

APPENDIX

OPINION OF HANSEN WORKS COUNCIL

Recommendation from the Works Council of Hansen Transmissions International NV (adopted at the meeting of 5 August 2011)

Following ZF Friedrichshafen's extensive and open presentation regarding the contemplated future with Hansen, the members of the works council acknowledge as follows:

- ZF believes that the employees and management of the enlarged business would benefit from the increased opportunities that the combination would bring on a long-term basis.
- ZF confirms that following implementation of the transaction the existing contractual and statutory employment rights, including in relation to pension rights, of the current employees will be honoured.
- The takeover bid is not limited to the shares but also comprises the existing Hansen Warrant Plans.
- ZF does not intend to keep focusing only on the automotive business alone but also intends to diversify into the business of gearboxes for wind turbines. Hansen Transmissions will be very complementary to the activities that ZF has already developed.

The works council understands that, with this takeover, ZF has the strategic target to maintain and develop Hansen's existing activities within the market of wind turbines, resulting in a worldwide technological recognition. To this end, ZF intends to use the substantial experience and expertise of the Hansen employees.

The works council notes that at this moment there is a wide complementarity between the current activities of Hansen and ZF.

Conclusion:

Taking into consideration the above mentioned points, the works council is of the opinion that the takeover bid opens new perspectives for the company and its employees and in principle should have positive consequences for the entire Hansen Transmissions group, its results, its employment, its places of establishment and the relations with Hansen's suppliers.

The works council grants a unanimous positive advice regarding the takeover bid.

The works council announces it will continue to monitor the implementation of the transaction.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or the action you should take, you are recommended immediately to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document should be read in conjunction with the accompanying Offer Document dated 18 August 2011. Unless the context otherwise requires, the definitions contained in the Offer Document also apply in this Form of Acceptance.

If you have sold or otherwise transferred all your Hansen Shares, please send the accompanying documents and any enclosed reply-paid envelope (for use within the UK only) but not this personalised Form of Acceptance, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into any Restricted Territory. If you have sold or otherwise transferred only part of your holding of Hansen Shares, you should retain these documents.

The Offer is not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory and the Offer should not be accepted by any such use, means, instrumentality or facility or from within a Restricted Territory. Doing so may render invalid any purported acceptance. Accordingly, none of this Form of Acceptance or the accompanying documents are being, nor may they be, mailed or otherwise forwarded, distributed or sent in, into or from (whether by use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange) of a Restricted Territory. All Hansen Shareholders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to or who may have a contractual or legal obligation to, forward this document and/or the accompanying documents to any jurisdiction outside the United Kingdom or Belgium, should read the details in this regard which are contained in (i) paragraph 12 of the letter from ZF Bidco in the Offer Document and (ii) paragraph 6 of Part B and all of Part D of Appendix I of the Offer Document before taking any action.

If you are a citizen or resident or national of a jurisdiction outside the United Kingdom or Belgium you should inform yourself about and observe any applicable legal requirements. It is your responsibility, if you wish to accept the Offer, to satisfy yourself as to the full observance of the laws of the relevant jurisdiction in connection therewith.

REGISTERED HOLDERS:
FORM OF ACCEPTANCE, AUTHORITY AND ELECTION
Recommended £444.7 million cash offer

by
ZF International BV,
a wholly-owned subsidiary of ZF Friedrichshafen AG
for
Hansen Transmissions International NV
ACTION TO BE TAKEN

- To accept the Offer in respect of Hansen Shares held in registered form (that is, NOT holding Hansen DIs though CREST), complete page 3 of this Blue Form of Acceptance by following the instructions and notes for guidance set out on pages 2 and 4.
- Return this BLUE Form of Acceptance, duly completed and signed and accompanied by any certificate(s) and/or other document(s) of title (in each case to the extent only that any such certificate(s) or document(s) has been issued to you in respect of your Hansen Shares), by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, UK. In respect of Registered Holders that are Belgian citizens or residents only, Forms of Acceptance may alternatively be returned to RBS Belgium, at Patrick Burin (Operations Management), Kanselarijstraat 17A, B 1000, Brussels, Belgium. **Forms of Acceptance should be returned as soon as possible, but in any event so as to arrive by no later than 1.00 p.m. (London time) on 19 September 2011. A first class reply-paid envelope for use within the UK only is enclosed.**
- You should complete separate Blue Forms of Acceptance for Hansen Shares held in registered form but under different designations. Additional Forms of Acceptance are available from Capita Registrars on 0871 664 0321 or, if calling from overseas, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. Registered Holders in Belgium may obtain further Forms of Acceptance RBS Belgium at Patrick Burin (Operations Management), Kanselarijstraat 17A, B 1000, Brussels, Belgium, or by telephoning +32 2 546 01 69 or by emailing patrick.burin@rbs.com.
- If you hold Hansen DIs, you should not complete this Form of Acceptance and you may only accept the Offer in respect of such Hansen Shares by sending a TTE Instruction in accordance with the procedure set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document.
- Completing and returning a Form of Acceptance in relation to Hansen DIs will NOT constitute a valid acceptance and will be disregarded.
- If you hold Hansen Shares in both registered form and as Hansen DIs, you should complete a Blue Form of Acceptance for your Hansen Shares in registered form and in addition you should send, or procure the sending of, a TTE Instruction for your Hansen DIs.
- If your Hansen Shares are in registered form and any share certificate(s) and/or other document(s) of title that may have been issued to you in connection with such Hansen Shares are with your bank, stockbroker or other agent, you should complete and sign this Form of Acceptance and arrange for it to be lodged by such agent with the relevant document(s), unless your share certificate(s) and/or other documents of title are not readily available, in which case please refer to Note 5, 6 and 7 on page 4 of this Form of Acceptance.
- Please read Parts B and D of Appendix I of the Offer Document, the terms of which are incorporated in and form part of this Form of Acceptance.
- If you hold Hansen Shares jointly with others, you must arrange for all your co-holders to sign this Form of Acceptance.
- If you have any questions as to how to fill in this Form of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if calling from overseas, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.
- A Form of Acceptance received in an envelope postmarked in a Restricted Territory or otherwise appearing to have been sent from a Restricted Territory may be rejected as an invalid acceptance of the Offer.

How to complete this Form of Acceptance, Authority and Election

The provisions of Parts A, B and D of Appendix I of the Offer Document are incorporated into and form part of this Form of Acceptance. Do not complete this Form of Acceptance in relation to Hansen DIs. Instead you should take the action set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document.

Do not complete this Form of Acceptance in relation to Warrants. Instead you should take the action set out in paragraph 12(c) of the letter from ZF Bidco contained in the Offer Document.

1 THE OFFER

To accept the Offer in respect of Hansen Shares held in registered form, insert in Box [1] the total number of Hansen Shares in respect of which you wish to accept the Offer. You must also sign Box [2] which will constitute your acceptance of the Offer, and complete Box [3] and, if appropriate Box [4], [5] and/or [6]. **If you sign Box [2] but do not insert a number in Box [1] or insert a number in excess of the number of Hansen Shares in registered form held by you, a valid acceptance will be deemed to be made in respect of all the Hansen Shares in registered form held by you.**

2 SIGNATURE(S)

YOU MUST SIGN BOX [2] REGARDLESS OF WHICH OTHER BOXES YOU COMPLETE.

In the case of joint holders ALL must sign.

EACH SIGNATURE BY AN INDIVIDUAL MUST BE SIGNED IN THE PRESENCE OF A WITNESS who must not be a joint Registered Holder and must be over the age of eighteen and not your spouse or civil partner or a member of your immediate family. The witness should state his or her name and address and sign where indicated. The same witness may witness each signature of joint holders. If the acceptance is not made by the Registered Holder(s), the acceptor should insert his name(s) and capacity (e.g. executor) in which he is making the acceptance (refer to the notes on page 4 of this Form).

A company may affix its common seal which should be affixed and witnessed in accordance with its articles of association or other regulations. Alternatively, a company to which section 44 of the UK Companies Act 2006 applies may execute this Form of Acceptance as a deed by one director in the presence of a witness who attests to the signature signing in the execution part of Box [2]. A company incorporated outside England, Wales or Northern Ireland may execute this Form of Acceptance by any person duly authorised who may sign in accordance with the laws of the territory in which the relevant company is incorporated. In all cases, the name of the company should be inserted above their signatures.

3 FULL NAME(S) AND ADDRESS(ES)

Complete Box [3] with the full name and address of the sole or first-named holder together with the full name(s) and address(es) of any joint holders in BLOCK CAPITALS only if the details pre-printed in Box [1] are missing or are incorrect. Your attention is also drawn to Box [5].

4 OVERSEAS SHAREHOLDERS

If you are unable to give the representations and warranties required by paragraph (c) of Part D of Appendix I of the Offer Document you must put "NO" in Box [4]. Unless you put "NO" in Box [4] then, by signing and returning this Form of Acceptance, you will be deemed to have given the representations and warranties required by paragraph (c) in Part D of Appendix I of the Offer Document. If you put "NO" in Box [4] then you may be deemed not to have validly accepted the Offer or to have made a valid election thereunder. Your attention is also drawn to Box [5].

5 ALTERNATIVE ADDRESS

If you want your consideration to which you are entitled under the Offer or returned documents to be sent to someone (who must be outside a Restricted Territory) other than the sole or first-named Registered Holder at the address set out in Box [3] (e.g. your bank manager or stockbroker), you should complete Box [5].

Box [5] must be completed with an address outside a Restricted Territory by holders with registered addresses in any Restricted Territory and by holders who have completed Box [3] with an address in a Restricted Territory.

6 BELGIAN REGISTERED HOLDERS ONLY: PAYMENT DETAILS

Registered Holders of Hansen Shares who are citizens or residents of Belgium should complete Box [6] with their bank details to receive the consideration in respect of their registered Hansen Shares electronically. **Anyone outside of Belgium should not complete this box and if there are any details completed these will be disregarded.**

1

TO ACCEPT THE OFFER

Box **1**

Complete Box **1** and **3** and sign Box **2** in the presence of a witness. Total number of Hansen Shares for which you wish to accept the Offer
If appropriate, also complete Boxes **4**, **5** and **6**.

--

2

SIGN HERE TO ACCEPT THE OFFER

Box **2**

<p>Execution by individual(s) Executed as a deed by:</p> <p>1.</p> <p>2.</p> <p>3.</p> <p>4.</p> <p>N.B. THE SIGNATURE OF EACH REGISTERED HOLDER SHOULD BE WITNESSED</p>	<p>Witnessed by: see paragraph 2 on page 2 for details as to who may act as witness:</p> <p>1. Name: Signature:</p> <p>Address:</p> <p>2. Name: Signature:</p> <p>Address:</p> <p>3. Name: Signature:</p> <p>Address:</p> <p>4. Name: Signature:</p> <p>Address:</p>				
<p>Execution by a company The common seal of the company named below was affixed/executed as a deed on behalf of the company name below:</p> <p>Name of company</p> <p>In the presence of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">Signature</td> <td style="width: 50%; border: none;">Name of director</td> </tr> <tr> <td style="border: none;">Signature</td> <td style="border: none;">Name of witness</td> </tr> </table>		Signature	Name of director	Signature	Name of witness
Signature	Name of director				
Signature	Name of witness				

3

FULL NAME(S) AND ADDRESS(ES)
(to be completed in BLOCK CAPITALS)

Box **3**

First-named Registered Holder	Joint Registered Holders		
1. Mr. Mrs. Ms or title Forename(s) Surname Address Postcode Tel No	2. Mr. Mrs. Ms or title Forename(s) Surname	3. Mr. Mrs. Ms or title Forename(s) Surname	4. Mr. Mrs. Ms or title Forename(s) Surname

4

OVERSEAS SHAREHOLDERS

Box **4**

Please put "NO" in Box **4** if you are unable to give the warranty set out in paragraph (c) of Part D of Appendix I of the Offer Document.

--

5

ADDRESS (OUTSIDE OF A RESTRICTED TERRITORY)
TO WHICH CONSIDERATION TO WHICH YOU ARE
ENTITLED OR RETURNED DOCUMENTS SHOULD BE
SENT IF NOT AS SET OUT IN BOX **3**

Box **5**

(to be completed in BLOCK CAPITALS)

Name
Full address
.....
.....

6

BELGIAN REGISTERED HOLDERS ONLY: PAYMENT DETAILS

Box **6**

I wish that the proceeds of the Offer are credited to my account (only fill in the applicable paragraph):

1. I have an account in a Belgian Bank with account/IBAN number/.....
Bank name: BIC/SWIFT: **OR**

2. I have an account in a bank located outside of Belgium and with an IBAN code. (EURO-zone)

My account number (IBAN number):

Bank name: BIC/SWIFT: **OR**

3. I have an account in a bank located outside of Belgium and NO IBAN code (outside the EURO-zone)

My account number:

Bank name: SWIFT:

All costs, including any taxes on stock exchange transactions, transfer costs or costs related to the exchange of GBP in any other currency will be borne by the holder of the registered shares.

Signature of the Registered Holder:

In order to avoid delay and inconvenience to yourself, the following points may assist you:

1. If a holder is away from home (e.g. abroad or on holiday)

Send this Form of Acceptance together with the Offer Document and any enclosed reply-paid envelope by the quickest means (e.g. air mail), but not in or into any Restricted Territory to the holder for execution or, if he has executed a power of attorney, have this Form of Acceptance signed by the attorney, in the presence of a witness. In the latter case, the power of attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor) must be lodged with this Form of Acceptance. No other signatures are acceptable.

2. If you have sold or otherwise transferred all your Hansen Shares

You should at once pass the accompanying Offer Document/documents and any enclosed reply-paid envelope (for use within the UK only) but not any personalised Form of Acceptance, to the purchaser or transferee but not in or into a Restricted Territory. If your Hansen Shares are in registered form, and you wish to sell part of your holding of Hansen Shares and also wish to accept the Offer in respect of the balance but are unable to obtain the balance certificate by 19 September 2011 you should ensure that the stockbroker or other agent through whom you make a sale obtains the appropriate endorsement or indication in respect of the balance of your holding of Hansen Shares.

3. If the sole holder has died

If a grant of probate or letters of administration has/have been registered with Hansen's Company Secretary at Hansen Transmissions International NV, De Veillemontstraat 9, 2550 Kontich, Belgium, this Form of Acceptance must be signed by the personal representative(s) of the deceased, each in the presence of a witness, and lodged with the Receiving Agent at the appropriate address set out in paragraph 11 below. If a grant of probate or letters of administration has/have not been registered with Hansen's Company Secretary, the personal representative(s) or the prospective personal representative(s) should sign this Form of Acceptance, each in the presence of a witness, and forward it with any share certificate(s) or other document(s) of title that may have been issued (although please note that Hansen does not generally issue certificates or other documents of title in respect of Hansen Shares in registered form) to the Receiving Agent at the appropriate address set out in paragraph 11 below. However, the grant of probate or letters of administration must be lodged with the Receiving Agent before the consideration due under the Offer can be forwarded to the personal representative(s).

4. If one of the joint holders has died

This Form of Acceptance must be signed by all the surviving holders, each in the presence of a witness, and lodged with the Receiving Agent at the appropriate address set out in paragraph 11 below with any issued share certificate(s) and/or other document(s) and accompanied by the death certificate, grant of probate or letters of administration in respect of the deceased holder.

5. Hansen share certificate(s)

Hansen does not generally issue any share certificate(s) and/or other document(s) of title in respect of Hansen Shares in registered form. If, however, you were issued with any share certificate(s) and/or other document(s) of title in respect of Hansen Shares that you hold in registered form, please follow the process set out in paragraphs 6 and/or 7 below, as applicable.

6. If your Hansen Shares are in registered form and your share certificate(s) are held by your bank or other agent

Complete this Form of Acceptance and, if any issued share certificate(s) is/are readily obtainable, deliver this completed Form of Acceptance to your bank, stockbroker or other agent for lodging with the Receiving Agent at the appropriate address set out in paragraph 11 below, accompanied by the share certificate(s). If any issued share certificate(s) is/are not readily obtainable, send this Form of Acceptance duly completed to the Receiving Agent, at the appropriate address set out in paragraph 11 below with a note saying, for example "Share certificate(s) to follow", and arrange for the share certificate to be forwarded to the Receiving Agent at the appropriate address set out in paragraph 11 below as soon as possible thereafter. It is helpful for your agent to be informed of the full terms of the Offer. No share certificate(s) or other document(s) of title are required to be delivered if no such documents were ever issued on acquisition of your Hansen Shares.

7. If your Hansen Shares are in registered form and any share certificate(s) have been lost

Complete this Form of Acceptance and lodge it, together with any share certificate(s) available, with the Receiving Agent, at the appropriate address set out in paragraph 11 below. Hansen does not generally issue any share certificate(s) and/or other document(s) of title in respect of Hansen Shares in registered form. If, however, you were issued with any share certificate(s) and/or other document(s) of title in respect of Hansen Shares that you hold in registered form, this completed, signed and witnessed Form of Acceptance should be accompanied by any such certificate(s) and/or other document(s) of title and provide a letter in accordance with the instructions set out in paragraph 12(b)(iii) of the Offer Document.

8. If you hold Hansen DIs or Warrants

Do not complete this Form of Acceptance. Instead, if you hold Hansen DIs you should take the action set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document to send, or procure the sending of, a TTE Instruction. If you hold Hansen Warrants you should take the action set out in paragraph 12(c) of the letter from ZF Bidco contained in the Offer Document.

If you are a CREST sponsored member, you should refer to your CREST sponsor, as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear UK & Ireland Limited (Euroclear).

9. If the Form of Acceptance is signed under a power of attorney

The completed Form of Acceptance, together with any share certificate(s) and/or other document(s) of title (if relevant), should be lodged with the Receiving Agent at the appropriate address set out in paragraph 11 below, accompanied by the original power of attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor). The power of attorney will be noted by the Receiving Agent and returned as directed.

10. If you are not resident in the UK or Belgium

The attention of Hansen Shareholders who hold Hansen Shares in registered form who are not resident in the UK or Belgium is drawn to paragraph 6 of Part B and Part D of Appendix I of the Offer Document.

11. Payment of Consideration and addresses for return

The consideration payable under the Offer cannot be sent to you until all relevant documents have been properly completed and sent by post or by hand (during normal business hours only) to Capita Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, U.K. Alternatively, at the option of Registered Holders in Belgium only who are returning Forms of Acceptance or other documents to the Receiving Agent, may, at the option of the Registered Holders, choose to return any such Forms of Acceptance or other documents to RBS Belgium, for the attention of Patrick Burin (Operations Management) at Kanselarijstraat 17A, B 1000, Brussels, Belgium.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or the action you should take, you are recommended immediately to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document should be read in conjunction with the accompanying Offer Document dated 18 August 2011. Unless the context otherwise requires, the definitions contained in the Offer Document also apply in this Form of Acceptance.

If you have sold or otherwise transferred all your Warrants, please send the accompanying documents, and any enclosed reply paid envelope (for use within the UK only) but not any personalised Form of Acceptance as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into any Restricted Territory if to do so would constitute a violation of the laws of such jurisdiction. If you have sold or otherwise transferred only part of your holding of Warrants, you should retain these documents.

The Offer is not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Territory and the Offer should not be accepted by any such use, means, instrumentality or facility or from within a Restricted Territory. Doing so may render invalid any purported acceptance. Accordingly, none of this Form of Acceptance or the accompanying documents are being, nor may they be, mailed or otherwise forwarded, distributed or sent in, into or from (whether by use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange) of a Restricted Territory. All Warrant Holders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to or who may have a contractual or legal obligation to, forward this document and/or the accompanying documents to any jurisdiction outside the United Kingdom or Belgium, should read the details in this regard which are contained in paragraph 12 of the letter from ZF Bidco in the Offer Document and in paragraph 6 of Part B, and in Part E of Appendix I of the Offer Document before taking any action.

Acceptance of the Offer by Warrant Holders may have adverse tax implications. The attention of Warrant Holders is drawn to paragraph 14 of the letter from ZF Bidco in the Offer Document in respect of the potential compulsory squeeze out process and treatment of the Warrants thereunder and also to paragraphs 11 of Appendix IV of the Offer Document in respect of certain tax implications for Warrant Holders accepting the Offer.

If you are a citizen or resident or national of a jurisdiction outside the United Kingdom or Belgium you should inform yourself about and observe any applicable legal requirements. It is your responsibility, if you wish to accept the Offer, to satisfy yourself as to the full observance of the laws of the relevant jurisdiction in connection therewith.

WARRANT HOLDERS:

FORM OF ACCEPTANCE/INSTRUCTION

Recommended £444.7 million cash offer

by

ZF International BV,

a wholly owned subsidiary of ZF Friedrichshafen AG

for

Hansen Transmissions International NV

ACTION TO BE TAKEN

- Warrant Holders may accept the Offer using the Form of Acceptance if they wish to do so, **however, Warrant Holders should first read paragraph 11 of Appendix IV in respect of the tax implications of doing so.** If a Warrant Holder wishes to accept the Offer in respect of their Warrants, this PINK Form of Acceptance should be completed by inserting the relevant number of Warrants the Warrant Holder wishes to sell in Box 1 of the PINK Form of Acceptance and returning it in the manner set out below, as applicable.
- To accept the Offer in respect of each Hansen Warrant Plan series, as applicable, complete Part A by following the instructions and notes for guidance set out on pages 2 and 4 and 5. Alternatively, if you are a Warrant Holder who is resident in or a citizen of Belgium and you do not wish to accept the offer, in the event of a squeeze out you should complete Part B of this Form of Acceptance in order to receive consideration for your Warrants electronically.
- If ZF receives acceptances under the Offer in respect of, or otherwise acquires, 95 per cent. or more of Hansen's share capital conferring voting rights and 95 per cent. of Hansen's securities with voting rights, ZF may launch a squeeze out as detailed in paragraph 14 of the letter from ZF Bidco in the Offer Document. If such a squeeze out is launched by ZF, in order to receive electronic payment in respect of Warrants held, Belgian Warrant Holders should complete Part B of this Form of Acceptance.
- **IF YOU DO NOT WISH TO ACCEPT THE OFFER BUT THE SQUEEZE OUT CONDITIONS AS DETAILED IN PARAGRAPH 14 OF THE LETTER FROM ZF BIDCO IN THE OFFER DOCUMENT ARE SATISFIED YOU SHOULD RETURN THE COMPLETED PART B, BEFORE THE LATEST DATE FOR ACCEPTANCE UNDER THE SQUEEZE OUT, WHICH WILL BE NOTIFIED TO YOU AT A LATER DATE.**
- Return this Pink Form of Acceptance/Instruction, duly completed and signed by post or by hand (during normal business hours only) to Capita Registrars, at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In respect of Warrant Holders that are Belgian citizens or residents only, Pink Forms of Acceptance/Instruction may alternatively be returned to RBS Belgium, Patrick Burin (Operations Management), at Kanselarijstraat 17A, B 1000, Brussels, Belgium. **Forms of Acceptance should be returned as soon as possible, but in any event so as to arrive by no later than 1.00 p.m. (London time) on 19 September 2011.** A first class reply-paid envelope for use within the UK only is enclosed.
- You should complete a separate BLUE Form of Acceptance for Hansen Shares held in registered form. Additional PINK or BLUE Forms of Acceptance are available from Capita Registrars on 0871 664 0321 or, if calling from overseas, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice. Warrant Holders in Belgium may alternatively obtain further Forms of Acceptance from RBS Belgium, Patrick Burin at (Operations Management), Kanselarijstraat 17A, B 1000, Brussels, Belgium, or by telephoning +32 2 546 01 69 or by emailing patrick.burin@rbs.com.
- If you hold Hansen DIs, you should not complete this Form of Acceptance and you may only accept the Offer in respect of such shares by sending a TTE Instruction in accordance with the procedure set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document.
- Completing and returning a Form of Acceptance in relation to Hansen DIs will NOT constitute a valid acceptance and will be disregarded.
- If you hold rights under the Hansen Warrant Plans as well as Hansen DIs, you should complete a Pink Form of Acceptance for your rights under the Hansen Warrant Plans and in addition you should send, or procure the sending of, a TTE Instruction for your Hansen DIs.
- Please read Parts B and E of Appendix I of the Offer Document, the terms of which are incorporated in and form part of this Form of Acceptance/Instruction.
- If you hold rights under the Hansen Warrant Plans jointly with others, you must arrange for all your co-holders to sign this Form of Acceptance/Instruction.
- If you have any questions as to how to fill in this Form of Acceptance/Instruction, please telephone Capita Registrars on 0871 664 0321 or, if calling from overseas, on +44 20 8639 3399. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 am to 5.00 pm (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.
- A Form of Acceptance received in an envelope postmarked in a Restricted Territory or otherwise appearing to have been sent from a Restricted Territory may be rejected as an invalid acceptance of the Offer.

PART A:

How to complete this Form of Acceptance/Instruction

The provisions of Parts A, B and E of Appendix I of the Offer Document are incorporated into and form part of this Form of Acceptance.

Do not complete this Form of Acceptance in relation to Hansen DIs. Instead you should take the action set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document.

Do not complete this Form of Acceptance in relation to Hansen Shares. Instead you should take the action set out in paragraph 12(b) of the letter from ZF Bidco contained in the Offer Document.

1 THE OFFER

To accept the Offer in respect of Warrants, insert in Box [1] the total number of rights to Warrants under each series of the Hansen Warrant Plans in respect of which you wish to accept the Offer. You must also sign Box [2] which will constitute your acceptance of the Offer, and complete Box [3] and, if appropriate Box [4], [5] and/or Box [6]. **If you sign Box [2] but do not insert a number in Box [1] in respect of each of the series of Hansen Warrant Plans under which you hold your Warrants or insert a number in excess of the number of Warrants held by you, a valid acceptance will be deemed to be made in respect of all the Warrants in that series held by you.**

2 SIGNATURE(S)

YOU MUST SIGN BOX [2] REGARDLESS OF WHICH OTHER BOXES YOU COMPLETE IN THIS PART A.

In the case of joint holders ALL must sign.

EACH SIGNATURE BY AN INDIVIDUAL MUST BE SIGNED IN THE PRESENCE OF A WITNESS who must not be a joint Warrant Holder and must be over the age of eighteen and not your spouse or civil partner or a member of your immediate family. The witness should state his or her name and address and sign where indicated. The same witness may witness each signature of joint holders. If the acceptance is not made by the Warrant Holder(s), the acceptor should insert his name(s) and capacity (e.g. executor) in which he is making the acceptance (refer to the notes on page 4 of this Form).

A company may affix its common seal which should be affixed and witnessed in accordance with its articles of association or other regulations. Alternatively, a company to which section 44 of the Companies Act 2006 applies may execute this Form of Acceptance as a deed by one director in the presence of a witness who attests to the signature signing in the execution part of Box [2]. A company incorporated outside England, Wales or Northern Ireland may execute this Form of Acceptance by any person duly authorised who may sign in accordance with the laws of the territory in which the relevant company is incorporated. In all cases, the name of the company should be inserted above their signatures.

3 FULL NAME(S) AND ADDRESS(ES)

Complete Box [3] with the full name and address of the sole or first-named holder together with the full name(s) and address(es) of any joint holders in BLOCK CAPITALS only if the information pre-printed in Box [1] is missing or is incorrect. Your attention is also drawn to Box [5].

4 WARRANT HOLDERS OUTSIDE THE UNITED KINGDOM OR BELGIUM

If you are unable to give the representations and warranties required by paragraph (c) of Part E of Appendix I of the Offer Document you must put "NO" in Box [4]. Unless you put "NO" in Box [4] then, by signing and returning this Form of Acceptance, you will be deemed to have given the representations and warranties required by paragraph (c) in Part E of Appendix I of the Offer Document. If you put "NO" in Box [4] then you may be deemed not to have validly accepted the Offer or to have made a valid election thereunder. Your attention is also drawn to Box [5].

5 ALTERNATIVE ADDRESS

If you want your consideration to which you are entitled under the Offer or returned documents to be sent to someone (who must be outside a Restricted Territory) other than the sole or first-named Warrant Holder at the address set out in Box [3] (e.g. your bank manager or stockbroker), you should complete Box [5].

Box [5] must be completed with an address outside a Restricted Territory by holders with registered addresses in any Restricted Territory and by holders who have completed Box [3] with an address in a Restricted Territory.

6 BELGIAN WARRANT HOLDERS ONLY: PAYMENT DETAILS

Warrant Holders who are citizens or residents of Belgium should complete Box [6] with their bank details to receive the consideration in respect of their registered Warrants electronically. **Anyone outside of Belgium should not complete this box and if there are any details completed these will be disregarded.**

1	<p>TO ACCEPT THE OFFER</p> <p>Complete Box 1 and 3 and sign Box 2 in the presence of a witness. If appropriate, also complete Boxes 4 and 5.</p>	Box 1	<p>Total number of Warrants for which you wish to accept the Offer</p> <p>2008 – Employees (Series 1A):2008 – Management (Series 1B):</p> <p>2009 – Management (Series 2):2010 – Management (Series 3):</p> <p>2011 – Management (Series 4):</p>
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2	<p>SIGN HERE TO ACCEPT THE OFFER</p>	Box 2	<p>Witnessed by: see paragraph 2 on page 2 for details as to who may act as witness:</p> <p>1. Name: Signature:</p> <p>Address:</p> <p>2. Name: Signature:</p> <p>Address:</p> <p>3. Name: Signature:</p> <p>Address:</p> <p>4. Name: Signature:</p> <p>Address:</p>				
<p>Execution by individual(s)</p> <p>Executed as a deed by:</p> <p>1.</p> <p>2.</p> <p>3.</p> <p>4.</p> <p>N.B. THE SIGNATURE OF EACH HOLDER OF RIGHTS SHOULD BE WITNESSED</p>							
<p>Execution by a company</p> <p>The common seal of the company named below was affixed/executed as a deed on behalf of the company name below:</p> <p>Name of company</p> <p>In the presence of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">Signature</td> <td style="width: 50%; border: none;">Name of director</td> </tr> <tr> <td style="border: none;">Signature</td> <td style="border: none;">Name of witness</td> </tr> </table>				Signature	Name of director	Signature	Name of witness
Signature	Name of director						
Signature	Name of witness						

3	<p>FULL NAME(S) AND ADDRESS(ES) (to be completed in BLOCK CAPITALS)</p>	Box 3								
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">First named holder of rights</th> <th style="width: 25%;">Joint holders of rights</th> <th style="width: 25%;"></th> <th style="width: 25%;"></th> </tr> </thead> <tbody> <tr> <td>1. Mr. Mrs. Ms or title Forename(s) Surname Address Postcode Tel No</td> <td>2. Mr. Mrs. Ms or title Forename(s) Surname</td> <td>3. Mr. Mrs. Ms or title Forename(s) Surname</td> <td>4. Mr. Mrs. Ms or title Forename(s) Surname</td> </tr> </tbody> </table>			First named holder of rights	Joint holders of rights			1. Mr. Mrs. Ms or title Forename(s) Surname Address Postcode Tel No	2. Mr. Mrs. Ms or title Forename(s) Surname	3. Mr. Mrs. Ms or title Forename(s) Surname	4. Mr. Mrs. Ms or title Forename(s) Surname
First named holder of rights	Joint holders of rights									
1. Mr. Mrs. Ms or title Forename(s) Surname Address Postcode Tel No	2. Mr. Mrs. Ms or title Forename(s) Surname	3. Mr. Mrs. Ms or title Forename(s) Surname	4. Mr. Mrs. Ms or title Forename(s) Surname							

4	<p>OVERSEAS WARRANT HOLDERS</p> <p>Please put "NO" in Box 4 if you are unable to give the warranty set out in paragraph (c) of Part C of Appendix 1 of the Offer Document.</p>	Box 4
		<div style="border: 1px solid black; width: 80px; height: 20px; margin: 0 auto;"></div>

5	<p>ADDRESS (OUTSIDE OF A RESTRICTED TERRITORY) TO WHICH CONSIDERATION TO WHICH YOU ARE ENTITLED OR RETURNED DOCUMENTS SHOULD BE SENT IF NOT AS SET OUT IN BOX 3 (to be completed in BLOCK CAPITALS)</p>	Box 5
		<div style="border: 1px solid black; padding: 5px;"> <p>Name</p> <p>Full address</p> <p>.....</p> <p>.....</p> </div>

6	<p>FOR BELGIAN WARRANT HOLDERS ONLY: ELECTRONIC PAYMENT DETAILS</p> <p>I wish that the proceeds of the Offer are credited to my account (only fill in the applicable paragraph):</p> <p>1. I have an account with a Belgian Bank with account/IBAN number/...../..... Bank name: BIC/SWIFT: OR</p> <p>2. I have an account in a bank located outside of Belgium and with an IBAN code. (EURO-zone) My account number (IBAN number): Bank name: BIC/SWIFT: OR</p> <p>3. I have an account in a bank located outside of Belgium and NO IBAN code (outside the EURO-zone) My account number: Bank name: SWIFT:</p> <p>All costs, including any taxes on stock exchange transactions, transfer costs or costs related to the exchange of GBP in any other currency will be borne by the holder of the Warrants.</p> <p>Signature of the Warrant Holder:</p>	Box 6
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PART B: FOR WARRANT HOLDERS IN BELGIUM ONLY

for the squeeze-out for all outstanding Warrants of the Company not yet held by the Offeror

For Warrant Holders outside of Belgium, please complete Part A only. In the event of a squeeze-out, consideration will be paid to you by cheque.

In order for you to receive the Offer Price for your Warrants following the squeeze-out of the Warrants electronically, this Part B, properly completed, duly signed and executed in two copies must be sent before the latest date for acceptance under the squeeze out, which will be notified to you at a later date to RBS Belgium at Patrick Burin (Operations Management), Kanselarijstraat 17A, B 1000, Brussels, Belgium

If the Warrants are owned by two or more owners, each of them must execute this Part B. If the instruments are subject to an usufruct, both the bare owner(s) and usufructuary(ies) must execute the same Part B. If the Warrants are pledged, both the owner and pledgee(s) must execute the Part B, and the pledgee(s) must explicitly waive his or her pledge on the relevant instrument(s).

I further irrevocably and unconditionally undertake to comply with any and all rights, title, claims on or interest in the Warrants.

I DO NOT wish to accept the Offer: Please tick in the box below to confirm.

The Offer will be open from 1.00 p.m. (London time) on 18 August 2011 until 1.00 p.m. (London time) on 19 September 2011.

I, undersigned (name, first name) _____,

residing at, _____,

after having had the opportunity to read the Offer Document attached herewith, including the terms of the Offer made by the Offeror, hereby confirm that I do not wish to accept the Offer, but in the instance that ZF fulfills the conditions outlined in paragraph 14 of the letter from ZF Bidco in the Offer Document and **the following financial instruments are squeezed out by the Offeror, any consideration due to me may be settled electronically using the account details set out below:**

Hansen Warrant Plan Series	Offer price of Hansen Warrant Plans (GBP)
2008 – Employees (Series 1A)	15.0 pence
2008 – Management (Series 1B)	0.5 pence
2009 – Management (Series 2)	9.0 pence
2010 – Management (Series 3)	22.0 pence
2011 – Management (Series 4)	40.0 pence

I wish that any proceeds of the Offer following the squeeze out are credited to my account (only fill in the applicable paragraph)

1. I have an account in a Belgian bank with account/IBAN number/...../.....

Bank name : BIC/SWIFT : OR

2. I have an account in a bank located outside of Belgium and with an IBAN code.(EURO-zone)

My account number (IBAN number) :

Bank name : BIC/SWIFT : OR

3. I have an account in a bank located outside of Belgium and NO IBAN code (outside the EURO-zone)

My account number :

Bank name : SWIFT :

All costs, including any taxes on stock exchange transactions, transfer costs or costs related to the exchange of GBP in any other currency will be borne by the Warrant Holders.

Signature of the Warrant Holder,

In order to avoid delay and inconvenience to yourself, the following points may assist you:

1. If a holder is away from home (e.g. abroad or on holiday)

Send this Form of Acceptance/Instruction together with the Offer Document by the quickest means (e.g. air mail), but not in or into any Restricted Territory to the holder for execution or, if he has executed a power of attorney, have this Form of Acceptance signed by the attorney, in the presence of a witness. In the latter case, the power of attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor) must be lodged with this Form of Acceptance/Instruction. No other signatures are acceptable.

2. If you have sold or otherwise transferred all your Warrants

If you have sold or otherwise transferred all your Warrants, please send the accompanying documents, and any enclosed reply paid envelope (for use within the UK only) but not any personalised Form of Acceptance as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into any Restricted Territory. If you have sold or otherwise transferred only part of your holding of Warrants, you should retain these documents.

3. If the sole holder has died

If a grant of probate or letters of administration has/have been registered with Hansen's Company Secretary at Hansen Transmissions International NV, De Veillemontstraat 9, 2550 Kontich, Belgium this Form of Acceptance/Instruction must be signed by the personal representative(s) of the deceased, each in the presence of a witness, and lodged with the Receiving Agent at the appropriate address detailed in paragraph 7 below. If a grant of probate or letters of administration has/have not been registered with Hansen's Company Secretary, the personal representative(s) or the prospective personal representative(s) should sign this Form of Acceptance/Instruction, each in the presence of a witness, and forward it to the Receiving Agent at the appropriate address set out in paragraph 7 below. However, the grant of probate or letters of administration must be lodged with the Receiving Agent before the consideration due under the Offer can be forwarded to the personal representative(s).

4. If one of the joint holders has died

This Form of Acceptance/Instruction must be signed by all the surviving holders, each in the presence of a witness, and lodged with the Receiving Agent at the appropriate address set out in paragraph 7 below and accompanied by the death certificate, grant of probate or letters of administration in respect of the deceased holder.

5. If you hold Hansen DIs or Hansen Shares in registered form

Do not complete this Form of Acceptance/Instruction. Instead, for Hansen DIs you should take the action set out in paragraph 12(a) of the letter from ZF Bidco contained in the Offer Document to send, or procure the sending of, a TTE Instruction. If you hold Hansen Shares in registered form you should take the action set out in paragraph 12(b) of the letter from ZF Bidco contained in the Offer Document.

If you are a CREST sponsored member, you should refer to your CREST sponsor, as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear UK & Ireland Limited (Euroclear).

6. If the Form of Acceptance/Instruction is signed under a power of attorney

The completed Form of Acceptance/Instruction, together with the any document(s) of title, should be lodged with the Receiving Agent (or RBS Belgium, as applicable) at the appropriate address set out in paragraph 7 below, accompanied by the original power of attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor). The power of attorney will be noted by the Receiving Agent (or RBS Belgium, as applicable) and returned as directed.

7. If you are not resident in the UK

The attention of Warrant Holders not resident in the UK is drawn to paragraph 6 of Part B and Part E of Appendix I of the Offer Document.

8. Payment of Consideration

The consideration payable under the Offer cannot be sent to you until all relevant documents have been properly completed and sent by post or by hand (during normal business hours only) to Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, U.K., or if you are a Warrant Holder that is a Belgian citizen or resident, to Capita Registrars at the aforementioned address, or to RBS Belgium at Patrick Burin (Operations Management), Kanselarijstraat 17A, B 1000, Brussels, Belgium.

9. Return of Form of Acceptance

Warrant Holders in Belgium only who are returning Forms of Acceptance or other documents to the Receiving Agent, may alternatively, at the option of the Warrant Holders, choose to return any such Forms of Acceptance or other documents to RBS Belgium, for the attention of Patrick Burin (Operations Management) at Kanselarijstraat 17A, B 1000, Brussels, Belgium.

10. Compulsory acquisition and squeeze out information

Subject to the Offer having become or been declared unconditional in all respects, if ZF receives acceptances under the Offer in respect of, or otherwise acquires, 95 per cent. or more of Hansen's share capital conferring voting rights and 95 per cent. of Hansen's securities with voting rights, ZF reserves the right to launch a subsequent squeeze out, in accordance with Articles 42 and 43 of the Belgian Royal Decree of 27 April 2007 relating to takeover bids, and thereby acquire compulsorily the remaining Hansen Shares and all outstanding Warrants in respect of which the Offer has not been accepted or that have not otherwise been acquired by ZF, provided that ZF has received acceptances under the Offer in relation to at least 90 per cent. of the Hansen share capital conferring voting rights to which the Offer relates.

11. Taxation regime of a sale or exercise of Warrants

ZF understands that Warrants were granted to employees of and self-employed persons working with Hansen in accordance with the legal framework of the Belgian Stock Option Act (Law of 26 March 1998 pertaining to the Belgian Action plan for employment and introducing miscellaneous provisions). As a consequence, a taxable benefit in kind was added to the professional income of the Belgian resident beneficiaries of the Hansen Warrant Plans for the year during which the Warrants must be considered as having been granted.

ZF understands that pursuant to the Hansen Warrant Plans, (certain) Warrant Holders may have elected to commit not to sell Warrants before the expiry of a certain period of time in order to benefit from the favourable tax regime provided by the Belgian Stock Options Act (i.e., application of the reduced percentage of valuation of the taxable benefit in kind). In addition, the Hansen Warrant Plans may also contain provisions implying (directly or indirectly) transfer restrictions.

Although an offer will be formally made in respect of all outstanding Warrants, those transfer restrictions remain in effect. As a result, certain Warrant Holders may not be allowed to tender Warrants that they hold and are covered by these transfer restrictions. According to the Belgian Stock Option Act, in the event that a Belgian Warrant Holder does not respect this transfer restriction, additional tax may be due (i.e., the difference between the taxes due on the basis of the normal valuation percentage and the taxes due on the basis of the reduced rate will be added to the other income taxable at the ordinary progressive tax rates increased by the applicable local surcharge).

In the event that no transfer restrictions apply at the time of the Offer and the Warrants may be validly exercised pursuant to the Hansen Warrant Plans, Belgian Warrant Holders may exercise the Warrants and offer to ZF the Hansen Shares that were acquired further to this exercise. As a matter of principle, under the Belgian Stock Option Act, the exercise of the Warrants under such circumstances should not trigger additional taxation.

Further, if ZF obtains sufficient acceptances and launches a squeeze out bid in respect of the Hansen Shares and the Warrants, the restrictions on transfer will be superseded by operation of Belgian law, and ZF will be able to acquire all outstanding Warrants by operation of Belgian law upon completion of the squeeze out process. In these circumstances, the Warrant Holders will be entitled to receive the Offer price for the Warrants upon such acquisition by ZF.

In the hands of Belgian Warrant Holders holding Warrants not covered by any transfer restriction, a sale of the Warrants subsequent to the squeeze out bid should not trigger additional taxation since the Belgian Stock Option Act provides an exemption from taxation on the sale or exercise of Warrants granted in accordance with its provisions. However, certain Warrants may be subject to transfer restrictions that will be superseded by operation of Belgian law, leading to a forced sale of the Warrants to ZF. Although pursuant to the Belgian Stock Option Act, additional tax should be due in that event, the Belgian tax authorities have already considered such forced sale as caused by the 'force majeure' which does not trigger additional Belgian taxes. The Belgian tax authorities have already issued advanced tax rulings in this respect, confirming that under similar circumstances no additional taxes were due.

Non-Belgian resident Warrant Holders should investigate with their personal tax adviser the possible tax consequences of a sale or exchange of the Warrants.