



## **Declaration by the Executive Board and Supervisory Board on the Governance Code**

**(December 2005)**

In accordance with § 161 AktG (German Stock Corporation Act) the Executive Board and Supervisory Board of a listed stock corporation have to declare each year that the recommendations of the "Government Commission German Corporate Governance Code" (the "Code"), published in the official part of the electronic *Bundesanzeiger* (Official Gazette), have been and will be complied with and they have to specify the recommendations which have not been and are not complied with. The Declaration must be made available to the shareholders in a permanent manner.

The German Corporate Governance Code encompasses rules with a different binding effect. Apart from provisions relating to the respectively applicable stock corporation law, it includes recommendations from which corporations may deviate; in that case they are, however, obliged to disclose the deviations on an annual basis. Furthermore, the Code includes suggestions from which corporations may deviate without disclosure.

COMBOTS AG sees responsible Corporate Governance as a central challenge and indispensable prerequisite to creating sustainable value for its shareholders as well as all other groups of investors.

**The Executive Board and the Supervisory Board of COMBOTS AG, therefore, unanimously declare, in accordance with § 161 German Stock Corporation Act, that the recommendations of the "Government Commission German Corporate Governance Code", as amended on June 2, 2005, published in the official part of the electronic *Bundesanzeiger* (Official Gazette), have been and will be complied with, subject to the following exceptions.**

- **Compensation of the Executive Board**

- *Cap for stock options* (Clause 4.2.3, para 2, of the Code): even in the event of unforeseeable developments stock options are not capped by the company.
- *Individualization of compensation for the Executive Board* (Clause 4.2.4 of the Code): by deviation from the recommendations of the Code, individual compensations of the Executive Board are not disclosed in order to protect privacy and in recognition of the constitutionally guaranteed right to informational self-determination of the members of the Executive Board. For that reason, the basic structures of the compensation system (Clause 4.2.3) were not disclosed in an individualized form. In the same way, the stock options granted to the Executive Board have not been individually disclosed. As far as the stock options issued are concerned, reporting is based on generally accepted accounting principles.

- **Supervisory Board**

- *Formation of committees* (Clause 5.3.1. of the Code): deviations from the Code are merely made to the extent that the recommendation on the setting up of qualified committees and an audit committee are not applied, since the

Supervisory Board is merely composed of three persons, so that the formation of qualified committees does not make sense.

- *Individualization of compensation for the Supervisory Board* (Clause 5.4.7 of the Code): by deviation from the recommendations of the Code, individual compensations of the Supervisory Board are not disclosed in order to protect privacy and in recognition of the constitutionally guaranteed right to informational self-determination of the members of the Supervisory Board. In the same way, the compensation paid to the members of the Supervisory Board for the personally provided services, in particular consultancy services approved by the Supervisory Board, are not individually disclosed in the notes to the consolidated financial statements.

- **Shareholders and Annual General Meeting**

- *Reports and documents for the Annual General Meeting* (Clause 2.3.1 sentence 3 of the Code): In 2005 the company deviated from the Code insofar as the reports and documents to be submitted to the Annual General Meeting were not published on the Internet but were – in accordance with the German Stock Corporation Act – available for inspection by the shareholders at the company and were sent to the shareholders at the latter's request. The contracts included in the documents and their annexes represented confidential information which was intended exclusively for the shareholders of the company. This confidentiality would not have been ensured in case of publication on the Internet. Next year the company will again publish all reports and documents on the Internet.

- **Interim reports**

- *Publication of interim reports* (Clause 7.1.2 of the Code): By deviation from the recommendations of the Code, the interim reports on the first and third quarters 2005 were published outside the 45 day rule demanded by the Code. The report on Q1 was only published after 55 days because of a changeover in the generally accepted accounting principles and the alliance with United Internet announced during that period. The report on Q3 was only published after 53 days because of the completion and execution of the comprehensive transaction with United Internet.

Karlsruhe, December 16, 2005

For the Executive Board of ComBOTS AG

Michael Greve  
CEO

Matthias Hornberger  
Member of the Executive Board –  
Business Development and IR

For the Supervisory Board of ComBOTS AG

Hansjörg Reiter  
Chairman of the Supervisory Board