

## **Declaration of Conformity of Beta Systems Software AG with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG)**

The Management Board and Supervisory Board of Beta Systems Software AG submitted the last Declaration of Conformity in accordance with Section 161 AktG on December 5, 2008. This Declaration of Conformity was published on the internet and in the 2008 Annual Report.

The Declaration set out below applies to the recommendations of the German Corporate Governance Code ("GCGC") in the version dated June 6, 2008, published in the electronic German Federal Gazette on August 8, 2008 ("2008 Version") for the period from December 6, 2008 to August 4, 2009. As from August 5, 2009 onwards, the Declaration set out below applies to recommendations of the Code in the version dated June 18, 2009, published in the electronic German Federal Gazette on August 5, 2009 ("2009 Version").

That said, the Management Board and the Supervisory Board of Beta Systems Software AG declare that the recommendations of the German Commission of the German Corporate Governance Code have been complied with since the last Declaration of Conformity dated December 5, 2008, with the deviations cited therein and those set out below.

Beta Systems Software AG will comply with the recommendations of the German Corporate Governance Code of the German Government Commission in the future as well, with the following deviations:

- **Code Item 2.3.2 – Relaying of the convening of the General Meeting of Shareholders and convention documents by electronic channels:**

The Code recommends that companies should send notification of the convening of the Annual General Meeting of Shareholders, together with convention documents, to all domestic and foreign financial service providers, shareholders and associations of shareholders by electronic means if the approval requirements are fulfilled. The Company does not comply with this recommendation because the necessary approval requirements (as laid down in the Articles of Association) do not exist. Since, owing to the nature of the bearer shares, the Company does not know its domestic and foreign financial service providers, shareholders and the associations of shareholders, and since it is currently not possible to ensure that the majority of these parties can be reached via electronic channels, the Company waives the option of electronic dispatch.

- **Code Item 3.8 – Deductible in D&O insurance policies:**

Contrary to the former recommendation laid down in the “2008 Version” of the Code that the liability insurance taken out by the Company for its Management Board and Supervisory Board members (so-called Directors’ and Officers’ (D&O) insurance) should include a reasonable deductible, Beta Systems does not consider that this measure would lead to any significant improvement in the motivation or sense of responsibility of its directors and officers. The insurance policies currently taken out by Beta Systems therefore do not include any deductible. In Item 3.8 of the “2009 Version” of the Code the recommendation of agreeing a deductible is only applicable to the D&O policy for Supervisory Board members whereas the deductible in concluding a D&O policy for Management Board members is now mandatory under the law. For the reasons cited above, Beta Systems will not be including a deductible for Supervisory Board members in future either. In contrast, the existing and current policy pertaining to the Management Board will be changed in good time owing to the amendment of Section 93 German Stock Corporation Act (AktG) in the new version and in accordance with the deadline which expires on June 30, 2010. From this time onwards, it will include a deductible for the Management Board.

- **Code Item 4.2.3 – Compensation of the Management Board:**

The Management Board of Beta Systems Software AG receives fixed and variable compensation. At present, the General Meeting of Shareholders has not authorized a Management Board compensation program that includes components with long-term incentive effect and risk elements in the form of shares, stock options or comparable instruments. Such instruments were last issued in 2001 as part of programs previously implemented within this area. Rights resulting from these programs were last exercised in 2004 or have expired.

The Board member contract of the only member of Beta Systems Software AG’s Management Board currently does not provide for a severance payment cap. The reason for this lies especially in the restriction of the Board member contract to three years. In view of this short term, an additional agreement on avoiding inappropriate severance payment was not necessary. Moreover, agreeing such severance payment caps and, if necessary, any enforcement at a later date, may cause legal problems. The fundamental idea of the recommendation is, however, taken account of as, in the event of premature mutual cancellation of a Board member contract, a severance payment provision has been agreed with the respective Board member which reflects the principle of appropriateness.

- **Code Item 5.1.2 - Composition of the Management Board:**

The Management Board of Beta Systems Software AG is currently comprised of one member. Accordingly, the new Code recommendation in respect of the composition of the Management Board (diversity) cannot be applied.

- **Code Item 5.1.2 and 5.4.1 – Age limits for Management Board and Supervisory Board members:**

Beta Systems regards the stipulation of age limits for Supervisory Board members (Code Item 5.4.1) as imposing a limitation on shareholders' rights to elect the Supervisory Board members of their own choice. Accordingly, the Company has not set any age limit. A similar departure from the Code's recommendation is that there is no age limit for Management Board members either (Code Item 5.1.2) as this would restrict the Supervisory Board in its selection of suitable candidates.

- **Code Item 5.3.2 – Setting up of an Audit Committee:**

In view of the current size and composition of the Supervisory Board (6 persons) as well as the size of Beta Systems itself, the Supervisory Board does not currently intend to set up a separate Audit Committee. Essentially the entire Supervisory Board deals with all issues relating to accounting and auditing, risk management and compliance, the necessary independence required of the external auditor, the issuing of the audit mandate to the auditor, the defining of key audit areas and agreeing the auditor's fee.

- **Code Item 5.3.3 – Setting up of a Nomination Committee:**

In view of the current size and composition of the Supervisory Board (6 persons) as well as the size of Beta Systems itself, the Supervisory Board does not currently intend to set up a separate Nomination Committee. Essentially the entire Supervisory Board deals with proposals for elections.

- **Code Item 5.4.6 – Compensation of the Supervisory Board:**

In Item 5.4.6 the Code recommends that Supervisory Board members receive performance-related compensation alongside fixed compensation. The Supervisory Board members of Beta Systems Software AG, by contrast, receive compensation only in the form of fixed remuneration. Beta Systems Software AG has diverged from this recommendation as it does not currently deem it expedient. Moreover, Beta Systems Software AG does not at present consider performance-related compensation to be a suitable tool for supporting the Supervisory Board in its tasks as an auditing and control committee. Membership and chairmanship of the Personnel Committee is also not subject to specific compensation.

Berlin, December 3, 2009



Sebastian Leser  
Chairman of the Supervisory Board



Gernot Sagl  
Member of the Management Board