

WashTec AG, Augsburg
Declaration of Conformity under sec. 161 AktG

The management board and supervisory board declare that WashTec AG has complied with the recommendations in the German Corporate Governance Code of the "Government Commission of the German Corporate Governance Code" ("Code") (version dated May 26, 2010) from the date on which they issued their last Declaration of Conformity on December 22, 2011 (including the supplement to the Declaration of Conformity of August 3, 2012) and will in the future comply with the June 15, 2012 version of the Code. The following exceptions have applied and continue to apply:

- Pursuant to section 4.2.3 sentence 3 of the Code, the monetary components of the compensation of the management board members should include both fixed and variable elements. It is not clear whether this recommendation also applies to members of the supervisory board who are appointed to the management board pursuant to sec. 105 para. 2 of the German Stock Corporation Act (AktG). As a precautionary measure, the management board and supervisory board disclose that as consideration for his work on the management board, the Supervisory Board member, Mr. Michael Busch, who was appointed to the management board pursuant to sec. 105 para. 2 AktG from July 28, 2012 through no later than July 27, 2013, is receiving only fixed compensation without any variable component. Given the brevity of the term of office, a variable component would not be appropriate given that such components are generally intended to be based on an evaluation over a number of years according to section 4.2.3 para. 2 of the Code.
- Although up until the appointment of the new management board members there had been variable compensation components stipulated in the management board contracts as part of the management board compensation, there was, however, no basis for conducting an evaluation over a number of years (section 4.2.3 para. 2 of the Code). The new management board contracts provide for management board compensation that fully complies with the recommendations of the Code.
- Section 4.2.1 sentence 1 of the Code provides that the management board should consist of several persons. In accordance with section 7.1 of the Company's Articles of Association and section 2 of the management board internal rules of procedure, the management board shall consist of one or more persons. From the date that Mr. Krüger and Mr. Khorram resigned effective 12 midnight on July 31, 2012 until the appointment of the new management board members, Mr. Rautert and Mr. Vieweg, there has been only one person on the management board in connection with the delegation of the supervisory board member, Mr. Michael Busch. The reason for this arrangement was that the previous management board members agreed to resign as of July 31, 2012 and that in order to maintain the Company's ability to transact business, an interim solution needed to be found until the successor's appointment.
- Since the Company's supervisory board had consisted of only three members up until the date the Articles of Association were amended with respect to the number of supervisory board members (June 18, 2012), no committees had been formed on or before that date (sections 5.3.1, 5.3.2 and 5.3.3 of the Code). Such a step was viewed as unnecessary given the number of members existing at that time and inasmuch as the supervisory board believed that forming committees would have only complicated the work of the body. In its meeting on May 24, 2012, the new supervisory board, which consists of six members, formed the following committees in compliance with the guidelines of the Code: Nomination Committee, Audit Committee, Personnel Committee.
- For the duration of Mr. Busch's delegation to the management board, the acting supervisory board chairman will not – contrary to section 5.4.2 of the Code – serve as the chairman of the committee which handles the management board contracts. This arrangement is justified because under the current special situation, new management board members needed to be selected quickly. Under these circumstances, the supervisory board felt it was advisable to appoint another member of the supervisory board to serve as the chairperson of the Personnel Committee for the transitional period. Once Mr. Busch has returned to the supervisory board, the supervisory board will once again seek to comply with the recommendation of section 5.4.2 of the Code.

- Notwithstanding section 5.4.6 sentence 3 of the Code, the work of chairing the committees has not to date factored into the supervisory board member's compensation. Since the supervisory board, due to its size, had not formed any committees up until the Articles of Association relating to the number of supervisory board members were amended on June 18, 2012, the previous compensation system did not contain a corresponding provision. The management board and the supervisory board are reviewing whether such a related amendment to the Articles of Association should be recommended to the annual general meeting of shareholders.

Augsburg, December 11, 2012

WashTec AG
Management Board and Supervisory Board

Additional information about corporate governance can be found in the WashTec AG annual reports under the corporate governance report or the declaration of corporate management or on the Internet at www.washtec.de.