

CORPORATE GOVERNANCE DECLARATION 2009

Declaration of Conformity of the Board of Management and the Supervisory Board of STRATEC Biomedical Systems AG with the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG).

STRATEC Biomedical Systems AG has complied with the recommendations made by the German Corporate Governance Code government commission concerning the management and supervision of German listed companies in the version dated June 6, 2008 since submitting its previous Declaration of Conformity on December 12, 2008 – with the exceptions outlined in that declaration. STRATEC Biomedical Systems AG will comply in future with the recommendations made by the German Corporate Governance Code government commission concerning the management and supervision of German listed companies in the version dated June 18, 2009 with the following exceptions:

Point 3.8

If the company takes out a D&O insurance policy for the Board of Management, a deductible of at least 10% of the loss up to at least the amount of one and a half times of the fixed annual compensation of the Management Board member must be agreed upon.

Previously, the D&O insurance policy for members of the Board of Management did not provide for any deductible, as the company was convinced that members of the Board of Management took every effort to avoid any damages to the company and that their responsibility and motivation to uphold their efforts in this respect would not be further promoted by a deductible. Moreover, a potential deductible also had no impact on the insurance premium. The current employment contracts with members of the Board of Management are governed by the statutory transitional regulations set out in § 23 of the Introductory Act to the German Stock Corporation Act (EgAktG).

A similar deductible must be agreed upon in any D&O policy for the Supervisory Board. Due to the reasons outlined above, no such deductible is foreseen for members of the Supervisory Board.

Point 4.2.3

The German Corporate Governance Code recommends that to cover against extraordinary developments the Supervisory Board should in general agree a cap on variable monetary components of the compensation of the Board of Management, such as company-related share or index-based compensation components.

The Supervisory Board has not agreed any cap for the stock options issued to the Board of Management, as these would otherwise fail to provide the element of risk/opportunity required, especially for variable compensation components, and would also fail to provide the necessary incentive, particularly when compared with practices in other countries. The Supervisory Board points out that the contracts with members of the Board of Management were concluded prior to the latest amendments to the German Stock Corporation Act.

Points 4.2.4 and 4.2.5

According to the law governing the disclosure of management board compensation, the total compensation of each member of the Board of Management has to be disclosed by name, divided into fixed and variable compensation components. The same applies to promises of benefits that are granted to a member of the Board of Management in case of premature or statutory termination of the function of a member of the Board of Management or that have been changed during the financial year. Disclosure may be dispensed with if the Annual General Meeting passes a resolution to this effect by three-quarters majority.

The German Corporate Governance Code recommends that such disclosures be made on an individual basis in a compensation report (forming part of the Corporate Governance Report).

The compensation of all members of the Board of Management, broken down into its components, was and continues to be reported as an aggregate total. The company has foregone the individual disclosure of the total compensation of each member of the Board of Management in view of the resolution for the period up

to and including the 2010 financial year adopted with the necessary qualifying majority by the Annual General Meeting on June 23, 2006.

It is our opinion that the recipient of such disclosures concerning the compensation of individual members of the Board of Management is less interested in the incentive for the individual member of the Board than in the incentive for the Board as a whole. Moreover, any disclosure of the compensation of the Board of Management on an individual basis would in the longer term result in a leveling out of the salaries between the various positions on the Board, thus undermining the desired incentive effect.

Points 5.2 and 5.3.1 to 5.3.5

The German Corporate Governance Code recommends that, depending on the specific circumstances of the company and the number of its members, the Supervisory Board should form specialist committees (including an audit and a nomination committee). Moreover, the Chairman of the Supervisory Board should assume the chairmanship of the committees which deal with the contracts concluded with members of the Board of Management and prepare the meetings of the Supervisory Board. Among other factors, the compensation paid to members of the Supervisory Board should account for the chairmanship and membership of committees.

The Supervisory Board of the company consists of the minimum legal requirement of three members and, in view of its size, has not formed any committees to date.

Point 5.4.6

The German Corporate Governance Code recommends that the compensation of the members of the Supervisory Board be disclosed in the Corporate Governance report on an individual basis and broken down into its constituent components.

The compensation, broken down into its constituent components, has been and continues to be reported as an aggregate total for all members of the Supervisory Board. The individual disclosure of the compensation of each member of the Supervisory Board has been foregone in view of the resolution covering the period up to and including the 2010 financial year adopted with the required qualifying majority by the Annual General

Meeting on June 23, 2006. Moreover, the transparency requirements of this Code recommendation are largely accounted for by disclosure of the composition of Supervisory Board compensation in § 13 of the company's Articles of Incorporation.

Point 6.6

The German Corporate Governance Code recommends that any ownership of shares in the company or of related financial instruments by members of the Board of Management and the Supervisory Board should be stated in the Corporate Governance report in the event of such direct or indirect shareholdings exceeding 1% of the shares issued by the company. Moreover, the German Corporate Governance Code recommends that the total shareholding held by such members should be stated in the Corporate Governance report broken down into the Board of Management and the Supervisory Board in the event of the total shareholding of all members of the Board of Management and the Supervisory Board exceeding 1% of the shares issued by the company.

The Board of Management and the Supervisory Board are of the opinion that the notification duties set out in the respective legal requirements, which require the company to be notified in the event of the shareholding held by any shareholder (in this case a company board) exceeding certain thresholds, are adequate in this respect. The holdings of shares in the company or of related financial instruments by members of the Board of Management and the Supervisory Board have not been stated in the past and will not be reported in future. This does not apply to disclosures required by law.

Point 7.1.2

The German Corporate Governance Code recommends that the consolidated financial statements be published within 90 days and the interim reports within 45 days of the conclusion of the respective reporting period.

The aforementioned deadlines for the publication of consolidated financial statements and interim reports have not been and are in some cases still not met by the company. However, the company does meet the publication deadlines required by law and stipulated in the rules and regulations governing membership of

the segment of the regulated market of the Frankfurt Stock Exchange involving additional admission requirements (Prime Standard), namely four months in the case of annual financial statements and two months for interim reports.

Birkenfeld, December 18, 2009