

## **Declaration Pursuant to § 161 of the Corporation Act on Compliance with the German Corporate Governance Code at QSC AG**

Upon the effective date of the German Transparency and Publicity Act, a new § 161 was inserted into the German Corporation Act, requiring the management and supervisory boards of exchange-listed companies to declare once a year whether their companies comply with the German Corporate Governance Code and which recommendations of the German Corporate Governance Code are not applied.

Since its formation, QSC AG has assigned high priority to corporate governance. In the autumn of 2002, the company revised its own corporate governance principles, which largely correspond to those of the German Corporate Governance Code. The company deviates from the Code in a few respects only, namely

- **Fixed Benchmarks for Variable Compensation Components**  
(Item 4.2.3(1), Sentence 2 of the Code)
- **Formation of Audit Committee**  
(Item 5.3.2(1), Sentence 1 of the Code)
- **Compensation of the members of the Supervisory Board taking into account the economic situation and performance of the enterprise as well as the chair and membership in committees**  
(Item 5.4.5 of the Code)
- **Publication of Interim Reports within 45 days**  
(Item 7.1.2 of the Code)

QSC's corporate governance principles are under periodical review by the management and supervisory board. Any future changes as to compliance with the German Corporate Governance Code will be published on the company's website.

Cologne, January 17, 2003

For the Management Board  
Dr. Bernd Schlobohm

For the Supervisory Board  
John C. Baker