



German Code of Corporate Governance

Declaration of Conformity pursuant to § 161 of the German Corporation Act

The Board of Managing Directors and the Supervisory Board of LPKF Laser & Electronics AG have complied with the rules of the German Code of Corporate Governance according to the official publication of 4th July 2003 in the electronic Federal Gazette and will also comply in the future.

Both Boards have checked the German Code of Corporate Governance and it was stated that the company has already been managed to a great extent according to the rules of the German Code of Corporate Governance since the admission to listing.

The following are the deviations from the code of LPKF Laser & Electronics AG's corporate management:

- The Supervisory Board of LPKF Laser & Electronics AG is comprised of only three individuals due to the size of the company. This ensures efficient working. For this reason, no committees or review boards will be established within the Supervisory Board.
- The quarterly reports will be published 60 days after the reporting period at the latest due to the extensive group interdependence. This period is re-examined yearly to shorten it, if possible.
- The compensation for members of the Board of Managing Directors will not be shown individualized, but as a total amount divided into a fixed salary, a performance-related component and components with a long-term incentive effect.
- The compensation for members of the Supervisory Board will not be shown individualized, but as a total amount.

Garbsen, 14th December 2004

A handwritten signature in black ink, appearing to read 'B. Hackmann', written over a horizontal line.

Bernd Hackmann
Chairman of the Board of Managing Directors

A handwritten signature in black ink, appearing to read 'Bernd Hildebrandt', written over a horizontal line.

Bernd Hildebrandt
Chairman of the Supervisory Board