

Declaration of compliance

by the Management Board and the Supervisory Board of telegate AG in accordance with § 161 of the Stock Corporation Act relating to the German Corporate Governance Code

Management Board and Supervisory Board of telegate AG hereby confirm telegate AG's compliance with recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the official part of the electronic federal gazette, as amended on May 26, 2010, with the exception of the following recommendations:

Clause 2.3.1/2.3.3 Support of postal vote

The company neither offers postal vote nor the support provided in this respect of shareholders regarding the performance of a postal vote.

telegate AG's Articles of Incorporation do not provide postal vote as participation and the relevant provisions of the German Corporate Governance Code are not applied accordingly.

Clause 3.8 Own risk retention in the case of D&O insurance

The D&O liability insurance of members of telegate AG's Management Board and Supervisory Board does not provide for own risk retention.

The practice exercised by telegate is according to international standards and also to the practice of the majority shareholder SEAT Pagine Gialle, who has taken out the D&O insurance for its board members and executive staff without deductible.

telegate is bound by existing insurance contracts for the annual year 2010. In this respect, however, telegate AG concluded new insurance contracts for the members of the Management Board, which come into effect on January 01 and May 01, 2011 respectively and provide for a corresponding own risk retention.

Clause 4.2.3 Period of computation compensation cap

By derogation from clause 4.2.3, subsection 4 GCGC, the computation of the compensation cap is adjusted to the fixed remuneration of the previous annual year before termination of the employment and computation of the variable remuneration is adjusted to the amount of the average value of the variable remuneration paid during the 3 preceding annual years. According to the company, this computation has appropriate results. It avoids an overproportional weighting of a remuneration paid in a certain annual year within the variable remuneration field. Thus, a distant effect of individual and singular circumstances, if applicable, is avoided and a broader assessment basis is established.

Clause 4.2.4/ 4.2.5 Individual disclosure of remuneration of Management Board

The total remuneration of each one of the members of the Management Board is not disclosed by name, telegate reports the remuneration of the Management Board as a total sum.

This is due to an according resolution by the Shareholders' Meeting from May 15, 2006, which has been passed with the necessary three-quarters majority.

Clause 5.1.2 Diversity/Composition of the Management Board

telegate AG's Management Board shall be comprised of 3 members. A new Management Board position was not created and an existing Management Board position was not filled with a female candidate, because the Supervisory Board expressed its confidence to the current Management Board members to the continuing successful management of the company.

Clause 5.1.2./5.4.1. Age limit for members of the Management Board and the Supervisory Board

An age limit has not been set for members of the Management Board and the Supervisory Board.

telegate upholds the opinion that the performance of a Management and Supervisory Board member is independent of age. Furthermore, we consider the definition of an age limit for Supervisory Board members to be an inappropriate restriction of the shareholders' right to elect the members of the Supervisory Board.

Clause 5.4.3 Proposed candidates for the chairmanship of the Supervisory Board shall be announced to the shareholders.

Election of the chairman by the Supervisory Board is its particular competence and is stipulated in telegate AG's Articles of Incorporation. Therefore, it shall remain in the Supervisory Board as well as the discussion of proposed candidates. Publication of proposed candidates before a final vote affects the Supervisory Board's secrecy of deliberation and is suited to discredit candidates who were not elected.

Clause 5.4.6 Remuneration of Supervisory Board members

Chairmanship of committees of the Supervisory Board is currently not taken into account with regard to the remuneration of the members of the Supervisory Board (paragraph 1) and a performance-related remuneration is not provided (Paragraph 2). telegate shows the remuneration of its Supervisory Board as a whole in the notes to its financial statements. telegate does not provide an individualized breakdown (Paragraph 3).

The chairmanship of committees of the Supervisory Board is currently not taken into account with regard to the remuneration of the members of the Supervisory Board, because the Articles of Incorporation do not provide that. However, the commitment within the several committees is being taken into consideration regarding the remuneration.

In addition to a fixed remuneration, the Code recommends performance-oriented remuneration for Supervisory Board members. In our opinion, telegate should not create a performance-oriented incentive system for the members of the Supervisory Board. The existing remuneration system is better suited to ensure the independence of the Supervisory Board for the effective performance of its supervision and monitoring duties.

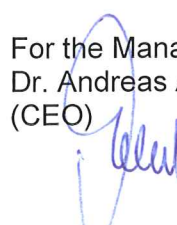
Furthermore, the Code recommends reporting the remuneration paid to the Supervisory Board members on an individual basis. In the following remuneration report, telegate lists the total remuneration for the full Supervisory Board and the work undertaken as committee activity in one sum. Remuneration is not reported on an individual basis, as we believe that this is of no relevance to the capital markets.

telegate AG complied with the recommendations by the German Corporate Governance Code as amended on June 18, 2009 since delivery of the previous declaration of compliance in December 2009 with the restrictions mentioned to clause 3.8, 4.2.4, clause 5.1.2/5.4.1 and clause 5.4.6.

Martinsried, December 9, 2010

telegate AG


For the Supervisory Board
Jürgen von Kuczkowski
(Chairman Supervisory Board)


For the Management Board
Dr. Andreas Albath
(CEO)