



**Declaration of compliance with the German Corporate Governance Code by Wire Card AG in conformity with § 161 of the German Companies Act (AktG)**

The Board of Management and the Supervisory Board declare that since the submission of the last declaration of compliance dated March 25, 2005 relating to the German Corporate Governance Code in the version of May 21, 2003, the company has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version of May 21, 2003 and in the new version of June 2, 2005 and that the company will continue to comply with the recommendations of the "Government Commission on the German Corporate Governance Code" in the new version of June 2, 2003. The following exceptions apply in this regard:

No. 2.3.1 provides for the Board of Management not only to provide reports and records required for the annual general meeting by law in the form of handouts and to send the documents in question to the shareholders upon request, but also to publish them on the company's website together with the agenda.

For competition-related reasons and in view of the increasing trend in the direction of 'competitive piracy', the Board of Management has decided not to publish strategic corporate documents on the Internet.

No. 4.2.3 par. 1 provides for the overall remuneration payable to members of the Board of Management to comprise fixed and variable components. In addition, No. 4.2.3 par. 3 provides that the fundamental characteristics of the remuneration system and the concrete structure of a stock option plan or comparable plans for components with a long-term incentive effect and risk characteristics are to be published on the company's website in generally understandable form, with explanatory notes added to the Annual Report. The information provided is to include the value of stock options.

Under item 8 of the agenda of the annual general meeting of Wire Card AG held August 30, 2005, pursuant to § 286, (5) HGB in conjunction with § 314, (2) HGB the annual general meeting decided to waive disclosure of remuneration paid to the Board of Management until fiscal 2009.

The overall remuneration of the single member of the Board of Management until November 2005 only comprised fixed components during fiscal 2005. From fiscal 2006, however, all members of the Management Board will be granted fixed and variable remuneration components in accordance with the recommendations in No. 4.2.3 pars. 1 and 2. By way of variable remuneration components, so far royalties are planned to be paid on the basis of convertible bonds, depending on operating results, return on equity and stock options.

Other than that, the fundamental characteristics of the remuneration system and the methods and impacts of the stock option plan will not be published on the Internet but in the Annual Report.

No. 4.2.4 provides for remuneration of members of the Board of Management to be reported in the Notes to the consolidated annual financial statements, broken down into fixed and performance-related components as well as components with a long-term incentive effect. The information is to be provided on an individualized basis.

In order to protect individual personality rights, the remuneration paid to members of the Board of Management will not be reported on an individualized basis.

No. 5.3 provides for committees to be set up.

The current Supervisory Board, consisting of three members, has not appointed any committees to date. The full Supervisory Board deals with all transactions requiring consent.

No. 7.1.2 provides for the consolidated annual financial statements to be made accessible to the public within 90 days of the end of a fiscal year and the interim reports within 45 days of the end of the reporting period.

The current reporting regulations relating to the Prime Standard of the German Securities Exchange provide for a period of 4 months. Accordingly, the Company will adhere to these time limits in publishing its consolidated financial statements. According to the reporting regulations of the Prime Standard of the German Securities Exchange, interim reports are published within 2 months. The Company will adhere to the two-month period and, if its internal processes allow for this, it may even opt for earlier publication.

Grasbrunn, March 17, 2006  
Wire Card AG

on behalf of the Board of Management

Dr. Markus Braun  
Burkhard Ley

on behalf of the Supervisory Board

Klaus Rehnig