



Declaration of compliance 2003

The Board of Directors and the Supervisory Board of the ELMOS Semiconductor AG explain herewith according to §161 AktG:

"The ELMOS Semiconductor AG complies with the recommendations of the "Government Commission German Corporate Governance Code" with the following exceptions:

- The currently valid D&O insurance of the supervisory board and the board of directors does not provide for a deductible (GCGC No. 3.8). Based on the undefined legal position concerning the personal liability of the individual members of the Boards an adaptation of the insurance is not planned.
- Although details about remuneration of the management board are listed in both, the company's web page and the notes to consolidated financial statements, the statements show summarized figures not individualized, divided into fixed, variable success-orientated, and long-term compensation with risk elements (stock options) (GCGC No. 4.2.4).
- Deviant with the recommendations, the Terms of Reference for the ELMOS Semiconductor AG Supervisory Board envisions the implementation of professionally qualified committees and board of examiners only when the total amount of supervisory board members exceeds the limit of six (GCGC No. 5.3.1 and 5.3.2).
- Of course, the members of the supervisory board get beside fixed also success-orientated compensation. Details about remuneration of the supervisory board are listed in the company's web page and in the notes to consolidated financial statements, but the statements show summarized figures not individualized ones. Payments made by the ELMOS Semiconductor AG to the members of the supervisory board for services provided individually, in particular advisory or agency services, are not listed separately in the notes to the consolidated financial statements (GCGC No. 5.4.5)."

Dortmund, December 2003

The Board of Directors

The Supervisory Board