

Declaration of conformity

On 15th April 2008, the Executive and Supervisory Boards issued a declaration of conformity in accordance with §161 AktG (German Stock Corporation Act). VTG AG complies to a great extent with the recommendations of the Government Commission on the German Corporate Governance Code as amended on 14th June 2007 and has also complied with this to a great extent since the day of its IPO on 28th June 2007. The following recommendations have not been followed:

1. Paragraph 3.8 Clause 3 of the Code

The liability insurance taken out by the company for the members of the Executive and Supervisory Boards does not provide for any deductible for those persons. In the view of the company, no deductible is necessary to increase the feeling of responsibility and motivation of the members of the Executive and Supervisory Boards in the fulfillment of their tasks.

2. Paragraph 4.2.4 of the Code

The company will not publish an individualized breakdown of the Executive Board's remuneration for 5 years as a result of a decision to that effect at the Annual General Meeting on 22nd May 2007.

3. Paragraph 5.3.2 of the Code

The company has decided, instead of setting up an audit committee, to entrust the Supervisory Board with the monitoring work in its entirety, since this is a central task of the Supervisory Board. Moreover, the company is of the opinion that the setting up of an audit committee with at least 3 members would hardly relieve the existing Supervisory Board of any work, as it has only 6 members.

4. Paragraph 5.3.3 of the Code

In view of the small size of the Supervisory Board, the company has refrained from setting up its own nomination committee. However, the company's Supervisory Board intends to assign the task of the nomination committee as provided for in the Code to the Executive Committee.

5. Paragraph 5.4.1 Clause 2 of the Code

When proposing people to be elected as Supervisory Board members, the company has borne in mind that they should have the knowledge, skills and specialist experience necessary for performing their tasks. No age limit was set. The company is of the opinion that age is not a suitable criterion for choosing qualified candidates.

6. Paragraph 5.4.2 Clause 4 of the Code

Dr. Malmström, a member of the Supervisory Board, has a consultancy contract with his former employer Deutsche Bahn AG, Berlin. This contract ends on 30th June 2008.

7. Paragraph 5.4.7 Clause 4 of the Code

The company considers that a fixed remuneration for Supervisory Board members is more suitable than a success-related remuneration in order to meet the monitoring requirements of the Supervisory Board independently of the company's success.

8. Paragraph 7.1.2 of the Code

Since the company has only been listed on the Stock Exchange since 28th June 2007 and thus both the consolidated financial statements and the interim reports had to be adjusted to meet the resulting requirements, this recommendation was not followed in the financial year 2007.

However, the company intends to come nearer to the deadlines in order to fulfill the recommendation as soon as possible.