

Declaration of the Supervisory Board and Management Board of Geratherm Medical AG on the Corporate Governance Code

Declaration pursuant to Section 161 German Companies Act

Pursuant to Section 161 of the German Companies Act (AktG), in its version of the Transparency and Disclosure Act dated 19 July 2002, the Management Board and the Supervisory Board are obliged to declare every year whether the recommendations of the 'German Corporate Governance Code' Governmental Commission were and still are adhered to or which recommendations were not and still, are not applied.

This declaration was first issued in the year 2002.

Throughout the 2008 business year, Geratherm Medical AG did not adhere to the recommendations of conduct ('should' stipulations) issued by the Code Commission commissioned by the Federal German Government for corporate management and monitoring. Geratherm Medical AG is planning – unchanged – not to adhere to the above mentioned recommendations of conduct in the 2009 business year either (now in its version dated 6 June 2007 and effective from 8 August 2008).

Management Board and Supervisory Board reserve the right to amend this declaration with an effect on the future.

Position

Geratherm Medical AG is listed on the official market of the Frankfurt Stock Exchange and has been admitted to that part of the official market with further duties of compliance following admission to the Prime Standard sector. Because of this, the company is subject to the highest legal standards and the additional requirements of the Prime Standard sector both now and in future too.

For a company of the size of Geratherm Medical AG, the recommendations of the Corporate Governance Code in their entirety, which are aimed at stock-exchange listed groups of a much greater magnitude, represent a considerable time and cost expenditure. In their decision on adopting or rejecting the recommendations, the Management Board and Supervisory Board thus considered the aspects of appropriateness and economy.

In our view, the adoption of the recommendations leads to an extra time and financial effort for Geratherm Medical AG that is not reflected in the benefit achieved in any way.

Thus, we do not adopt the recommendations of the Corporate Governance Code. The membership in the Prime Standard already means that we adhere to the highest standards of the German Stock Exchange.

Geschwenda, dated this 10. December 2008

Geratherm Medical AG

gez. Dr. Gert Frank gez. Thomas Robst
Management Board

gez. Rudolf Bröcker
Chairman of the Supervisory Board

gez. Firus Mettler gez. Bruno Schoch
Members of the Board