

Declaration of the Management Board and the Supervisory Board of Biofrontera AG (Company) on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG)

§ Section 161 of the German Stock Corporation Act (AktG) requires the Management Board and the Supervisory Board of Biofrontera AG to declare annually that the recommendations of the "Regierungskommission German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette have been and are being complied with, or which recommendations have not been or are not being applied and why not. The declaration pursuant to § 161 AktG shall be made permanently available to the shareholders.

The Management Board and the Supervisory Board declare that Biofrontera AG has complied with the recommendations of the German Corporate Governance Code in the version stated therein, taking into account the content exceptions, since issuing its last Declaration of Conformity in December 2013, and will continue to comply in the version dated June 24, 2014, with the following exceptions:

Deductible for D60 insurance (Clause 3.8 Para. 3)

The Company has a DKO insurance policy that does not provide for a deductible for members of the Supervisory Board. In the opinion of the Company, such a deductible is not necessary to ensure the motivation and sense of responsibility of the members of the Supervisory Board. However, a self-lehalt would probably run counter to the Company's efforts to attract outstanding personalities from Germany and abroad to its Supervisory Board. In addition, the Supervisory Board was expressly exempted from the new legal provisions on self-employment in the Act on the Appropriateness of Management Board Compensation (VorstAG) (§ 116 AktG).

Structure of the remuneration of the Supervisory Board (section 5.4.6)

Membership of committees is not taken into account in the compensation of Supervisory Board members. In view of the close coordination within the six-member Supervisory Board, it does not currently appear necessary to differentiate Supervisory Board compensation according to committee membership, particularly as the members' workload is largely the same in the various committees when viewed as a whole.

Reporting (Item 7.1.2)

Financial reports, half-yearly reports and interim announcements are published within the statutory periods.

Leverkusen, December 2014



Prof. H. Lübbert | T. Schaffer  
Management Board of  
Biofrontera AG



1. Baumann Chairman of the  
Supervisory Board