

GROUP STRUCTURE

Functions and duties of Datacolor AG

Datacolor AG's role, following the disposal of Eichhof Real Estate AG in December 2008, is that of a "pure play" on the color measurement market. It manages its business by means of objectives, is involved in the planning process and monitors compliance with the budget. Once the three-year plan and the budget have been approved by the Board of Directors, the Executive Committee acts on its own authority within the limits of the budget and the rules of competence. It is responsible for consolidation, financing, controlling, asset management and investor relations.

Datacolor AG is a Swiss public limited company with its head office in Lucerne.

Refer to page 40 for a summary of shareholdings; details about the market capitalization are given on page 4.

Strategy

Datacolor provides worldwide products and services for industrial as well as professional and hobby applications for color measurement, management, communication and calibration. Datacolor's largely debt-free balance sheet structure will put it in a position to achieve its long-term growth targets through an aggressive acquisitions policy, allied with organic growth.

It aims to achieve dynamic growth by providing innovative hardware and software products, increasing market penetration, expansion of service and support developing new markets, alliances and acquisitions. Its range comprises products and systems solutions that are competitive in terms of quality and performance, tailored to customer requirements and able to offer a large potential for generating added value. The provision of services for hardware and software products constitutes a core activity.

It aims for market leadership in defined customer segments as well as geographical markets.

Its corporate performance is achieved by a flexible, lean and customer-oriented organization.

The production depth is restricted to what is strategically necessary.

In addition to maintain a stable shareholder base to pursue long-term goals, Datacolor also aims to have Datacolor shares held by a broad public.

MANAGEMENT STRUCTURE

Board of Directors

Werner Dubach, 1943, CH
Chairman, Member of the Board since 1981, elected until AGM 2010
Dipl. Ing. Chem. ETH Zurich, MBA from the Wharton School of the University of Pennsylvania

Until January 2009, CEO and Chairman of Eichhof Holding AG
Until 1981, Director of the Eichhof Group's Beverages division
1975 –1979 Technical Director of the Eichhof Brewery
1971–1975 Management Assistant

Conzzeta AG, Zurich, Member of the Board

Peter Beglinger, 1945, CH
Board member since 1992, elected until AGM 2011
Dr. iur. University of Zurich

Until 2007 law office in Zurich, Counsel
From 1979 to 2006 own law office in Zurich
1976–1978 legal adviser to the executive management of Jacobs AG
1974–1976 law office Wenger & Vieli, Zurich
1974 admitted to the bar

Altin AG, Baar, Chairman of the Board

Hans Peter Wehrli, 1952, CH
Board member since 2001, elected until AGM 2012
Dr. oec. publ. University of Zurich
Prof., Faculty of Business Administration, University of Zurich

Belimo Holding AG, Wetzikon, Chairman of the Board

Swiss Prime Site AG, Olten, Chairman of the Board

Fritz Gantert, 1958, CH
Board member since 2004, elected until AGM 2010
Dr. sc. techn., Dipl. Masch.Ing. ETH Zurich

Since 2007 General Manager Security Solutions Division Ascom Holding AG
2001-2006 CEO of Schaffner Group
1998–2001 Sarna Kunststoff Holding AG,
1988-1998 Ascom



Fritz Gantert, Peter Beglinger, Werner Dubach, Hans Peter Wehrli

Corporate Governance

Elections and term of office

Members of the Board of Directors are elected by the Annual General Meeting of Shareholders for an individual term of office of three years. Newly elected members complete the terms of their predecessors. There are no limitations on terms of office.

Internal organization

The Board of Directors is self-constituting. It appoints committee members and the secretariat.

Duties

The Board of Directors is the supreme executive body of the holding company. It adopts resolutions which determine the company's fundamental direction and oversees the work of senior management.

Committees

The Board of Directors has established committees to support its work. The primary role of these committees is to prepare certain issues and oversee the implementation of Board resolutions. Furthermore, the Board of Directors may delegate the final handling of certain issues to the committees, provided that delegation of such tasks is not prohibited by law. The Board of Directors has established two committees: the Finance Committee and the Human Resources and Compensation Committee, as well as the steering committee used as a supervisory and control instrument, (see page 13).

- The Finance Committee prepares the financial plan, the budgets and the statements for submission to the Board of Directors. Among other things, it issues instructions and monitors the appropriation of liquidity and the execution of asset management operations.
- The Human Resources and Compensation Committee drafts proposals for the remuneration of the Board of Directors. It also submits proposals to the Board for appointments to the position of CEO and CFO. The Committee sets the fixed and variable components of remuneration for the top levels of management, taking account of the situation on the labour market, performance and achievement of the targets that have been set. If the Committee deliberates on the remuneration of a member of the Human Resources and Compensation Committee, this member shall abstain from the proceedings..

Finance Committee: Werner Dubach, Albert Busch, Stefan Dobler

Human Resources and Compensation Committee: Dr. Peter Beglinger

Operating principle of the Board of Directors and its Committees

The Board of Directors meets as often as business requires, but at least four times a year. Committee meetings are held in addition to Board meetings. Board meetings usually last for between half a day and a day.

In 2009, the following number of meetings were held:

- | | |
|--|----|
| – Board of Directors | 8 |
| – Finance Committee | 10 |
| – Human Resources and Compensation Committee | 6 |

Areas of responsibility

Board of Directors

The Board of Directors represents the company externally and manages all company activities unless responsibility for these has been transferred to another company body in accordance with the law, the Articles of Association or regulations.

In particular, the Board of Directors has the following non-transferable and inderogable duties:

- a) acting as the company's most senior management body and issuing the necessary directives;
- b) establishing the organizational framework;
- c) designing accounting, financial controls and financial planning;
- d) appointing and dismissing persons entrusted with senior management roles;
- e) ultimate oversight of persons entrusted with senior management roles, specifically with regard to compliance with the law, the Articles of Association, regulations and directives;
- f) producing the annual report, preparing for the Annual General Meeting, executing the resolutions passed by the AGM;
- g) informing the judge in the event of excessive indebtedness.

Unless the law, the Articles of Association or the directives issued by the Board of Directors provide otherwise, the Board of Directors delegates the operational management of the company to the CEO, together with the authority to delegate this task. The company's Organization Regulations govern the division of responsibility between the Board of Directors and the Executive Committee.

Executive Committee

Executive Committee members are appointed by the Board of Directors, the Human Resources and Compensation Committee and the CEO.

Information and control instruments vis-à-vis the Executive Committee

The Executive Committee informs the Board of Directors about the current status of the business, the balance sheet and the income statement on a monthly basis. The following also contribute to the regular decision-making process:

- External auditor KPMG AG, Root/Lucerne (auditor for Datacolor AG), which conducts its audit in accordance with Swiss law and Swiss auditing standards
- Internal Audit and Risk Management, which monitor the internal control system and the risks and also the measures to improve the controls or reduce the risks.

Executive Committee

Albert Busch, 1967, NL
CEO
BS/MS in Electrical Engineering
MS in Industrial Management
Joined Datacolor in February 2008,
since January 2009 CEO
1991-2008, management roles at
NV Bekaert SA

Gary Brennan, 1962, USA
Human Resources
BS in Business Administration
Since 2001 at Datacolor
2000-2001 Director HR Global
Metro Networks
1996-2000 Manager HR Teleglobe
Communications Inc.

Brian Levey, 1957, USA
Business Unit Industrial
BS in Chemistry
Since 1996 management roles,
Datacolor
1984-1996 management roles,
Beckmann Instruments

Doris Brown, 1958, USA
Global Marketing
BS in Technology
Joined Datacolor in May 2008
2001-2008 Global Marketing
Pantone Inc.
1999-2001 CEO Indocs Online
1991-1999 Senior Manager Agfa
Graphics Bayer Corporation

Christoph Gamper, 1970, IT
Business Unit Consumer
MCI Innsbruck, Austria
Since 2002 management roles
Datacolor
2000 - 2002 management roles
Koch Media AG
1997 - 2000 management roles
kdg mediatech ag

Rico Sauerborn, 1970, DE/IT
Global Operations
Business Administration & Engi-
neering (Dipl. Wirtschafts-Inge-
nieur)
Joined Datacolor in January 2009
2005 - 2008 Rieter Textile Instru-
ments (Changzhou) Co., Ltd.,
China
2003 - 2005 Spindelfabrik Suessen
GmbH, Germany (Rieter Group)
1998 - 2003 ebm Werke GmbH &
Co. KG, Germany

Stefan Dobler, 1972, CH
CFO
Certified accountant
Since December 2008 to Novem-
ber 2009 CFO
Since May 2008, interim Group
CFO
2006 - 2008, Head of Group Con-
trolling and Internal Audit
1999 - 2006 PricewaterhouseCoop-
ers, Zurich



Brian Levey, Christoph Gamper, Doris Brown, Rico Sauerborn, Gary Brennan, Stefan Dobler, Albert Busch

Executive Committee

Other activities and functions

The Executive Committee members have no permanent management and consulting functions for significant interest groups and hold neither administrative nor political offices.

Management contracts

There are no management contracts.

Compensation, shareholdings and loans

Content and method of determining the compensation and the shareholding programs

The Board of Directors sets the compensation of the Board members based on the suggestion of the Human Resources and Compensation Committee. The Human Resources and Compensation Committee also sets the compensation paid to the Executive Committee members.

The principles governing the compensation and shareholdings of members of the Board of Directors and the Executive Committee are as follows:

Compensation for acting members of governing bodies

Board of Directors

The non-executive members of the Board of Directors receive a fixed fee plus a variable bonus depending on the company's performance. Board members may receive a portion of the compensation set by the Board in the form of options on registered shares of Datacolor AG.

The compensation paid to members of the Board of Directors is shown in Note 22, on page 36.

Executive Committee

Executive Committee members receive a variable bonus in addition to their fixed salaries. The amount of the variable bonus depends on attainment of company objectives and personal performance targets. The amount of cash bonus payments and options for Executive Committee members is determined by the Human Resources and Compensation Committee. The compensation paid to the members of the Executive Committee is shown in Note 22, on page 36.

Share allotment in the year under review

No shares were allotted during the year under review.

Shareholdings and options

The holdings of shares and options as at September 30, 2009, are shown in Note 22, on page 36. The purpose of the option plan is to promote investment by Executive Committee members in Datacolor AG in order to achieve greater identification with company goals and to align the interests of management with those of shareholders. The share options are locked for three years and entitle the holder to purchase registered shares at a ratio of 1:1. Refer Financial Report, page 34, note 20 for details.

Loans granted to governing bodies

There are no outstanding loans granted to members of the governing bodies.

Compensation for former members of governing bodies

No compensation was paid to former members of governing bodies.

Additional fees and remunerations

No additional fees and remunerations are paid to members of the Board of Directors, Executive Committee members or related parties in an amount equal to or greater than the regular compensation for the given member.

INFORMATION FOR INVESTORS

Share capital

The share capital amounts to CHF 168 044 consisting of 168 044 registered shares with a nominal value of CHF 1 each. The registered shares entitle the holder to one vote at the General Meeting, provided that the shareholder is entered with voting rights in Datacolor AG's share register.

Authorized and conditional capital

There is no authorized capital.

The share capital was increased at the 2003 Annual General Meeting by a maximum amount of CHF 8 800 by issuing 8 800 registered shares with a nominal value of CHF 1 each. This conditional capital increase was implemented to enable the exercise of option rights by the members of the Board of Directors and the Executive Committee. As of September 30, 2009, the conditional capital amounts to CHF 4 580.

Changes in capital

Capital changes caused by exercised options are shown in note 20 on page 34 and statement of changes in equity on page 21.

Jouissance shares ("Genussscheine") and participation certificates

There are no jouissance shares or participation certificates.

Limitations on transferability and nominee registrations

There are no limitations with regard to transferability and nominee registrations.

Convertible bonds and options

Datacolor AG has no outstanding convertible bonds. Regarding options, refer to "Compensation" above and note 20 on page 34 of the Financial Report.

Share listing

Datacolor AG's shares are listed on SIX Swiss Exchange Zurich under security number 853 104. See Information about Datacolor Share on page 4 for an overview of the stock market listing and details of the market capitalization.

Legal status of shareholders

Shareholders in Swiss public limited companies are granted extensive statutory participation and protection rights. The shareholding provisions of these participation rights are further supplemented by the company Articles of Association. These ensure that, pursuant to the Code of Obligations, the Annual General Meeting of Shareholders is convened by placing a one-time announcement in the Swiss Commercial Gazette (Schweizerisches Handelsamtsblatt) and by sending a written invitation to the registered shareholders; that an item may be added to the agenda of the Annual General Meeting of Shareholders no later than 40 days before the date of the meeting; and that every shareholder may, besides the independent proxy provided for by law, allow his or her shares to be represented at the Annual General Meeting by a shareholder with a written proxy form.

Voting rights limitations

Every shareholder entered with voting rights in the share register is entitled to vote. No new entries in the share register are made during the 20 days before the Annual General Meeting of Shareholders. There are no limitations on voting rights.

Entry in the share register

Entry of purchasers in Datacolor AG's share register is not subject to any conditions.

Cross-shareholdings

There are no cross-shareholdings.

Shareholdings in companies

There are no shareholdings in listed companies. Percentage shareholdings in unlisted companies are given on page 40.

Significant shareholders

Refer to Datacolor share information on page 4.

Duty to make an offer

The company's Articles contain no provisions regarding a duty to make an offer.

Clauses on changes of control

There are no clauses on changes of control.

Auditors

Duration of the engagement and term of office of the lead auditor

Datacolor AG has appointed KPMG AG, Root/Lucerne as auditor. In each case, the mandate is granted by Datacolor AG's Annual General Meeting of Shareholders for a period of one year. The mandate was first given to KPMG in 1992. Thomas Studhalter has been auditor in charge since financial year 2007/08.

Auditing fee

KPMG received an audit fee of TCHF 345 for the 2008/09 reporting year.

Additional fees

In addition to the audit fee, KPMG provided other services for TCHF 164.

Supervisory and control instruments vis-à-vis the auditors

The Board of Directors holds at least two meetings a year with the auditor in charge of the mandate. The matters dealt with at these meetings include the planning and conduct of audits, the focus points of the audits and the findings thereof, the main points arising from management letters, the reports on special audits and the reports of the auditor and the group auditor. The Board of Directors has appointed a Steering Committee to manage the audits and to monitor implementation of the auditors' proposals. This committee is made up of the Chairman of the Board, the CEO and the CFO of Datacolor AG and the auditor in charge of the mandate and meets regularly while audit work is being carried out.

Information policy

Publications

Datacolor AG publishes a semi-annual report and an annual report in accordance with Swiss GAAP FER. Additionally, shareholders and the capital market are kept informed of current changes and developments through press releases. As a company listed on SIX Swiss Exchange, Datacolor AG is cognizant of its duty to disclose events relevant to its share price (ad hoc disclosure of price-sensitive information). The website www.datacolor.com is available for further information on Datacolor Group.

Key dates

Shareholders' meeting:	January 14, 2010
Semi-annual report:	May 4, 2010
Press release:	November 5, 2010
Press conference:	November 30, 2010
Shareholders' meeting:	January 13, 2011