



Group Management Report For The Three Months Ended
March 31, 2015

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Letter to Our Stockholders



Jochen Moll



Ludwig Lutter



Dr. Jochen Wiechen

Dear stockholders and business partners,

During the past fiscal year 2014, Intershop has set the stage for important developments, the positive effects of which became very evident during the first quarter of 2015.

Continuously growing product revenues show that the change-over from a service company to an integrated omni-channel-commerce solution provider is bearing fruit. The company's increased market presence, which resulted in a large number of new customers in this segment, confirms the success of the expansion of the target market in connection with the company's refocusing efforts. Another direct result of the adapted strategy is Intershop's increased attractiveness to international partner companies. In addition, measures instituted to improve the cost structure also led to a reduction in operating expenses by 25% during the first quarter.

The disposal of online marketing subsidiary SoQuero and the decline in revenue with two large customers continued to lead to lower revenues during the first quarter of 2015, which was expected. However, revenue developments are also indicative of a decidedly positive trend - adjusted for the two aforementioned effects, revenues increased by 6% during a normally weaker first quarter. This was due to the significant increase in product revenues as well as higher adjusted service revenues.

At the same time, we were able to visibly improve our gross profit margin and key figures during the first quarter of 2015 thanks to an optimized cost structure. Before depreciation and amortization, the Group already generated a positive result of EUR 0.7 million (EBITDA) during the reporting period. The operating result (EBIT) improved significantly from EUR -1.7 million in the previous year's period to EUR -0.4 million for the first quarter of 2015.

In addition to a positive capacity utilization, we are also noting a promising new customer pipeline, which is better than planned, particularly in the medium-sized segment. The positive business situation will lead to positive revenue and earnings developments in all business segments in the medium term. Another contributing factor will be the state guaranty obtained at the end of April 2015, which provides additional planning security for company financing and enables additional product innovations.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jochen Moll'.

Jochen Moll

A handwritten signature in dark ink, appearing to read 'Ludwig Lutter'.

Ludwig Lutter

A handwritten signature in dark ink, appearing to read 'Jochen Wiechen'.

Dr. Jochen Wiechen

Key Figures for the Group

| in EUR thousand | Q1 2015 | Q1 2014 | Change |
|---------------------------------------|---------|---------|--------|
| Revenue | | | |
| Revenue | 9,953 | 12,015 | -17% |
| Product Revenue | 3,279 | 2,957 | 11% |
| Services Revenue | 6,674 | 9,058 | -26% |
| Revenue Europe | 6,537 | 7,691 | -15% |
| Revenue U.S.A. | 1,891 | 2,971 | -36% |
| Revenue Asia/Pacific | 1,525 | 1,353 | 13% |
| Earnings | | | |
| Cost of revenues | 6,086 | 8,142 | -25% |
| Gross profit | 3,867 | 3,873 | 0% |
| Gross margin | 39% | 32% | |
| Operating expenses, operating income | 4,291 | 5,616 | -24% |
| Research and development | 1,399 | 1,225 | 14% |
| Sales and marketing | 1,831 | 3,065 | -40% |
| General and administrative | 1,305 | 1,476 | -12% |
| Other operating income/expenses | (244) | (150) | 63% |
| EBIT | (424) | (1,743) | 76% |
| EBIT Margin | -4% | -15% | |
| EBITDA | 709 | (691) | 203% |
| EBITDA Margin | 7% | -6% | |
| Net result | (474) | (1,793) | 74% |
| Earnings per share (EUR) | (0,02) | (0,06) | 67% |
| Net Assets | | | |
| Shareholders' equity | 17,104 | 22,409 | -24% |
| Equity ratio | 68% | 69% | |
| Balance sheet total | 25,045 | 32,432 | -23% |
| Noncurrent assets | 10,491 | 12,742 | -18% |
| Current assets | 14,554 | 19,690 | -26% |
| Noncurrent liabilities | 0 | 465 | -100% |
| Current liabilities | 7,941 | 9,558 | -17% |
| Financial Position | | | |
| Cash and cash equivalents | 7,269 | 7,311 | -1% |
| Net cash operating activities | 1,475 | 655 | 125% |
| Depreciation and amortization | 1,133 | 1,052 | 8% |
| Net cash used in investing activities | (532) | (747) | 29% |
| Employees | 389 | 530 | -27% |

Group Management Report

Overall Economy and Industry

Based on information from the International Monetary Fund (IMF), the global economy is continuing to grow at a moderate pace with an expected growth of 3.5% in 2015. In the industrialized nations, which include some of Intershop's important target markets, the combined GDP is expected to grow by 2.4%. In addition to regional and country-specific aspects, it is particularly the low oil prices that are having a stimulating effect on the economies of industrialized nations. For example, forecasts for the US economy predict above-average economic growth of 3.1%. The situation will be similarly positive for the economies of the Euro group, which will grow by 1.5%. Germany's economy is expected to grow by 1.6%, compared to France with 1.2% and the UK with 2.7%.

Global e-Commerce markets continue to be characterized by fast growth. For the year 2015, US market research company eMarketer predicts that the B2C e-Commerce segment will grow by approx. 21% to a global market volume of approximately USD 1.6 trillion. Growth of B2C e-Commerce for 2015 is also expected to be in the double-digit range for the important target regions of Intershop's business activities. Growth rates for the US are forecast to be 14.2%, compared to 14.5% in the UK and 11.1% in France. Germany is expected to experience particularly strong growth at 15.9%, according to eMarketer. Estimates by the Handelsverband Deutschland (HDE) are more conservative; it predicts a growth of 12% for Germany in 2015, and a volume of approximately EUR 44 billion.

With regard to the developments in global IT markets, US market researcher Gartner estimates that investments will increase by 3.1% (adjusted for currency). The German IT market continues to see good growth, and is expected to increase by 3.2% in 2015 to reach a market volume of EUR 80.3 billion, according to information from the industry association BITKOM. The software segment will experience the strongest growth (+5.7%). BITKOM also expects the IT services business to grow by 3%.

Business performance during the first quarter of 2015

Revised product and service range in sales and marketing: Intershop Commerce Suite and Commerce Services

During the first three months, Intershop continued its conversion from a service company to an integrated omni-channel-commerce solution provider with a focus on product offerings. In line with the introduction of a new brand presence and the reorganization of marketing and sales activities last year, Intershop has revised its software product range and officially presented a new solution portfolio in February 2015. In the future, all technical solutions offered by Intershop will be bundled under the "Intershop Commerce Suite" umbrella, and marketed accordingly. The increasing requirements for digital business are reflected not least in the growing volume of technical solutions. The new market presence makes it easier for users to obtain an overview of the components and operating models that were organized in the Intershop Commerce Suite. Each element of the Intershop Commerce Suite contains specific products that are offered by the company on the basis of three supply models: Cloud, Managed and Enterprise. If a dealer has decided on a Commerce solution, Intershop offers the relevant services in the Commerce Service segment from the first development of ideas and in-depth consulting services, to start-up, maintenance and enhancement of a trading platform.

The company's attendance at Internet World in Munich at the end of March 2015 offered an opportunity to present the new solutions to customers. At this trade show, Intershop shared a stand with its partner companies Ageto and Sevenval. Another fixture in Intershop's trade show calendar is attendance at the leading German trade show for the energy and water industries - E-World - which was held in Essen in February. At this trade show, Intershop again presented its turnkey online trading solution for utility companies. The presentation of a new Cloud offering, which is marketed by partner 4 FriendsOnly.com (4FO) was another highlight

in the company's marketing activities during the first quarter. Under the brand name ShopInSphere, 4FO now offers small and medium-sized companies the development of online shops on the basis of the enterprise e-Commerce software Intershop 7 in the form of a Platform-as-a-Service (PaaS) solution.

Strong partners, many new customers and a good project pipeline

During the 2014 fiscal year, Intershop made a number of significant changes that led to a higher market presence during the last few months, particularly in the medium-sized segment, and that has increased the company's attractiveness to international partner companies.

Intershop continued to strengthen its partner network in the first quarter of 2015. In this context, the company intensified its successful partnership (since 2001) with Scandinavian IT service provider Brightstep, and added the company to the group of its best partners companies as a Platinum Partner. The partnership with ModusLink, a globally leading omni-channel technology and fulfillment provider, was also expanded. In addition, by working with ModusLink the company also acquired a new full-service customer from the consumer goods sector. In this case, the customer will take a large number of brand shops online during the next few months on an SaaS basis. Additional new customers were acquired during the first quarter on the basis of the Intershop Cloud solution. This confirms that Intershop has established itself as the provider of an attractive SaaS solution, which is characterized in particular by a large number of individual modules and scalability.

During the first quarter, Intershop also concluded a lot of new contracts in the B2B business, particularly in the medium-sized segment. They include companies such as Cenpac, Aventics and Weyland. With the Swedish company Martin & Servera and the Dutch company Daily Fresh Food, Intershop was able to acquire two customers that market food products to business customers over the Internet and thus are occupying a future market that is becoming increasingly popular in these two countries.

One of the most important "Go Lives" in the first quarter was the launch of the Austrian shop of an existing Intershop customer, Garten XXL. The concept of GartenXXL.at is directly based on the German platform, in order to optimize the synergies of a joint product range and shop set-up through the Intershop Multishop System.

In addition to a positive capacity utilization in the project business, Intershop also registered a promising new customer pipeline at the end of the first quarter, which was above the expectations of management, particularly in the medium-sized segment.

Intershop also receives additional momentum, particularly at the international level, as a result of continuously positive evaluations for the Intershop Commerce Suite. The "Forrester Wave" Study by US market research institute Forrester Research, which was published in January 2015 and which analyzed the B2C suitability of commerce platforms, ranked Intershop as a "Strong Performer" among the top 5 providers worldwide. The predecessor study, which was published in 2013, already confirmed that Intershop's commerce platform also offers an excellent solution in the B2B sector.

Revenue Development

Reorganization of revenues into product and service revenues

At the beginning of the 2015 fiscal year, Intershop reorganized revenues into the main groups product revenues and service revenues. Now product revenues include both licensing revenues as well as maintenance revenues. Service revenues include revenues from consulting and training, full-service income and other income. Other income includes the online marketing revenues generated in the past year by subsidiary SoQuero GmbH, which has since been sold, and revenues from the outsourced operating business of subsidiary The Bakery GmbH. This change is based on the renewed focus on the product business, which was implemented in 2014. Since the sale of licenses is normally followed by maintenance costs, the reorganization now better depicts actual business activities and the revision of the product portfolio. The applied accounting policies are not affected by this change.

Revenue development during the first quarter of 2015

Intershop generated revenues of EUR 10.0 million (prior year: EUR 12.0 million) during the first three months of 2015. This corresponds to a decline of 17% compared to the same period last year. The drop in revenues is mainly attributable to the sale of the company's online marketing subsidiary, SoQuero in 2014, as well as to the fact that revenues with two long-standing key accounts declined. The decline in revenue, adjusted for the disposal of online marketing subsidiary SoQuero in 2014, is only 8%. Adjusted for both effects revenues increased by 6%. The higher revenues were the result of higher sales with existing customers and also from new customers.

Product revenues rose by 11% to EUR 3.3 million compared to the previous year's period. Licensing revenues grew by 18% to a quarterly volume of EUR 1.3 million. Maintenance revenues increased by 6% to EUR 2.0 million. Service revenues fell by 26% to EUR 6.7 million during the first three months of 2015. Earnings from consulting and training dropped by 16% to approximately EUR 5.1 million. This figure was affected by the already mentioned reduction in revenue with two large customers. Adjusted for these proceeds, consulting revenues increased by 12%, which confirms that Intershop also has the potential for dynamic growth in the consulting segment on the basis of the refocused business model. On the whole, the consulting and training segment remains the most important revenue driver for Intershop at almost 50%. Earnings in the Full Service segment declined compared to the previous year's period by 4% to EUR 1.6 million. However, there was a gain of 25% compared to the fourth quarter of 2015.

The large number of new customers and the significant increase in revenues in the product area, along with the adjusted service revenue for a normally weaker first quarter confirm that Intershop has been on the right track during the past year in order to resume generating stable sales and positive results in all business segments in the medium term.

The following table shows the trend in revenue by area (in EUR thousand):

| Three Months ended March 31, | 2015 | 2014 | Change |
|------------------------------|--------------|---------------|-------------|
| Product Revenue | 3,279 | 2,957 | 11% |
| Licenses | 1,316 | 1,111 | 18% |
| Maintenance | 1,963 | 1,846 | 6% |
| Service Revenue | 6,674 | 9,058 | -26% |
| Consulting/Training | 5,112 | 6,073 | -16% |
| Full Service | 1,562 | 1,629 | -4% |
| Other Revenue | 0 | 1,356 | -100% |
| Revenue total | 9,953 | 12,015 | -17% |

Business activities in the Asia Pacific region were particularly successful. In this area, the Intershop Group increased its revenues by 13% to around EUR 1.5 million in the reporting period. In the European market, revenues decreased by around 15% to EUR 6.5 million. Adjusted for the SoQuero disposal, revenues were however at the previous year's level. In the US, Intershop recorded a significant decline in revenue of around 36% to EUR 1.9 million. As a result, the share of the US market in total income fell from 25% in the previous year's period to 19% for the first quarter of 2015. The percentage of total sales for the European markets rose from 64% to 66%. The share of the Asia Pacific region rose from 11% to 15%.

Earnings Development

During the first quarter of 2015, Intershop generated a gross profit of EUR 3.9 million; this result was at the level of the previous year's period, although the gross margin saw significant improvement from 32% to 39%. This was mainly due to the improved cost structure. Cost of revenues declined disproportionately to the decline in revenue by 25% to EUR 6.1 million.

Operating expenses declined by 24% to EUR 4.3 million. This decrease is due to the targeted measures designed to improve the cost structure, which were implemented during the 2014 fiscal year, specifically the reduction of sales and marketing costs and restructuring into non-profitable sales units. As a result, expenses for marketing and sales declined by 40% to EUR 1.8 million during the reporting period. Administration costs declined by 12% to EUR 1.3 million compared to the previous year's period. Costs for research and development rose by 14% to EUR 1.4 million, as investments in in-house development projects increased.

Total costs fell by 25% to EUR 10.4 million overall. This had the effect of improving the operating result before amortization and depreciation (EBITDA) from EUR -0.7 million in the previous year's period to EUR 0.7 million for the reporting period. The result from operating activities (EBIT) also saw significant improvement from EUR -1.7 million to EUR -0.4 million. Overall, Intershop generated an after-tax result of EUR -0.5 million (prior year: EUR -1.8 million) in the first quarter. Earnings per share amounted to EUR -0.02 (prior year: EUR -0.06).

Net Assets and Financial Position

The Intershop Group's equity ratio of 68% is still at a very high level. Current assets rose by almost 3% to EUR 14.6 million during the first three months compared to the end of 2014. Trade receivables included in that figure fell by 11% to EUR 6.0 million, while cash and cash equivalents increased by 14% to EUR 7.3 million at the same time. On the liabilities side, the equity capital position decreased in accordance with the loss for the period, by EUR 0.5 million to EUR 17.1 million. Total assets declined slightly by 1% to EUR 25.0 million on the interim balance sheet date.

During the reporting period, Intershop improved its operating cashflow from EUR 0.7 million in the previous year's quarter to EUR 1.5 million in the first quarter of 2015. The increase is mainly due to the significantly improved result. Cash outflows from investing activities fell slightly from EUR 0.7 million to EUR 0.5 million. Cash inflows during the first quarter totaled EUR 0.9 million. As a result, cash and cash equivalents increased from EUR 6.4 million to EUR 7.3 million.

Research and Development

The steady enhancement of the omni-channel-commerce platform Intershop 7 is at the center of the activities in the research and development (R&D) segment. At this time, the R&D segment is focusing on the preparations for the next platform updates to Version 7.6. Activities in this segment are concerned with ensuring the continued smooth operations of the different Commerce-Suite components that are provided on the basis of Intershop 7.5, and that of the different operating models Cloud, Managed and Enterprise, and optimizing functions where required. This is done with minor updates or maintenance activities, for example. It is the only way that allows the company to provide a competitive and reliable range of solutions on a consistent basis in a very dynamic e-Commerce sector that is characterized by short innovation cycles.

Employees

At the end of March 2015, Intershop had 389 full-time employees worldwide. This means a decline by 141 employees compared to the same period last year. Of this figure, approx. half of the decline (70 employees) was attributed to the subsidiaries SoQuero GmbH and The Bakery GmbH.

The following overview shows the breakdown of full-time employees by business unit.

| Employees by department (full-time equivalents) | March 31, 2015 | December 31, 2014 | March 31, 2014 |
|---|-------------------|-------------------|-------------------|
| Technical Departments (Service functions and Research and Development) | 296 | 322 | 396 |
| Sales and Marketing | 49 | 47 | 75 |
| General and administrative | 44 | 46 | 59 |
| Total | 389 | 415 | 530* |

*460 employees without subsidiaries SoQuero GmbH and The Bakery GmbH

As per the interim balance sheet date, 339 employees or 87% were in the European branches (prior year: 89%). The proportion of employees in the Asia-Pacific region increased with 26 employees from 5% to 7%. With 24 employees the proportion of the workforce in the US was 6%, as in previous year's period.

Group Risks

For information on the Company's risks, please refer to the detailed explanations in the 2014 Annual Report.

Events Subsequent to the Balance Sheet Date

On April 29, 2015, Intershop announced that the federal state of Thuringia has committed to issue a guaranty that will serve as the main collateral for a EUR 6 million loan yet to be raised.

With its decision of April 30, 2015, the Local Court of Jena appointed Dr. Harald Schrimpf, CEO of PSI AG, to the Supervisory Board of INTERSHOP Communications AG effective May 1, 2015 until the end of the next Annual Stockholders' Meeting. The current member of the Supervisory Board, Prof. Dr. Nikolaus Mohr, resigned from the Board on April 30, 2015 for professional reasons.

No other material events that must be reported occurred after the balance sheet date.

Outlook

The global e-Commerce market will continue to see significant growth during the current and subsequent years. Market researchers at eMarketer expect that the B2C online business segment will grow an average of 17% annually until 2018. The B2B online business will also be in a position to increasingly realize its potential in the coming years. According to information from the US company Frost & Sullivan, global B2B e-Commerce revenues will grow to USD 12 trillion by 2020, which would correspond to an annual growth rate of 8.1%. The market research company IDC forecasts a growth of 3.4% for global IT markets in 2015 and also 2016. In this vein, it is expected that the software business will see particularly strong growth with 6.3% in the current and 6.6% in the coming year. The IT services business is expected to grow by 3.0% and 3.3% respectively. The considerable growth rate in the e-Commerce market continues to show great potential for the acquisition of new customers in the B2C and B2B business segments. At the same time, global IT markets and in particular the market for e-Commerce software are characterized by highly dynamic technology cycles and very intense competition. The acquisition of new customers requires that commerce platform providers have a significant market presence, provide a competitive offering and offer stable company growth.

During the past fiscal year in particular, Intershop has set the stage to position itself in the global competitive environment. To this end, the company has refocused its business activities - a move that is already bearing fruit in the form of growing product revenues. In addition, the company adjusted its cost structure to increase profitability and address the

decline in revenue resulting from strategic transition phase and the fact that increases in revenues will only take effect in later periods.

The approval for a financing package in the amount of EUR 6 million, which was obtained at the end of April 2015, is another important building block in creating additional leeway for product innovations, particularly in the B2B segment and in the area of SaaS solutions, and provides medium-term planning security for company financing. The financing package is comprised of a planned loan from Sparkasse Jena-Saale-Holzland, which is collateralized by a guarantee from the federal state of Thuringia. The Management Board is also keeping other options open for company financing, such as the use of authorized capital.

For the current business year, the Management Board is maintaining the forecast for the year that was included in the 2014 annual report. Accordingly, in 2015 the company expects a decline in total revenues in the low double-digit percentage range, adjusted for the disposal of the online marketing subsidiary. The Management Board also expects to achieve an almost break-even operating result (EBIT) as a result of continued slight increase in the gross margin and the optimized cost structures.

Consolidated Balance Sheet

| in EUR thousand | March 31, 2015 | December 31, 2014 |
|---|----------------|-------------------|
| ASSETS | | |
| Noncurrent assets | | |
| Intangible assets | 8,922 | 9,451 |
| Property, plant and equipment | 565 | 631 |
| Other noncurrent assets | 51 | 45 |
| Deferred tax assets | 953 | 950 |
| | 10,491 | 11,077 |
| Current assets | | |
| Trade receivables | 5,995 | 6,737 |
| Other receivables and other assets | 915 | 733 |
| Restricted cash | 375 | 375 |
| Cash and cash equivalents | 7,269 | 6,358 |
| | 14,554 | 14,203 |
| TOTAL ASSETS | 25,045 | 25,280 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | |
| Shareholders' equity | | |
| Subscribed capital | 30,183 | 30,183 |
| Capital reserve | 7,751 | 7,751 |
| Other reserves | (20,830) | (20,357) |
| | 17,104 | 17,577 |
| Noncurrent liabilities | 0 | 0 |
| Current liabilities | | |
| Other current provisions | 341 | 344 |
| Trade accounts payable | 1,215 | 1,670 |
| Income tax liabilities | 146 | 150 |
| Other current liabilities | 2,752 | 2,867 |
| Deferred revenue | 3,487 | 2,672 |
| | 7,941 | 7,703 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 25,045 | 25,280 |

Consolidated Statement of Comprehensive Income

| | Three months ended March 31, | |
|---|------------------------------|----------------|
| in EUR thousand | 2015 | 2014 |
| Revenues | | |
| Product Revenues | 3,279 | 2,957 |
| Service Revenues | 6,674 | 9,058 |
| | 9,953 | 12,015 |
| Cost of revenues | | |
| Cost of revenues - Product | (1,480) | (1,240) |
| Cost of revenues - Services | (4,606) | (6,902) |
| | (6,086) | (8,142) |
| Gross profit | 3,867 | 3,873 |
| Operating expenses, operating income | | |
| Research and development | (1,399) | (1,225) |
| Sales and marketing | (1,831) | (3,065) |
| General and administrative | (1,305) | (1,476) |
| Other operating income | 282 | 208 |
| Other operating expenses | (38) | (58) |
| | (4,291) | (5,616) |
| Result from operating activities | (424) | (1,743) |
| Interest income | 2 | 6 |
| Interest expense | 0 | 0 |
| Financial result | 2 | 6 |
| Earnings before tax | (422) | (1,737) |
| Income taxes | (52) | (56) |
| Earnings after tax | (474) | (1,793) |
| Other comprehensive income | | |
| Exchange differences on translating foreign operations | 1 | 20 |
| Other comprehensive income from exchange differences | 1 | 20 |
| Total comprehensive income | (473) | (1,773) |
| Earnings per share (EUR, basic, diluted) | (0.02) | (0.06) |
| Weighted average shares outstanding (basic, diluted) | 30,183 | 30,183 |

Consolidated Statement of Cash Flows

| | Three months ended March 31, | |
|--|------------------------------|---------|
| in EUR thousand | 2015 | 2014 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Earnings before tax | (422) | (1,737) |
| <i>Adjustments to reconcile net profit/loss to cash used in operating activities</i> | | |
| Financial result | (2) | (6) |
| Depreciation and amortization | 1,133 | 1,052 |
| <i>Changes in operating assets and liabilities</i> | | |
| Accounts receivable | 977 | 1,744 |
| Other assets | (174) | (812) |
| Liabilities and provisions | (685) | 220 |
| Deferred revenue | 700 | 238 |
| Net cash provided by operating activities before income tax and interest | 1,527 | 699 |
| Interest received | 3 | 6 |
| Income taxes received | 5 | 0 |
| Income taxes paid | (60) | (50) |
| Net cash (used in) operating activities | 1,475 | 655 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments for investments in intangible assets | (493) | (614) |
| Proceeds on disposal of equipment | 2 | 0 |
| Purchases of property and equipment | (41) | (133) |
| Net cash used in investing activities | (532) | (747) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net cash provided by/used in financing activities | 0 | 0 |
| Effect of change in exchange rates | (32) | 14 |
| Net change in cash and cash equivalents | 911 | (78) |
| Cash and cash equivalents, beginning of period | 6,358 | 7,389 |
| Cash and cash equivalents, end of period | 7,269 | 7,311 |

Consolidated Statement of Shareholders' Equity

| in EUR thousand | Other reserves | | | | | | |
|---------------------------------|----------------------------------|-----------------------|--------------------|-----------------------|----------------------------|------------------------------------|--------------------|
| | Common shares (Number shares) | Subscribed capital | Capital reserve | Conversion reserve | Cumulative profit/ loss | Cumulative currency differences | Subscribed capital |
| Balance, January 1, 2015 | 30,183,484 | 30,183 | 7,751 | (93) | (22,438) | 2,174 | 17,577 |
| Total comprehensive income | | | | | (474) | 1 | (473) |
| Balance, March 31, 2015 | 30,183,484 | 30,183 | 7,751 | (93) | (22,912) | 2,175 | 17,104 |
| Balance, January 1, 2014 | 30,183,484 | 30,183 | 7,751 | (93) | (15,796) | 2,137 | 24,182 |
| Total comprehensive income | | | | | (1,793) | 20 | (1,773) |
| Balance, March 31, 2014 | 30,183,484 | 30,183 | 7,751 | (93) | (17,589) | 2,157 | 22,409 |

Notes on the Consolidated Financial Statements as of March 31, 2015

General disclosures

The consolidated financial statements of INTERSHOP Communications AG as of December 31, 2014 were prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), as well as the provisions required to be applied under section 315a(1) of the Handelsgesetzbuch (HGB – German Commercial Code). Accordingly, the Group's interim report as of March 31, 2015 was prepared in accordance with IAS 34, Interim Financial Reporting.

This interim report as of March 31, 2015 is unaudited and must be read in conjunction with the consolidated financial statements and the associated notes to the consolidated financial statements for fiscal year 2014. The consolidated financial statements and the notes to the consolidated financial statements are contained in the Company's Annual Report for the fiscal year ended December 31, 2014. The 2014 Annual Report is available on the Company's web site at <http://www.intershop.com/investors-financial-reports>.

Accounting principles (Compliance statement)

The interim consolidated financial statements of INTERSHOP Communications AG were prepared in accordance with the International Financial Reporting Standards (IFRSs) valid at the balance sheet date, which include standard (IFRS, IAS) adopted by IASB, and the Interpretations (IFRIC, SIC) issued by the International Financial Reporting Interpretations Committee (IFRS IC), as adopted by the EU.

The interim consolidated financial statements have been prepared in euros. Unless stated otherwise, all amounts are given as thousands of euros (EUR thousand). Figures are rounded to the nearest thousand and totals may not sum due to rounding.

Basis of consolidation

The scope of consolidation of the entities of INTERSHOP Communications AG includes, as of March 31, 2015, in addition to the parent company, the subsidiaries Intershop Communications, Inc., Intershop Communications Australia Pty Ltd, Intershop Communications Asia Limited, Intershop Communications Nordics AB, The Bakery GmbH, Intershop Communications Ventures GmbH, Intershop Communications SARL as well as Intershop Communications LTD.

The consolidated financial statements of Intershop Communications AG include the consolidated results of the Company and all its German and foreign subsidiaries over whose financial and operating policies INTERSHOP Communications AG exercises direct or indirect control.

Accounting policies

The same accounting policies were used to prepare this interim report as for the consolidated financial statements for fiscal year 2014. The policies used are described in detail on pages 48 to 53 of the 2014 Annual Report.

Revenues will be divided into the main groups product revenues and service revenues as of the 2015 fiscal year. Product revenues include licensing revenues and revenue from maintenance. Service revenues include revenues from consulting and training, full-service income and other income. Other income consists solely of the online marketing revenues generated in previous years, and the revenues from the TheBakery business.

Equity

The change in equity of INTERSHOP Communications AG is shown in the consolidated statement of changes in equity.

As of March 31, 2015, subscribed capital was unchanged at EUR 30,183,484 and is divided into 30,183,484 non-par value bearer shares. As of March 31, 2015, the Company still had authorized capital of EUR 7,500,000 (Authorized Capital I).

Earnings per share

The calculation of basic and diluted earnings per share is based on the following data

| In EUR Thousand | Three months ended March 31, | |
|--|------------------------------|----------------|
| | 2015 | 2014 |
| Basis for calculating basic and diluted earnings per share (Earnings after tax) | (474) | (1.793) |
| Weighted average number of ordinary shares used to calculate basic and diluted earnings per share | 30,183 | 30,183 |
| Calculation of earnings per share (basic/diluted) | | |
| Basis for calculating basic/diluted earnings per share (in EUR thousand) | (474) | (1.793) |
| Weighted average number of shares (basic/diluted) | 30,183 | 30,183 |
| Earnings per share (basic/diluted) (in EUR) | (0.02) | (0.06) |

If the diluted earnings reduce the loss per share or increase the earnings per share, an adjustment is made to the amount of basic earnings per share (antidilutive effect) in accordance with IAS 33.43. If a basic result and diluted result are the same, this may be disclosed in one row as per IAS 33.67.

Segment Reporting

| Three months ended March 31, 2015 | | | | | |
|---|--------------|--------------|---------------|---------------|--------------|
| in EUR thousand | Europe | U.S.A | Asia/ Pacific | Consolidation | Group |
| Revenues from external customers | | | | | |
| Product Revenues | 2,430 | 599 | 250 | 0 | 3,279 |
| Licenses | 890 | 308 | 118 | 0 | 1,316 |
| Maintenance | 1,540 | 291 | 132 | 0 | 1,963 |
| Service Revenues | 4,107 | 1,292 | 1,275 | 0 | 6,674 |
| Consulting and training | 2,996 | 1,117 | 999 | 0 | 5,112 |
| Full Service | 1,111 | 175 | 276 | 0 | 1,562 |
| Total revenues from external customers | 6,537 | 1,891 | 1,525 | 0 | 9,953 |
| Intersegment revenues | 180 | 3 | 0 | (183) | 0 |
| Total revenues | 6,717 | 1,894 | 1,525 | (183) | 9,953 |
| Result from operating activities | (281) | (80) | (63) | 0 | (424) |
| Financial result | | | | | 2 |
| Earnings before tax | | | | | (422) |
| Income taxes | | | | | (52) |
| Earnings after tax | | | | | (474) |

| Three months ended March 31, 2014 | | | | | |
|---|----------------|--------------|---------------|---------------|----------------|
| in EUR thousand | Europe | U.S.A | Asia/ Pacific | Consolidation | Group |
| Revenues from external customers | | | | | |
| Product Revenues | 2,552 | 235 | 170 | 0 | 2,957 |
| Licenses | 1,066 | 0 | 45 | 0 | 1,111 |
| Maintenance | 1,486 | 235 | 125 | 0 | 1,846 |
| Service Revenues | 5,139 | 2,736 | 1,183 | 0 | 9,058 |
| Consulting and training | 2,617 | 2,506 | 950 | 0 | 6,073 |
| Full Service | 1,166 | 230 | 233 | 0 | 1,629 |
| Other revenues | 1,356 | 0 | 0 | 0 | 1,356 |
| Total revenues from external customers | 7,691 | 2,971 | 1,353 | 0 | 12,015 |
| Intersegment revenues | 234 | 28 | 0 | (262) | 0 |
| Total revenues | 7,925 | 2,999 | 1,353 | (262) | 12,015 |
| Result from operating activities | (1,114) | (427) | (202) | 0 | (1,743) |
| Financial result | | | | | 6 |
| Earnings before tax | | | | | (1,737) |
| Income taxes | | | | | (56) |
| Earnings after tax | | | | | (1,793) |

The organization of revenues for the business segments that must be reported was adjusted in accordance with the presentation of revenues for the Group. We refer to the section "Accounting policies".

Litigation

In the first three months of fiscal year 2015, the following change took place with regard to the legal disputes disclosed on pages 68/69 of the 2014 Annual Report:

In the case of an annulment and rescission lawsuit by shareholder GSI Commerce Solutions, Inc., the District Court Gera has designated the date of 14 July 2015 as the arbitration date.

Related party disclosures

Besides its business relations with the consolidated subsidiaries, Intershop has relations with a company that holds an equity interest in Intershop, GSI Commerce Solutions Inc, held 26.14% of the Company's shares at the interim reporting date. The revenue earned with the company amounted to EUR 171 thousand in the first quarter of 2014 (prior year: EUR 505 thousand). The outstanding receivables amounted to EUR 41 thousand at March 31, 2015 (prior year: EUR 316 thousand). The accounts receivables consist of trade receivables. Intershop did not purchase any goods or services from GSI and has no accounts payable as at March 31, 2015.

Directors' holdings and Securities transactions subject to reporting requirements

As of March 31, 2015, the following members of the company's executive bodies held Intershop ordinary bearer shares:

| Name | Function | Shares |
|-------------------------|--|--------|
| Dr. Herbert May | Chairman of the Supervisory Board | 18,000 |
| Prof. Dr. Nikolaus Mohr | Vice Chairman of the Supervisory Board | 15,000 |
| Dr. Kai Hudetz | Member of the Supervisory Board | 4,000 |
| Jochen Moll | Spokesman of the Board of Management | 50,000 |
| Ludwig Lutter | Member of the Board of Management | 10,874 |
| Dr. Jochen Wiechen | Member of the Board of Management | 30,000 |

In the first three months of fiscal year 2015, the members of the company's executive bodies did not undertake any securities transactions involving Intershop ordinary bearer shares.

Intershop-Shares

| Stock Market Data on Intershop Shares | |
|---------------------------------------|---|
| ISIN | DE000A0EPUH1 |
| WKN | A0EPUH |
| Stock market symbol | ISH2 |
| Admission segment | Prime standard/Regulated market |
| Sector | Software |
| Membership of Deutsche Börse indices | CDAX, Prime All Share, Technology All Share |

| Key figures for Intershop shares | | Q1 2015 | 2014 | Q1 2014 |
|--|-------------------|---------|--------|---------|
| Closing price ¹ | in EUR | 0.98 | 1.07 | 1.81 |
| Number of shares outstanding (end of period) | in million shares | 30.18 | 30.18 | 30.18 |
| Market capitalization | in EUR million | 29.58 | 32.30 | 54.63 |
| Earnings per share | in EUR | (0.02) | (0.22) | (0.06) |
| Cashflow per share | in EUR | 0.05 | 0.01 | 0.02 |
| Carrying amount per share | in EUR | 0.57 | 0.58 | 0.74 |
| Average trading volume per day ² | Number | 34,593 | 31,039 | 54,966 |
| Free float | in % | 69 | 69 | 69 |

¹ Basis: Xetra

² Basis: Xetra/Frankfurt

Contact



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This interim report contains forward-looking statements regarding future events or the future financial and operational performance of Intershop. Actual events or results may differ materially from the results presented in these forward-looking statements or from the results expected according to these statements. Risks and uncertainties that could lead to such differences include Intershop's limited operating history, the limited predictability of revenues and expenses, and potential fluctuations in revenues and operating results, significant dependence on large individual customer orders, customer trends, the level of competition, seasonal fluctuations, risks relating to electronic security, possible state regulation, and the general economic situation.