Group Management Report For The Nine Months Ended
September 30, 2015

intershop®

Content

Letter to Our Stockholders

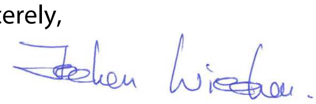
Dr. Jochen Wiechen

Axel Köhler

Dear stockholders and business partners,

The positive business development trends of the first six months were confirmed in the third quarter of 2015. After a string of negative quarters, Intershop could once again achieve a positive quarterly operating result of EUR 0.6 million due to strong license revenue. The result is encouraging and shows that our strategy of shifting from a service company to an omni-channel commerce provider is starting to take effect. Our product revenue is 40% above the level of the prior year and its share of total revenue increased by 13 percentage points to 40% in the last 12 months. In addition, we have also done our homework in terms of costs and managing liquidity in the current year. We readjusted our operating expenses and in the process achieved savings of around 13% compared to the prior year. We have greatly improved our gross margin, and the EBITDA margin of 8% shows that we are moving in the right direction. With a liquidity cushion of a good EUR 15 million as of the end of September, we have created the financial flexibility for targeted growth investments. The capital increase as well as the loan entered into in June also contributed to this. We also expect more clarity regarding the intentions of the new major shareholder in the coming weeks once the sale of eBay Enterprise to a private equity consortium has been completed. In this regard, we will be seeking a dialogue as soon as possible in order to find a strategically appropriate solution.
Overall, we are cautiously optimistic about the following months. Our latest survey of 400 e-Commerce decision makers on the digital shift in the B2B business shows the potential of a segment in which we are excellently positioned with our technology platform. Furthermore, we are focusing on the expansion of our SaaS solutions to meet the increasing demand of customers in the rapidly growing medium-sized segment.
The change in the Management Board as of the end of August went very smoothly. Even though the tasks that lie ahead remain challenging, we feel well-equipped for the future.

Sincerely,



Dr. Jochen Wiechen

Axel Köhler

Key Figures for the Group

in EUR thousand	9-Months 2015	9-Months 2014	Change
Revenue			
Revenue	32,700	34,857	-6%
Product Revenue	12,986	9,298	40%
Services Revenue	19,714	25,559	-23%
Revenue Europe	20,939	22,357	-6%
Revenue U.S.A.	7,400	8,335	-11%
Revenue Asia/Pacific	4,361	4,165	5%
Earnings			
Cost of revenues	18,394	23,154	-21%
Gross profit	14,306	11,703	22%
Gross margin	44%	34%	
Operating expenses, operating income	14,260	16,476	-13%
Research and development	4,294	3,894	10%
Sales and marketing	6,416	9,425	-32%
General and administrative	3,781	4,490	-16%
Other operating income/expenses	(231)	(1,333)	-83%
EBIT	46	(4,773)	101%
EBIT Margin	0%	-14%	
EBITDA	2,694	(1,748)	254%
EBITDA Margin	8 %	-5 %	
Net result	(136)	(5,075)	97%
Earnings per share (EUR)	0.00	(0.17)	100%
Net Assets			
Shareholders' equity	18,830	19,090	-1%
Equity ratio	57%	69%	
Balance sheet total	33,114	27,494	20%
Noncurrent assets	11.367	11,562	-2%
Current assets	21.747	15,932	36%
Noncurrent liabilities	5,356	472	1035%
Current liabilities	8,928	7,932	13%
Financial Position			
Cash and cash equivalents	14,995	5,631	166%
Cash flows from operating activities	4,168	(918)	554%
Depreciation and amortization	2,648	3,025	-12%
Cash flows from investing activities	(1,740)	(823)	-111%
Cash flows from financing activities	6,363	0	
Employees	383	463	-17%

Group Management Report

Overall Economy and Industry

According to current forecasts of the International Monetary Fund (IMF), the global economy continued to lose momentum in the past months. With respect to the forecasts for the entire year revised in July, IMF experts once again lowered their estimate for 2015 in October by 0.2 percentage points to a global growth rate of 3.1%. The primary reason for the revision was concern about the economy in emerging countries. In the industrialized countries, which include Intershop's important target markets, the combined GDP is expected to grow by 2.0% in 2015. For the US economy, above-average economic growth of 2.6% is projected. The economy in the Euro group countries will also develop positively with growth of 1.5%. Germany's economy is expected to grow by 1.5%, compared to France with 1.2% and the UK with 2.5%.

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 around 25% to a global market volume of approximately USD 1.67 trillion. Growth of B2C e-Commerce for 2015 is also in the double-digit range for the important target regions of Intershop's business activities. In this context, the US market is expected to grow by 14.2%, the UK by 14.5% and France by 11.1%. According to estimates of the German Retail Federation (HDE), German online business will increase by 12% in 2015 to a volume of around EUR 44 billion.

With respect to the development of the global IT markets, US market researcher Gartner once again made a slight revision to its investment forecast for 2015 in June, and now expects investments to increase by 2.5% during the current year (adjusted for currency effects). The European IT Observatory (EITO) expects an increase in global IT revenue of 2.8 %. The Federal Association for Information Technology, Telecommunications and New Media (BITKOM) expects robust growth of 3.2% in the Germany IT industry. The software segment will experience the strongest growth (+5.7%). BITKOM also expects the IT services business to grow by 3%.

Business developments during the first nine months of 2015

Intershop significantly improved its business performance in the first nine months of 2015 compared to the prior-year period. The development of revenue and earnings was particularly favorable in the third quarter and confirms the positive outlook of the management for all of 2015. This can be mainly attributed to the success of the strategic realignment and the strong competitive advantage of the Intershop solutions in B2C as well as B2B omni-commerce, which is becoming increasingly important.

Customer-oriented solution portfolio holds great appeal for partners: Intershop Commerce Suite and Intershop Commerce Services

In the first nine months of 2015, Intershop continued its conversion from a service company to an integrated omni-commerce solution provider with a focus on product offerings. An important building block of this process was the revision of the software product offering, which led to the introduction of a new solution portfolio in February 2015. The new portfolio makes it easier for users to have an overview of the components and operating models in the Intershop service portfolio and highlights the strengths of the Intershop solutions and services. All technical solutions offered by Intershop are now bundled under the "Intershop Commerce Suite" umbrella, and marketed accordingly. The Commerce Services area now includes all services offered, from the first development of ideas and in-depth consulting services, to start-up, maintenance and enhancement of a trading platform.

During the reporting period, Intershop marketed its new solution portfolio at numerous trade fairs and events, including Internet World in Munich, as well as E-World, the leading German trade fair for energy and water management in Essen and Gartner Customer Strategies &

Technologies in London. In the fall of 2015, customer events took place in several major cities in Germany under the name Intershop Commerce Circle, where Intershop customers reported their experiences and success factors in B2C commerce and gave practical tips on changing the shop and switching provider. Intershop used product demonstrations to present the benefits of Commerce Suite for retailers.

On the partner side, the realignment of the solution portfolio and stronger focus on the product business with software licenses and maintenance revenue noticeably increased the attractiveness of Intershop in the first three quarters. As a result, Intershop was able to intensify its collaboration with several long-time partners and expand its already extensive partner network by adding new service providers. Additionally, the revenue generated together with partners could be increased considerably and a large number of new orders won via the network.

The new customers in the reporting period were mainly medium-sized businesses. At the same time, Intershop also received a large license order from a long-standing strategic customer.

In addition to the partner network and targeted internal sales and marketing activities, successful customer projects are also the main drivers for generating new business. Awards and distinctions play an important role here. In the reporting period, the online optician, Mister Spex, received two awards in the UK for the relaunch of its British online shop based on the Intershop Suite. The prestigious ECMOD Direct Commerce Award acknowledges outstanding achievements in direct sales and the multi-channel business. The eCommerce Award for Excellence rewards groundbreaking innovations as well as innovative marketing, first-class customer service and targeted revenue growth. In Germany, 4care GmbH and its shop Lensbest.de won the Shop Usability Award in mid-September 2015. Lensbest.de especially stood out in the six assessment criteria of look & feel, confidence-building elements, shop information for customers, navigation and product location, informational content on the product detail pages, the ordering process and payment.

Intershop as a leading provider of B2B and B2C omni-channel commerce solutions

During the reporting period, Intershop was once again recognized as one of the world's leading providers of omni-channel commerce solutions by two studies of the US market research institute Forrester Research. In January 2015, Intershop made it into the group of the world's top five providers in the "Forrester Wave" study for the B2C sector, where it achieved the rating of "Strong Performer." In the Forrester study on B2B solutions published in June 2015, Intershop was even declared the "Leader" and deemed the strongest alternative to products offered by the three major global software companies IBM, Oracle and SAP. This repeated good performance underscores the fact that Intershop offers an internationally leading solution with its product innovations and early focus on the B2B segment, and has established itself as a globally competitive provider in the highly aggressive B2C segment.

In order to expand the top market positioning further and gain additional insight into the still young market segment for B2B omni-commerce, the independent market research institute Vanson Bourne conducted a survey on behalf of Intershop in June 2015 of 400 B2B decision makers in the area of e-Commerce in the UK, the US, France, Germany, Scandinavia and the Benelux countries. The study clearly showed that the B2B e-Commerce landscape is developing at a rapid pace and shifting the market power base to the customer. Therefore, there is a growing realization among decision makers that companies in the B2B online business need to have a stronger customer focus in order to remain competitive. In addition, companies need to act quickly before losing valuable market shares to competitors or new players. From the perspective of Intershop, the study confirms that the challenges for B2B retailers also hold many opportunities for winning new customers.

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.

Positive product revenue trend sustained

In the third quarter of 2015, the Intershop Group realized revenue of EUR 11.7 million (Q3 2014: EUR 11.1 million), which corresponds to an increase of 6% over the prior-year period. Revenue in the first nine months of 2015 came to EUR 32.7 million, which represents a decrease of 6% compared to the prior-year period. Adjusted for the revenue from the disposal of the online marketing subsidiary SoQuero as of September 30, 2014, Intershop realized a slight revenue increase of 3% in the reporting period. The decline in revenue of the past quarters due to the sale of SoQuero as well as the expiration of projects with major customers was thus curbed and already offset in large part with new business. A large part of the new business is based on product revenue with new customers, frequently from the medium-sized sector. At the same time, a long-standing strategic customer provided a large license order, which was completed in August and recorded immediately, which made a significant contribution to the positive development of revenue.

This resulted in a continuation of the positive trend with respect to product revenue. In total, this item increased by 40% to around EUR 13.0 million in the first nine months of 2015. License revenue in particular saw a considerable increase of 88% to EUR 7.0 million. The largest contribution was made by the aforementioned major order. Maintenance revenue also increased. An increase of 7% to around EUR 6.0 million was recorded here.

In contrast, service revenue declined by 23% to EUR 19.7 million in the first nine months of the year. Furthermore, the main reason for this is the lower revenue with two major customers. Consulting and training revenue therefore dropped by 13% to EUR 15.1 million. In the full service area, revenue increased in the reporting period by 5% to around EUR 4.6 million. As a whole, the service business still constitutes the most important source of revenue in the Intershop Group with a share of 60%. However, the share of product revenue of 40% represents an increase of 13 percentage points within one year. This underscores the sustainable transition to an integrated omni-commerce solution provider currently being carried out by the Company. The change in the distribution of sales contributes significantly to a higher gross margin and is the basis for the return to a path of growth.

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

Nine Months ended September 30,	2015	2014	Change
Product Revenue	**12,986**	**9,298**	**40%**
Licenses	7,001	3,724	88%
Maintenance	5,985	5,574	7%
Service Revenue	**19,714**	**25,559**	**-23%**
Consulting/Training	15,103	17,280	-13%
Full Service	4,611	4,383	5%
Other Revenue	0	3,896	-100%
Revenue total	**32,700**	**34,857**	**-6%**

In the regional distribution of sales, the European market continues to dominate. Compared to the prior-year period, revenue in this region in relation to total revenue fell by 6% to around EUR 21.0 million, the share of European customers to the total revenue continues to be 64%. The Asia Pacific region is increasingly establishing itself as an important target market for Intershop. In this case, Intershop increased its revenues by 5% to around EUR 4.4 million during the reporting period, which represents a share of 13% of total revenue. The revenue generated in the US market decreased by 11% to EUR 7.4 million or 23% of total sales due to a decline in service revenue with large customers.

Earnings Development

Intershop realized a positive earnings performance in the first nine months. The basis for this is the greater share of high-margin product revenue as well as the general improvement of the cost structure. Therefore, the gross result increased by 22% to EUR 14.3 million compared to the prior-year period. The gross margin increased significantly from 34% to 44%. Operating expenses declined by 13% to EUR 14.3 million. The costs for sales and marketing in particular, which came to EUR 6.4 million, were significantly reduced and therefore 32% below the level of the prior year. Administration costs declined by 16% to EUR 3.8 million compared to the prior-year period. Costs for research and development rose by 10% to EUR 4.3 million, as the company pushed ahead with in-house development projects with increased expenses.

On the whole, total costs (sales costs and operating expenses) fell by 18% to EUR 32.7 million. This resulted in a significant improvement of the operating result before amortization and depreciation (EBITDA) from EUR -1.7 million in the prior-year period to EUR 2.7 million in the reporting period. The result from operating activities (EBIT) also showed a slight improvement and came to EUR 0.05 million after EUR -4.7 million in the prior-year period. The third quarter of 2015 was generally positive with an EBIT of EUR 0.6 million and a result for the period of EUR 0.5 million. Based on a period of nine months, a nearly balanced result for the period of EUR -0.1 million was also realized. The earnings per share was EUR 0.00 compared to EUR -0.17 in the prior year.

Net Assets and Financial Position

An important effect on the net assets and financial position of the Intershop Group were the financing activities of the Company in the past third quarter. First, the previously agreed loan with Sparkasse Jena-Saale-Holzland for EUR 6 million, which is secured by a guarantee from the federal state of Thuringia, was granted in July 2015. The loan mainly serves to offset the seasonal fluctuations in the ongoing business and preliminary financing of projects as well as marketing and sales activities. In addition, in September Intershop completed a capital increase from authorized capital of just under 5% of the existing share capital in connection with a private placement. This resulted in an increase of EUR 1,500,000 of the Company’s share capital to EUR 31,683,484. The placement price for the new shares came to EUR 1.10 per share. This brings the gross issue proceeds from the capital increase to EUR 1.65 million. Intershop will use the funds from the capital increase for additional investments in strategic growth areas such as expansion of the SaaS offerings and the B2B solution.

The total assets of the Intershop Group increased by 31% to EUR 33.1 million as of the interim balance sheet date as a result of the financing activities. With 53% on the assets side due to the corporate actions, there was a considerable increase in current assets to EUR 21.7 million. On the liabilities side, equity increased by 7% to EUR 18.8 million compared to year-end 2014. Current liabilities increased by around 16% to EUR 8.9 million. Long-term liabilities in the amount of EUR 5.0 million resulting from the loan are also included for the first time. The equity ratio of the Intershop Group fell accordingly from 70% to 57%.

Operating cash flow increased significantly from EUR -0.9 million in the prior-year period to EUR 4.2 million in the 2015 reporting period. This increase is mainly due to the improved result. Cash outflows from investing activities increased from EUR 0.8 million to EUR 1.7 million. Total cash inflow was EUR 8.6 million due to the financing activities of the Company in the first nine months of 2015 and the related cash inflow of EUR 6.4 million. As a result, liquid assets increased considerably from EUR 6.4 million as of year-end 2014 to just under EUR 15.0 million as of September 30, 2015.

Research and Development

The continuous further development of the Intershop 7 omni-commerce platform is at the center of the research and development (R&D) activities. At this time, the R&D area is focusing on the preparation of the next platform update to version 7.6, which is still expected to come out this year. The Intershop Partner Developer Conference was held in Jena in mid-October as part of the activities for the update release. The participants were given an exclusive preview of the new functionalities of the upcoming update in presentations, live demos and workshops, and had the opportunity to talk with Intershop's team of developers.

In addition to regular updates, standard tasks in the area of R&D also include continuously ensuring the smooth operation of the different Commerce Suite components that are based on Intershop 7.5 as well as the Cloud, Managed and Enterprise operating models, and optimizing functions where required. This is achieved through minor updates or maintenance work. This is the only way that a competitive, reliable solution portfolio can be supplied on a consistent basis in the e-Commerce sector, which is characterized by short innovation cycles.

Management Board and Supervisory Board

There were three changes in the executive bodies of Intershop Communications AG during the reporting period.

Firstly, Chief Financial Officer Ludwig Lutter resigned as of June 30, 2015 and left the Company at the end of July. In addition, member and spokesman of the Management Board, Jochen Moll, resigned as of August 31, 2015 and left the Company at the end of September 2015. In the course of new appointments, the Management Board was reduced to two members and current Chief Technical Officer (CTO) Dr. Jochen Wiechen was elected CEO as of September 1, 2015. In addition to the technical departments, Dr. Jochen Wiechen is now also responsible for administration of the Company and the finance area. Furthermore, Axel Köhler, who served as Senior Vice President Sales & Marketing at Intershop, was appointed to the Management Board effective September 1, 2015. His responsibilities include the areas of sales, marketing, communication and professional services.

There was also a new appointment to the Supervisory Board of Intershop Communications AG. After Dr. Nikolaus Mohr resigned as member of the Supervisory Board as of April 30, 2015 due to professional reasons, Dr. Harald Schrimpf, CEO of PSI AG, was appointed by the local court of Jena effective May 1, 2015 and approved as a member at the Annual Stockholders' Meeting on August 26, 2015.

Employees

As of the end of September 2015, Intershop had 383 full-time employees worldwide. Compared to the prior-year period, this represents a decrease of 80 employees. The number of employees decreased by 32 compared to year-end 2014.

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

Employees by department (full-time equivalents)	Sept. 30, 2015	Dec 31, 2014	Sept. 30, 2014
Technical Departments (Service functions and Research and Development)	293	322	364
Sales and Marketing	46	47	55
General and administrative	44	46	44
Total	383	415	463

As of the interim balance sheet date, 335 employees or 87% of the workforce worked in the European branch offices (prior year: 88%). The share of employees working in the Asia Pacific region and the US was 6% of the total workforce in each case (24 employees in each region) and therefore above the prior-year level.

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

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

Outlook

The global e-Commerce market will continue to see significant growth this year and in the future. The US market research company eMarketer Inc. recently raised its medium-term forecast for global online business significantly and now expects e-Commerce sales worldwide to double by 2019 to around USD 3.5 trillion. The B2B online business will also be in a position to increasingly realize its potential in the coming years. According to the US company Frost & Sullivan, global B2B e-Commerce revenue will grow to USD 12 trillion by 2020, which would correspond to an annual growth rate of 10%. The market research company IDC expects growth of 5.5% for global IT markets in 2015 and 3.6% in 2016. In this vein, it is expected that the software business will see particularly strong growth with 6.7% in the current and 6.8% in the coming year. The IT services business is expected to grow by 3.0% and 3.5% 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 commerce platform providers to have a significant market presence, provide a competitive offering and offer stable company growth.

Refocusing on the product business was an important step in order for Intershop to remain globally competitive. The success of this change in strategy is reflected in its now substantial revenue share, which was 40% after nine months in 2015 (prior year: 27%). The Company also expects considerably higher annual license and maintenance revenue. As announced, service revenue will be less in the current fiscal year due to expiring projects with large customers. In the full-service area, the company maintains its expectations that the revenue level will remain stable compared to the prior year.

The placement of a large license order led Intershop to increase its revenue and earnings forecast in August for all of 2015. Originally, the Management Board had expected a decrease in adjusted revenue in the low double-digit percentage range and an almost balanced operating result for the entire year. The Management Board is now expecting sales revenues at the same level of the prior year for fiscal year 2015, adjusted for the disposal of online marketing activities, as well as a slightly positive operating result (EBIT).

As a result of the change in strategy and the adjusted cost structure, Intershop believes that it is well-positioned in a very competitive environment. The equity and debt financing measures taken and much improved operating cash flow create additional leeway for product innovations, particularly in the B2B segment and the area of SaaS solutions, and provide medium-term planning security in corporate financing.

Consolidated Balance Sheet

in EUR thousand	September 30, 2015	December 31, 2014
ASSETS		
Noncurrent assets		
Intangible assets	8,742	9,451
Property, plant and equipment	431	631
Other noncurrent assets	49	45
Restricted cash	1,200	0
Deferred tax assets	945	950
	11,367	**11,077**
Current assets		
Trade receivables	5,911	6,737
Other receivables and other assets	466	733
Restricted cash	375	375
Cash and cash equivalents	14,995	6,358
	21,747	**14,203**
TOTAL ASSETS	33,114	25,280
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Subscribed capital	31,683	30,183
Capital reserve	7,814	7,751
Other reserves	(20,667)	(20,357)
	18,830	**17,577**
Noncurrent liabilities		
Liabilities to banks	5,000	0
Deferred revenue	356	0
	5,356	**0**
Current liabilities		
Other current provisions	286	344
Liabilities to banks	1,000	0
Trade accounts payable	2,224	1,670
Income tax liabilities	32	150
Other current liabilities	2,535	2,867
Deferred revenue	2,851	2,672
	8,928	**7,703**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	33,114	25,280

Consolidated Statement of Comprehensive Income

	Three months ended September 30,		Nine months ended September 30,	
in EUR thousand	2015	2014	2015	2014
Revenues				
Product Revenues	5,642	3,217	12,986	9,298
Service Revenues	6,071	7,863	19,714	25,559
	11,713	**11,080**	**32,700**	**34,857**
Cost of revenues				
Cost of revenues - Product	(1,679)	(1,252)	(4,280)	(3,800)
Cost of revenues - Services	(4,545)	(5,747)	(14,114)	(19,354)
	(6,224)	**(6,999)**	**(18,394)**	**(23,154)**
Gross profit	5,489	4,081	14,306	11,703
Operating expenses, operating income				
Research and development	(1,363)	(1,238)	(4,294)	(3,894)
Sales and marketing	(2,139)	(3,034)	(6,416)	(9,425)
General and administrative	(1,245)	(1,456)	(3,781)	(4,490)
Other operating income	59	1,199	530	1,460
Other operating expenses	(220)	(35)	(299)	(127)
	(4,908)	**(4,564)**	**(14,260)**	**(16,476)**
Result from operating activities	581	(483)	46	(4,773)
Interest income	12	9	18	25
Interest expense	(58)	0	(65)	0
Financial result	**(46)**	**9**	**(47)**	**25**
Earnings before tax	535	(474)	(1)	(4,748)
Income taxes	**(52)**	**(225)**	**(135)**	**(327)**
Earnings after tax	483	(699)	(136)	(5,075)
Other comprehensive income				
Exchange differences on translating foreign operations	(124)	(67)	(174)	(17)
Other comprehensive income from exchange differences	**(124)**	**(67)**	**(174)**	**(17)**
Total comprehensive income	**359**	**(766)**	**(310)**	**(5,092)**
Earnings per share (EUR, basic, diluted)	0.02	(0.02)	0.00	(0.17)
Weighted average shares outstanding (basic, diluted)	30,283	30,283	30,208	30,208

Consolidated Statement of Cash Flows

in EUR thousand	Nine months ended September 30, 2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Earnings before tax	(1)	(4,748)
Adjustments to reconcile net profit/loss to cash used in operating activities		
Financial result	47	(25)
Depreciation and amortization	2,648	3,025
Other noncash expenses and income	0	(995)
Changes in operating assets and liabilities		
Accounts receivable	909	2,612
Other assets	264	(521)
Liabilities and provisions	95	157
Deferred revenue	471	(258)
Net cash provided by operating activities before income tax and interest	4,433	(753)
Interest received	18	25
Interest paid	(59)	0
Income taxes received	5	0
Income taxes paid	(229)	(190)
Net cash (used in) operating activities	4,168	(918)
CASH FLOWS FROM INVESTING ACTIVITIES		
Restricted cash	0	(375)
Payments for investments in intangible assets	(1,637)	(2,157)
Proceeds on disposal of equipment	4	0
Purchases of property and equipment	(107)	(243)
Proceeds on disposal of consolidated companies	0	1,952
Net cash used in investing activities	(1,740)	(823)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from loan	6,000	0
Restricted cash	(1,200)	0
Cash received for unregistered stock	1,650	0
Expenses of cash received for unregistered stock	(87)	0
Net cash provided by financing activities	6,363	0
Effect of change in exchange rates	(154)	(17)
Net change in cash and cash equivalents	8,637	(1,758)
Cash and cash equivalents, beginning of period	6,358	7,389
Cash and cash equivalents, end of period	14,995	5,631

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					(136)	(174)	(310)
Issue of new shares	1,500,000	1,500	63				1,563
Balance, September 30, 2015	31,683,484	31,683	7,814	(93)	(22,574)	2,000	18,830
Balance, January 1, 2014	**30,183,484**	**30,183**	**7,751**	**(93)**	**(15,796)**	**2,137**	**24,182**
Total comprehensive income					(5,075)	(17)	(5,092)
Balance, September 30, 2014	30,183,484	30,183	7,751	(93)	(20,871)	2,120	19,090

Notes on the Consolidated Financial Statements as of September 30, 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 September 30, 2015 was prepared in accordance with IAS 34, Interim Financial Reporting.

This interim report as of September 30, 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 September 30, 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 September 30, 2015, subscribed capital had increased by EUR 1,500,000 to EUR 31,683,484 and is divided into 31,683,484 no-par value bearer shares. The change is attributable to a capital increase from Authorized Capital I.

As of September 30, 2015, Authorized Capital I had decreased by EUR 1,500,000 to EUR 6,000,000. In September 2015, a cash capital increase was carried out excluding the right of subscription of the shareholders by issuing 1,500,000 new no-par value bearer shares. This became legally effective upon entry in the commercial register on September 24, 2015.

Liabilities to banks

In July 2015, Intershop concluded a loan agreement with Sparkasse Jena-Saale-Holzland for EUR 6 million, which is secured by a guarantee from the federal state of Thuringia. The EUR 6 million were granted in mid-July and EUR 1.2 million thereof are pledged. The pledge will be reduced proportionally with repayment of the loan. The term of the loan is six years. It was agreed that annual unscheduled payments would not incur a prepayment penalty.

Earnings per share

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

	Three months ended September 30,		Nine months ended September 30,	
In EUR Thousand	2015	2014	2015	2014
Basis for calculating basic and diluted earnings per share (Earnings after tax)	**483**	**(699)**	**(136)**	**(5,075)**
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share	**30,283**	**30,283**	**30,208**	**30,208**
Calculation of earnings per share (basic/diluted)				
Basis for calculating basic/diluted earnings per share (in EUR thousand)	**483**	**(699)**	**(136)**	**(5,075)**
Weighted average number of shares (basic/diluted)	**30,283**	**30,283**	**30,208**	**30,208**
Earnings per share (basic/diluted) (in EUR)	**0.02**	**(0.02)**	**0.00**	**(0.17)**

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. In accordance with IAS 33.64 the calculation of the number of shares was adjusted retrospectively for the prior year.

Segment Reporting

Three months ended September 30, 2015 in EUR thousand	Europe	U.S.A	Asia/ Pacific	Consoli-dation	Group
Revenues from external customers					
Product Revenues	**2,699**	**2,751**	**192**	**0**	**5,642**
Licenses	1,135	2,467	27	0	3,629
Maintenance	1,564	284	165	0	2,013
Service Revenues	**4,134**	**1,014**	**923**	**0**	**6,071**
Consulting and training	3,082	905	662	0	4,649
Full Service	1,052	109	261	0	1,422
Total revenues from external customers	**6,833**	**3,765**	**1,115**	**0**	**11,713**
Intersegment revenues	664	36	11	(711)	0
Total revenues	**7,497**	**3,801**	**1,126**	**(711)**	**11,713**
Result from operating activities	**388**	**98**	**95**	**0**	**581**
Financial result					**(46)**
Earnings before tax					**535**
Income taxes					**(52)**
Earnings after tax					**483**

Three months ended September 30, 2014 in EUR thousand	Europe	U.S.A	Asia/ Pacific	Consoli-dation	Group
Revenues from external customers					
Product Revenues	**2,631**	**258**	**328**	**0**	**3,217**
Licenses	1,138	29	194	0	1,361
Maintenance	1,493	229	134	0	1,856
Service Revenues	**4,703**	**2,040**	**1,120**	**0**	**7,863**
Consulting and training	2,737	1,819	875	0	5,431
Full Service	675	221	245	0	1,141
Other revenues	1,291	0	0	0	1,291
Total revenues from external customers	**7,334**	**2,298**	**1,448**	**0**	**11,080**
Intersegment revenues	176	1	2	(179)	0
Total revenues	**7,510**	**2,299**	**1,450**	**(179)**	**11,080**
Result from operating activities	**(320)**	**(96)**	**(67)**	**0**	**(483)**
Financial result					**9**
Earnings before tax					**(474)**
Income taxes					**(225)**
Earnings after tax					**(699)**

Nine months ended September 30, 2015					
in EUR thousand	Europe	U.S.A	Asia/ Pacific	Consoli-dation	Group
Revenues from external customers					
Product Revenues	**8,356**	**3,803**	**827**	**0**	**12,986**
Licenses	3,717	2,915	369	0	7,001
Maintenance	4,639	888	458	0	5,985
Service Revenues	**12,583**	**3,597**	**3,534**	**0**	**19,714**
Consulting and training	9,190	3,195	2,718	0	15,103
Full Service	3,393	402	816	0	4,611
Total revenues from external customers	**20,939**	**7,400**	**4,361**	**0**	**32,700**
Intersegment revenues	938	72	198	(1,208)	0
Total revenues	**21,877**	**7,472**	**4,559**	**(1,208)**	**32,700**
Result from operating activities	**31**	**10**	**5**	**0**	**46**
Financial result					**(47)**
Earnings before tax					**(1)**
Income taxes					**(135)**
Earnings after tax					**(136)**

Nine months ended September 30, 2014					
in EUR thousand	Europe	U.S.A	Asia/ Pacific	Consoli-dation	Group
Revenues from external customers					
Product Revenues	**7,868**	**778**	**652**	**0**	**9,298**
Licenses	3,367	94	263	0	3,724
Maintenance	4,501	684	389	0	5,574
Service Revenues	**14,489**	**7,557**	**3,513**	**0**	**25,559**
Consulting and training	7,575	6,896	2,809	0	17,280
Full Service	3,018	661	704	0	4,383
Other revenues	3,896	0	0	0	3,896
Total revenues from external customers	**22,357**	**8,335**	**4,165**	**0**	**34,857**
Intersegment revenues	591	59	81	(731)	0
Total revenues	**22,948**	**8,394**	**4,246**	**(731)**	**34,857**
Result from operating activities	**(3,035)**	**(1,188)**	**(550)**	**0**	**(4,773)**
Financial result					**25**
Earnings before tax					**(4,748)**
Income taxes					**(327)**
Earnings after tax					**(5,075)**

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 nine 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:

The proceedings surrounding the legal challenge and action of nullity filed by shareholder GSI Commerce Solutions, Inc., before the Regional Court of Gera ended on 13 July 2015 with a court settlement in a conciliation hearing pursuant to sec. 278 subsect. 6 ZPO.

Related party disclosures

Besides its business relations with the consolidated subsidiaries, Intershop has relations with a company that holds an equity interest in Intershop, eBay Inc., held 24.90% of the Company's shares at the interim reporting date. The revenue generated with GSI Commerce Solutions, the company controlled by eBay Inc., came to EUR 311 thousand in the first nine months of 2015 (prior-year period: EUR 1,435 thousand). The accounts receivables consist of trade receivables. Intershop did not purchase any goods or services from GSI and has no trade receivables (prior year: EUR 153 thousand) and accounts payable as at September 30, 2015.

Directors' holdings and Securities transactions subject to reporting requirements

As of September 30, 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
Dr. Kai Hudetz	Member of the Supervisory Board	4,000
Dr. Jochen Wiechen	CEO	30,000

In the first nine 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		9M 2015	2014	9M 2014
Closing price[1]	in EUR	1.23	1.07	1.19
Number of shares outstanding (end of period)	in million shares	31.68	30.18	30.18
Market capitalization	in EUR million	38.97	32.30	35.92
Earnings per share	in EUR	0.00	(0.22)	(0.17)
Cashflow per share	in EUR	0.13	0.01	(0.03)
Carrying amount per share	in EUR	0.59	0.58	0.63
Average trading volume per day[2]	Number	28,961	31,039	33,016
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.