

**Intershop Communications AG**  
Consolidated Balance Sheet  
(IFRS, unaudited)

	<b>December 31, 2006</b> (EUR thousand)	December 31, 2005 (EUR thousand)
<b>ASSETS</b>		
<b>Noncurrent assets</b>		
Intangible assets	6.175	4.495
Property, plant and equipment	531	483
Financial investments	0	59
Other noncurrent assets	97	105
Restricted cash	3.090	3.855
	<u><b>9.893</b></u>	<u><b>8.997</b></u>
<b>Current assets</b>		
Trade receivables	3.117	3.518
Other receivables and other assets	1.615	881
Restricted cash	4.439	2.355
Cash and cash equivalents	3.629	7.279
	<u><b>12.800</b></u>	<u><b>14.033</b></u>
<b>TOTAL ASSETS</b>	<u><b>22.693</b></u>	<u><b>23.030</b></u>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Subscribed capital	21.504	17.662
Capital reserve	1.531	54
Other reserves	(16.564)	(9.444)
	<u><b>6.471</b></u>	<u><b>8.272</b></u>
<b>Noncurrent liabilities</b>		
Provisions for restructuring	0	17
Convertible bonds	2.716	5.600
Other noncurrent liabilities	719	0
Deferred tax liabilities	382	0
Deferred revenue	344	188
	<u><b>4.161</b></u>	<u><b>5.805</b></u>
<b>Current liabilities</b>		
Provisions for restructuring	1.030	790
Other current provisions	1.005	840
Trade accounts payable	6.205	3.817
Income tax liabilities	2	4
Other current liabilities	1.566	1.538
Deferred revenue	2.253	1.964
	<u><b>12.061</b></u>	<u><b>8.953</b></u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<u><b>22.693</b></u>	<u><b>23.030</b></u>

**Intershop Communications AG**  
Consolidated Income Statement  
(IFRS, unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2006	2005	2006	2005
	(EUR thousand)	(EUR thousand)	(EUR thousand)	(EUR thousand)
<b>Revenues</b>				
Licenses	991	1.612	4.465	3.882
Services, maintenance and other	4.530	3.696	15.315	13.910
	<b>5.521</b>	<b>5.308</b>	<b>19.780</b>	<b>17.792</b>
<b>Cost of revenues</b>				
Licenses	(94)	(35)	(160)	(199)
Services, maintenance and other	(3.849)	(2.210)	(11.640)	(8.772)
	<b>(3.943)</b>	<b>(2.245)</b>	<b>(11.800)</b>	<b>(8.971)</b>
<b>Gross profit</b>	<b>1.578</b>	<b>3.063</b>	<b>7.980</b>	<b>8.821</b>
<b>Operating expenses, operating income</b>				
Research and development	(851)	(679)	(3.161)	(2.774)
Sales and marketing	(2.340)	(1.651)	(8.187)	(5.842)
General and administrative	(1.057)	(807)	(4.150)	(4.049)
Restructuring costs	0	634	(434)	780
Other operating income	289	153	1.699	938
Other operating expenses	(44)	(41)	(107)	(53)
	<b>(4.003)</b>	<b>(2.391)</b>	<b>(14.340)</b>	<b>(11.000)</b>
<b>Result from operating activities</b>	<b>(2.425)</b>	<b>672</b>	<b>(6.360)</b>	<b>(2.179)</b>
Interest income	76	50	335	177
Interest expense	(130)	(531)	(936)	(1.365)
<b>Financial result</b>	<b>(54)</b>	<b>(481)</b>	<b>(601)</b>	<b>(1.188)</b>
<b>Earnings before tax</b>	<b>(2.479)</b>	<b>191</b>	<b>(6.961)</b>	<b>(3.367)</b>
<b>Income taxes</b>	<b>66</b>	<b>(3)</b>	<b>136</b>	<b>(3)</b>
<b>Earnings after tax</b>	<b>(2.413)</b>	<b>188</b>	<b>(6.825)</b>	<b>(3.370)</b>
<b>Consolidated net loss</b>	<b>(2.413)</b>	<b>188</b>	<b>(6.825)</b>	<b>(3.370)</b>
Earnings per share (EUR, basic)	(0,11)	0,01	(0,36)	(0,18)
Earnings per share (EUR, diluted)*	(0,11)	0,01	(0,36)	(0,18)
Weighted average shares outstanding (basic)	21.488	21.501	18.816	18.822
Weighted average shares outstanding (diluted)	24.117	24.130	24.023	22.596

\* The diluted earnings per share were reduced to the lower undiluted earnings per share.

**Intershop Communications AG**  
Consolidated Statement of Cash Flows  
(IFRS, unaudited)

	Twelve months ended December 31,	
	<b>2006</b>	2005
	(EUR thousand)	(EUR thousand)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Earnings before tax	(6.961)	(3.367)
<i>Adjustments to reconcile net loss to cash used in operating activities</i>		
Financial result	601	1.188
Depreciation and amortization	608	618
Noncash effects from deconsolidation	(250)	(438)
Other noncash expenses and income	1.623	71
Allowances for doubtful accounts	(1.127)	(251)
(Gain) Loss on disposal of property and equipment	(92)	(36)
<i>Changes in operating assets and liabilities</i>		
Accounts receivable	1.792	(839)
Other assets	(685)	(60)
Liabilities and provisions	2.529	(2.975)
Deferred revenue	334	(2.450)
<b>Net cash used in operating activities before income tax and interest</b>	<b>(1.628)</b>	<b>(8.539)</b>
Interest received	325	164
Interest paid	(31)	(43)
Income taxes paid	(2)	(1)
<b>Net cash used in operating activities</b>	<b>(1.336)</b>	<b>(8.419)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Restricted cash	(1.319)	544
Payments for investments in intangible assets	(120)	(9)
Proceeds on disposal of equipment	94	37
Purchases of property and equipment, net of capital leases	(299)	(207)
Acquisition of consolidated companies (less funds acquired)	(599)	0
<b>Net cash (used in) provided by investing activities</b>	<b>(2.243)</b>	<b>365</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from placement of zero-coupon convertible bond	0	11.331
Expenses of placement of zero-coupon convertible bond	0	(1.353)
Cash received for unregistered stock	26	4.258
Expenses of cash received for unregistered stock	(24)	(385)
<b>Net cash provided by financing activities</b>	<b>2</b>	<b>13.851</b>
Effect of change in exchange rates on cash	(73)	(150)
<b>Net change in cash and cash equivalents</b>	<b>(3.650)</b>	<b>5.647</b>
Cash and cash equivalents, beginning of period	7.279	1.632
<b>Cash and cash equivalents, end of period</b>	<b>3.629</b>	<b>7.279</b>

**Intershop Communications AG**  
Consolidated Statement of Shareholders' Equity  
(IFRS, unaudited)

(in EUR thousand)	Common shares	Subscribed capital	Capital reserve	Other reserves		Treasury stock	Total shareholders' equity	
				IFRS conversion reserve	Cumulative profit/loss			
<b>Balance, January 1, 2006</b>	<b>17.662.052</b>	<b>17.662</b>	<b>54</b>	<b>(93)</b>	<b>(11.607)</b>	<b>2.256</b>	<b>0</b>	<b>8.272</b>
Net loss					(6.825)			(6.825)
Foreign currency translation adjustments						(265)		(265)
Stock option expense			1.548					1.548
Issue of new shares	26.240	26	(31)					(5)
Convertible bond	3.815.559	3.816	(40)					3.776
Re-issuance of treasury stock					(30)			(30)
<b>Balance, December 31, 2006</b>	<b>21.503.851</b>	<b>21.504</b>	<b>1.531</b>	<b>(93)</b>	<b>(18.462)</b>	<b>1.991</b>	<b>0</b>	<b>6.471</b>
<b>Balance, January 1, 2005</b>	<b>25.551.412</b>	<b>25.551</b>	<b>1.948</b>	<b>(93)</b>	<b>(27.669)</b>	<b>2.919</b>	<b>(1)</b>	<b>2.655</b>
Net loss					-3.370			(3.370)
Foreign currency translation adjustments						-663		(663)
Stock option expense			73					73
Issue of new shares	4.258.550	4.259			-385			3.874
Convertible bond	4.886.402	4.886	1.452		-640			5.698
Re-issuance of treasury stock					3		1	4
Simplified withdrawal of shares	-112							0
Simplified capital decrease	-17.034.200	-17.034	-3.419		20.454			1
<b>Balance, December 31, 2005</b>	<b>17.662.052</b>	<b>17.662</b>	<b>54</b>	<b>(93)</b>	<b>(11.607)</b>	<b>2.256</b>	<b>0</b>	<b>8.272</b>