

## Joint Status Report

### 1 General

The following Status Report is the joint Consolidated Status Report and Group Status Report of SinnerSchrader Aktiengesellschaft ("SinnerSchrader AG" or "AG"). It shows the business development of the SinnerSchrader Group ("SinnerSchrader" or "Group") and the AG, including the business results for the 2005/2006 financial year, from 1 September 2005 to 31 August 2006, as well as the situation of the Group and the AG as of the reporting date 31 August 2006. Unless explicit reference is made to the AG, the statements refer to the Group.

**SinnerSchrader is reporting in accordance with IFRS for the first time in 2005/2006.**

The Group's Consolidated Financial Statements, to which this Status Report refers, have been drawn up according to the International Financial Reporting Standards ("IFRS") for the first time for the 2005/2006 financial year; these standards are binding for all consolidated financial statements of companies listed on stock exchanges in the European Union for financial years that started after 1 January 2005. The statements of the previous year have been adjusted to IFRS in accordance with the rules for the conversion of accounts and are therefore comparable. The Annual Report of the AG still follows the German accounting regulations.

The Status Report and the Group Status Report contain forward-looking statements and information, especially Section 7. These can be recognised by the use of words such as "expect", "anticipate", "forecast", "intend", "plan", "strive", "estimate" and "become". Such forward-looking statements are based on current knowledge, estimates and assumptions and therefore entail a number of risks and uncertainties. A variety of factors, many of which are outside SinnerSchrader's sphere of influence, have an impact on business development and results. This means that the actual future business development of SinnerSchrader and the actual results achieved may differ significantly from the explicit or implicit information in the forward-looking statements.

### 2 Group Business and Structure

SinnerSchrader is one of the biggest interactive service providers in Germany and offers its customers a comprehensive range of services for the use of interactive technologies, especially the Internet, to optimise and further develop their business. The emphasis of the Group's business is on the use of websites for the establishment and communication of brands, for the sale of goods and services and for the acquisition and retention of customers.

SinnerSchrader organises its business activities into the "Interactive Software", "Interactive Marketing" and "Interactive Services" segments; each of these segments covers different aspects of the range of services.

In the Interactive Software segment, SinnerSchrader offers its customers the conceptual development, implementation and servicing of custom-made interactive IT systems. In the Interactive Marketing segment, SinnerSchrader provides consulting, creative and implementation services for establishing and managing brands, for customer acquisition, conversion and retention and for promoting sales on the Internet. In the Interactive

The graphs and the summaries presented on the margins of the pages are not part of the audited Status Report.