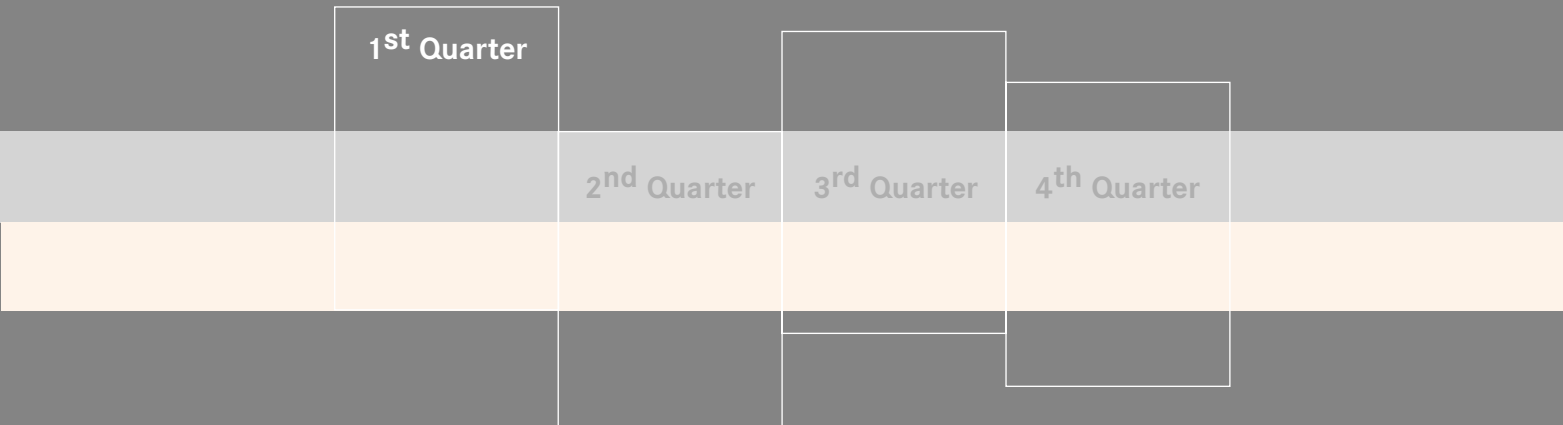


Interim Report
to March 31, 2003



			31.03.2003	31.03.2002	Changes in %
Sales	Over-the-counter retail	mill. €	1,602.9	1,724.6 *	-7.1
	Mail order	mill. €	2,021.3	1,960.1	3.1
	Services	mill. €	324.2	259.0	25.2
	Real estate	mill. €	140.1	117.1	19.6
	Transitional account	mill. €	-405.4	-335.7	-
	Group sales	mill. €	3,683.1	3,725.1 *	-1.1
Earnings	Earnings from ordinary activities	mill. €	249.9	177.4	40.9
	EBIT	mill. €	8.5	-49.8	117.1
	EBTA	mill. €	-35.3	-104.1	66.1
	EBT	mill. €	-51.6	-119.8	56.9
Other information	Staff (31.03.)	number	101,665	107,135	-5.1
	Full-time staff on average (01.01.-30-03.)	number	80,369	85,068	-5.5
	Sales space in over-the counter retail	th. sq. m.	2,636.4	2,628.1	0.3
	Branches				
	Department stores	number	189	189	-
	Specialty stores	number	294	284	-
	Over-the-counter retail	number	483	473	-
	Investments	mill. €	82.5	106.6	-22.6
KARSTADT QUELLE AG share	Share price (31.03.)	€	11.89	38.39	-69.0
	Highest price (01.01.-31.03.)	€	17.19	45.45	-
	Lowest price (01.01.-31.03.)	€	10.17	37.49	-

*) Figures for previous year adjusted

CALENDAR 2003

Annual General Meeting

(Düsseldorf) May 28

Dividend distribution

May 30

Interim reports

2nd quarter August 07

3rd quarter November 06

CONTACT DATA

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KARSTADT QUELLE AG

Theodor-Althoff-Str. 2, 45133 Essen

Internet: www.karstadtquelle.com

Investor Relations

Phone: +49 (0) 201/7 27 – 9816

Telefax: +49 (0) 201/7 27 – 9854

E-mail: investors@karstadtquelle.com

Corporate Communications

Phone: +49 (0) 201/7 27 – 2031

Telefax: +49 (0) 201/7 27 – 9853

E-mail: konzernkommunikation@karstadtquelle.com

Still no clear trend in German retail trade

No clear trend was discernible in the German retail trade in the first months of the 2003 financial year. Consumers remained highly price-conscious and consumption continued to be marked by uncertainty due to the state of the general economy. However, the climate of consumption was not as seriously affected by the tax and contribution rises at the start of the year and the war in Iraq as had been feared. According to trade association figures sales in the “true” retail trade decreased by nominal 1.3 in the first quarter.

Easter business too late for inclusion – Group sales in first quarter decrease by 1.1%

The KarstadtQuelle Group shows a decrease in sales by 1.1% to 3.68 bill. € for the first three months of the 2003 financial year (previous year: 3.73 bill. €). A comparison with the previous year is extremely difficult due to the lateness of Easter business. This is particularly apparent in over-the-counter retail (department and specialty stores), which shows a decrease by 7.1% in sales. Mail order, by contrast, increased its sales by 3.1%. In April, due, amongst other things, to Easter business, over-the-counter retail recorded a sales rise by 4.4%. Sales in the KarstadtQuelle Group to the end of the first four months were at nearly the previous year’s level.

Earnings in first quarter above those in previous year

Earnings before tax and amortisation of goodwill (EBTA) rose in the first quarter of 2003 by 68.8 mill. € to minus 35.3 mill. € (previous year: minus 104.1 mill. €).

After adjustments for non-recurring effects amounting to 53 mill. € the improvement in earnings on the previous year comes to 16 mill. €. Income from disposals rose by 72 mill. € on the previous

year. During the current year a net profit of 132 mill. € was achieved from the second tranche of the CTA programme, while in the previous year 60 mill. € was contributed to earnings by the disposal of 50% of the shares in KARSTADT QUELLE Financial Services GmbH. Extraordinary measures to adjust the portfolio (Schaulandt as well as extraordinary depreciation and amortisation on real estate) pulled down earnings by 19 mill. € during the current year. Likewise operating earnings were negatively affected by the late Easter business.

Net income after minority interests comes to minus 25.3 mill. €, as against minus 72.3 mill. € in the previous year. Earnings per share amount to minus 0.23 € (previous year: minus 0.61 €).

Earnings EBTA (not including non-recurring effects) of at least 250 million € planned for 2003

The uncertain economic background conditions make any statement about future developments extremely difficult at present. As well as the economic situation as a whole, our operating earnings are being decisively affected by increasing competition in the German retail trade, particularly in city centres. Moreover, possible scenarios, such as global political crises or the further spread of the SARS lung disease, particularly to the tourism sector, cannot be anticipated in planning. Our forecasts are based on the expectation that background conditions will not significantly worsen.

The Management Board is confident that as a result of the measures adopted sales in the KarstadtQuelle Group will outperform the comparable market in the 2003 financial year. Moreover, taking into account the aforementioned conditions, EBTA (not including non-recurring effects) of at least 250 mill. € are expected.

Essen, May 2003

The Management Board

OVER-THE-COUNTER RETAIL

		01.01.-31.03. 2003	01.01.-31.03. 2002	Changes in %
Sales	mill. €	1,602.9	1,724.6 ¹⁾	-7.1
thereof department stores	mill. €	1,403.8	1,469.9 ¹⁾	-4.5
EBTA	mill. €	-104.2	-46.6	-123.7
thereof department stores	mill. €	-60.8	-10.0	-
EBT	mill. €	-105.3	-47.4	-122.2
thereof department stores	mill. €	-60.8	-10.1	-
Staff (31.03.)	number	59,730	65,784	-9.2
Segment assets	mill. €	2,404.3	2,435.8 *	-1.3
Segment liabilities	mill. €	2,447.4	2,353.7 *	4.0

^{*)} Figures for previous year, as of 31.12.2002

¹⁾ Figures for previous year adjusted

**Late Easter business impairs
year-on-year comparison**

Over-the-counter retail comprising department and specialty stores shows sales of 1.60 bill. € for the first quarter, as against 1.72 bill. € in the previous year. This represents a decrease of 7.1% by an albeit restricted year-on-year comparison. The decisive factor here was the absence of sales from Easter business in the first quarter. In April over-the-counter retail achieved a sales increase of 4.4%. Consumer behaviour during the current financial year continues to be marked by careful spending and high price-consciousness.

Earnings (EBTA) amount to minus 104.2 mill. €, compared with a shortfall of 46.6 mill. € in the previous year. This represents a decrease by 57.6 mill. €, due mainly to special factors, as well as the absence of the earnings contribution from Easter business. Earnings for the current year are thus set off by extraordinary costs of 15 mill. € in connection with portfolio adjustments (Schaulandt). The previous year also included an extraordinary profit of 24 mill. € from the disposal of shares in KARSTADT QUELLE Financial Services GmbH.

The 189 department stores, with a share of 90%, account for the bulk of sales in over-the-counter retail. Department store business performed as expected in a sluggish market, during the first

three months, sustaining a decrease in sales by 4.5% to 1.40 bill. €. The 294 specialty stores with the brands SinnLeffers and Wehmeyer (fashion), Runners Point and Golf House (sports), Schaulandt and WOM World of Music (multimedia) and LeBuffet (system catering), show sales appreciably decreased by 10.3% to 232.7 mill. €. Here, in particular the marked decline in sales at Schaulandt – owing to the drastic reduction in the number of branches –, as well as the Easter business, makes itself felt.

We are putting marketing still more strongly in the forefront in the 2003 financial year. Accordingly, we are boosting our marketing budget, but are able to control the burden on earnings by cost reductions and more intensive collaboration with manufacturers and suppliers. The focus is on marketing by emotionalisation and further promotion of the distinct Karstadt brand. The “Better Karstadt” marketing campaign will make an important contribution to boosting sales and image promotion. It is supported

by large-scale, selective marketing operations and the intensification of personalised marketing on the basis of our extensive and diverse customer information. The consumer is currently placing a high value on price, and we cannot avoid being affected by this tendency in city centres and thus particularly in the department stores. Accordingly, we are working on price marketing through selective promotions and are presenting under “Karstadt aktuell” (“Karstadt now”) specially emphasised offerings in all areas of consumption. The weekly varying TV commercials are supported by Anke Engelke as promotional testimonial.

At the same time during the current year our department stores launched additional measures to boost sales and earnings. For example, programmes are being implemented to strengthen our own-brands, improve the architecture of the product ranges and motivate staff. We are also continuing to optimise processes, cost structures, complexity and systems through our new “Power II” programme.

MAIL ORDER

		01.01.-31.03. 2003	01.01.-31.03. 2002	Changes in %
Sales	mill. €	2,021.3	1,960.1	3,1
EBTA	mill. €	5.1	23.2	-77.8
EBT	mill. €	1.5	19.8	-92.2
Staff (31.03.)	number	35,763	36,835	-2.9
Segment assets	mill. €	3,975.2	3,965.4 *	0.2
Segment liabilities	mill. €	4,441.6	3,837.6 *	15.7

*) Figures for previous year, as of 31.12.2002

Expansion continued - Sales up by 3.1%

Mail order – with the Quelle and Neckermann brands – continued to expand in the first quarter, achieving a sales increase by 3.1% to 2.02 bill. € (previous year 1.96 bill. €). Universal mail order (main catalogues) shows a slight sales rise, while specialty mail order gained markedly 13.1%.

Mail order increased its operating earnings (EBTA) to 5.1 mill. €. The previous year's result of 23.2 mill. € included an extraordinary profit of 36 mill. € from the sale of 30% of KARSTADT QUELLE Financial Services GmbH.

Quelle and Neckermann are pressing ahead with their sales and marketing offensive and differentiating their brand profiles even more strongly. Quelle's advertising messages are "Quelle gives direction"

and "First see what Quelle has to offer". The popular television presenter Günther Jauch is raising the level of attention for the new brand strategy. He will be the new Quelle brand representative from the issue of the new 2003 spring/summer catalogue on. Neckermann is advertising with its "Dream-Package" campaign, which is embedded in the timeless advertising slogan "Neckermann macht's möglich" ("Neckermann makes it possible"). Under their internationalisation strategy the two mail-order suppliers are profiting from already existing infrastructures in the European markets. Thus at the start of 2003 Neckermann, utilising Quelle's Swiss capacity, entered the Swiss market virtually from a standing start. The organisational merger of Quelle and Neckermann is proceeding on schedule.

SERVICES

		01.01.-31.03. 2003	01.01.-31.03. 2002	Changes in %
Sales ¹⁾	mill. €	324.2	259.0	25.2
EBTA	mill. €	-107.3	-92.3	-16.3
thereof Thomas Cook Group	mill. €	-117.4	-108.0	-8.7
EBT	mill. €	-118.9	-103.7	-14.7
thereof Thomas Cook Group	mill. €	-128.7	-119.4	-7.7
Staff (31.03.) ¹⁾	number	5,922	4,331	36.7
Segment assets	mill. €	944.5	1,042.2 *	-9.4
Segment liabilities	mill. €	495.3	507.3 *	-2.4

*) Figures for previous year, as of 31.12.2002

1) without Thomas Cook Group

Sales rise 25.2%

The Services business segment comprises the subsegments B2B services (corporate business: information services, e- and TV business, logistics, purchasing and IT), and B2C services (consumer business: tourism, financial services and loyalty card programmes). Sales (not including Thomas Cook) came to 324.2 mill. € in the first quarter (previous year: 259.0 mill. €). This represents a rise by 25.2%. Alongside the general rise in demand for services, the progressive concentration of all group services in this business segment is having an effect.

Earnings (EBTA) decreased by 15 mill. € and come to minus 107.3 mill. € (previous year: minus 92.3 mill. €). The decisive factor behind the loss shown is exclusively the shortfall of 117.4 mill. € (previous year: minus 108 mill. €) in the Thomas Cook Group for the period from November 2002 to January

2003. The earnings decrease is due to extraordinary marketing expenditure for the introduction of Thomas Cook as an operator brand. Due to the business system in the tourism sector Thomas Cook generates negative earnings in the first to the third quarter of each financial year. Sales in the tourism group rose in the first quarter by 7.4% to 1.1 bill. €. The war in Iraq, which began after the end of Thomas Cook's first quarter, and the spread of the SARS lung disease caused the background conditions for the tourism industry to further deteriorate. Customers held back with their bookings for the summer season. Thomas Cook responded to the change in the background conditions with, amongst other things, its "Triple C" (Cash, Costs, Commitments) earnings assurance programme. Thus, all the preparations have been made for achieving an improvement in operating earnings (EBTA), even if demand continues weak.

REAL ESTATE

		01.01.-31.03. 2003	01.01.-31.03. 2002	Changes in %
Sales	mill. €	140.1	117.1	19.6
EBTA	mill. €	54.5	53.7	1.5
EBT	mill. €	54.5	53.7	1.5
Staff (31.03.)	number	76	49	55.1
Segment assets	mill. €	4,569.6	4,822.8 *	-5.2
Segment liabilities	mill. €	2,070.7	1,916.6 *	8.0

*) Figures for previous year, as of 31.12.2002

All group real estate under one roof

The Real estate segment comprises department and specialty store locations at prime sites in German city centres, logistics real estate and other non-strategic real estate. It achieved a gross income from lettings of 140.1 mill. € (previous year: 117.1 mill. €). After deduction of third-party rents the result is a net income from lettings of 116.4 mill. €.

The sales rise is based mainly on the integration of real estate in the Mail-order and Specialty store business segments. As a result of this measure, which was completed in the fourth quarter of 2002, the management of all group real estate is integrated in the Real estate business segment. Earnings, at 54.5 mill. €, are at the previous year's level.

HOLDING

		01.01.-31.03. 2003	01.01.-31.03. 2002	Changes in %
EBTA	mill. €	115.7	-42.9	-
EBT	mill. €	115.7	-42.9	-
Staff (31.03.)	number	174	136	27.9
Segment assets	mill. €	4,039.4	2,757.3 *	46.5
Segment liabilities	mill. €	4,484.2	4,395.5 *	2.0

*) Figures for previous year, as of 31.12.2002

Positive earnings effect from reorganisation of the old-age pension provision

The Holding segment comprises mainly KARSTADT QUELLE AG, which operates as a strategic management and long-term investment holding company. The main earnings factors are

expenditure on pensions and financing and on long-term investments. Earnings rose appreciably from minus 42.9 mill. € to plus 115.7 mill. €. The improvement is due mainly to the second tranche of the CTA programme.

The transformation of the KarstadtQuelle Group into a retail and service group is being consistently pressed ahead with in the 2003 financial year. Here in particular the implementation of the 2003+ future programme unveiled at the end of last year is playing an important role. At the same time we shall be continuing the customer and growth offensives launched in all our business segments during 2002. These will open up many, diverse opportunities in the current financial year. We are strengthening our multi-channel network by further expansion of e-commerce (planned online demand for 2003: 1.5 bill. €) and by additional activities in TV-commerce.

SUPPLEMENTARY REPORT

KARSTADT QUELLE AG continued to implement its share repurchase programme after the balance sheet date. In April 2003 additional 206,872 no-par value shares were repurchased. As a result 10,743,002 no-par value shares, or 9.1% of the stock capital, are at present in the possession of KARSTADT QUELLE AG. The average price per share for these repurchases in April was 13.87 €.

Group profit and loss account

for the period from January 1 to March 31, 2003/Quarter I, 2003

	01.01. - 31.03. 2003 th. €	01.01.-31.03. 2002 th. €	Changes in %
Sales	3,683,121	3,725,147 ¹⁾	-1.1
Cost of sales	-1,950,388	-1,964,934 ¹⁾	0.7
Gross income	1,732,733	1,760,213¹⁾	-1.6
Other capitalised own work	7,723	1,286	-
Operating income	275,099	144,468 ¹⁾	90.4
Staff costs	-742,080	-760,418	2.4
Operating costs	-1,015,032	-960,342	-5.7
Other taxes	-8,543	-7,841	-9.0
Earnings from ordinary activities	249,900	177,366	40.9
Income from investments	-113,408	-105,961	-7.0
thereof from associated companies	-118,853	-109,670	-8.4
Earnings before interest, tax and depreciation and amortisation (EBITDA)	136,492	71,405	91.2
Depreciation and amortisation (not including goodwill)	-111,688	-105,567	-5.8
Earnings before interest, tax and amortisation of goodwill (EBITA)	24,804	-34,162	172.6
Amortisation of goodwill	-16,274	-15,650	-4.0
Earnings before interest and tax (EBIT)	8,530	-49,812	117.1
Net interest income	-60,021	-68,905	12.9
Other financial income	-132	-1,056	87.5
Earnings before taxes (EBT)	-51,623	-119,773	56.9
Taxes on income	27,573	48,095	-42.7
Net income before minority shareholdings	-24,050	-71,678	66.4
Profit/loss due to minority shareholders	-1,269	-584	-117.3
Net income after minority shareholdings	-25,319	-72,262	65.0
Earnings per share in €	-0.23	-0.61	61.8

¹⁾ Figures for previous year adjusted

Group balance sheet

as at March 31, 2003

ASSETS	31.03.2003 th. €	31.03.2002 th. €	Changes In %	31.12.2002 th. €
Fixed assets				
Intangible assets	502,433	431,643	16.4	500,709
Tangible assets	3,649,120	4,148,047	-12.0	3,876,983
Financial assets	699,019	827,649	-15.5	883,730
	4,850,572	5,407,339	-10.3	5,261,422
Current assets				
Inventories	2,607,101	2,551,446	2.2	2,502,391
Receivables and other assets	2,361,896	2,029,530	16.4	2,236,258
Securities	23,743	26,033	-8.8	25,441
Liquid funds	202,474	367,799	-44.9	144,352
	5,195,214	4,974,808	4.4	4,908,442
Deferred taxes	12,402	10,077	23.1	10,030
Prepayments and accrued income	43,793	37,967	15.3	35,849
Balance sheet total	10,101,981	10,430,191	-3.1	10,215,743

EQUITY AND LIABILITIES

Equity	1,635,094	1,738,763	-6.0	1,676,407
Minority shareholdings	69,863	59,816	16.8	69,820
Long-term liabilities				
Long-term financial liabilities	1,786,558	1,377,600	29.7	1,594,870
Other long-term liabilities	52,919	47,064	12.4	56,842
Pension provisions	1,699,160	2,595,194	-34.5	2,128,364
Other long-term provisions for liabilities and charges	255,326	233,402	9.4	246,559
	3,793,963	4,253,260	-10.8	4,026,635
Short-term liabilities				
Short-term financial liabilities	2,216,979	2,137,148	3.7	1,952,724
Trade payables	786,085	692,724	13.5	899,145
Other long-term liabilities	1,076,884	895,029	20.3	1,066,819
Short-term provisions for liabilities and charges	302,048	358,170	-15.7	314,683
	4,381,996	4,083,071	7.3	4,233,371
Deferred taxes	217,533	292,749	-25.7	206,269
Accrued expenses and deferred income	3,532	2,532	39.5	3,241
Balance sheet total	10,101,981	10,430,191	-3.1	10,215,743

Changes in group equity and minority shareholdings

	Subscribed capital	Capital reserve	Revenue reserves	Revaluation reserve	Adjustments foreign currency translation	Total group equity	Minority share- holdings	Total
01.01. - 31.03.2003	th. €	th. €	th. €	th. €	th. €	th. €	th. €	th. €
Opening balance at 01.01.2003	277,855	343,289	1,103,715	-49,253	801	1,676,407	69,820	1,746,227
From the purchase of shares	-3,229	-14,079	-	-	-	-17,308	-	-17,308
Dividends	-	-	-	-	-	-	-1,003	-1,003
Generated capital/ group earnings	-	-	-25,319	-	-	-25,319	1,269	-24,050
Differences from foreign currency translation	-	-	-	-	-752	-752	-223	-975
Change due to valuation of original and derivative financial instruments	-	-	-	2,066	-	2,066	-	2,066
Closing balance at 31.03.2003	274,626	329,210	1,078,396	-47,187	49	1,635,094	69,863	1,704,957

	Issued capital	Capital reserve	Revenue reserves	Revaluation reserve	Adjustments foreign currency translation	Total group equity	Minority share- holdings	Total
01.01. - 31.03.2002	th. €	th. €	th. €	th. €	th. €	th. €	th. €	th. €
Opening balance at 01.01.2002	301,460	488,521	1,025,078	-12,384	711	1,803,386	59,523	1,862,909
From the purchase of shares	-	-	-	-	-	-	-930	-930
Generated capital/ group earnings	-	-	-72,262	-	-	-72,262	584	-71,678
Differences from foreign currency translation	-	-	-	-	-526	-526	88	-438
Change due to valuation of original and derivative financial instruments	-	-	-	8,165	-	8,165	-	8,165
Other equity changes without effect for income	-	-	-	-	-	-	551	551
Closing balance at 31.03.2002	301,460	488,521	952,816	-4,219	185	1,738,763	59,816	1,798,579

Group cash flow statement

	31.03.2003 th. €	31.03.2002 th. €
Earnings for the period (including shares of earnings of minority shareholdings) before taxes on income and extraordinary items	-51,623	-119,773
Depreciation and amortisation/revaluations fixed assets	122,254	121,231
Earnings/loss from disposal of assets	-7,664	-59,339
Profit/loss from foreign currency	777	-
Earnings/losses absorbed from participating interests	113,408	105,961
Interest income/expenses	25,973	32,359
Increase/decrease long-term provisions for liabilities and charges (not including tax provisions)	-8,900	35,265
Other costs/earnings not affecting cash flow	-80,454	26,963
Gross cash flow	113,771	142,667
Increase/decrease of stocks, trade receivables and other assets, not attributable to investment or financing activities	-295,585	-116,710
Increase/decrease of trade payables and other liabilities not attributable to investment or financing activities	-59,642	-258,240
Cash flow from current business activities	-241,456	-232,283
Dividends received	5,445	3,709
Interest received	21,293	21,390
Interest paid	-50,630	-51,600
Payments/refunds of taxes on income	-10,532	-36,585
Cash flow from current business activities	-275,880	-295,369
Amounts paid out for acquisition of tangible fixed, intangible fixed and long-term assets	-64,650	-65,572
Amounts paid for investment in financial assets	-14,402	-41,048
Amounts paid in from sale of tangible fixed, intangible fixed and long-term assets	2,231	8,229
Amounts paid in from sale of financial assets	15,785	-
Cash flow from investment activities	-61,036	-98,391
Amounts paid out to/paid in from company owners and minority shareholders	-17,308	-
Amounts paid in/paid for the issuance of bonds and for (finance) loans	491,585	427,101
Payments for liabilities under finance leases	-36,634	-1,762
Cash flow from financing activities	437,643	425,339
Changes in cash and cash equivalents affecting cash flow	100,727	31,579
Changes in cash and cash equivalents due to changes in exchange rates and consolidated companies	-44,281	-17,007
Cash and cash equivalents at the beginning of the period	168,813	379,260
Cash and cash equivalents at the end of the period	225,259	393,832

Key figures KARSTADT QUELLE Group

	KARSTADT QUELLE Group		Reconciliation account		Holding		
	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	
Sales	4,295,740	4,223,747 ¹⁾	-	-	-	-	
Interest from credit operations	52,862	49,315	-	-	-	-	
Internal sales	-665,481	-547,915	-405,376	-335,657	-	-	
Group sales	3,683,121	3,725,147 ¹⁾	-405,376	-335,657	-	-	
Cost of sales	-1,950,388	-1,964,934 ¹⁾	176,820	141,389	-	-	
Gross income	1,732,733	1,760,213 ¹⁾	-228,556	-194,268	-	-	
Other capitalised own work	7,723	1,286	3,213	-	-	-	
Operating income and expenditure	-739,933	-815,874 ¹⁾	222,900	194,086	140,240	-4,373	
Staff costs	-742,080	-760,418	2,401	1	-5,478	-4,481	
Other taxes	-8,543	-7,841	-	-	-5	-23	
Earnings from ordinary activities	249,900	177,366	-42	-181	134,757	-8,877	
Income from investments	-113,408	-105,961	-	-	258	-	
EBITDA	136,492	71,405	-42	-181	135,015	-8,877	
Depreciation and amortisation (not including goodwill)	-111,688	-105,567	763	826	-146	-250	
EBITA	24,804	-34,162	721	645	134,869	-9,127	
Amortisation of goodwill	-16,274	-15,650	-	-	-	-	
EBIT	8,530	-49,812	721	645	134,869	-9,127	
Net interest income	-60,021	-68,905	83	151	-19,519	-32,007	
Other financial income	-132	-1,056	-75	-149	397	-1,745	
EBT	-51,623	-119,773	729	647	115,747	-42,879	
EBIT margin in %	0.2	-1.3	-	-	-	-	
EBT margin in %	-1.4	-3.2	-	-	-	-	
EBTA	-35,349	-104,123	729	647	115,747	-42,879	
EBTA margin in %	-1.0	-2.8	-	-	-	-	
Segment assets	10,089,579	10,205,713 *	-5,843,407	-4,817,727 *	4,039,399	2,757,282 *	
Segment liabilities	8,249,354	8,333,067 *	-5,689,898	-4,677,808 *	4,484,211	4,395,549 *	
Investments	82,549	106,620	-	-	3,665	138	
Full-time staff (average 01.01.-31.03.)	number	80,369	85,068	-	-	161	127

*) Figures for previous year, as of 31.12.2002

1) Figures for previous year adjusted

Key figures KARSTADT QUELLE Group

	Over-the-counter retail		Mail order	
	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €
Sales	1,646,347	1,739,810 ¹⁾	2,174,127	2,101,278
Interest from credit operations	-	-	52,862	49,315
Internal sales	-43,420	-15,212	-205,694	-190,501
Group sales	1,602,927	1,724,598 ¹⁾	2,021,295	1,960,092
Cost of sales	-925,784	-1,007,256 ¹⁾	-1,014,098	-962,654
Gross income	677,143	717,342 ¹⁾	1,007,197	997,438
Other capitalised own work	1,598	905	284	381
Operating income and expenditure	-324,389	-280,885 ¹⁾	-689,488	-654,511
Staff costs	-402,799	-435,041	-267,406	-270,503
Other taxes	-323	-442	-2,507	-2,671
Earnings from ordinary activities	-48,770	1,879	48,080	70,134
Income from investments	288	795	-516	991
EBITDA	-48,482	2,674	47,564	71,125
Depreciation and amortisation (not including goodwill)	-41,926	-37,186	-25,382	-29,495
EBITA	-90,408	-34,512	22,182	41,630
Amortisation of goodwill	-1,087	-808	-3,598	-3,425
EBIT	-91,495	-35,320	18,584	38,205
Net interest income	-13,674	-11,973	-17,146	-19,527
Other financial income	-82	-72	108	1,116
EBT	-105,251	-47,365	1,546	19,794
EBIT margin in %	-5.7	-2.0	0.9	2.0
EBT margin in %	-6.6	-2.7	0.1	1.0
EBTA	-104,164	-46,557	5,144	23,219
EBTA margin in %	-6.5	-2.7	0.3	1.2
Segment assets	2,404,296	2,435,846 *	3,975,195	3,965,386 *
Segment liabilities	2,447,365	2,353,723 *	4,441,635	3,837,641 *
Investments	31,180	21,278	25,953	52,491
Full-time staff (average 01.01.-31.03.)	46,625	51,542	27,958	29,350
	number			

*) Figures for previous year, as of 31.12.2002

1) Figures for previous year adjusted

Key figures KARSTADT QUELLE Group

	Services		Real estate		
	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	01.01.-31.03 2003 th. €	01.01.-31.03 2002 th. €	
Sales	335,216	265,513	140,050	117,146	
Interest from credit operations	-	-	-	-	
Internal sales	-10,991	-6,545	-	-	
Group sales	324,225	258,968	140,050	117,146	
Cost of sales	-187,326	-136,413	0	0	
Gross income	136,899	122,555	140,050	117,146	
Other capitalised own work	2,628	-	-	-	
Operating income and expenditure	-53,074	-51,119	-36,122	-19,072	
Staff costs	-67,509	-49,117	-1,289	-1,277	
Other taxes	-2	-5	-5,706	-4,700	
Earnings from ordinary activities	18,942	22,314	96,933	92,097	
Income from investments	-113,438	-107,747	-	-	
EBITDA	-94,496	-85,433	96,933	92,097	
Depreciation and amortisation (not including goodwill)	-10,590	-9,348	-34,407	-30,114	
EBITA	-105,086	-94,781	62,526	61,983	
Amortisation of goodwill	-11,586	-11,401	-3	-16	
EBIT	-116,672	-106,182	62,523	61,967	
Net interest income	-2,204	2,525	-7,561	-8,074	
Other financial income	-	-	-480	-206	
EBT	-118,876	-103,657	54,482	53,687	
EBIT margin in %	-36.0	-41.0	44.6	52.9	
EBT margin in %	-36.7	-40.0	38.9	45.8	
EBTA	-107,290	-92,256	54,485	53,703	
EBTA margin in %	-33.1	-35.6	38.9	45.8	
Segment assets	944,454	1,042,170 *	4,569,642	4,822,756 *	
Segment liabilities	495,309	507,323 *	2,070,732	1,916,639 *	
Investments	9,990	31,918	11,761	795	
Full-time staff (average 01.01.-31.03.)	number	5,554	4,000	71	49

*) Figures for previous year, as of 31.12.2002

Accounting and measurement principles

The accounting and measurement principles are identical to those applied in the last annual account. In particular no longer included in Earnings from sales are earnings generated by concession shops. For better comparability the profit and loss account of the previous year has been adapted accordingly. This resulted in a decrease in sales by 23.9 mill. € and in cost of material by 17 mill. €, whereas operating earnings rose by 6.9 mill. €

The structure of the balance sheet and the profit and loss account contains the most important items also shown in the annual account.

An examination of the interim account has been carried out.

Consolidated companies

The number of consolidated companies has decreased by 47 real-estate companies, which have been transferred to a company pension fund.

Equity

In the period from mid-January 2003 to end-March 2003 KARSTADT QUELLE AG has repurchased 1,261,490 own shares. The repurchase took place based on a resolution of the Annual General Meeting of 11.07.2002. At the end of the first quarter

KarstadtQuelle had at its disposal 10,482,130 no-par value shares. On the balance sheet the subscribed capital and the capital reserve are shown after deduction of the reductions resulting from these repurchases. The average number of no-par value shares during the period under review stood at 107,878,991.

Pension provisions

KARSTADT QUELLE AG created further planned assets during the first quarter to cover its pension commitments. The market value of these newly created planned assets at the key date amounts to 426.5 mill. €. This transaction has resulted in the realisation of earnings to the value of 132 mill. €.

The creation of planned assets related also to land held previously as financial investments. Their book value was thus reduced by 68.2 mill. €.

Contingent liabilities,**Other financial commitments**

Due to the transfer of real-estate companies to the pension fund Other financial liabilities were increased by 166.6 mill. € in nominal terms, discounted by 145.6 mill. €.