

**Joint Declaration by the Executive Board and the Supervisory Board of
Deutsche EuroShop AG on the recommendations by the Government
Commission on the German Corporate Governance Code in accordance with
section 161 of the AktG**

The Executive Board and the Supervisory Board of Deutsche EuroShop AG declare that the Company conforms with the recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the official section of the Federal Gazette on 26 November 2002 with the following exceptions:

- No D&O insurance has been taken out for the members of the Executive Board and the Supervisory Board (Code, section 3.8).
- Each member of the two-person Executive Board has a clearly defined scope of responsibilities. We are of the opinion that naming a Executive Board Chairman or Spokesman would not increase the efficiency of this executive body in view of the current business activities of our Company (Code, section 4.2.1).
- The variable portion of the remuneration of the Executive Board does not include stock options (Code, section 4.2.3).
- Membership in committees is not taken into account when determining the remuneration of the Supervisory Board (Code, section 545 (1)).
- The Supervisory Board receives remuneration that is determined by the Annual General Meeting. To date, no performance-based components have been granted (Code, section 5.4.5 (2)).
- Company information published in English (Code, section 6.8).
- The consolidated and interim financial statements are currently prepared in accordance with the German Commercial Code (HGB) and will not be restated to IASs until financial year 2005 (Code, section 7.1.1).
- The consolidated financial statements are published within 120 days after the end of the financial year, while the interim financial statements (half-yearly report) are published within 60 days after the end of the reporting period (Code, section 7.1.2).
- No stock option programmes or similar share-based incentive systems are currently in place at the Company (Code, section 7.1.3).

Eschborn, December 2002

The Executive Board

The Supervisory Board