

Six months' report 2018



Summary of Group results

3U Group (IFRS)		Half-year comparison	
		January 1 – June 30	
		2018	2017
Sales	(in EUR million)	22.84	21.41
EBITDA (earnings before interest, taxes, depreciation and amortisation)	(in EUR million)	4.42	2.77
EBIT (earnings before interest and taxes)	(in EUR million)	2.72	0.89
EBT (earnings before tax)	(in EUR million)	2.30	0.31
Net earnings for the period	(in EUR million)	2.16	0.23
Earnings per share total	(in EUR)	0.07	0.01
Equity ratio	(in %)	53.32	43.42

3U Group (IFRS)		3-months comparison	
		April 1 – June 30	
		2018	2017
Sales	(in EUR million)	11.94	10.93
EBITDA (earnings before interest, taxes, depreciation and amortisation)	(in EUR million)	2.98	1.33
EBIT (earnings before interest and taxes)	(in EUR million)	2.14	0.38
EBT (earnings before tax)	(in EUR million)	1.94	0.12
Net earnings for the period	(in EUR million)	1.80	0.05
Earnings per share total	(in EUR)	0.05	0.00
Equity ratio	(in %)	53.32	43.42

Contents

1

2	To our shareholders
2	Brief an unsere Aktionäre
4	Die 3U-Aktie
8	Corporate Governance Bericht
10	Interim Group Management Report
10	Fundamentals
10	Business model
11	Corporate management
12	Report on business development
12	Earnings
20	Financial position
23	Assets position
26	Financial and non-financial performance indicators
28	Related parties report
28	Report on risks and opportunities
28	Significant events since the end of the interim reporting period
29	Forecasting report
33	Responsibility statement
34	Interim Consolidated Financial Statements as of June 30, 2018
34	Consolidated statement of financial position
36	Consolidated statement of income
37	Consolidated statement of comprehensive income
38	Consolidated statement of changes in equity
40	Consolidated statement of cash flows
42	Notes
49	Further Information
49	Financial calendar
49	Contact
50	Imprint
50	Disclaimer
51	3U Group

2

Letter to our shareholders

Dear shareholders and friends of 3U,

3U looks back on a successful first half of 2018. The positive business trend continues, and we are seeing pleasing developments in almost all segments.

In the segment ITC, we are very satisfied with the traditional telephony business, which continues to make very solid contributions to sales, but above all to EBITDA and earnings. We are absolutely delighted with the development of our subsidiary weclapp in the area of cloud computing. Here, it not only achieves impressive growth in the number of customers but can also convince through a continuous expansion of its service portfolio. As a result, increasingly larger companies trust weclapp and its CRM and ERP software in the cloud. Whereas a few years ago it was still mainly micro-enterprises, weclapp now increasingly addresses companies with three or even four-digit employee numbers. Accordingly, it is no coincidence that, for two years in a row, weclapp was able to win the title of ERP system of the year in the category cloud-based ERP systems.

We are firmly convinced that weclapp is just at the beginning of a success story. The path is clear: Companies rely less and less on so-called on-premises solutions (data processing and management on their own servers within their own premises), but increasingly on cloud products. Here, weclapp is positioned extremely promising and thus rightly receives increased attention from both customers and the capital market.

The growth of the company is critically dependent on the ability to recruit suitable personnel. Accordingly, in addition to the company headquarters in Marburg, the location in Kitzingen was expanded in recent weeks. The official inauguration of the new office took place at the beginning of July. In the medium term, it is planned to employ around 50 employees at the Kitzingen site alone.

In the segment Renewable Energies, we were able to increase our capacities slightly after last year's sale of the wind farm Schlenzer. With the purchase of an existing wind farm with six wind turbines and a total installed rated output of 6 MW, 3U HOLDING AG generates continuous income from its own electricity generation via existing solar and wind farms with a total rated output of around 45 MW.

The development in the segment SHAC remained below our expectations in the first half of the year, which emanated not only from a significant increase in sales but also in earnings. While sales still posted moderate growth rate, earnings in this segment disappointed. The in the meantime implemented measures are expected to give a boost in growth in the second half of the year, which should also lead to an improved margin.

Sale of commercial property in Hanover and forecast increase

In April, we announced that we plan to sell the commercial properties acquired in Hanover in March 2014. In the second quarter, this transaction was finalized with the result that the holding company reported a high level of other operating income, with a corresponding positive impact on EBITDA and earnings. This transaction put us in a position to increase our forecast for consolidated earnings for the financial year 2018 by EUR 1.5 million.

Review of the Annual General Meeting

At the Annual General Meeting in Marburg on May 3, 2018, the shareholders of 3U HOLDING AG expressed their confidence in the Supervisory Board and Management Board by an overwhelming majority and granted discharge for the 2017 financial year. Overall, the event was very harmonious. Besides a few critical voices, the praise for the management for the gratifying development and improved prospects of the company outweighed.

With a majority of over 98 % all agenda items were approved by the almost unrestricted approval of the shareholders' meeting. The Annual General Meeting thus also followed the proposal of the Executive Board and the Supervisory Board for a dividend of EUR 0.02 per dividend-bearing share for the 2017 financial year. The payment of the dividend from 3U was disbursed to German shareholders in principle without tax deduction, since it concerns benefits from the tax deposit account (Section 27 para. 1-7 KStG). All in all, future dividends can be distributed from the tax deposit account up to a total amount of approximately EUR 27 million.

We would like to thank you for your support as shareholders of 3U HOLDING AG and we look forward to continuing to steer the company towards success with you at our side.

Marburg, August 2018

Your Management Board



Michael Schmidt



Christoph Hellrung



Andreas Odenbreit

4 The 3U share

The 3U share at a glance

International Securities Identification Number (ISIN)	DE0005167902
Wertpapierkennnummer (WKN) [<i>Securities Identification Number</i>]	516790
Stock exchange symbol	UUU
Transparency level	Prime Standard
Designated sponsor	BankM – Repräsentanz der Fintech Group Bank AG
Initial listing	November 26, 1999
Registered share capital in EUR at June 30, 2018	EUR 35,314,016.00
Registered share capital in shares at June 30, 2018	35,314,016
Share price at June 30, 2018*	EUR 1.205
Share price high in period from January 1 to June 30, 2018*	EUR 1.330 (May 23, 2018)
Share price low in period from January 1 to June 30, 2018*	EUR 0.892 (January 2, 2018)
Market capitalisation at June 30, 2018	EUR 42,553,389.28
Earnings per share at June 30, 2018	EUR 0.07

*On Xetra

The shares of 3U HOLDING AG are no-par bearer shares listed in the Prime Standard of the Frankfurt Stock Exchange. Besides trading in Frankfurt on Xetra and the floor, the stock is also traded on the OTC markets in Berlin, Dusseldorf, Munich and Stuttgart and Tradegate.

General market development

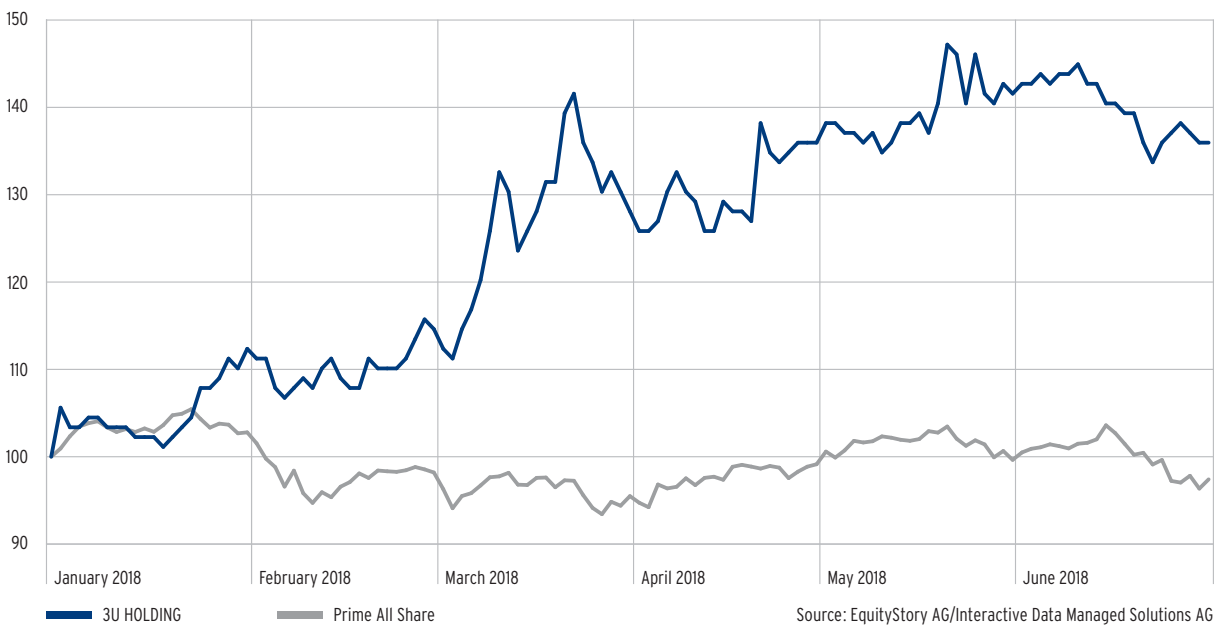
Driven by the very positive mood on the American stock market, German equities also posted new highs at the beginning of the year. All key German indices posted new all-time highs in the second half of January. At the end of January 2018, the Federal Reserve's suggestion that it would implement three interest rate moves in the current and the following year increasingly led to concerns over rising interest rates. The announcement by the US to impose tariffs and the threatened countermeasures, especially from China and Europe, seriously clouded the economic outlook and led to declining share prices. While Dax and MDax therefore showed some weakness in the further course of the year, the TecDax hurried unfazed from record high to record high.

Development of the 3U share

At the top the 3U share gained around 40 % in the first quarter and defended the price level in the further course of the first half of the year. Starting from EUR 0.885 at the beginning of the year, the 3U share rose under significant fluctuation by around EUR 0.32, till the end of the reporting period, which corresponds to an increase of around 36 %.

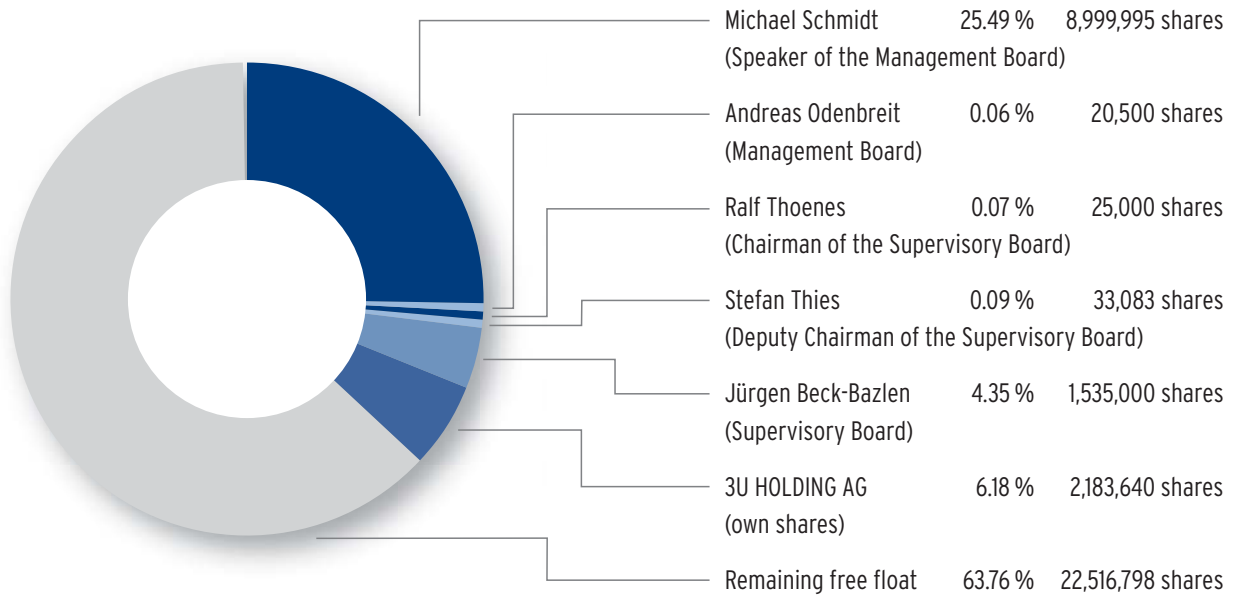
The Prime All Share Index developed in line with the other German indices. Starting at the year-end level of 2017 at 5,187.48 points, it rose until the end of January and then eased slightly with volatility rising to 5,040.16 points by the end of the first half of the year. This represents a loss of just under 3 % since the beginning of the year.

Share price performance of the 3U shares* from January 1, 2018 to June 30, 2018 vs. Prime All Share Index



*Daily closing price Xetra

Shareholder structure as at June 30, 2018



Investor Relations

The dialogue with our shareholders is a high priority for us. Throughout the year Investor Relations is available to all capital market participants for substantial information and pursuing a comprehensive capital market supervision, which is based on the principles of timeliness, continuity, credibility and equal treatment.

There is an intensive, regular dialogue with our shareholders. In addition to personal contact, the investor relations pages of 3U HOLDING AG (www.3u.net/investor-relations) serve as the central point of contact for information provision. Since the business developments in the subsidiaries are of crucial relevance to 3U HOLDING AG, the most important news of these subsidiaries are also published on the Group's website at www.3u.net/beteiligungen (usually in German only).

At the Annual General Meeting, which took place in Marburg on May 3, 2018, the shareholders of 3U HOLDING AG expressed their confidence in the Supervisory Board and Management Board by an overwhelming majority and granted discharge for the 2017 financial year.

With a majority of over 98 % all agenda items were approved by the almost unrestricted approval of the shareholders' meeting. The Annual General Meeting thus also followed the proposal of the Executive Board and the Supervisory Board for a dividend of EUR 0.02 per dividend-bearing share for the 2017 financial year. The payment of the dividend from 3U was disbursed to German shareholders in principle without tax deduction, since it concerns benefits from the tax deposit account (Section 27 para. 1-7 KStG). The payment of the dividend took place on May 8, 2018.

The voting results, the presentation and the speech of the Management Board as well as all other relevant documents for the 2018 Annual General Meeting are permanently available for download at www.3u.net/investor-relations/annual-general-meeting.

3U HOLDING AG showed more presence in the first half of the year at capital market conferences and newsrooms of financial media. The success of these measures can be seen in numerous publications in the financial media such as Focus Money, Euro am Sunday, Börse Online etc. and the overall satisfactory share price performance.

3U is now also covered by the analysts of MainFirst since the beginning of the year. In their "Initial Coverage Study", 3U is rated "Outperform". This is the highest rating given by MainFirst. The medium-term price target is given as EUR 1.50 and thus comes to the same result as the analysts of SRC Research.

The liquidity of the 3U share has continued to increase compared to the previous year. The number of 3U shares traded on a daily average in Frankfurt increased to around 42,000 in 2018, compared with an average of around 34,000 3U shares traded daily in the same period of 2017. This is an increase of almost 25 % and speaks for the increasing attractiveness of the 3U share.

8 Corporate governance report

The German Corporate Governance Code has been applicable since 2002. It was updated in February 2017 and contains regulations, recommendations and suggestions for good and responsible corporate management. The purpose of the Code is to create greater transparency, thus increasing the confidence of investors, customers, employees and the public in the corporate management of German companies. 3U HOLDING AG welcomes the provisions of the German Corporate Governance Code (GCGC), which serves the interests of the companies as well as its investors.

Declaration of conformity

The Management and Supervisory Boards of 3U HOLDING AG discussed continuously the contents of the Corporate Governance Code at length and decided that the recommendations are largely observed.

3U HOLDING AG submitted the most current declaration of conformity required according to the German Stock Corporation Act on March 14, 2018. It can be viewed permanently on its website (www.3u.net) under the path "Investor Relations/Corporate Governance".

Deviations from the recommendations

Deductible D&O insurance

The D&O insurance of the Company does not contain deductibles for the Supervisory Board. Regarding this, 3U HOLDING AG thinks that the responsibility and motivation with which the members of the Supervisory Board of the Company perform their tasks cannot be improved by such deductibles.

Diversity

In the allocation of managerial functions the Management Board acts according to the requirements of the respective function and searches for the person who fulfils these requirements in the best possible way. If several candidates of similar qualification are available, the Management Board looks for diversity and an appropriate consideration of women in the Company in the allocation without elevating those criteria to an overriding principle.

Diversity for members of the Management Board and Supervisory Board

The Supervisory Board chooses the members of the Management Board according to suitability and qualification and looks for the best composition possible for management positions. The Company is of the opinion that the special weighting of further criteria predetermined by the code would restrict the choice of possible candidates for the Management Board. Furthermore it has to be considered that the Management Board consists of just three members at this time.

The cast of the Supervisory Board is chosen according to suitability, experience and qualification as well. To follow other guidelines for choosing suitable members would restrict the flexibility without gaining other advantages for the Company. This is true all the more since the Supervisory Board currently consists of only three members.

Disclosure of securities transactions and shareholdings of Management and Supervisory Board

According to art. 19 MAR, Members of the Management Board and Supervisory Board and persons close to them are required by law to disclose the purchase and sale of 3U HOLDING AG shares or related financial instruments whenever the value of the transactions amounts to EUR 5,000 or more within a calendar year. In fiscal 2018, the following transactions have been reported to the Company:

Transaction date	Reporting person	Type of transaction	Quantity	Exercise price in EUR	Total volume in EUR
05/09/2018	Jürgen Beck-Bazlen (Supervisory Board)	Purchase	20,000	1.200	24,000.00
05/15/2018	Stefan Thies (Supervisory Board)	Purchase	6,330	1.235	7,817.55
05/15/2018	Stefan Thies (Supervisory Board)	Purchase	3,170	1.240	3,930.80

Corporate Governance Statement

The current Corporate Governance Statement by the Management Board and the Supervisory Board of 3U HOLDING AG according to Article 289 f resp. 315 d German Commercial Code (HGB) is available to the public on the website of 3U HOLDING AG (www.3u.net) under the path "Investor Relations/Corporate Governance". In the declaration, the relevant corporate governance practices applied beyond the legal regulations are explained. It further describes the workings of the Management Board and the Supervisory Board and presents the composition and working methods of the Management and Supervisory Board.

Remuneration Report

Comments on the remuneration of the Management and the Supervisory Board can be found in the remuneration report, which is part of the combined management report, as well as part of this statement on corporate governance.

The following Members of the Management and Supervisory Board held shares in the Company as of June 30, 2018:

Name	Function	Number of shares	Percent
Michael Schmidt	Speaker of the Management Board	8,999,995 shares	25.49 %
Andreas Odenbreit	Management Board	20,500 shares	0.06 %
Ralf Thoenes	Chairman of the Supervisory Board	25,000 shares	0.07 %
Stefan Thies	Deputy Chairman of the Supervisory Board	33,083 shares	0.09 %
Jürgen Beck-Bazlen	Supervisory Board	1,535,000 shares	4.35 %

Fundamentals

Business model

3U HOLDING AG is at the top of the 3U Group as an operational management and investment holding company. It controls and monitors all major activities within the Group. The definition of the Group strategy as well as the management of the development of the 3U Group is one of its tasks. It is responsible for the accounting and controlling department within the 3U Group and also operates the Group-wide risk and opportunity management as well as the areas of law, investor relations and corporate communications. 3U HOLDING AG also assumes the allocation of financial resources, for example for investments or acquisitions. It is responsible for personnel policy, personnel development and the support of the Group's top management. The Members of the Management Board of 3U HOLDING AG also assume operational responsibility in dual role as managing directors of subsidiaries.

The 3U Group, which originally came from the telecommunications sector, has evolved significantly in the past fiscal years. The core business of the Group are the segments ITC (Information and Telecommunication Technology), Renewable Energies and SHAC (sanitary, heating and air conditioning).

The focus of the business activities of the 3U Group is in Germany as well as in the European neighbouring countries.

The segment ITC comprised the activities Voice Retail, Business Voice and Data Center Services & Operation. Under Voice Retail products like open call-by-call, pre-selection and call-through are being offered. The products voice termination (Wholesale, resale) and value added services are grouped under Voice Business. The products collocation, Infrastructure as a Service (IaaS), telecommunications services and the operation of networks and installations make up Data Center Services & Operation. Additionally the segment encompasses the development, distribution and operation of cloud based CRM and ERP solutions and trading IT licenses.

In the segment Renewable Energies the 3U Group essentially covers project development in the field of wind power and electricity generation with its own facilities using wind and solar energy.

Apart from the assembly of components for the climatization of buildings, the distribution of products to wholesalers, craftsmen and self-builders belong to the segment SHAC. This distribution is carried out mainly via the Group's online shops.

Corporate management

The structure and organisation of the 3U Group are subject to continuous review and improvement. Ongoing adjustments of the organisation structure thereby guarantee clear responsibilities. The competencies within the monitoring, planning and control system are thus clearly defined. The monitoring and planning system mainly consists of the monthly management information reporting and the risk reporting. In addition there are regular meetings between Management Board and Managing Directors of the subsidiaries as well as a monthly Forecast-/liquidity development.

The control system is based around sales planning, EBITDA and Group earnings goals for the following twelve months respectively. The planning for the two subsequent financial years is done based on the detailed planning of the first year plan. The assumptions for sales planning are analysed on the respective levels of the Company; regulatory plans, the capital market outlook and industry trends are considered at market level. Changes relevant to earnings within a component are communicated directly between the Management Board and heads of division in the form of immediate reporting. The organisational structure and the elements of the control system thus form an integral mechanism between strategic and front-line business levels.

Report on business development

Earnings

Group sales

Group sales increased by EUR 1.43 million from EUR 21.41 million to EUR 22.84 million compared to the first half of 2017 (same period of the previous year). Sales in the segment ITC in particular, but also in the segment SHAC, increased significantly year-on-year. Slightly lower were sales in the segment Renewable Energies. The sale of the wind park Schlenzer from the previous year is noticeable here. 33.2 % (previous year: 29.2 %) of sales were generated in the segment ITC, 14.2 % in the segment Renewable Energies (previous year: 16.4 %) and 51.5 % (same period last year: 53,4 %) in the segment SHAC.

The change in inventories mainly results from further project development in the field of wind power. Other income has a significant influence on consolidated earnings. In these, particularly the profit from the sale of the property in Hanover is reflected.

The cost of materials increased slightly compared to the same period of the previous year. The cost of materials also increased disproportionately compared to sales. The cost of materials accounted for 58.3 % of sales, compared with 55.6 % in the same period of the previous year. This is due in particular to higher sales in the area of telephony with lower margins.

EBITDA

EBITDA has improved significantly compared to the same period of the previous year. While EBITDA was EUR 2.77 million in the same period of the previous year, EBITDA in the first six months was EUR 4.42 million. The sale of properties in Hannover contributed to the increase in EBITDA compared to the same period of the previous year, while the higher level of other operating expenses and higher personnel expenses had the opposite effect.

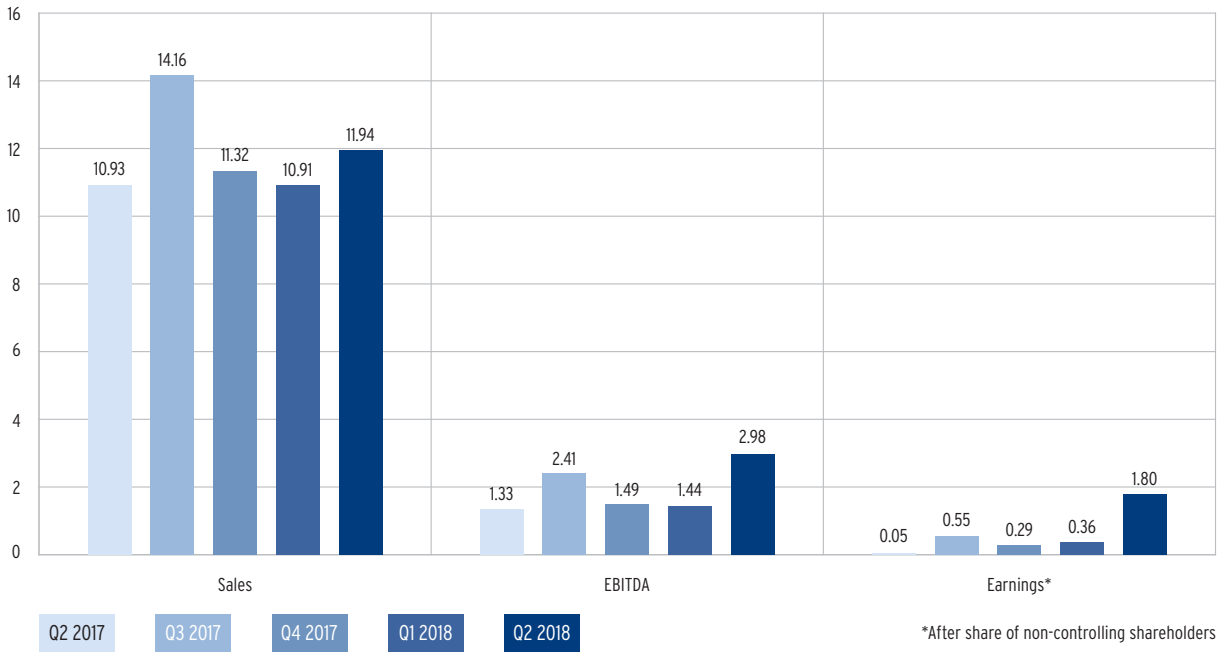
Group earnings

At EUR 2.16 million, Group earnings for the first half of the 2018 financial year were EUR 1.93 million higher than Group earnings for the same period of the previous year (EUR 0.23 million). Excluding the income from the sale of the properties in Hanover, Group earnings would have been slightly above the level of the same period of the previous year.

There is still a low level of general interest rates. This also means that the interest rate level within the interest-bearing debt of the 3U Group has not changed significantly in the past financial year. The lower level of leverage in the 3U Group has led to a year-on-year improvement in the financial result.

The tax expense for the first six months of the financial year 2018 amounted to EUR 0.03 million and was therefore at the same level as in the same period of the previous year. Real tax expenses of EUR 0.18 million were offset by income from deferred taxes of EUR 0.15 million.

Development (sales, EBITDA, earnings) – 3U Group in EUR million



In accordance with internal reporting, 3U Group covers the segments Telephony, Services, Renewable Energies and Holding/Consolidation within its segment reporting.

Following, the different segments are reported including the sales between segments. Beyond that it needs to be noted that taxes on profits and income are carried by the parent company, 3U HOLDING AG, as long as subsidiary conditions exist.

Segment ITC (information and telecommunications technology)

Segment sales

Sales in the segment ITC increased from EUR 6.26 million in the same period of the previous year to EUR 7.58 million. The increase in sales resulted from the area of telephony as well as cloud-based solutions in which sales increased significantly.

In the area of cloud-based solutions (weclapp), absolute margins increased by around 60 % compared to the same period of the previous year. The percentage margins in this area are close to 100 %. But telephony also continues to significantly contribute to the margin in this segment.

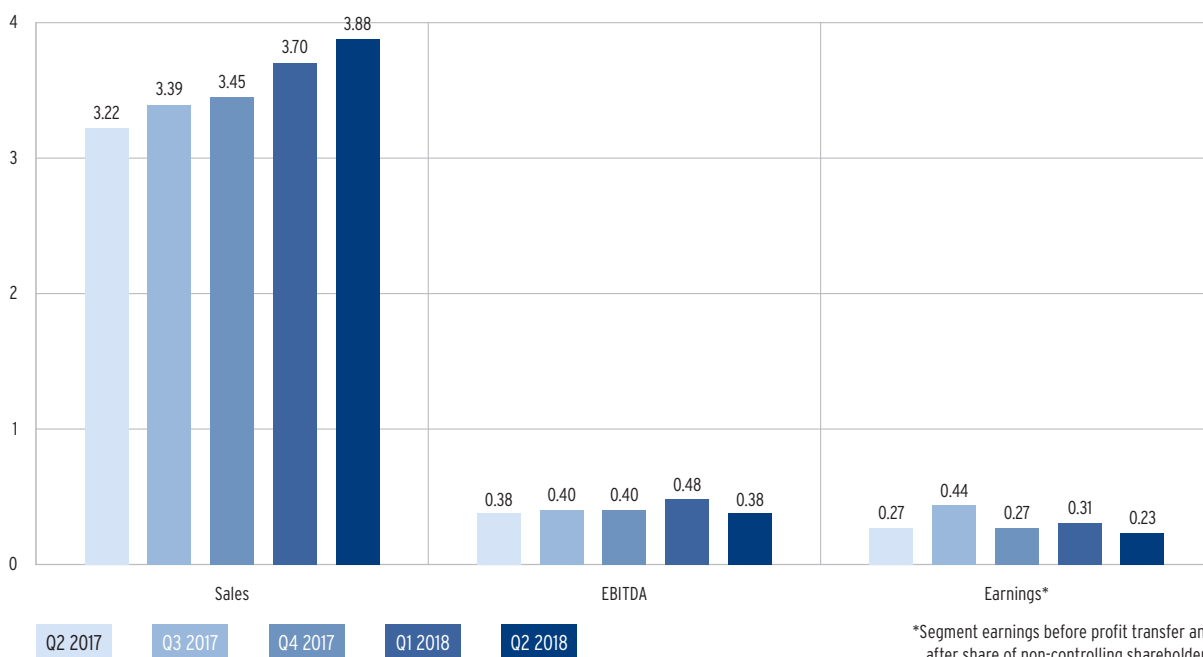
EBITDA

Taking into account the higher other operating expenses and the higher personnel expenses compared to the same period in the previous year, there was a slight decline in EBITDA from EUR 0.89 million in the same period of the previous year to EUR 0.86 million in the first half of the 2018 financial year. Cloud-based solutions already contributed EUR 0.43 million (prior-year period: EUR 0.09 million) to the segment's EBITDA in the first six months in 2018.

Segment earnings

In the first half of the 2018 financial year, earnings of the segment ITC decreased by EUR 0.12 million from EUR 0.67 million to EUR 0.55 million compared to the previous year.

Development (sales, EBITDA, earnings) – Segment ITC in EUR million



Segment Renewable Energies

Segment sales

In the segment Renewable Energies, sales of EUR 3.50 million in the same period of the previous year could not be fully achieved. The slight decline in sales to EUR 3.24 million in the first six months of the financial year 2018 was mainly due to lower wind yields. The feed-in tariffs from electricity generation in the photovoltaic sector developed very positively in the first half of the 2018 financial year.

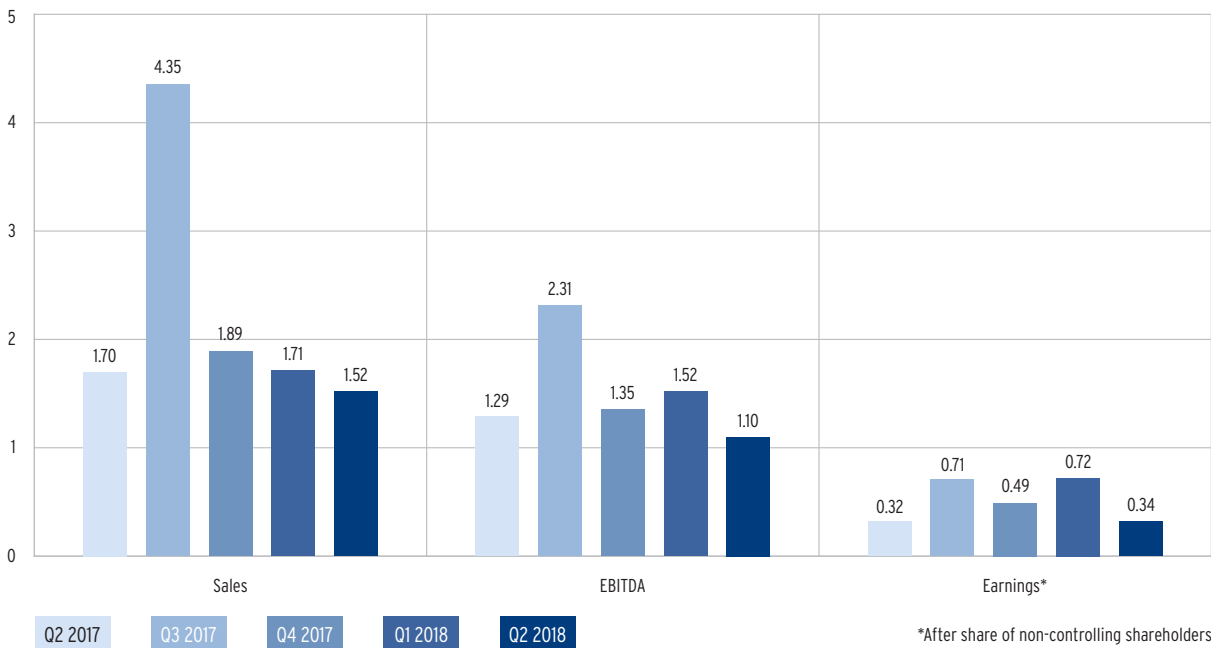
EBITDA

EBITDA increased from EUR 2.58 million in the prior-year period to EUR 2.62 million. Other income includes income from the negotiation of the originally agreed purchase price increase for the wind farm project development acquired in 2014. Due to a settlement payment in advance, a liability was reduced and earnings of around EUR 0.24 million were realized.

Segment earnings

The segment earnings increased by EUR 0.42 million from EUR 0.65 million in the same period of the previous year to EUR 1.07 million. The improved financial result in comparison to the same period of the previous year in connection with the reduced debt component in this segment had a positive effect.

Development (sales, EBITDA, earnings) – Segment Renewable Energies in EUR million



Segment SHAC (sanitary, heating and air conditioning technology)

Segment sales

In the segment SHAC, sales increased from EUR 11.44 million to EUR 11.77 million. This increase in sales thus amounts to 2.9%. Due in particular to the persistent cold spell at the beginning of the year, sales in this segment fell short of our expectations. Sales in the area of assembly of components for air conditioning systems and sales in the area of online trade developed essentially concurrently.

EBITDA

EBITDA declined from EUR 0.24 million in the same period of the previous year to EUR 0.05 million in the first half of financial year 2018. The decline in EBITDA was also due to lower margins. The percentage of material costs of sales has increased slightly compared to the same period of the previous year. Higher personnel expenses continued to reinforce this development with virtually no change in other operating expenses.

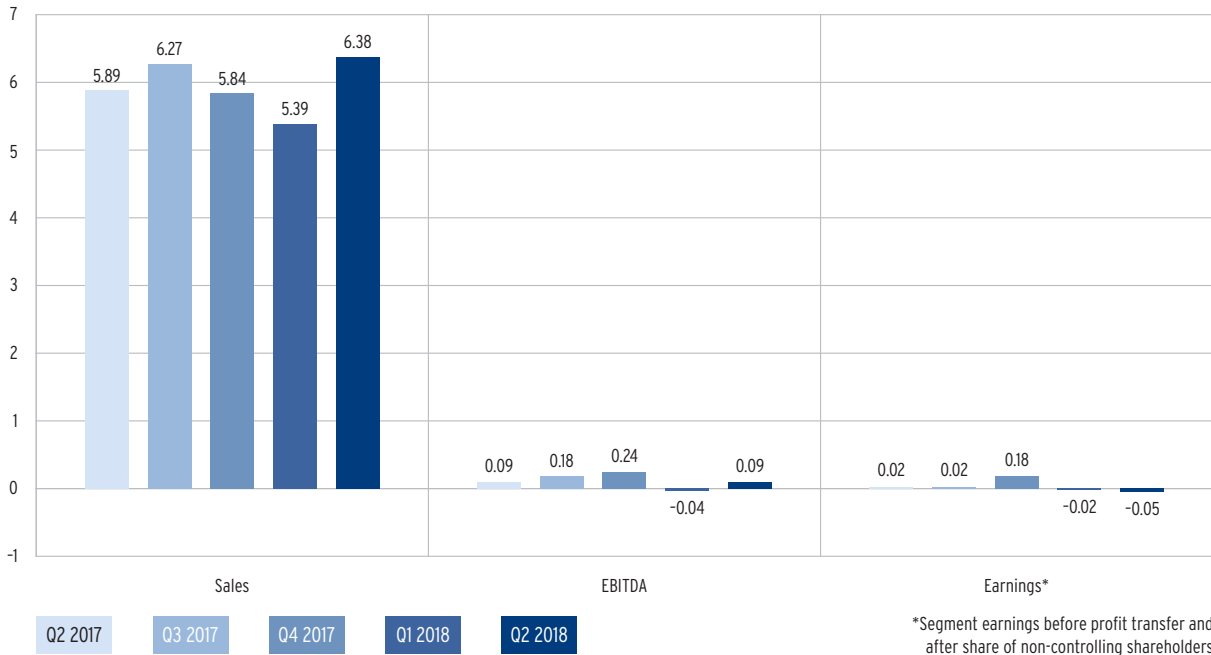
Segment earnings

Compared to the same period of the previous year, segment earnings deteriorated by EUR 0.19 million to EUR -0.07 million. Measures to increase the margin were initiated and should contribute to a significant improvement in segment earnings, especially in the second half of the year.

The tax expense for the first half of the financial year 2018 amounted to EUR 0.03 million and was thus EUR 0.02 million higher than in the same period of the previous year.

Earnings attributable to non-controlling interests amount to EUR 0.01 million (prior-year period: EUR 0.04 million).

Development (sales, EBITDA, earnings) – Segment SHAC in EUR million



Holding/Consolidation

Holding activities together with the necessary Group consolidations are pooled in Holding/Consolidation.

Sales

Holding/Consolidation reported sales of EUR 0.26 million in the reporting period (same period of the previous year: EUR 0.21 million). This is made up of sales of the holding company in the amount of EUR 1.22 million (same period in the previous year: EUR 1.18 million) and of sales consolidations in the amount of EUR -0.96 million (same period last year: EUR -0.97 million). These sales consolidations result primarily from the consolidation of inter-segment sales and the consolidation of intragroup services.

EBITDA

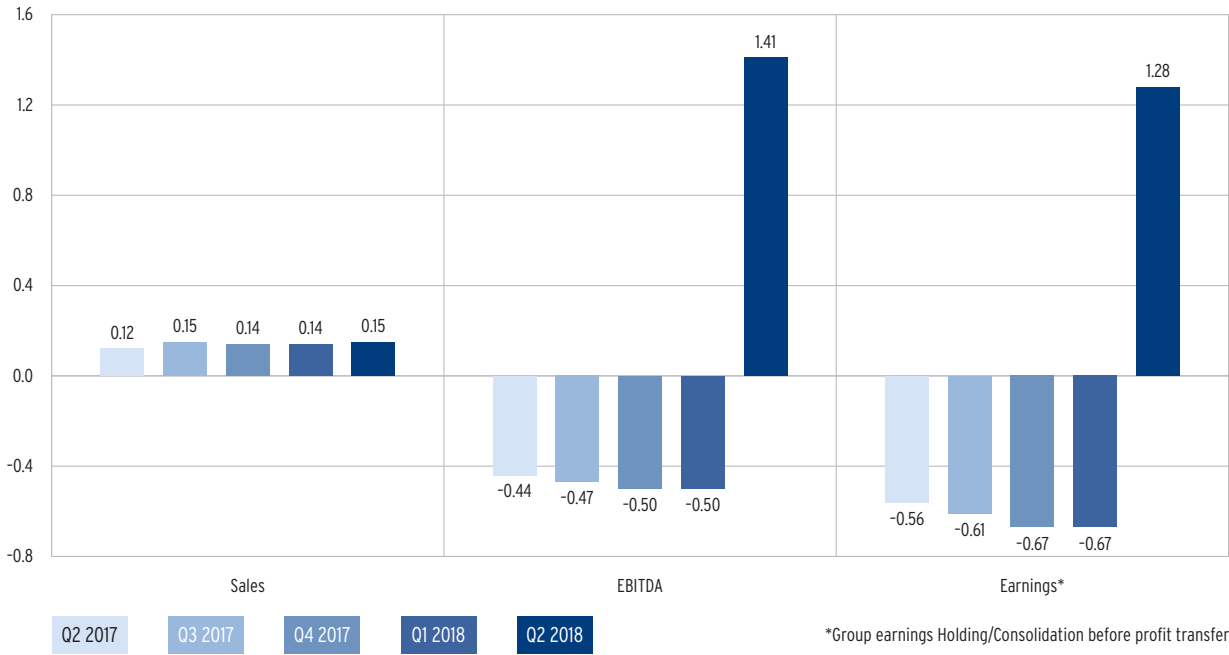
EBITDA amounts to EUR 0.89 million (same period last year: EUR -0.94 million). The other operating income from the sale of the properties in Hanover led to an increase in other income from EUR 0.10 million to EUR 2.02 million. In the future, however, the lower rental income from the properties in Hanover will burden earnings of the holding.

Incidentally, EBITDA was significantly influenced by personnel costs of EUR 1.45 million (prior-year period: EUR 1.40 million) and other operating expenses. While personnel costs in the area of the holding company increased slightly, other operating expenses were further reduced compared to the previous year. It should be noted that employees from strategic investment management as well as finance, personnel and legal affairs as well as from the group-wide marketing resources are assigned to the parent company. With these resources, the holding company contributes in particular to the strategic development of the subsidiaries.

Earnings

Earnings from this area is positive for the Group at EUR 0.62 million and is significantly above the amount of the previous year's period of EUR -1.22 million.

Development (sales, EBITDA, earnings) – Holding/Consolidation in EUR million



Financial position

Capital structure

In the first half of the financial year 2018, the Group made payments for investments in the amount of EUR 1.31 million (same period last year: EUR 0.27 million). The payments related in particular to investments in the wind farm Klostermoor. A further payment of EUR 0.36 million relates to the settlement of purchase price liabilities from the acquisition of the wind farm project developments in the 2014 financial year.

Substantial cash inflows were generated in connection with the sale of the properties in Hanover.

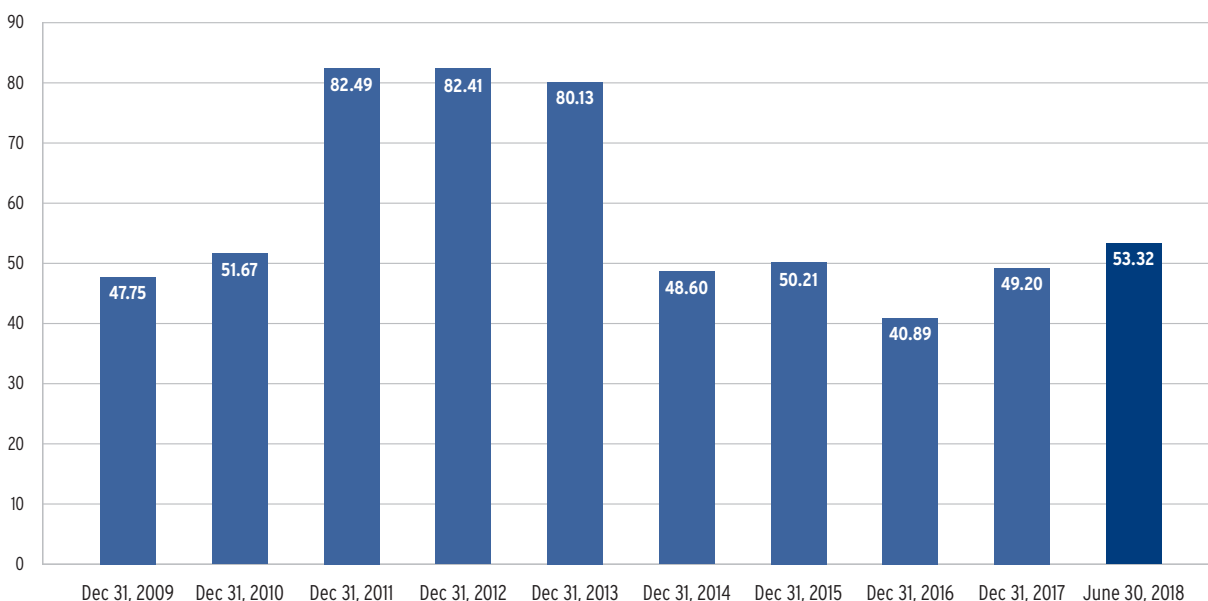
The funds are invested by 3U HOLDING AG exclusively in overnight deposits and short-term time deposits with Baden-Württembergische Bank, Sparkasse Marburg-Biedenkopf and Deutsche Kreditbank AG.

Compared with December 31, 2017, cash and cash equivalents increased by EUR 3.51 million from EUR 11.27 million to EUR 14.78 million as of June 30, 2018. In particular, scheduled repayments of financial loans have meant that the improvement in cash flow from operating activities and the significant surplus from investing activities did not contribute to an even stronger build-up of liquidity.

3U HOLDING AG continues to have a solid equity ratio. Due to the lower balance sheet total and the increase in the absolute amount of equity, the equity ratio increased to 53.32 % compared to December 31, 2017 (49.20 %). The leverage ratio is 46.68 % compared to 50.80 % as of December 31, 2017.

Earnings of EUR 2.26 million in the first half of 2018 (including the profit attributable to non-controlling interests) contributed to an increase in equity, while payments to the shareholders of 3U HOLDING AG as part of the dividend payment and to the non-controlling shareholders in the form of profit distributions had an opposite impact.

Development equity ratio (in %)



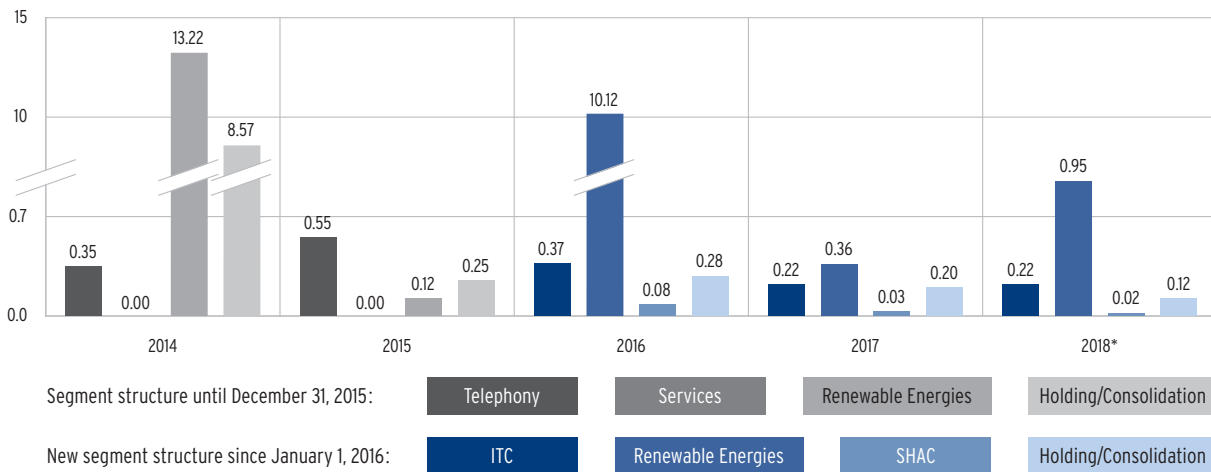
Investments

In the first half of the financial year 2018, the Group invested EUR 1.31 million in intangible assets and property, plant and equipment as well as investment property (same period of the previous year: EUR 0.27 million).

The segment ITC invested EUR 0.22 million (same period last year: EUR 0.16 million). Investments in the segment Renewable Energies amounted to EUR 0.95 million after 0.03 million in the same period of the previous year. The investments mainly related to investments in the wind farm Klostermoor. In the segment SHAC investments were EUR 0.02 million lower than in the same period of the previous year. Investments in the fixed assets of the holding company in the amount of EUR 0.12 million in the reporting period (previous year period: EUR 0.06 million) was mainly invested in IT hardware and software.

For the financial year 2018, investments of around EUR 22.26 million are planned for the existing business areas. Of this, EUR 0.40 million will be invested in the segment ITC, EUR 20.00 million in the segment Renewable Energies, and EUR 0.07 million in the segment SHAC and EUR 1.79 million in the holding company. In the segment Renewable Energies, for these investments, usual project financing with an equity share of 20 to 30 % is planned.

Development of investments in EUR million



*Until June 30, 2018

Liquidity

Operating cash flow amounted to EUR 1.24 million in the first six months of the 2018 financial year (same period of the previous year: EUR 0.65 million). The positive earnings for the period, increased by depreciation and amortization, had a major impact on this development. The cash flow from investing activities is characterized by the sale of the properties in Hanover and the cash outflows in connection with the acquisition of the wind farm Klostermoor. Cash flow from investing activities of EUR 8.55 million (same period of the previous year: EUR -0.26 million) is EUR 8.81 million higher than in the same period of the previous year.

Cash flow from financing activities was clearly negative at EUR -6.41 million (same period of the previous year: EUR -3.71 million). This mainly results from the payments for scheduled loan repayments and from the payments for the repayment of the loan for the properties in Hanover (EUR 4.0 million).

The 3U Group was always in a position to meet its payment obligations in the reporting period and is also guaranteed for the future. The liquidity position as of June 30, 2018 is satisfactory.

The following cash flow statement shows the change in cash and cash equivalents and is based on the cash flow statement presented in the consolidated financial statements (without correction of the financial fund).

Cash flow statement (in TEUR)	June 30, 2018	June 30, 2017
Cash flow	3,374	-3,321
Cash flows from operating activities	1,235	648
Cash flows from investing activities	8,546	-262
Cash flows from financing activities	-6,407	-3,707
Thereof as assets held for sale	133	0
Changes in cash and cash equivalents	3,507	-3,321
Cash and cash equivalents at beginning of period*	11,269	11,672
Cash and cash equivalents at end of period**	14,776	8,351

*Incl. fixed deposits as collateral resp. restricted cash in the amount of TEUR 3,094 (January 1, 2017: TEUR 4,344)

**Incl. fixed deposits as collateral resp. restricted cash in the amount of TEUR 3,488 (June 30, 2017: TEUR 3,190)

Assets position

Overview items of statement of financial position	June 30, 2018		December 31, 2017	
	TEUR	%	TEUR	%
Non-current assets	40,258	51.7	48,268	59.4
Fixed assets	38,575	49.5	46,534	57.3
Deferred tax assets	1,401	1.8	1,459	1.8
Other non-current assets	282	0.4	275	0.3
Current assets	27,561	35.4	22,813	28.1
Inventories	6,690	8.6	5,947	7.3
Trade receivables	4,447	5.7	4,288	5.3
Other current assets	1,648	2.1	1,309	1.6
Cash and cash equivalents	14,776	19.0	11,269	13.9
Assets held for sale	10,000	12.9	10,157	12.5
Assets	77,819	100.0	81,238	100.0
Non-current liabilities	56,759	72.9	56,778	69.7
Equity attributable to 3U HOLDING AG shareholders	42,670	54.8	41,174	50.7
Non-controlling interests	-1,175	-1.5	-1,208	-1.5
Provisions and liabilities	15,264	19.6	16,812	20.5
Current liabilities	12,545	16.1	15,647	19.3
Trade payables	3,806	4.9	3,124	3.9
Other provisions and liabilities	8,739	11.2	12,523	15.4
Liabilities from disposal groups	8,515	11.0	8,813	11.0
Liabilities	77,819	100.0	81,238	100.0

The balance sheet total as at June 30, 2018 amounts to EUR 77.82 million (December 31, 2017: EUR 81.24 million) and is therefore EUR 3.42 million lower than at December 31, 2017. The causes for the changes compared to December 31, 2017, is mainly due to the lower fixed assets in connection with the sale of the properties in Hanover. There are also scheduled depreciation on fixed assets. Investments during the period under review were only able to compensate for this decline to a small extent.

Fixed assets amounting to EUR 38.58 million (December 31, 2017: EUR 46.53 million) mainly include intangible assets (EUR 1.59 million or EUR 1.62 million as at December 31, 2017) and property, plant and equipment (EUR 33.28 million or EUR 37.29 million as at December 31, 2017) and investment properties in the amount of EUR 3.55 million (December 31, 2017: EUR 7.46 million). As of June 30, 2018, these relate only to the parts of the property for sale in Adelebsen, while the property in Hanover was sold during the reporting period.

Current assets amounted to EUR 27.56 million as at June 30, 2018 (December 31, 2017: EUR 22.81 million), EUR 4.75 million higher than at December 31, 2017. The proportion of cash and cash equivalents to the short-term assets amounted to 53.61% as of June 30, 2018 (December 31, 2017: 49.40%). The increase in inventories mainly results from the further development of wind farm projects.

As of June 30, 2018, the wind farm Lüdersdorf continues to be reported as a disposal group with its assets under assets held for sale. Likewise, the related debts are shown separately. The total assets available for sale amounted to EUR 10.00 million as of June 30, 2018 (December 31, 2017 EUR 10.16 million).

On the liabilities side, in addition to the increase in equity, there were significant changes in non-current and current financial liabilities. This change resulted from the sale of properties in Hanover and the associated repayment of liabilities as well as from current loan repayments.

The total of liabilities from disposal groups amounted to EUR 8.52 million as of June 30, 2018 (December 31, 2017: EUR 8.81 million). These relate exclusively to the wind farm Lüdersdorf.

General statement concerning the economic situation

Overall, the Managing Board considers the economic situation and, in particular, the current development of the company at the time of preparing the interim group management report to be satisfactory the same; as at December 31, 2017. From the point of view of the Management Board, there is still potential to continue the positive development and to further improve the situation of the Group.

In the reporting period, the operating result (EBITDA) and in particular the Group earnings improved significantly compared to the previous financial year. The sale of the properties in Hanover contributed in particular to this. Sales also improved compared to the same period of the previous year.

In the first half of the year, the overall Group targets set for this period were achieved or even significantly exceeded by the sale of the properties in Hanover.

The segment ITC developed well overall in the reporting period and was able to achieve the planning and even significantly out-perform (weclapp) in the area of cloud solutions. In addition to sales (around EUR 1.0 million above budget), EBITDA (around EUR 0.3 million above budget) and earnings (around EUR 0.2 million above budget) were significantly higher than planned.

The segment Renewable Energies also exceeded the target figures in the reporting period. Sales were reported by around EUR 0.1 million, EBITDA by around EUR 0.3 million and earnings by around EUR 0.6 million better than planned. Lower depreciation and amortization in connection with the recognition of the wind farm Lüdersdorf as assets held for sale and the unplanned other operating income have contributed to this.

The segment SHAC was unable to fully reach the target figures during the reporting period. Sales were around EUR 0.9 million lower than planned. The sales variance also meant that the EBITDA target was missed by EUR 0.3 million. This deviation from the plan was also reflected in earnings of the segment.

Financial and non-financial performance indicators

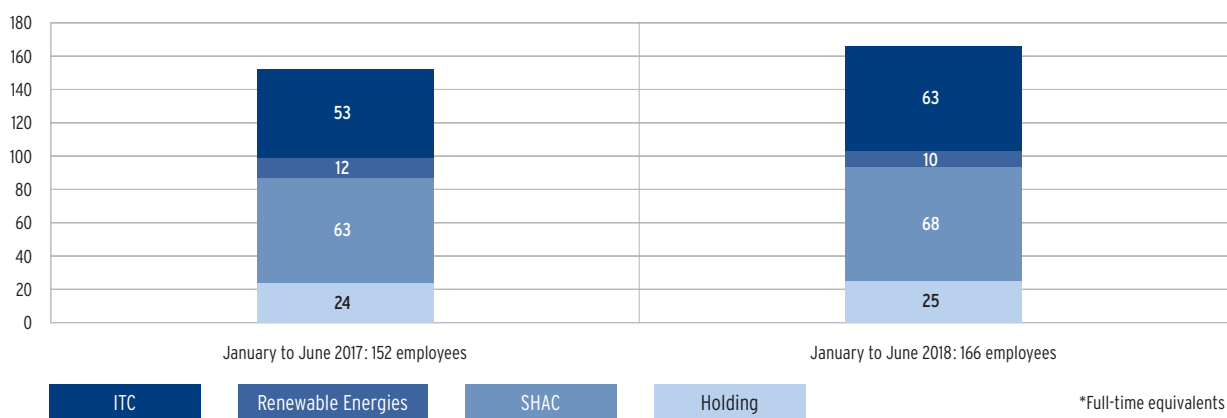
We use our group-wide financial performance indicators to set goals, to measure success and determine the variable compensation of executives. The most important financial performance indicators for us are sales, earnings before interest, taxes, depreciation and amortisation (EBITDA) and profit after tax.

Non-financial performance indicators are not covered by regular reporting. Coordination and control are carried out between the Management Board and Managing Directors in direct consultations.

Highly qualified and motivated employees are the prerequisites for ensuring the success of a company in the long term. Responsible personnel development and continuous improvement play a decisive role. Therefore, sustainable development and targeted promotion of the potential of all employees is the core task of personnel management of the Company. Through targeted personnel development the Company wants to increase its attractiveness as an employer and thereby further increase the employees' identification with the 3U Group and their commitment to its objectives.

Staff*

On the financial statement date the 3U Group employed 167 people (previous year: 154). The yearly average was 166 (previous year: 152). The average number of employees in the individual divisions is made up as follows:



Our employees contribute decisively with their ideas to greater efficiency and competitiveness. Therefore, a cooperative communication climate in the Group is encouraged, as all employees are motivated to make suggestions for the optimisation of products and processes, to synergies and other improvements within the Group. The remuneration system is broken down into fixed and variable elements depending on the job, so that superior performance can be rewarded accordingly.

Promoting employee health

We understand health as defined by the World Health Organisation (WHO) as psychic, physical and social wellbeing. To preserve and promote the health of our employees, we have implemented selective measures in the Group. Thus the Group supports the

health care of its employees. Employees also have the opportunity to attend internal and external training and educational events. Their bond with 3U is reinforced by a series of measures in which social aspects are at center-stage.

Safety in the workplace is enhanced by appropriate training. As in previous years, no employees were significantly harmed by an accident at work in 2018.

Corporate Responsibility

Impact of our business on the environment

The perception of corporate social responsibility is an integral part of our corporate strategy. We consider systematically the various interests of our stakeholders and the impact of our business on the environment. We are looking for a balance between economic objectives and social responsibility. With our increased commitment to renewable energies and the expansion of the segment SHAC through efficient solutions for saving energy, we are actively investing in the environment and thus show social commitment. In the other divisions we increasingly rely on the use of renewable energies as well. We try to consider environmental aspects when buying products and services.

Related parties report

There were no extraordinary changes or developments in business relations with related parties in the first six months of the current financial year as against December 31, 2017. Please refer to our presentation in the Annual Report 2017. All transactions with related parties were conducted at arm's length.

Report on risks and opportunities

As of June 30, 2018 there were no material changes in risks and their assessment as reported in detail in the Annual Report 2017.

Significant events since the end of the interim reporting period

Significant events after the end of this interim financial period did not occur.

Forecasting report

Economic outlook

The International Monetary Fund (IMF) remains optimistic, at least in the short term, in its latest bi-annual outlook for the global economy. In the longer term, however, the IMF sees some growth risks that should not be underestimated.

Concerns include rising tensions in global trade, particularly between the US and China. Continuing global growth momentum is offset by the danger of escalating trade conflicts.

In addition to the protectionist tendencies driven by the US government, the IMF also warned of high levels of private and public debt and persistent trade imbalances.

However, the IMF left its growth forecasts for the global economy unchanged at 3.9 % this year and next. Those are the best figures since 2011. Slightly more favourable than in the last round of forecasts in January were the prospects for the US and the Euro zone assessed.

Expectations for the German economy for 2018, as well as for the rest of the Euro zone, were raised by 0.2 points to 2.5 %.

In its spring report, the IMF warns that global growth could slow down in the coming years due to various factors. An important role is played by the demographic development. In addition, it is to be expected that the impetus of the tax cuts in the US from 2020 will diminish.

Outlook ITC

According to calculations by Bytom Research GmbH, sales in Germany in the information technology and telecommunications sectors exceeded the EUR 160 billion mark for the first time in 2017 (+1.9 %). And the ITC market continues to grow: In the area of information technology, telecommunications and consumer electronics, sales of EUR 164.0 billion (+1.7 %) are expected for 2018.

With a sales forecast of EUR 88.8 billion and a growth of 3.1 %, information technology continues to be the growth driver of the ITC sector. With a volume of EUR 24.4 billion, the software segment will continue to grow strongly in 2018 and is by far the most in demand (+6.3 %). The IT services also posted decent growth of 2.6 % to a market volume of EUR 40.0 billion. IT hardware grew to EUR 24.4 billion (+0.9 %).

Telecommunications only showed slight growth of 0.4 % to EUR 65.9 billion. While the telecom infrastructure market is growing by 1.4 % to EUR 6.7 billion, the telecom services market is expected to pick up stabilize the downward trend of past years at around EUR 48.5 billion. While steadily increasing volumes of data will continue to drive growth in the industry, the outlook for the overall telecommunications services market in Germany remains subdued. The telecommunications industry is a crowding out market characterized by innovation and technical progress, but above all due to the pronounced competitive situation characterized by further price erosion.

Government intervention – initiated both nationally and by the EU – has a significant impact on the niche markets occupied by the 3U. In addition, the call-by-call market has been shrinking for many years and today only has a small fraction of the volume of previous years and thus only plays a minor role for the 3U Group. A medium-term market forecast is very difficult in this market environment. As in previous years, according to forecasts of the industry association VATM, the telecommunications market will continue to stagnate.

A mega trend in the ICT world is cloud computing. In cloud computing, IT services are provided in the right quantities and flexible in real-time as a service via the Internet and billed according to use. In cloud computing various technical improvements and innovations converge and create the potential for a base innovation in the business field. Cost reduction, cost structure changes, cost variability, flexibility and entirely new business models are other important arguments. Cloud computing will change the entire information economy, its technologies and its business and therefore the relationship between suppliers and consumers for the long term. With a rapid adoption of cloud computing in business, the demand for technical infrastructure expertise decreases. For software vendors the traditional licensing business will shift in the direction of “Software as a Service” (SaaS).

For users cloud computing has many advantages. Thus, for example, investments become variable costs. It is expected that almost all companies will use cloud computing in a few years – at least complementary.

Market experts attest Cloud Computing very good growth prospects. In this business segment, the Management Board of 3U HOLDING AG expects a very strong increase in sales for 2018 and beyond, while sales in the classic telephony business will at best stagnate.

Outlook Renewable Energies

The expansion of renewable energies in Germany is being continuously advanced. There is a broad political consensus that the share of renewable energies in electricity generation in Germany should rise to at least 40-45 % by 2025; for 2030, 65 % is targeted. With the segment Renewable Energies, the Group is taking part in the advancing change in energy production towards sustainability and the trend towards resource-conserving energy use.

The Group plans to realize further EE projects. The framework conditions in this business area are largely determined by the Renewable Energy Sources Act (EEG), which was last amended in June 2018. With the EEG 2017, the feed-in subsidy system was switched to a tendering system in which the government issues a fixed amount of power and then the best bids get the contract awarded.

The relative importance of wind energy within renewable energies will thus continue to increase. The number of wind turbines in Germany increased significantly in the past year. In 2017, 1,792 new onshore wind turbines with a total capacity of 5,333 MW were newly built; it was the largest extension in a year so far. Compared to 2016, this was an increase of 15 %. At the end of 2017, 28,675 onshore wind turbines were connected to the grid.

3U focuses to expand its wind power activities – this concerns both planning and project development and investments in wind farms and their operation – in an area that still has a good risk/reward profile. The further development in this area depends on various factors which are hard to predict today. We follow the activities of all relevant market participants very closely and will position ourselves accordingly.

While the project business is relatively volatile, very stable and predictable sales and earnings are achieved by the renewable energy generation. Should the opportunity arise for an attractive investment, the purchase of an existing PV park is also an option.

Overall, the Management Board expects considerable growth in earnings in this segment for 2018 despite a decline in sales due to the planned sale of the wind farm Lüdersdorf.

Due to their size, sales or acquisitions in this segment have a significant impact on the financials of this segment, making accurate forecasting difficult.

Outlook SHAC

The SHAC market will remain very promising for the foreseeable future. Several developments have a positive impact here. Firstly, the construction activity will remain at a high level for the foreseeable future due to the low interest rates, resulting in a corresponding demand for SHAC products and their installation. In addition, policy makers require increasing energy efficiency in buildings. This leads to a substantial demand for replacement investments especially in the business area heating and air conditioning. Finally, we benefit in this segment of the demand shift towards online trading. Currently only a small fraction of the products from the SHAC sector is demanded online in Germany. However, this share grows very strongly. With our online trading activities, we are well positioned to profit from this trend.

While among other things, a larger product range and the associated need for adjustment in order processing, including warehousing, logistics and shipping processes led to lower margins in 2017, the segment is again expected to achieve significantly higher margins in the current year. For this reason, the Management Board expects a solid increase in sales of these activities in 2018 and a corresponding increase in EBITDA and earnings.

Outlook 3U HOLDING AG

Normally, earnings of 3U HOLDING AG as an operating management and investment holding company is significantly influenced by administrative costs and the financial result. The administrative costs of 3U HOLDING AG are expected to be slightly above the level of the previous year in the 2018 financial year. In addition to interest expenses, the financial result is heavily dependent on the income from distributions and profit transfer agreements or expenses from loss transfers.

In particular, valuations of investments and impairments on loans to subsidiaries can have a significant impact on the annual result.

In the second quarter of 2018, the sale of the property in Hanover has a dominant influence on the financial ratios. Because of the sale, a one-time positive contribution to earnings of around EUR 1.9 million was generated in the first half year of 2018. For 2018 as a whole, this effect will diminish due to the lack of rental income from this property.

Outlook 3U Group

In view of the divestment of the property in Hannover, which was not originally planned, the Management Board increased its previous forecast for the current financial year in April 2018 as follows:

For the financial year 2018, the Management Board anticipates sales of between EUR 46 million and EUR 50 million, EBITDA between EUR 8.0 million and EUR 9.5 million, and Group earnings of between EUR 2.5 million and EUR 3, 5 million.

The partial or entire sale of subsidiaries belongs to the corporate purpose of 3U HOLDING AG and may lead to positive special effects. In addition, 3U HOLDING AG plans to grow inorganically through acquisitions. However, the resulting effects can only be planned to a limited extent.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Marburg, August 14, 2018

The Management Board



Michael Schmidt



Christoph Hellrung



Andreas Odenbreit

34

Consolidated statement of financial position

Assets 3U Group (in TEUR)	June 30, 2018	Dec 31, 2017
Non-current assets	40,258	48,268
Intangible assets	1,590	1,623
Property, plant and equipment	33,276	37,292
Investment property	3,548	7,462
Other financial assets	144	144
Investments accounted for using the equity method	17	13
Deferred tax assets	1,401	1,459
Other non-current assets	282	275
Current assets	27,561	22,813
Inventories	6,690	5,947
Trade receivables	4,447	4,288
Receivables from income tax refunds	262	380
Other current assets	1,386	929
Cash and cash equivalents	14,776	11,269
Assets held for sale	10,000	10,157
Total assets	77,819	81,238

Shareholders' equity and liabilities 3U Group (in TEUR)	June 30, 2018	Dec 31, 2017
Shareholders' equity	41,495	39,966
Issued capital (conditional capital TEUR 3,531 / Dezember 31, 2017: TEUR 3,531)	35,314	35,314
Own shares	-2,184	-2,184
Capital reserve	10,345	10,345
Retained earnings	-844	-844
Total other comprehensive income	0	0
Profit/loss carried forward	-2,120	-2,522
Net earnings	2,159	1,065
Total shareholders' equity attributable to the shareholders of 3U HOLDING AG	42,670	41,174
Non-controlling interests	-1,175	-1,208
Non-current provisions and liabilities	15,264	16,812
Non-current provisions	779	716
Non-current financial liabilities due to banks	13,537	14,947
Deferred tax liabilities	732	938
Other non-current liabilities	216	211
Current provisions and liabilities	12,545	15,647
Current provisions	189	320
Current income tax liabilities	639	623
Current financial liabilities	3,025	7,069
Trade payables	3,806	3,124
Other current liabilities	4,886	4,511
Liabilities from disposal groups	8,515	8,813
Total shareholders' equity and liabilities	77,819	81,238

36 Consolidated statement of income

3U Group (in TEUR)	Quarterly report April 1–June 30		Half-year report January 1–June 30	
	2018	2017	2018	2017
Sales	11,935	10,930	22,844	21,412
Other income	2,265	253	2,747	495
Changes of half-finished and finished services	225	249	409	456
Other capitalised services	0	0	0	0
Costs of materials	-7,154	-6,286	-13,317	-11,902
Gross profit or loss	7,271	5,146	12,683	10,461
Staff costs	-2,532	-2,382	-4,985	-4,736
Other operating expenses	-1,761	-1,439	-3,280	-2,955
EBITDA	2,978	1,325	4,418	2,770
Depreciation and amortisation	-836	-943	-1,697	-1,884
EBIT	2,142	382	2,721	886
Income shares in companies that are accounted for using the equity method	2	0	4	0
Other financial result	-202	-267	-430	-578
EBT	1,942	115	2,295	308
Income tax expenses	-59	-28	-31	-34
Earnings before non-controlling interests	1,883	87	2,264	274
Net earnings for the period	1,883	87	2,264	274
Of which attributable to non-controlling interests	82	36	105	48
Thereof Group earnings	1,801	51	2,159	226
Earnings per share (in EUR)	0.05	0.00	0.07	0.01

Consolidated statement of comprehensive income

37

3U Group (in TEUR)	January 1–June 30	
	2018	2017
Net earnings for the period	2,264	274
Attributable to 3U HOLDING AG shareholders	2,159	226
Of which attributable to non-controlling interests	105	48
Directly in equity comprised changes which could be reclassified retrospectively to the income statement		
Exchange rate differences	0	0
Thereof deferred taxes	0	0
Hedging instruments	0	35
Thereof deferred taxes	0	0
	0	35
Directly in equity comprised changes which could not be reclassified retrospectively to the income statement	0	0
Other comprehensive income	0	35
Total comprehensive income of the period	2,264	309
Attributable to 3U HOLDING AG shareholders	2,159	261
Of which attributable to non-controlling interests	105	48

38

Consolidated statement of changes in equity

3U Group (in TEUR)	Issued capital	Own shares	Capital reserve	Retained earnings	Total other comprehensive income	
					Exchange rate differences	Hedging instruments
As of January 1, 2017	35,314	-2,184	10,345	-719	0	-35
Rebooking Earnings 2016	0	0	0	0	0	0
Dividend payment for the 2016 financial year	0	0	0	0	0	0
Total earnings 2017	0	0	0	0	0	35
Proceeds/payments to non-controlling interests	0	0	0	0	0	0
Change due to increase in share	0	0	0	-125	0	0
As of December 31, 2017	35,314	-2,184	10,345	-844	0	0

3U Group (in TEUR)	Issued capital	Own shares	Capital reserve	Retained earnings	Total other comprehensive income	
					Exchange rate differences	Hedging instruments
As of January 1, 2018	35,314	-2,184	10,345	-844	0	0
Rebooking Earnings 2017	0	0	0	0	0	0
Dividend payment for the 2017 financial year	0	0	0	0	0	0
Total earnings 01/01 to 06/30/2018	0	0	0	0	0	0
Proceeds/payments to non-controlling interests	0	0	0	0	0	0
As of June 30, 2018	35,314	-2,184	10,345	-844	0	0

Profit/loss carried forward	Net earnings attributable to 3U HOLDING AG shareholders	Equity attributable to 3U HOLDING AG shareholders	Non-controlling interests	Total shareholders' equity
-2,835	644	40,530	-1,372	39,158
644	-644	0	0	0
-331	0	-331	0	-331
0	1,065	1,100	140	1,240
0	0	0	-101	-101
0	0	-125	125	0
-2,522	1,065	41,174	-1,208	39,966

Profit/loss carried forward	Net earnings attributable to 3U HOLDING AG shareholders	Equity attributable to 3U HOLDING AG shareholders	Non-controlling interests	Total shareholders' equity
-2,522	1,065	41,174	-1,208	39,966
1,065	-1,065	0	0	0
-663	0	-663	0	-663
0	2,159	2,159	105	2,264
0	0	0	-72	-72
-2,120	2,159	42,670	-1,175	41,495

40

Consolidated statement of cash flows

3U Group (in TEUR)	January 1– June 30	
	2018	2017
Net earnings for the period	2,264	274
+/- Depreciation/write-ups of fixed assets	1,697	1,884
+/- Increase/decrease of provisions	-67	-114
-/+ Profit/loss on disposal of non-current assets	-1,931	-3
-/+ Increase/decrease in inventories and trade receivables	-863	-146
+/- Increase/decrease in trade payables	614	-2,140
+/- Changes to other assets	-517	1,211
+/- Changes to other payables	62	-95
+/- Change in tax assets/liabilities including deferred taxes	-15	-221
+/- Other non-cash changes	-9	-2
Cash flows from operating activities	1,235	648
+ Inflows from disposals of property, plant and equipment	5,266	6
- Outflows for investments in property, plant and equipment	-1,244	-161
- Outflows for investments in intangible assets	-41	-107
+ Inflows from disposals of investment properties	4,945	0
- Outflows for investments property	-25	0
- Cash outflow from the purchase of consolidated companies and other business units	-355	0
Cash flows from investing activities	8,546	-262
Sum carried forward*	9,781	386

*Refer to following page

3U Group (in TEUR)	January 1–June 30	
	2018	2017
Sum carried forward*	9,781	386
- Cash outflow to companies' owner and minority partners (dividends, equity capital payback, purchase of own shares, other disbursements)	-735	-432
+ Proceeds from issue of financial liabilities	0	4,362
- Payments from the repayment of bonds and (financial) loans	-5,672	-7,637
Cash flows from financing activities	-6,407	-3,707
Total cash flows	3,374	-3,321
+/- Change in disposition restrictions in cash and cash equivalents	-394	1,154
+/- Aggregate cash flows arising from obtaining or losing control of subsidiaries	0	0
+/- Thereof as assets held for sale	133	0
Cash and cash equivalents at beginning of period	8,175	7,328
Cash and cash equivalents at end of period	11,288	5,161
Total change in cash and cash equivalents	3,113	-2,167

*Refer to previous page

42 Notes

General information about the Group

3U HOLDING AG (subsequently also referred to as 3U or Company), headquartered in Marburg, is the holding company of the 3U Group and a listed stock corporation. It is registered in the commercial register of the District Court Marburg under HRB 4680.

The business activities of 3U and its subsidiaries include the management of own assets, the acquisition, the administration and the sale of interests in domestic and foreign companies as well as the provision of telecommunication services and IT services in the segment ITC. The activities in the area of renewable energies and in the field of sanitary, heating and climate technology are presented in the segments Renewable Energies and SHAC.

The address of the registered office of the Company is: Frauenbergstraße 31-33, 35039 Marburg, Germany.

Accounting principles

The interim financial report was prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS).

The present interim report has not been reviewed by auditors.

Supplementary disclosures in accordance with IAS 34

The accounting policies and methods of calculation used in the consolidated financial statements as of December 31, 2017 were applied unchanged for the interim statements as of June 30, 2018.

For details of the order situation and the development of costs and prices please refer to the section "Report on business development" in the interim Group management report.

For details to the number of employees please refer to the section "Staff" in the interim Group management report.

For details to significant events since the end of the interim reporting period we refer to the section "Significant events since the end of the interim reporting period" in the interim Group management report.

There were no extraordinary developments in business with related parties and the Company in the first six months of the fiscal year 2018 as against the previous year. For information about individual business relations, please refer to our Annual Report of December 31, 2017, Section 8.3.

Scope of consolidation

Compared to December 31, 2017, no changes have occurred in the scope of consolidation:

As of June 30, 2018, 3U HOLDING AG 22 (December 31, 2017: 22) domestic and foreign subsidiaries are included in the scope of consolidation in which 3U HOLDING AG directly or indirectly controls the majority of the voting rights or has control of the voting rights.

14 (December 31, 2017: 14) subsidiaries whose influence on the Group's net assets, financial position and earnings are of minor significance individually or jointly are not consolidated. These are essentially non-active companies. They are valued at acquisition cost less necessary value adjustments and reported under long-term assets.

Segment reporting

In accordance with the regulations of IFRS 8, business segments, the segment reporting of 3U HOLDING AG applies the "Management Approach" regarding segment identification.

The information that is regularly made available to the Management Board and Supervisory Board is therefore regarded to be relevant for the segment presentation.

According to internal reporting, 3U covers the segments ITC, Renewable Energies, SHAC and Holding/Consolidation within its segment reporting.

The segment ITC comprises the activities Voice Retail, Business Voice and Data Center Services & Operation as well as the development, distribution and operation of cloud based CRM and ERP solutions and the trading of IT licenses.

In the segment Renewable Energies the 3U Group essentially covers the wind power project development and electricity generation with own plants using wind and solar energy.

In addition to the assembly of components of air conditioning in buildings, the distribution of products from sanitary, heating and air conditioning systems to wholesalers, craftsmen and self-builders belong to the segment SHAC. This distribution is carried out via the Group's online stores.

Besides the aforementioned segments, Holding activities as well as the necessary Group consolidating entries are summarised under Holding/Consolidation.

Segment reporting follows the intra-segment consolidation, while the inter-segment consolidation occurs on holding level.

A detailed description of the segments is available in the interim Group management report in the business performance presentation.

Segment reporting 2018 January 1-June 30, 2018 (in TEUR)	ITC	Renew- able Energies	SHAC	Subtotal	Holding/ Consoli- dation	Group
Total sales	8,838	3,301	19,033	31,172	257	31,429
Intercompany sales (intra-segment sales)	-1,261	-63	-7,261	-8,585	0	-8,585
Segment sales/Group sales	7,577	3,238	11,772	22,587	257	22,844
Other income	225	396	107	728	2,019	2,747
Change in inventory	0	439	-30	409	0	409
Other capitalised services	0	0	0	0	0	0
Costs of materials	-4,297	-271	-8,855	-13,423	106	-13,317
Gross profit or loss	3,505	3,802	2,994	10,301	2,382	12,683
Staff costs	-1,707	-258	-1,567	-3,532	-1,453	-4,985
Other operating expense	-938	-924	-1,377	-3,239	-41	-3,280
EBITDA	860	2,620	50	3,530	888	4,418
Depreciation	-198	-1,040	-52	-1,290	-407	-1,697
EBIT	662	1,580	-2	2,240	481	2,721
Financial result*	-16	-514	-31	-561	135	-426
Profit/loss of companies recognised at equity**	0	0	0	0	4	4
Other financial result	-16	-514	-31	-561	131	-430
Income tax	-7	1	-25	-31	0	-31
Earnings for the period*	639	1,067	-58	1,648	616	2,264
Of which attributable to non-controlling interests	93	0	12	105	0	105
Segment earnings*/Group earnings	546	1,067	-70	1,543	616	2,159

*Before earnings transfer

**As of June 30, 2018, the carrying amounts of companies accounted for using the equity method amounted to TEUR 17 and were allocated to the area Holding.

Segment reporting 2017 January 1–June 30, 2017 (in TEUR)	ITC	Renew- able Energies	SHAC	Subtotal	Holding/ Consoli- dation	Group
Total sales	7,513	3,525	18,439	29,477	210	29,686
Intercompany sales (intra-segment sales)	-1,253	-22	-6,999	-8,274	0	-8,274
Segment sales/Group sales	6,260	3,503	11,440	21,203	209	21,412
Other income	215	56	120	391	104	495
Change in inventory	0	453	3	456	0	456
Other capitalised services	0	0	0	0	0	0
Costs of materials	-3,189	-189	-8,548	-11,926	24	-11,902
Gross profit or loss	3,286	3,823	3,015	10,124	337	10,461
Staff costs	-1,571	-296	-1,466	-3,333	-1,403	-4,736
Other operating expense	-821	-952	-1,310	-3,083	128	-2,955
EBITDA	894	2,575	239	3,708	-938	2,770
Depreciation	-180	-1,239	-52	-1,471	-413	-1,884
EBIT	714	1,336	187	2,237	-1,351	886
Financial result*	-26	-660	-23	-709	131	-578
Profit/loss of companies recognised at equity**	0	0	0	0	0	0
Other financial result	-26	-660	-23	-709	131	-578
Income tax	-2	-25	-8	-35	1	-34
Earnings for the period*	686	651	156	1,493	-1,219	274
Of which attributable to non-controlling interests	12	0	36	48	0	48
Segment earnings*/Group earnings	674	651	120	1,445	-1,219	226

*Before earnings transfer

**As of June 30, 2017, the carrying amounts of companies accounted for using the equity method amounted to TEUR 15 and were allocated to the area Holding.

The Management Board of 3U stipulates sales with the intersegment sales, EBITDA and the segment result before earnings transfer as major performance indicators for a segment's business success, since it considers them crucial to a segment's success. It should be noted that the tax on income – to the extent affiliation relationships with the 3U HOLDING AG exist – are borne by the controlling company, 3U HOLDING AG.

The following cash flow data were produced for the 3U Group:

Cash flow data 2018 (in TEUR) January 1–June 30, 2018	ITC	Renew- able Energies	SHAC	Holding/ Consoli- dation	Group
Cash flows from operating activities	1,171	2,553	33	-2,522	1,235
Cash flows from investing activities	-221	-1,301	-23	10,091	8,546
Cash flows from financing activities	-676	-2,023	172	-3,880	-6,407

Cash flow data 2017 (in TEUR) January 1–June 30, 2017	ITC	Renew- able Energies	SHAC	Holding/ Consoli- dation	Group
Cash flows from operating activities	-290	313	-426	1,051	648
Cash flows from investing activities	-151	-32	-24	-55	-262
Cash flows from financing activities	-11	-1,928	-444	-1,324	-3,707

For the purposes of monitoring earnings power and allocating resources between the segments, the Management Board scrutinizes the financial assets allocated to the individual segment. Liquid funds are not allocated to any segment.

3U Group (in TEUR)	June 30, 2018	Dec 31, 2017
Assets		
Segment ITC	10,468	10,138
Segment Renewable Energies	38,466	38,531
Segment SHAC	6,109	5,247
Holding/Consolidation	8,000	16,053
Total segment assets	63,043	69,969
Assets not allocated	14,776	11,269
Total consolidated assets	77,819	81,238
Liabilities		
Segment ITC	9,516	9,311
Segment Renewable Energies	47,593	49,362
Segment SHAC	6,704	5,427
Holding/Consolidation	-27,489	-22,828
Total segment liabilities	36,324	41,272
Reconciliation (shareholder's equity/non-controlling interests)	41,495	39,966
Total consolidated liabilities/shareholder's equity	77,819	81,238

The uniform Group accounting policies and methods of calculation were applied in the segment reporting. Services between segments are subject to adherence of the arm's length principle and therefore group-wide calculated at prices that would be agreed with third parties. Basically, the price comparison method is or was applied for the area Broadband/IP and Group specific effects were added. In the other areas essentially the cost plus method is applied. Administrative services are calculated as cost allocations.

Non-current assets in the amount of TEUR 4 (previous year: TEUR 4) are located abroad in 2018.

3U Group (in TEUR)	Depreciation and amortisation		Investments	
	January 1-June 30 2018	January 1-June 30 2017	January 1-June 30 2018	January 1-June 30 2017
Segment ITC	198	180	221	155
Segment Renewable Energies	1,040	1,239	945	32
Segment SHAC	52	52	23	26
Holding/Consolidation	407	413	121	55
Total	1,697	1,884	1,310	268

Earnings per share

Earnings per share are the profit from continuing operations and profit from discontinued operations, which can be allocated to the ordinary shareholders of 3U HOLDING AG, or profit (after tax) divided by the weighted average number of outstanding shares during the financial year.

The calculation of earnings per share is based on the following data:

3U Group	Quarterly report April 1–June 30		Half-year report January 1–June 30	
	2018	2017	2018	2017
Basis of the earnings per share (attributable share of net profits attributable to the shareholders of the parent company in TEUR)	1,801	51	2,159	226
Number of shares (in pieces, as of June 30)	33,130,376	33,130,376	33,130,376	33,130,376
Earnings per share (in EUR)	0.05	0.00	0.07	0.01

Financial calendar

- **Participation at the Prior Kapitalmarktkonferenz**
September 18, 2018
- **Publication of quarterly announcement 3/2018**
November 8, 2018
- **Participation at the Eigenkapitalforum
(Frankfurt)**
November 26.-28, 2018

Contact

49

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Disclaimer

This quarterly report contains statements relating to the future which are subject to risks and uncertainties and which are assessments of the management of 3U HOLDING AG and reflect its current opinions with regard to future events. Such predictive statements can be recognised by the use of terms such as “expect”, “assume”, “estimate”, “anticipate”, “intend”, “can”, “plan”, “project”, “will” and similar expressions. Statements relating to the future are based on current and valid plans, estimates and expectations. Such statements are subject to risks and uncertainties, most of which are difficult to estimate and which are generally beyond the control of 3U HOLDING AG.

The following are – by no means exhaustive – examples of factors that may trigger or affect a deviation: the development of demand for our services, competitive factors – including price pressure –, technological changes, regulatory measures, risks in the integration of newly acquired companies. If any of these or other risks and uncertain factors occur, or if the assumptions on which the statements are based prove to be incorrect, the actual results of 3U HOLDING AG may differ materially from those outlined or implied in these statements. The company does not undertake to update predictive statements of this nature.

This quarterly report contains a range of figures which are not part of commercial regulations and the International Financial Reporting Standards (IFRS), such as EBT, EBIT, EBITDA and EBITDA adjusted for special influences, adjusted EBITDA margin, investments (capex). These figures are not intended to substitute the information for 3U HOLDING AG in accordance with the German Commercial Code (HGB) or IFRS. It should be noted that the figures for 3U HOLDING AG which are not part of commercial regulations and the IFRS, can only be compared to the corresponding figures of other companies to a certain extent.

3U Group*

3U HOLDING AG

ITC	Renewable Energies	SHAC
010017 Telecom GmbH Marburg, Germany	3U ENERGY AG Marburg, Germany	ClimaLevel Energiesysteme GmbH Cologne, Germany
3U TELECOM GmbH Marburg, Germany	3U ENERGY PE GmbH Kloster Lehnin, Germany	Immowerker GmbH Marburg, Germany
3U TELECOM GmbH Vienna, Austria	3U Euro Energy Systems GmbH Marburg, Germany	PELIA Gebäudesysteme GmbH Montabaur, Germany
Discount Telecom S&V GmbH Marburg, Germany	Märkische Windkraft 110 GmbH & Co. KG Kloster Lehnin, Germany	Selfio GmbH Linz am Rhein, Germany
Exacor GmbH Marburg, Germany	Repowering Sachsen-Anhalt GmbH Marburg, Germany	
fon4U Telecom GmbH Marburg, Germany	Solarpark Adelebsen GmbH Adelebsen, Germany	
LineCall Telecom GmbH Marburg, Germany	Windpark Langendorf GmbH & Co. KG Marburg, Germany	
OneTel Telecommunication GmbH Marburg, Germany	Windpark Langendorf Verwaltungsgesellschaft mbH Marburg, Germany	
RISIMA Consulting GmbH Marburg, Germany		
weclapp GmbH Marburg, Germany		

*Consolidated subsidiaries



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