

Quarterly Report 3/2016



© Thomas Gorski, AIRTEAM

Summary of Group results

3U Group (IFRS)		9-months comparison	
		January 1–September 30 2016	2015
Sales	(in EUR million)	32.48	35.05
EBITDA (earnings before interest, taxes, depreciation and amortisation)	(in EUR million)	3.72	2.76
EBIT (earnings before interest and taxes)	(in EUR million)	1.06	-0.11
EBT (earnings before tax)	(in EUR million)	0.37	-0.81
Net earnings for the period	(in EUR million)	0.35	-1.31
Earnings per share total (undiluted)	(in EUR)	0.01	-0.04
Earnings per share total (diluted)	(in EUR)	0.01	-0.04
Equity ratio	(in %)	41.60	51.30

3U Group (IFRS)		3-months comparison	
		July 1–September 30 2016	2015
Sales	(in EUR million)	11.19	12.53
EBITDA (earnings before interest, taxes, depreciation and amortisation)	(in EUR million)	1.35	0.91
EBIT (earnings before interest and taxes)	(in EUR million)	0.43	-0.05
EBT (earnings before tax)	(in EUR million)	0.15	-0.26
Net earnings for the period	(in EUR million)	0.08	-0.40
Earnings per share total (undiluted)	(in EUR)	0.00	-0.01
Earnings per share total (diluted)	(in EUR)	0.00	-0.01
Equity ratio	(in %)	41.60	51.30

Contents

2	To our shareholders
2	Letter to our shareholders
4	The 3U share
8	Corporate governance report
10	Interim Group Management Report
10	Fundamentals of the Group
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
34	Consolidated statement of financial position as of September 30, 2016
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 as of September 30, 2016
51	Further Information
51	Financial calendar
51	Contact
52	Imprint
52	Disclaimer
53	3U Group

2

Letter to our shareholders

Dear Shareholders,

Once again the third quarter developed largely as planned and led to a slight surplus. As in the first half of the year, positive and negative deviations in the individual subsidiaries were also roughly balanced in the third quarter, so that overall we can look back on a satisfactory reporting period.

Wind farm project Schlenzer in plan

After the approval of the BImSchG at the end of May 2016 for our wind farm project Schlenzer, the wind farm was advanced as planned. Currently, the wind farm is in the erection phase, so that at the end of the financial year the wind farm will be operational. However, commissioning will only take place at the beginning of 2017, as this is more economically advantageous.

We are currently holding exploratory talks with interested parties concerning the sale of this wind farm, consisting of two wind turbines each with a nominal output of 2.75 MW each, a hub height of 139 m and a rotor diameter of 120 m. A sale and resulting earnings contribution in the fourth quarter are expected, but ultimately cannot be predicted with certainty. The expected profit, which would result if we would operate the plants (permanently) ourselves, naturally largely determines our pricing.

weclapp wins award ERP system of the year 2016

In March of this year weclapp was nominated for the ERP system of the year 2016. At the beginning of October it was awarded this title at the IT & Business Fair in Stuttgart.

The award was under the auspices of Prof. Dr. Gronau from the University of Potsdam. Initially, a number of ERP vendors had been selected for nomination by a 9-member jury. This team consisted of scientists, media representatives and consultants and carefully researched suitable ERP systems. In this year's competition for the ERP system of the year, more than 100 systems were nominated for participation.

After the initial nomination, weclapp qualified for the next round because it was able to convince with the following features: customer communication, research & development, ergonomics, technology & scope of integration, customer use, sectoral suitability through special functions and introduction methodology.

Looking back on nine years of the "ERP System of the Year" competition, the jury agreed that the quality of the applications and the presentations this year was at the highest level so far.

We are proud that our subsidiary weclapp was able to convince the jury and are very pleased with this award. For the customers of weclapp, this award is another proof that they have chosen the right software partner.

Following the award, increased interest from potential customers could be identified. It is now the challenge to overcome the increased interest in a steadily growing number of customers in the coming weeks and months. The outlook is very promising.

There remain some challenges for the rest of the fiscal year. But after a long dry spell we are well on the way to a business year with a positive annual surplus and thus meet your and our expectations. We are looking forward to the next financial year with great confidence. We would be very pleased if you would continue to place your trust in us.

Marburg, in November 2016

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 biw Bank für Investments und Wertpapiere AG
Initial listing	November 26, 1999
Registered share capital in EUR at September 30, 2016	EUR 35,314,016.00
Registered share capital in shares at September 30, 2016	35,314,016
Share price at September 30, 2016*	EUR 0.652
Share price high in period from January 1 to September 30, 2016*	EUR 0.715 (June 2, 2016)
Share price low in period from January 1 to September 30, 2016*	EUR 0.490 (January 15, 2016)
Market capitalisation at September 30, 2016	EUR 23,024,738.43
Earnings per share at September 30, 2016	EUR 0.01

*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

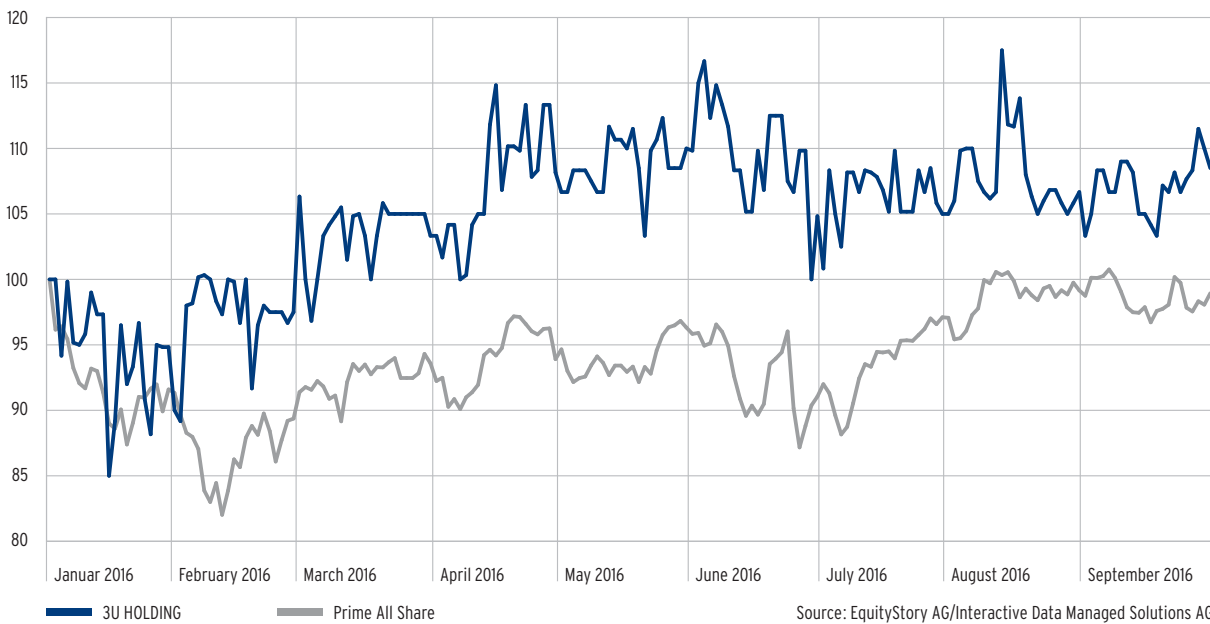
While ongoing conflicts in the Ukraine and the Middle East as well as terror attacks and the suspect economic situation in Asia and resulting developments on commodity markets determined trading on stock exchanges worldwide in the first half of 2016, the markets recovered in the third quarter of 2016 on a broad front. Waning fears of the negative impact of the EU referendum in the UK as well as a solid development of the labour market in the US and improving economic data from China helped the turnaround. As a result, the German indices increased substantially compared to the end of June 2016.

Development of the 3U share

The 3U share was weak at the beginning of the year, but was able to recover significantly during the first half and hold the slightly elevated level in the aftermath. Starting with a quotation of EUR 0.60 the 3U share gained EUR 0.05 under significant fluctuations until the end of the reporting period, which represents an increase of almost 9 %.

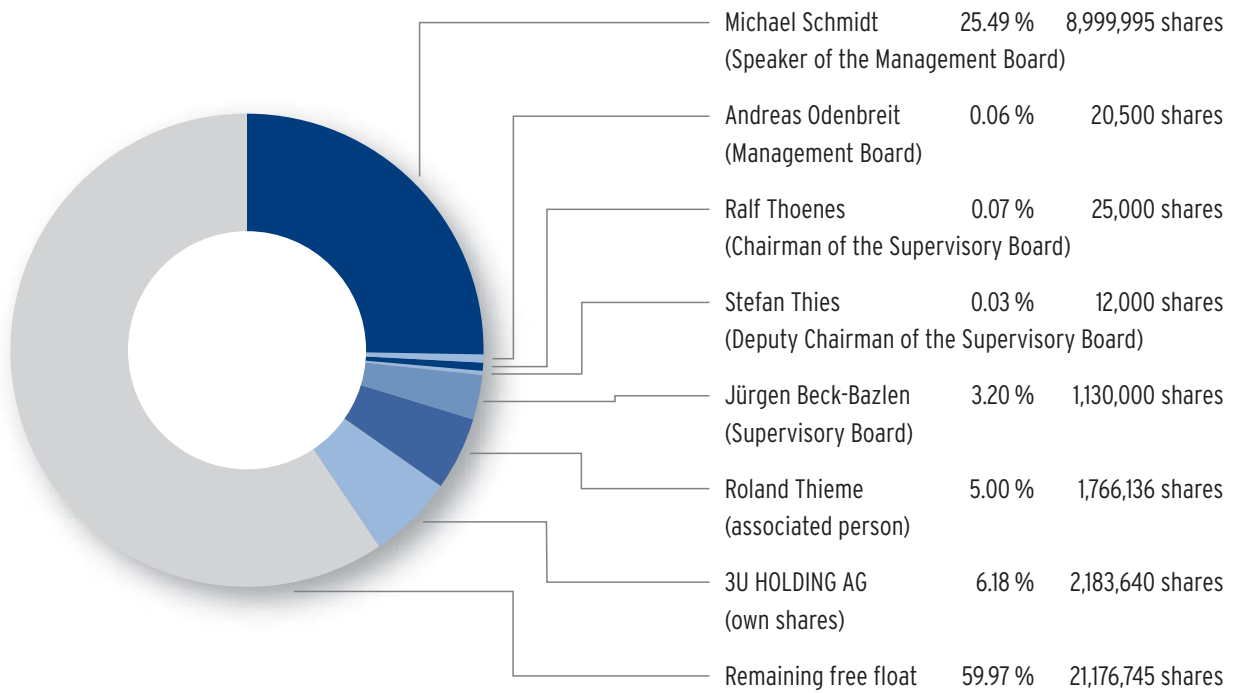
The Prime All Share Index developed in line with the other German indices. Starting from the 2015 year-end level at 4,232.17 points, it fell back significantly by mid-February only to recover thereafter under high volatility and to end the third quarter at a level of 4,187.11 points. This corresponds to a loss of around 1% since the beginning of the year. The outperformance of the 3U share vs. the benchmark Prime All Share Index is thus almost 10% in the reporting period.

Share price performance of the 3U shares* from January 1, 2016 to September 30, 2016 vs. Prime All Share Index



*Daily closing price Xetra

Shareholder structure as at September 30, 2016



Investor relations

The dialogue with our shareholders has 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.

The fixed dates for the regular reporting set the framework for the capital market communication. The start of the year forms the publication of the consolidated financial statements for the previous fiscal year. The key financial data of the fiscal year and a forecast for the following year shall be made public in advance.

3U HOLDING AG informs the capital market over the past reporting period, about six weeks after the quarter ends. Important Group figures may be made public in advance as well. The related reports are available on the Investor Relations pages of the website of 3U HOLDING AG.

We keep an intense dialogue with our investors. The most significant group of shareholders are the private investors of 3U HOLDING AG. They make up the largest number of investors. The investor relations pages of 3U HOLDING AG serve as a central and practical center for them. The website is constantly modernized and updated and provides, among other explanations for strategy and business development, all current publications and an annual report archive that goes back to the foundation of 3U HOLDING AG in the year 1999.

Moreover, there is the option of direct contact with the Investor Relations section. At the annual general meeting, all shareholders have the opportunity to get a picture of the 3U HOLDING AG and experience the persons in charge live.

The liquidity of the 3U share has dropped even more compared to the previous reporting period. The average daily number of traded 3U shares in Frankfurt fell in 2016 to almost 12,000 after an average daily number of almost 16,000 3U shares were traded in the same period of 2015.

8 Corporate governance report

The German Corporate Governance Code has been applicable since 2002. It was updated in May 2015 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 1, 2016. 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.

Executive remuneration

The Supervisory Board has not stipulated a cap for compensation to be paid to Members of the Management Board (max. 2 years' salary) because the contracts have only a limited period of 3 years. Accordingly, the proposed limit of possible compensation claims of Board Members as intended with 4.2.3 is already inherently included in the employment contracts of the Board Members.

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.

Corporate Governance Statement

The current Corporate Governance Statement by the Management of 3U HOLDING AG according to § 289a 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 Group 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 September 30, 2016:

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	12,000 shares	0.03 %
Jürgen Beck-Bazlen	Supervisory Board	1,130,000 shares	3.20 %

10 Fundamentals of the Group

Business model of the Group

Originating from the telecommunications industry the 3U Group operates in the three rearranged segments ICT (Information and Telecommunications Technology), Renewable Energies and SHAC (Sanitary, Heating and Air Conditioning Technology) since January 1, 2016.

The segment ITC comprises the activities Voice Retail, Business Voice and Data Center Services & Operation. Within 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 as 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. In addition this segment comprises the development, distribution and operation of cloud based CRM and ERP solutions, the trading of IT licenses and consulting concerning management systems based on ISO 27001 as well as IT security.

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.

Until December 31, 2015, the activities of the 3U Group were assigned to the segments Telephony, Renewable Energies and Services.

As part of the restructuring of the IT organization, IT operations was assigned to the previous segment Telephony instead of the previous segment Services. With the discontinuation of the operating activities of sales and marketing activities for external customers and the restructuring of the IT organization, the segment Services continued to lose importance within the 3U Group. In addition, there were substantial intersections between the segment Telephony and its business unit DCS and the segment Services with its business area cloud computing which made an assignment to two different segments obsolete.

The combined activities in the hitherto existing segment Renewable Energies came mainly from two fields: Renewable energy in the narrow sense and the business range HVAC. Participations that used to be active in both areas in the past and thus formed a common basis have no more relevance. The activities in HVAC (heating, cooling, and ventilation) are reported as a new segment SHAC (Sanitary, Heating and Air Conditioning Technology). In the segment Renewable Energies remain the project development in the field of wind power and electricity generation with own plants.

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 analyzed on the respective levels of the Company; regulatory plans, the capital market outlook and industry trends flow in 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 organizational 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 fell slightly compared with the same period last year (first nine months of 2015) by EUR 2.57 million from EUR 35.05 million to EUR 32.48 million in the first nine months of 2016. Sales in the segment ITC and Renewable Energies declined while sales in the segment SHAC slightly improved. The segment SHAC accounted for 49.2 % of sales, while the segment ICT contributed 39.1 % and the segment Renewable Energies 11.3 %.

The other internally produced and capitalised assets are in connection with the commissioning of the project Windpark Lüdersdorf and its assignment to the fixed assets of the 3U Group. As a result there is the negative change in stock or stock reduction in the segment Renewable Energies. The resulting reduction in inventories is largely compensated by the inventory build-up for further projects in the inventory change of the segment Renewable Energies.

The cost of materials was reduced by EUR 2.68 million in total compared to the same period last year. In relation to sales the cost of materials fell slightly in the segments compared with the same period last year. The proportion of material expenses from sales is 59.7 %, while it was 62.9 % of sales in the previous period. The other operating income was significantly lower compared to the same period last year.

EBITDA

EBITDA improved again compared to the same period last year. While EBITDA in the first nine months of fiscal year 2015 amounted to EUR 2.76 million, EBITDA reached EUR 3.72 million in the first nine months of fiscal year 2016. The increase in EBITDA compared to the same period last year is due to lower personnel expenses and lower other operating expenses. Higher expenses for external consulting and support services had contributed to higher other operating expenses in the previous period.

Compared to the third quarter of the 2015 financial year, EBITDA once again rose slightly in the quarter.

Group earnings

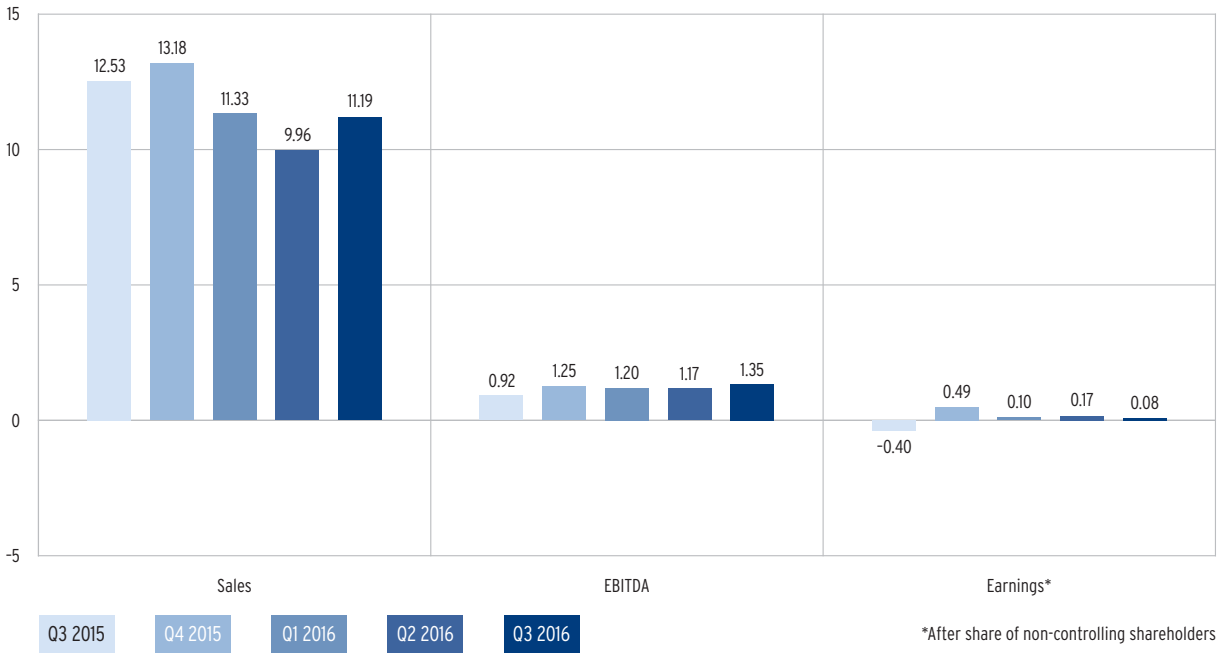
Earnings for the first nine months of fiscal year 2016 amounted to EUR 0.35 million and was EUR 1.66 million higher than Group earnings in the comparison period (EUR -1.31 million). In the third quarter of fiscal 2016, consolidated earnings amounted to EUR 0.08 million. As a result, positive quarterly earnings were achieved as in the two previous quarters.

There is still a low general level of interest rates. As a consequence the interest rate level has improved within the interest-bearing debt of the 3U Group in recent quarters. As a result, negative financial earnings weakened slightly compared to the same period. As a result, negative financial earnings compared to the comparable period did not change significantly despite higher debt.

The tax income for the nine months of fiscal year 2016 amounted to EUR 0.06 million and was thus EUR 0.44 million higher than in the comparative period. A significantly positive impact had the recognition of deferred taxes due to the utilization of loss carry forwards.

Earnings attributable to the non-controlling interests decreased over the comparable period to EUR 0.04 million. Here, the acquisition of the remaining shares in Selfio GmbH, not yet held by 3U until December 31, 2015, had a positive effect.

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



In accordance with internal reporting, 3U Group covers the segments ITC, Renewable Energies, SHAC and Holding/Consolidation within its segment reporting since the start of the business year 2016. The comparative figures have been adjusted accordingly to the rearranged segment structure.

Following, the different segments are reported including the sales between segments. Beyond that it needs to be noted that taxes on income and earnings 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 decreased again from EUR 16.05 million to EUR 12.69 million during the first nine months of 2016 compared to the same period last year. The decrease in sales stems from the area Telephony while in the areas of cloud-based solutions, and trade in IT licenses, sales were somewhat extended.

The additional percentage increase in margin in this segment is partly due to the expansion of activities in the areas of cloud based solutions and trade in IT licenses. But also Telephony with further focus contributes to an improvement in margins.

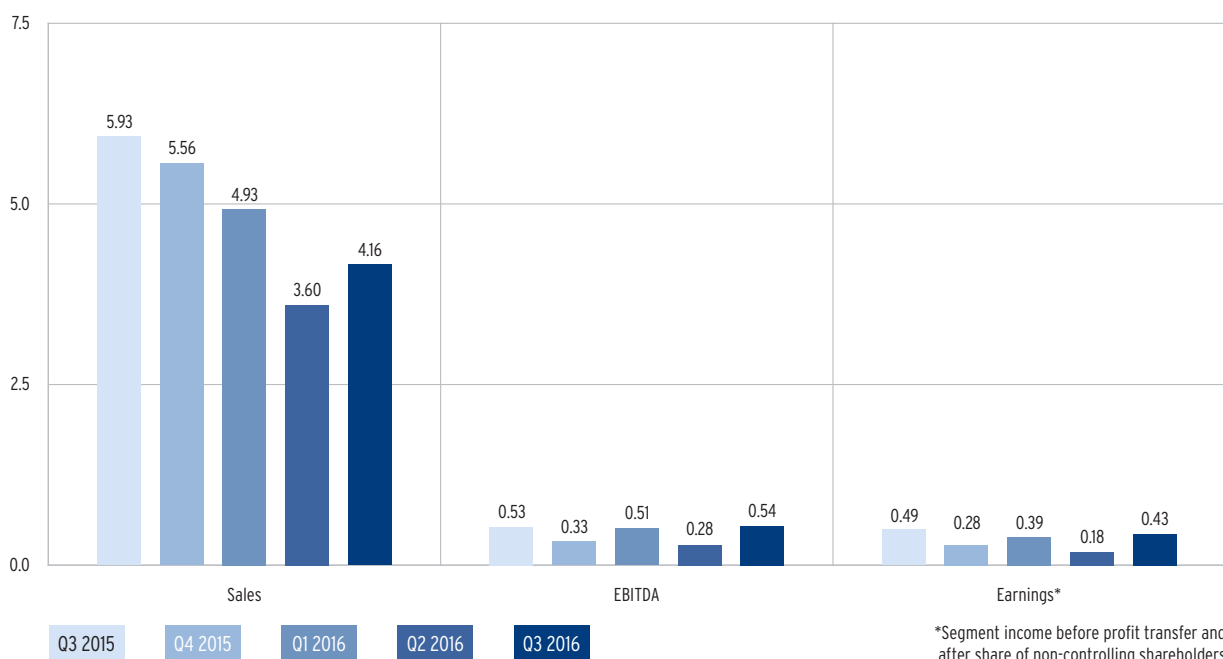
EBITDA

Taking into account much lower other operating expenses and almost unchanged personnel expenses compared to the same period last year, result in a declining EBITDA from EUR 1.83 million last year to EUR 1.34 million. Especially lower other operating income compared to the same period last year contributed to the lower EBITDA.

Segment earnings

Earnings of the segment ITC decreased in the first nine months of fiscal 2016 compared to the same period last year from EUR 1.67 million by EUR 0.67 million to EUR 1.00 million. Overall, the segment ITC still generates a significant part of earnings for the 3U Group.

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



Segment Renewable Energies

Segment sales

In the segment Renewable Energies last year's sales of EUR 3.97 million were not quite maintained. The decline in sales to EUR 3.67 million in the first nine months of fiscal year 2016 was mainly due to lower feed-in tariffs from electricity generation from the wind farm Langendorf. However, this does not result from lower plant availability but solely from lower wind speeds at the site.

EBITDA

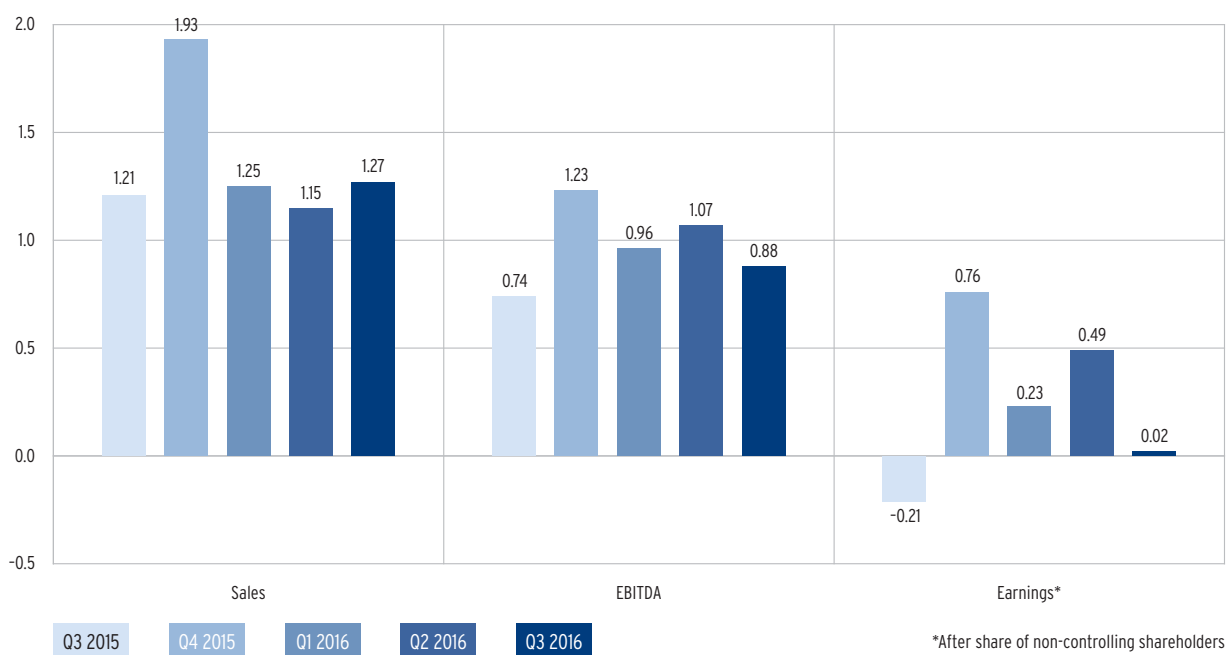
EBITDA increased from EUR 2.65 million in the same period last year to EUR 2.91 million in the first nine months of fiscal 2016. On a quarterly basis, EBITDA was below EBITDA of the second quarter of 2016 but above EBITDA of the third quarter of 2015. Weather-related fluctuations within this segment will occur in the future as well, because 3U depends with both the generation of electricity from solar energy as well as wind energy from the actual solar radiation and wind speed.

Segment earnings

Compared to the same period last year, segment earnings improved by EUR 1.03 million to EUR 0.74 million. Higher tax refunds compared to the same period last year have especially contributed.

Through the possibility of utilization of loss carry forwards resulted a tax benefit of EUR 0.32 million in the first nine months of fiscal 2016. In the same period last year the tax expense amounted to EUR 0.17 million.

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 15.23 million to EUR 15.98 million. This increase in sales of EUR 0.75 million or 4.9 % respectively was lower than planned. Sales in the assembly of components of air conditioning in buildings as well as in online trade were further expanded. The cost of materials ratio was reduced overall from 68.1 % to 67.8 %.

EBITDA

EBITDA improved from EUR 0.99 million in the previous year to EUR 1.15 million in the first nine months of fiscal year 2016. This increase in EBITDA is a result of EUR 0.30 million higher gross profits compared to the same period last year and a slight decline in personnel expenses and an increase in other operating expenses in particular due to higher selling expenses.

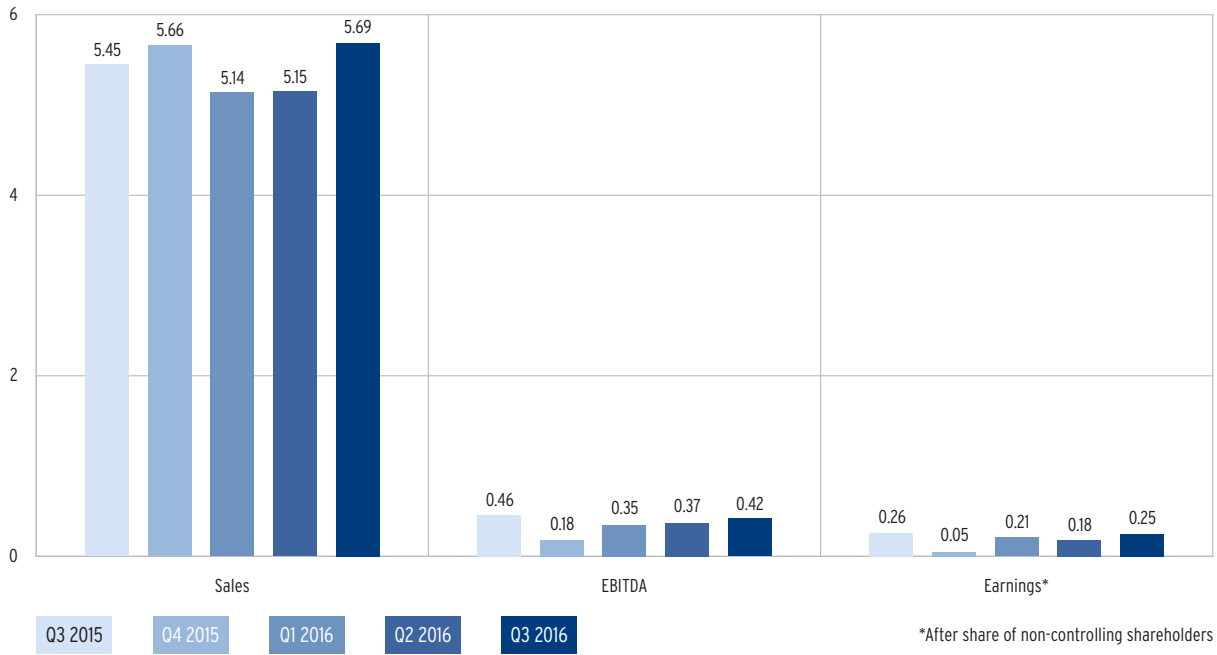
Segment earnings

Compared to the same period last year, segment earnings improved by EUR 0.26 million to EUR 0.65 million. Thus significant positive earnings were achieved in the segment. The mild weather in the first months of 2016 as well as the overall positive development in the construction sector contributed to this development.

The tax expense for the first nine months of fiscal year 2016 amounted to EUR 0.24 million and was thus EUR 0.07 million higher than in the same period last year.

The income attributable to the non-controlling interests amounts to EUR 0.11 million (previous year period: EUR 0.22 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 0.15 million (previous year: EUR -0.20 million) in the reporting period. These comprise of the sales of the Holding in the amount of EUR 1.67 million (same period last year: EUR 1.32 million) and the sales consolidations in the amount of EUR -1.52 million (previous year: EUR -1.51 million). These sales consolidations result mainly from the consolidation of the sales between the segments as well as from the consolidation of services within the Group.

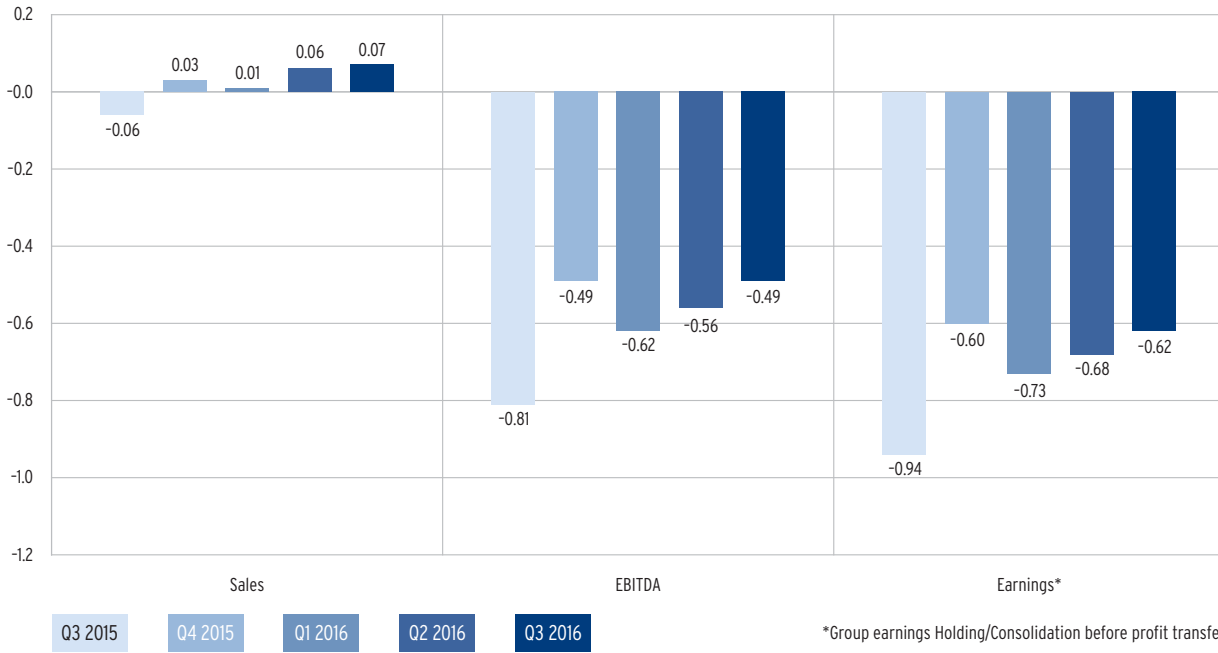
EBITDA

EBITDA amounts to EUR -1.68 million (previous year: EUR -2.72 million) and is substantially shaped by staff costs in the amount of EUR 2.16 million (previous year: EUR 2.38 million) and other operating income/expenses. Concerning personnel costs it has to be considered that employees from the finance, human resources and law sector as well as the group-wide marketing resources are assigned to the parent Company. Other operating expenses were burdened by one-off consulting expenses in the same period last year.

Earnings

Earnings from this area are negative for the Group with EUR -2.04 million, but are well above the level of the same period last year (EUR -3.08 million).

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



Financial position

Capital structure

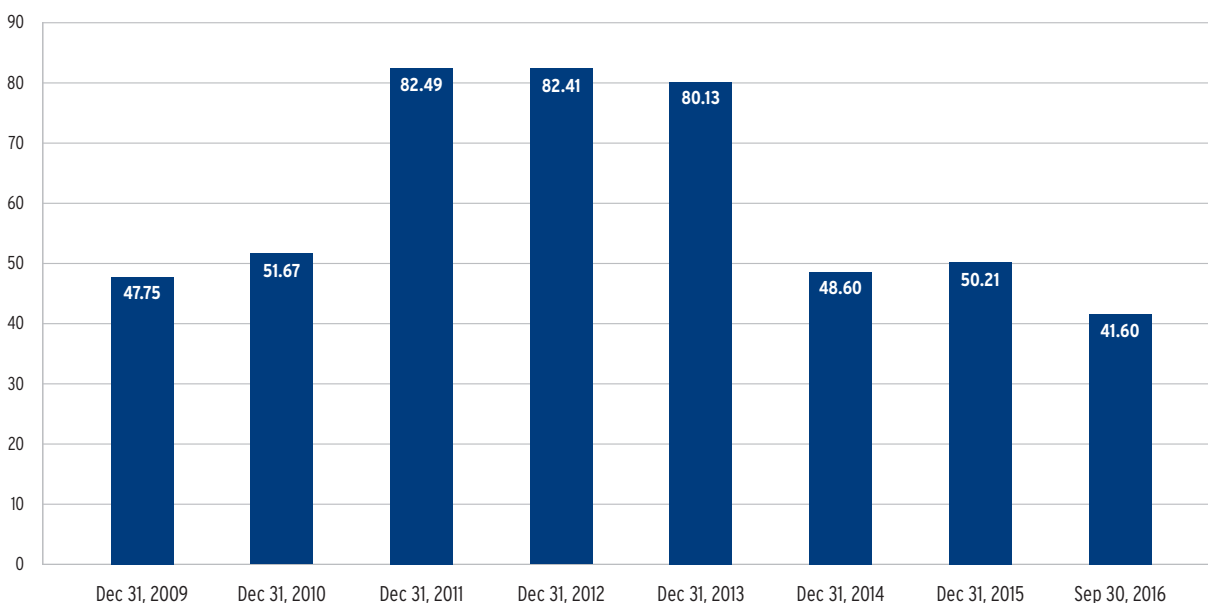
In the first nine months of fiscal 2016, the Group made payments for investments in the amount of EUR 10.54 million (previous year: EUR 12.47 million). The payments related mainly to investments in the construction of the wind farms Lüdersdorf. 3U HOLDING AG invests its financial portfolio exclusively in call accounts and current time deposits at the Baden-Württembergische Bank and at Deutsche Kreditbank AG.

Compared with December 31, 2015, cash and cash equivalents have increased by EUR 8.86 million from EUR 7.70 million to EUR 16.56 million by September 30, 2016. This increase resulted in particular from the call for borrowed funds of EUR 9.3 million for the Windpark Schlenzer. However, the financial resources thus obtained and unused so far are subject to a restriction of availability in the amount of EUR 7.64 million and can only be used within the scope of the settlements from the suppliers of the wind farm project company. The financing expansion for the Adelebsen solar park also contributed to the increase. As part of the conclusion of another loan agreement for the solar park, the Group received EUR 1.0 million. For the long-term financing of the Windpark Lüdersdorf a loan agreement for a total loan amount of EUR 8.9 million has been completed, which has not yet been fully exploited as of September 30, 2016.

3U HOLDING AG continues to have a solid equity ratio. Due to the significantly higher total assets, the equity ratio with 41.60 % has declined compared to December 31, 2015 (50.21 %), while the absolute amount of equity was increased. The debt component is 58.40 % compared to 49.79 % as at December 31, 2015.

In addition to the earnings of the first nine months of fiscal 2016 in the amount of EUR 0.43 million (incl. the amounts attributable to non-controlling interests) only distributions to non-controlling interests in the amount of EUR 0.14 million have contributed to the change in equity.

Development equity ratio (in %)



Investments

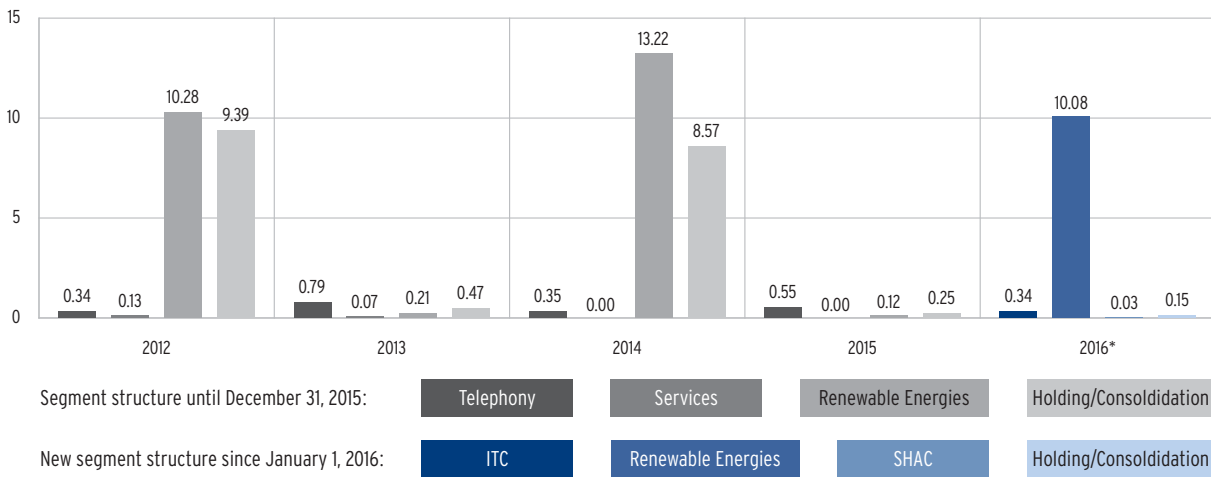
In the first nine months of fiscal 2016 investments in intangible assets and tangible fixed assets and investment property in the amount of EUR 10.60 million (period of the preceding year: EUR 0.76 million) were made within the Group.

EUR 0.34 million were invested in the segment ITC (period of the preceding year: EUR 0.47 million). The investments in the segment Renewable Energies add up to EUR 10.08 million resp. EUR 0.04 million in the period of the preceding year. In the segment SHAC only minor investments were made. Investments in tangible fixed assets and investment property of the holding company amounted to EUR 0.15 million in the first nine months of fiscal year 2016 (period of the preceding year: EUR 0.19 million).

The investments in the segment Renewable Energies mainly relate to investments in the establishment of the wind farm Lüdersdorf.

Investments of roughly EUR 14.38 million in the newly structured segments are planned for the financial year 2016. Of these, EUR 1.38 million will be invested in the segment ITC, EUR 12.01 million in the segment Renewable Energies, EUR 0.08 million in the segment SHAC and EUR 0.91 million within the Holding company. As of today it is unlikely that this planned investment volume will be reached in the 2016 financial year.

Development of investments in EUR million



*Until September 30, 2016

Cash flow

Operating cash flow in the first nine months of the business year 2016 amounted to EUR 3.00 million (same period previous year: EUR 0.36 million). Positive earnings for the period including non-cash depreciation has contributed significantly to this cash flow result. Cash flow from investing activities is dominated by payments in connection with the construction of the wind farm Lüdersdorf. This includes the participation in the infrastructure company, which has taken over the construction of the cable system and the way area for the wind farm.

Cash flow from financing activities of EUR 16.40 million (previous year: EUR 6.24 million) contributed to the financing of investments. It resulted mainly from the inclusion of the financial loan for the wind farms Lüdersdorf and Schlenzer as well as a financing enlargement for the solar park Adelebsen. It was reduced through financing activities due to the scheduled repayment of existing loans.

The 3U Group was in a position to meet its payment obligations at all times in the reporting period and this is also guaranteed for 2016. The liquidity position is still comfortable at September 30, 2016. The financing of the project realization and the construction of the wind farm Schlenzer is ensured by a long-term bank loan amounting to EUR 9.3 million. In addition, sales tax payments in connection with the investments were financed by interim bank loans.

The following cash flow statement shows the change in cash and has been prepared in accordance with the Company's reported cash flows (without correction in funds).

Cash flow statement (in TEUR)	September 30	
	2016	2015
Cash flow	8,856	-5,869
Cash flows from operating activities	3,002	359
Cash flows from investing activities	-10,542	-12,468
Cash flows from financing activities	16,396	6,240
Exchange rate changes	0	16
Consolidation-related changes	1	0
Changes in cash and cash equivalents	8,857	-5,853
Cash and cash equivalents at beginning of period*	7,698	16,068
Cash and cash equivalents at end of period**	16,555	10,215

*Incl. fixed deposits as collateral resp. restricted cash in the amount of TEUR 3,232 (January 1, 2015: TEUR 2,332)

**Incl. fixed deposits as collateral resp. restricted cash in the amount of TEUR 10,750 (September 30, 2015: TEUR 3,232)

Assets position

Overview items of statement of financial position	September 30, 2016		December 31, 2015	
	TEUR	%	TEUR	%
Non-current assets	62,119	66.5	53,481	69.6
Fixed assets	59,695	63.9	51,777	67.4
Deferred tax assets	1,273	1.4	502	0.6
Other non-current assets	1,151	1.2	1,202	1.6
Current assets	31,295	33.5	23,335	30.4
Inventories	7,119	7.6	6,798	8.9
Trade receivables	5,474	5.9	6,912	9.0
Other current assets	2,147	2.3	1,927	2.5
Cash and cash equivalents	16,555	17.7	7,698	10.0
Assets	93,414	100.0	76,816	100.0
Non-current liabilities	76,754	82.2	64,899	84.5
Equity attributable to 3U HOLDING AG shareholders	40,196	43.0	39,806	51.8
Non-controlling interests	-1,337	-1.4	-1,237	-1.6
Provisions and liabilities	37,895	40.6	26,330	34.3
Current liabilities	16,660	17.8	11,917	15.5
Trade payables	1,822	1.9	3,517	4.6
Other provisions and liabilities	14,838	15.9	8,400	10.9
Liabilities	93,414	100.0	76,816	100.0

Total assets as of September 30, 2016 amounts to EUR 93.41 million (December 31, 2015: EUR 76.82 million) and is thus EUR 16.59 million higher than at December 31, 2015. The changes compared to December 31, 2015 are caused substantially by higher fixed assets due to the investment in the establishment of the wind farm Lüdersdorf and the increase in current assets resulting from higher liquidity.

Fixed assets in the amount of EUR 59.70 million (December 31, 2015: EUR 51.78 million) comprises in addition to intangible assets (EUR 2.33 million resp. EUR 1.53 million at December 31, 2015) and fixed assets (EUR 49.47 million resp. EUR 42.16 million as at December 31, 2015) also the investment properties in the amount of EUR 7.72 million (December 31, 2015: EUR 7.90 million). These relate as in the previous year to the properties to be rented out in Adelebsen and Hanover.

Current assets of EUR 31.30 million as of September 30, 2016 are EUR 7.96 million higher than at December 31, 2015 (EUR 23.34 million). The proportion of liquid assets to current assets is 52.91% (at December 31, 2015: 33.0%). The decrease in inventories resulted primarily from the construction and operation of the wind farm Lüdersdorf. Another essential component of current assets are the demands for goods and services, which decreased on the reporting date to EUR 5.47 million from EUR 6.91 million as at December 31, 2015.

On the liabilities side, besides the rise of the financial liabilities primarily through the loan for the construction of the wind farms Lüdersdorf and Schlenzer and by the expansion of the funding of the solar park material changes resulted from the increase in liabilities from goods and services.

The additional loan for the solar park Adelebsen was completed with the same maturity (December 30, 2030) as the original loan. Both loans operate basically the same collateral, however, the debt service reserve for both loans was reduced in the course of the loan extension from EUR 0.83 million to EUR 0.69 million. Additional collateral was not required.

For the long-term financing of the wind farm Lüdersdorf a loan agreement for a total loan in the amount of EUR 8.90 million was concluded. The loan has a term until June 30, 2034 and has been concluded with a fixed rate. The loan is repaid at a constant quarterly rate. The capital reserve required for this loan is paid out of the operating cash flow.

The long-term financing of the Windpark Schlenzer is carried out over a total loan amount of EUR 9.30 million. The loan has a term to September 30, 2034 and was concluded at a fixed interest rate. The loan is repaid at a constant quarterly rate. The capital reserve required for this loan is paid out of the operating cash flow.

The high proportion of short-term debt results from the loan for the acquisition of the data center real estate in Hanover, which was concluded for only a short period.

The equity has increased slightly due to the positive nine months earnings compared to December 31, 2015.

General statement concerning the economic situation

The Management Board assesses the economic situation of the Company at the time of preparation of the Consolidated Management Report overall as satisfactory for the year. Thus, the 3U Group is on track to continue to improve the economic situation of the Group.

During the reporting period, both the operating result (EBITDA) and consolidated earnings improved significantly compared with the previous fiscal year. As in the two previous quarters positive earnings were achieved in the third quarter of 2016.

The segment ITC continues to perform very well and excelled planning in almost all key financial indicators. Only sales were lower than planned by about EUR 3.7 million. Compared to the planning, EBITDA and earnings before profit transfer were increased by around EUR 0.4 million.

On the sales level the segment Renewable Energies performed weaker than planned in the nine months of fiscal 2016. Earnings in this segment were slightly better than planned.

In the segment SHAC planned sales were not entirely achieved. The sales differential of around EUR 3.3 million was more than offset by higher margins. As a result, this segment also reports EUR 0.2 million higher earnings than planned.

Financial and non-financial performance indicators

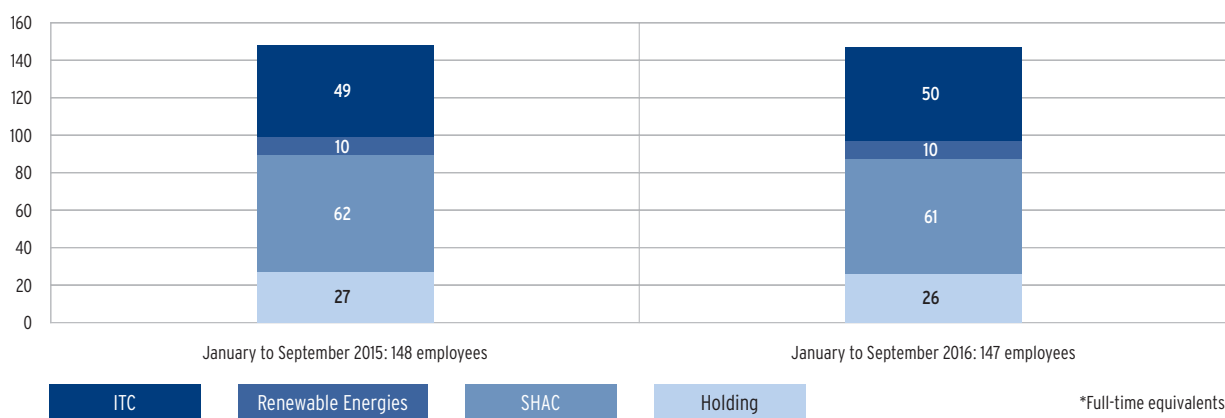
We use our group-wide financial performance indicators to set goals, to measure success and determine the variable compensation of executives. The most important financial performance indicators for us are sales, earnings before interest, taxes, depreciation and amortization (EBITDA) and profit after 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 148 people (September 30, 2015: 157). The yearly average was 147 (previous year: 148). 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 optimization 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 Organization (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 2016.

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 avoiding 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 nine months of the current financial year as against December 31, 2015. Please refer to our presentation in the Annual Report 2015. All transactions with related parties were conducted at arm's length.

Report on risks and opportunities

As of September 30, 2016 there were no material changes in risks and their assessment as reported in detail in the Annual Report 2015.

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

According to leading economic forecasters, the global economy regained momentum this past summer after a very subdued first half of the year. In the developed countries, production should now start picking up again, while the emerging economies are stabilizing. Overall, however, the global dynamic is still weaker than it was in the years preceding the financial crisis.

The available indicators signal that the global economy has grown significantly in the third quarter of 2016. In the further course expansion in advanced economies is expected to continue at a slightly slower pace. In emerging markets, the economy will generally pick up momentum, but the stimulus measures in China are likely only to temporarily override the trend towards lower growth rates there.

Despite the pick-up in the second half of the year, the growth in world production will be significantly below the previous year's figure at 2.3 % in 2016, due to weakness in the three quarters preceding this period. In the next year and 2018, the expansion rate is likely to be stronger again at 2.7 %.

In the first half of 2016 the gross domestic product expanded strongly. In addition to consumption, this was mainly driven by exports, which benefited from increasing demand, mainly from Asia and Eastern Europe. Overall, the gross domestic product is expected to grow by 1.9 % on average in 2016 and by 1.4 % in the coming year.

The number of workers is likely to grow by 500,000 compared to 2015, though the number of individuals registered as unemployed will experience only a slight decrease, by roughly 100,000 people. This discrepancy is primarily due to the large influx of immigrants, which increased the pool of potential employees by 460,000 in 2016. This group will mostly be comprised of immigrants from within the EU. Unemployment has declined until recently. In August, 2.68 million persons were registered as unemployed, equivalent to an unemployment rate of 6.1 %.

Outlook ITC

Sales in the total market of telecommunications services in Germany have been declining for many years. This development is based on strong sales decreases in the land-line sector and moderate decreases in the market of mobile telephony. Thus a displacement market prevails in the telecommunications industry, which is shaped by innovations and technical progress, but above all is characterized by a further price decline due also to the pronounced competitive situation. The strong fluctuations of the call-by-call market make a medium-term market forecast difficult.

Government interventions – launched nationally as well as by the EU – have a significant impact on the telephony market. Therefore, a medium-term market forecast is difficult. As in previous years, the market is likely to shrink, according to the inter-trade organization VATM. Against this background, the Management Board expects a continuously declining development analogous to the market development in the business year 2016.

Generally increasing investment in data centers can be expected for the future. According to researchers like IDC, Gartner or A. T. Kearney, investments in data centers will rise sharply. According to A. T. Kearney the European data center market is to grow by more than 6 % annually and reach a volume of EUR 270.4 billion by 2020. This market addressed the 3U Group with its portfolio DCS (Data Center Services).

The 3U Group will continue to pursue the strategy of filling profitable niches in the field of telephony with national and international scheduling for wholesale carriers, resellers and business customers as well as the provision of value-added services/service call numbers. In particular, the offered services concerning data centers are to be developed further and should develop into an important pillar. The market environment remains very competitive. To what extent the new areas can compensate for the decline in sales and the resulting decrease in income from the call-by-call business is difficult to predict.

A promising market is addressed with the topics of cloud computing and IT solutions as well as business consulting. 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. It is expected that 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 good growth prospects for Cloud Computing, Software as a Service, Data Center Services, IT services and consulting services. In these business areas, the Management Board of 3U HOLDING AG expects further rising sales in 2016, while revenue in the telephony will continue to decline.

Outlook Renewable Energies

The importance of renewable energies as an economic factor is increasing not only in Germany, but also globally. With the segment Renewable Energies, the Group participates in the progressive change in energy sustainability and the trend towards resource saving and thus improving energy efficiency.

The Group plans to realize other renewable energy projects. The conditions are largely determined in this segment by the Renewable Energies Sources Act (EEG). With the reform to the EEG (Renewable Energies Act) of August 2014, the Grand Coalition submitted the framework, which gives all parties planning reliability until the end of 2016. The EEG 2017 adopted on July 8, 2016 is heralding the next phase, which is tantamount to a paradigm shift: From 2017 the compensation amount of renewable electricity is not as previously fixed by the state, but determined by tender on the market. This reform of the Renewable Energies Act shall enter into force on January 1, 2017. 3U focuses to expand its wind power activities – this concerns both planning & 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.

Outlook SHAC

The activities around the topic of heating, cooling and ventilation of buildings further evolve encouraging. A number of 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 HVAC 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 HVAC sector is in demanded online in Germany. This share, however, grows significantly faster than the broad market. Here we want to benefit from our online trading activities. With the already existing different business units within this segment the 3U Group is promising positioned.

Strategic direction

Lasting operative profitability in the segments is the top priority for the Group. In recent years and especially in the last year, we have achieved significant progress in this regard.

In the segment ITC the earnings levels is to be defended. Scheduled declines in the business area Telephony should be offset and at a later stage overcompensated by the newer business fields.

While we intend to mainly grow the segment SHAC organically, our strategy in the segment Renewable Energies is to grow inorganically as well.

With its investment strategy, the 3U Group pursues a strategy to retain successful businesses in the long term, but also to sell them if attractive offers arise.

Outlook 3U Group

We have reported in the past that we had received the approval according to BImSchG for our wind farm project Schlenzer and thus the way to the erection of two wind energy installations was free. Currently, as announced, exploratory talks that could lead to a sale of the wind farm are being conducted with interested parties. A sale and a resulting earnings contribution in the fourth quarter are expected, but ultimately cannot be predicted with certainty.

As a result, 3U HOLDING AG is still well on the way to achieving the projected earnings figures for the current financial year, while sales are likely to be lower than expected at the beginning of the year. The specified bandwidths essentially depend on whether the sale of the wind park is realized in the current year or at a later date.

The Management Board expects sales between EUR 44 million and EUR 51 million, EBITDA of EUR 5.0 million and EUR 8.0 million and net earnings of between EUR 0.5 million and EUR 2.5 million.

The partial or entire sale of Subsidiaries belongs to the corporate purpose of 3U HOLDING AG and might lead to great variation of the financial figures. In addition, 3U HOLDING AG plans to grow inorganically through acquisitions. However, there are limitations to plan resulting effects.

The goal of all activities is to enhance the value of the 3U Group sustainably for the shareholders, but also for our employees. The success of those efforts will be reflected in a positive price trend for the 3U share. With regard to the estimates and expectations presented, we point out that the actual future events can differ significantly from our expectations concerning the probable development.

Responsibility statement

Responsibility statement according to § 37y WpHG i. V. m. § 37w Abs. 2 Nr. 3 WpHG

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, November 14, 2016

The Management Board



Michael Schmidt



Christoph Hellrung



Andreas Odenbreit

34

Consolidated statement of financial position as of September 30, 2016

Assets 3U Group (in TEUR)	September 30, 2016	December 31, 2015
Non-current assets	62,119	53,481
Intangible assets	2,328	1,530
Property, plant and equipment	49,469	42,156
Investment properties	7,723	7,901
Other financial assets	162	171
Accounted investments using the equity method	13	19
Deferred tax assets	1,273	502
Other non-current assets	1,151	1,202
Current assets	31,295	23,335
Inventories	7,119	6,798
Trade receivables	5,474	6,912
Receivables from tax refunds	279	486
Other current assets	1,868	1,441
Cash and cash equivalents	16,555	7,698
Total assets	93,414	76,816

Shareholders' equity and liabilities 3U Group (in TEUR)	September 30, 2016	December 31, 2015
Shareholders' equity	38,859	38,569
Issued capital (conditional capital TEUR 3,531 / December 31, 2015: TEUR 4,684)	35,314	35,314
Own shares	-2,184	-2,184
Capital reserve	10,345	10,345
Retained earnings	-719	-719
Total other comprehensive income	-73	-73
Profit/loss carried forward	-2,835	-2,056
Net earnings	348	-821
Total shareholders' equity attributable to the shareholders of 3U HOLDING AG	40,196	39,806
Non-controlling interests	-1,337	-1,237
Non-current provisions and liabilities	37,895	26,330
Non-current provisions	793	665
Non-current liabilities due to banks	36,311	24,960
Deferred taxes	791	705
Current provisions and liabilities	16,660	11,917
Current provisions	326	401
Current tax liabilities	708	264
Current liabilities due to banks	8,348	3,218
Trade payables	1,822	3,517
Other current liabilities	5,456	4,517
Total shareholders' equity and liabilities	93,414	76,816

36 Consolidated statement of income

3U Group (in TEUR)	3-months report		9-months report	
	July 1-September 30 2016	2015	January 1-September 30 2016	2015
Sales	11,191	12,525	32,479	35,051
Other income	224	209	951	1,689
Changes of half-finished and finished products	492	387	3	768
Other capitalised services	0	0	1,108	0
Costs of materials	-6,813	-8,304	-19,379	-22,062
Gross profit or loss	5,094	4,817	15,162	15,446
Staff costs	-2,405	-2,566	-7,346	-7,737
Other operating expenses	-1,340	-1,339	-4,099	-4,954
EBITDA	1,349	912	3,717	2,755
Depreciation and amortisation	-921	-958	-2,654	-2,864
EBIT	428	-46	1,063	-109
Income shares in companies that are accounted for using the equity method	0	0	0	0
Other financial result	-274	-212	-697	-705
EBT	154	-258	366	-814
Income tax expenses	-30	-109	64	-381
Earnings before non-controlling interests	124	-367	430	-1,195
Net earnings for the period	124	-367	430	-1,195
Of which attributable to non-controlling interests	44	36	82	115
Thereof Group earnings	80	-403	348	-1,310

Consolidated statement of comprehensive income

37

3U Group (in TEUR)	January 1–September 30	
	2016	2015
Net earnings for the period	430	-1,195
Attributable to 3U HOLDING AG shareholders	348	-1,310
Of which attributable to non-controlling interests	82	115
Directly in equity comprised changes which could be reclassified retrospectively to the income statement		
Exchange rate differences	0	27
Thereof deferred taxes	0	0
Hedging instruments	0	0
Thereof deferred taxes	0	0
	0	27
Directly in equity comprised changes which could not be reclassified retrospectively to the income statement	0	0
Other comprehensive income	0	27
Total comprehensive income of the period	430	-1,168
Attributable to 3U HOLDING AG shareholders	348	-1,283
Of which attributable to non-controlling interests	82	115

Consolidated statement of changes in equity

3U Group (in TEUR)	Issued capital	Own shares	Capital reserve	Retained earnings	Total other comprehensive income
As of January 1, 2015	35,314	-1,473	10,088	692	-89
Rebooking earnings 2014	0	0	0	0	0
Total earnings 2015	0	0	0	0	16
Buy back shares 2015	0	-711	248	0	0
Stock option plan 2011	0	0	9	0	0
Proceeds of/payments to non-controlling interests	0	0	0	19	0
Change of percentage increase	0	0	0	-1,430	0
As of December 31, 2015	35,314	-2,184	10,345	-719	-73

3U Group (in TEUR)	Issued capital	Own shares	Capital reserve	Retained earnings	Total other comprehensive income
As of January 1, 2016	35,314	-2,184	10,345	-719	-73
Rebooking earnings 2015	0	0	0	0	0
Total earnings January 1 to September 30, 2016	0	0	0	0	0
Proceeds of/payments to non-controlling interests	0	0	0	0	0
As of September 30, 2016	35,314	-2,184	10,345	-719	-73

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
1,186	-3,242	42,476	-823	41,653
-3,242	3,242	0	0	0
0	-821	-805	86	-719
0	0	-463	0	-463
0	0	9	0	9
0	0	19	54	73
0	0	-1,430	-554	-1,984
-2,056	-821	39,806	-1,237	38,569

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
-2,056	-821	39,806	-1,237	38,569
-821	821	0	0	0
0	348	348	82	430
42	0	42	-182	-140
-2,835	348	40,196	-1,337	38,859

40

Consolidated statement of cash flows

3U Group (in TEUR)	January 1–September 30	
	2016	2015
Net earnings for the period	430	-1,195
+/- Depreciation/write-ups of fixed assets	2,654	2,864
+/- Increase/decrease of provisions	53	-249
-/+ Profit/loss on disposal of non-current assets	-37	21
-/+ Increase/decrease in inventories and trade receivables	1,078	-304
+/- Increase/decrease in trade payables	-1,695	-942
+/- Changes to other receivables	-252	-875
+/- Changes to other payables	800	344
+/- Change in tax assets/liabilities including deferred taxes	-35	659
+/- Other non-cash changes	6	36
Cash flows from operating activities	3,002	359
+ Inflows from disposals of property, plant and equipment	59	7
- Outflows for investments in property, plant and equipment	-9,618	-11,882
- Outflows for investments in intangible assets	-968	-523
- Outflows for investment properties	-17	-69
+ Inflows from disposals of financial assets	2	0
Cash flows from investing activities	-10,542	-12,467
Sum carried forward*	-7,540	-12,108

*Refer to following page

3U Group (in TEUR)	January 1–September 30	
	2016	2015
Sum carried forward*	-7,540	-12,108
+ Proceeds from additions to equity (capital increases, sale of treasury shares etc.)	0	150
- Cash outflow to companies' owner and minority partners (dividends, equity capital payback, purchase of own shares, other disbursements)	-139	-482
+ Cash inflow borrowing of money	19,062	9,000
- Outflows from the repayment of (finance) loans	-2,527	-2,428
Cash flows from financing activities	16,396	6,240
Total cash flows	8,856	-5,868
+/- Restrictions in cash and cash equivalents	-7,518	-900
+/- Changes in cash and cash equivalents due to exchange rate changes	0	16
+/- Aggregate cash flows arising from obtaining or losing control of subsidiaries	1	0
Cash and cash equivalents at beginning of period	4,466	13,736
Cash and cash equivalents at end of period	5,805	6,984
Total change in cash and cash equivalents	1,339	-6,752

*Refer to previous page

42 Notes as of September 30, 2016

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 with the Marburg Main District Court and has since been registered in the Register of Companies there, under HRB number 4680.

The business activities of 3U HOLDING AG and its Subsidiaries comprise besides the management of its own assets also the provision of telecommunication services and IT services in the segment ITC. Activities in the field of renewable energy and in the field of sanitary, heating and air conditioning are represented in the segments Renewable Energies and SHAC.

The segments were reorganized as of January 1, 2016. The presentation of the comparative figures have been adjusted accordingly.

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, 2015 were applied unchanged for the interim statements as of September 30, 2016.

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 nine months of the fiscal year 2016 as against the previous year. For information about individual business relations, please refer to our Annual Report of December 31, 2015, Section 8.3.

Scope of consolidation

Compared to December 31, 2015, the following changes have occurred in the scope of consolidation:

In the course of the construction of the wind farm Schlenzer within the project company Windpark Havelland Projekt I GmbH & Co. KG, it will be included as a subsidiary in the scope of consolidation as of September 1, 2016.

The consolidated financial statements of 3U HOLDING AG as of September 30, 2016 include besides 3U HOLDING AG 23 (December 31, 2015: 22) German and foreign Subsidiaries, in which 3U directly or indirectly holds the majority of the voting rights resp. has the ability to control.

13 (December 31, 2015: 14) subsidiaries whose influence is both individually and collectively immaterial to the financial condition and results of operations are not consolidated. These are essentially non-active companies. They are valued at cost and reported under non-current 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 the amended internal reporting compared to the fiscal year 2015, 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, the trading of IT licenses and consulting concerning management systems based on ISO 27001 as well as IT security.

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. The presentation of the comparative figures have been adjusted accordingly.

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

Segment reporting 2016 (in TEUR) January 1–September 30, 2016	ITC	Renewable Energies	SHAC	Subtotal	Holding/ Consolidation	Group
Total sales	14,771	8,371	23,849	46,991	148	47,139
Intercompany sales (intra-segment sales)	-2,081	-4,706	-7,873	-14,660	0	-14,660
Segment sales/Group sales	12,690	3,665	15,976	32,331	148	32,479
Other income	311	386	166	863	88	951
Change in inventory	0	-5	8	3	0	3
Other capitalised services	0	1,108	0	1,108	0	1,108
Costs of materials	-7,921	-657	-10,838	-19,416	37	-19,379
Gross profit or loss	5,080	4,497	5,312	14,889	273	15,162
Staff costs	-2,509	-430	-2,249	-5,188	-2,158	-7,346
Other operating expense	-1,235	-1,154	-1,918	-4,307	208	-4,099
EBITDA	1,336	2,913	1,145	5,394	-1,677	3,717
Depreciation	-277	-1,671	-113	-2,061	-593	-2,654
EBIT	1,059	1,242	1,032	3,333	-2,270	1,063
Financial result*	-65	-826	-39	-930	233	-697
Profit/loss of companies recognised at equity**	0	0	0	0	0	0
Other financial result	-65	-826	-39	-930	233	-697
Income tax	-18	320	-238	64	0	64
Earnings for the period*	976	736	755	2,467	-2,037	430
Of which attributable to non-controlling interests	-27	0	109	82	0	82
Segment earnings*/Group earnings	1,003	736	646	2,385	-2,037	348

*Before earnings transfer

**As of September 30, 2016, the carrying values of companies accounted in the statement of financial position "at equity" were TEUR 13 and allocated in the area Holding.

Segment reporting 2015 (in TEUR) January 1-September 30, 2015	ITC	Renew- able Energies	SHAC	Subtotal	Holding/ Consoli- dation	Group
Total sales	18,297	3,969	22,663	44,929	-197	44,732
Intercompany sales (intra-segment sales)	-2,252	0	-7,429	-9,681	0	-9,681
Segment sales/Group sales	16,045	3,969	15,234	35,248	-197	35,051
Other income	1,150	208	158	1,516	173	1,689
Change in inventory	0	780	-12	768	0	768
Other capitalised services	0	0	0	0	0	0
Costs of materials	-11,321	-435	-10,373	-22,129	67	-22,062
Gross profit or loss	5,874	4,522	5,007	15,403	43	15,446
Staff costs	-2,627	-385	-2,350	-5,362	-2,375	-7,737
Other operating expense	-1,416	-1,484	-1,668	-4,568	-386	-4,954
EBITDA	1,831	2,653	989	5,473	-2,718	2,755
Depreciation	-241	-1,889	-144	-2,274	-590	-2,864
EBIT	1,590	764	845	3,199	-3,308	-109
Financial result*	-25	-886	-57	-968	263	-705
Profit/loss of companies recognised at equity**	0	0	0	0	0	0
Other financial result	-25	-886	-57	-968	263	-705
Income tax	-5	-170	-173	-348	-33	-381
Earnings for the period*	1,560	-292	615	1,883	-3,078	-1,195
Of which attributable to non-controlling interests	-107	0	222	115	0	115
Segment earnings*/Group earnings	1,667	-292	393	1,768	-3,078	-1,310

*Before earnings transfer

**As of September 30, 2015, the carrying values of companies accounted in the statement of financial position "at equity" were TEUR 13 and allocated in 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 (all amounts in TEUR):

Cash flow data 2016 (in TEUR) January 1–September 30, 2016	ITC	Renew- able Energies	SHAC	Holding/ Consoli- dation	Group
Cash flows from operating activities	163	1,754	650	435	3,002
Cash flows from investing activities	-337	-10,075	-32	-98	-10,542
Cash flows from financing activities	-102	16,538	-113	73	16,396

Cash flow data 2015 (in TEUR) January 1–September 30, 2015	ITC	Renew- able Energies	SHAC	Holding/ Consoli- dation	Group
Cash flows from operating activities	593	291	213	-738	359
Cash flows from investing activities	-470	-11,754	-59	-184	-12,467
Cash flows from financing activities	-1,288	12,496	-118	-4,850	6,240

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)	September 30, 2016	December 31, 2015
Assets		
Segment ITC	6,583	7,233
Segment Renewable Energies	43,157	33,629
Segment SHAC	5,192	5,320
Holding/Consolidation	21,927	22,936
Total segment assets	76,859	69,118
Assets not allocated	16,555	7,698
Total consolidated assets	93,414	76,816
Liabilities		
Segment ITC	5,236	5,704
Segment Renewable Energies	64,031	46,720
Segment SHAC	5,197	4,788
Holding/Consolidation	-19,909	-18,965
Total segment liabilities	54,555	38,247
Reconciliation (shareholder's equity/non-controlling interests)	38,859	38,569
Total consolidated liabilities/shareholder's equity	93,414	76,816

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.

As of September 30, 2016 non-current assets in the amount of TEUR 0 (previous year: TEUR 0) are located abroad.

3U Group (in TEUR)	Depreciation and amortisation		Investments	
	January 1-September 30		January 1-September 30	
	2016	2015	2016	2015
Segment ITC	277	241	339	470
Segment Renewable Energies	1,671	1,889	10,079	41
Segment SHAC	113	144	34	59
Holding/Consolidation	593	590	151	191
Total	2,654	2,864	10,603	761

Earnings per share

Undiluted earnings per share correspond with the profit from continued operations and the profit from discontinued operations, which can be apportioned to the ordinary shareholders of 3U HOLDING AG, or the profit (after tax), divided by the weighted average number of shares outstanding during the financial year. 3U calculates earnings per share (diluted) on the assumption that all share options are exercised.

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

3U Group	3-months report		9-months report	
	July 1-September 30 2016	2015	January 1-September 30 2016	2015
Basis of the basic and diluted earnings per share (attributable share of net profits attributable to the shareholders of the parent company in TEUR)	80	-403	348	-1,310
Number of shares				
As of July 1 resp. January 1*	33,130,376	33,405,267	33,130,376	33,840,991
Buyback of own shares in January			-	-80,683
Buyback of own shares in February			-	-78,500
Buyback of own shares in March			-	-83,189
Buyback of own shares in April			-	-53,396
Buyback of own shares in May			-	-65,785
Buyback of own shares in June			-	-74,171
Buyback of own shares in July	-	-62,037	-	-62,037
Buyback of own shares in August	-	-60,375	-	-60,375
Buyback of own shares in September	-	-57,900	-	-57,900
As of September 30	33,130,376	33,224,955	33,130,376	33,224,955
Number of ordinary shares for basic earnings per share	33,130,376	33,224,955	33,130,376	33,224,955
Effect of dilutive potential of ordinary shares: options	0	0	0	0
Weighted average number of ordinary shares for diluted earnings	33,130,376	33,224,955	33,130,376	33,224,955
Earnings per share				
Earnings per share, undiluted (in EUR)	0.00	-0.01	0.01	-0.04
Earnings per share, diluted (in EUR)	0.00	-0.01	0.01	-0.04

*Buyback of own shares in 2013 in sum: 604,720 shares; in 2014 in sum: 868,305 shares; in 2015 in sum: 710,615 shares

Financial calendar

- **Analysts' Conference**
November 23, 2016 in Frankfurt am Main
- **Publication of the 2016 Annual Report**
March 24, 2017

Contact

51

Company address

3U HOLDING AG
Frauenbergstraße 31-33
35039 Marburg
Germany

Postal address

3U HOLDING AG
Postfach 22 60
35010 Marburg
Germany

Investor relations

Peter Alex
Tel.: +49 (0) 6421 999-1200
Fax: +49 (0) 6421 999-1222
ir@3u.net
www.3u.net

Herausgeber

3U HOLDING AG
Frauenbergstraße 31-33
35039 Marburg
Germany

Photographs

Thomas Gorski, AIRTEAM (title)

Font

Interstate by Tobias Frere-Jones
(manufacturer: The Font Bureau)

© 2016 3U HOLDING AG, Marburg
Printed in Germany

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 Havelland Projekt I GmbH & Co. KG Kloster Lehnin, Germany	
OneTel Telecommunication GmbH Marburg, Germany	Windpark Langendorf GmbH & Co. KG Marburg, Germany	
RISIMA Consulting GmbH Marburg, Germany	Windpark Langendorf Verwaltungsgesellschaft mbH Marburg, Germany	
weclapp GmbH Marburg, Germany		

*Consolidated Subsidiaries



3U HOLDING AG
Postfach 22 60
35010 Marburg

Tel.: +49 (0) 6421 999-1200
Fax: +49 (0) 6421 999-1222

ir@3u.net
www.3u.net