

Quarterly Announcement 3/2017



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3U  HOLDING

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Summary of Group results

3U Group (IFRS)		3-months comparison		9-months comparison	
		July 1-September 30 2017	2016	January 1-September 30 2017	2016
Sales	(in EUR million)	14.16	11.19	35.57	32.48
EBITDA (earnings before interest, taxes and amortisation)	(in EUR million)	2.41	1.35	5.18	3.72
EBIT (earnings before interest and taxes)	(in EUR million)	1.47	0.43	2.36	1.06
EBT (earnings before tax)	(in EUR million)	1.20	0.15	1.51	0.37
Consolidated earnings	(in EUR million)	0.55	0.08	0.78	0.35
Earnings per share total	(in EUR)	0.02	0.00	0.02	0.01
Equity ratio	(in %)	49.02	41.60	49.02	41.60

Significant events in the quarter

On August 29, 2017, 3U HOLDING AG announced that its subsidiary 3U ENERGY AG had sold the wind farm Schlenzer, a wind farm project consisting of two wind turbines, each with a nominal output of 2.75 MW.

The sale was carried out on the basis of a book value of around EUR 12.4 million. As a result of the sale, the leverage of the Group was reduced by approximately EUR 9.3 million.

Buyer of the 100 % shares of Windpark Havelland Projekt I GmbH & Co. KG, the company that owns all the assets of the Schlenzer wind farm, was Green City Energy AG from Munich.

Further information can be found on our website (www.3u.net).

On September 29, 3U HOLDING AG entered into an option agreement for the sale of the Lüdersdorf II wind farm with Green City Energy AG. The wind farm consists of two wind turbines, each with a rated output of 3.3 MW, a hub height of 119 m and a rotor diameter of 112 m, and was connected to the power grid and put into operation at the end of May 2016.

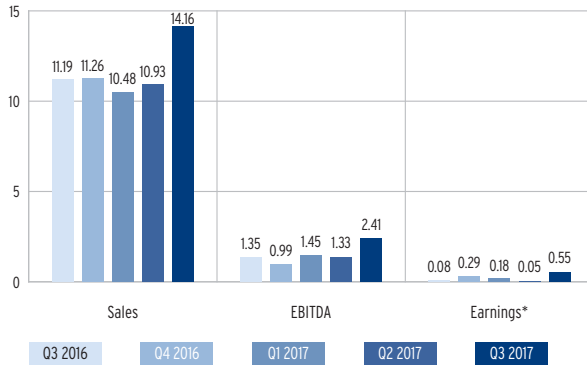
Further information can be found on our website (www.3u.net).

There were significant shifts in the shareholder structure in the third quarter. While a long-standing major shareholder reported falling below the reporting threshold of 3 %, the Supervisory Board Jürgen Beck-Bazlen further increased his stake in 3U HOLDING AG. As of September 30, 2017, the following shareholder structure resulted:

Name	Function	Share
Michael Schmidt	Speaker of the Management Board	25.49 %
Andreas Odenbreit	Management Board	0.06 %
Ralf Thoenes	Chairman of the Supervisory Board	0.07 %
Stefan Thies	Deputy Chairman of the Supervisory Board	0.03 %
Jürgen Beck-Bazlen	Supervisory Board	4.08 %
Own shares (3U HOLDING AG)		6.18 %
Free float		64.09 %

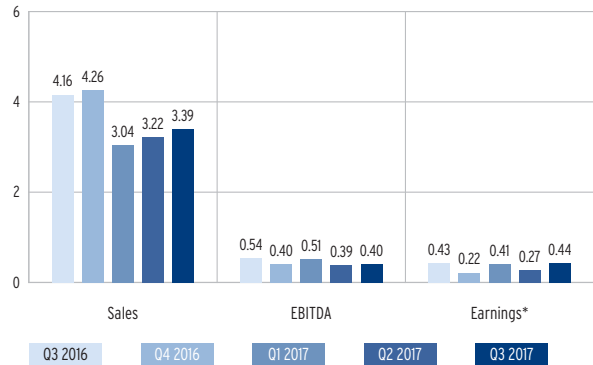
Earnings and financial position

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



*After share of non-controlling shareholders

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



*Segment earnings before profit transfer and after share of non-controlling shareholders

Earnings

Group sales

Group sales of EUR 14.16 million in the third quarter of fiscal year 2017 were higher than in the third quarter of 2016. Compared with the first nine months of 2016, consolidated sales also increased by around EUR 3.0 million. With roughly EUR 3.8 million the sale of the wind farm Schlenzer had a major impact on Group sales. In contrast, the tariff adjustments made in the field of telephony on January 1, 2017 led to a significant decline in sales. However, this decline in sales was largely offset by continued sales growth in the field of cloud-based solutions and in the segment SHAC.

The cost of materials fell slightly compared to the same period of the previous year. Here, the tariff adjustments in the field of telephony have contributed to a reduction in purchase prices.

EBITDA

EBITDA has again improved compared to the same period of the previous year. While EBITDA was EUR 3.72 million in the same period of the previous year, EBITDA in the first nine months of 2017 was EUR 5.18 million. The sale of the wind farm Schlenzer had a clearly positive effect in the third quarter of the financial year. Lower personnel expenses also contributed to the increase in EBITDA compared to the previous year. In the segment SHAC, the EBITDA of the same period of the previous year could not be achieved, in particular due to an interim sales focus.

Other operating expenses increased significantly compared to the same period of the previous year. The persistently negative development in the solar thermal industry has led to another significant write-

down on the loan receivable from the divestment of the solar thermal business. This additional valuation allowance contributed approximately EUR 0.45 million to an increase in other operating expenses. The further increase in other operating expenses is mainly related to the ongoing operation of the new wind farms.

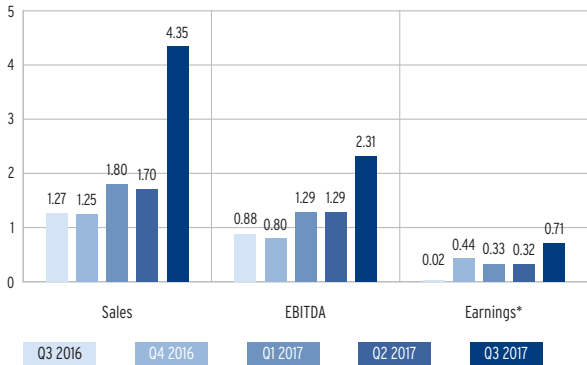
Group earnings

In particular, higher depreciation on wind farm projects and the effects of deferred taxes have meant that the significant increase in EBITDA has not led to an increase in consolidated net earnings in the corresponding amount. At EUR 0.78 million, consolidated net earnings in the first nine months of the 2017 financial year exceeded the consolidated earnings for the same period of the previous year and was also slightly higher than planned for the 2017 financial 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 improved in recent quarters. As a result, the negative financial result also increased at a lower rate than in the same period of the previous year, despite a significantly higher proportion of borrowed capital in connection with the financing of wind farm projects.

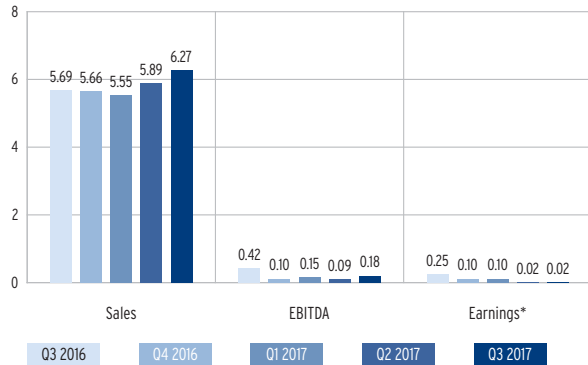
Earnings attributable to non-controlling interests increased only slightly in total.

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



*After share of non-controlling shareholders

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



*Segment earnings before profit transfer and after share of non-controlling shareholders

Financial position

Capital structure

In the first three quarters of the 2017 financial year, the Group made only small payments for investments in the balance of EUR 0.52 million. The disbursements related in particular to investments in the data center, IT and telecommunications infrastructure as well as in the solar park in Adelebsen.

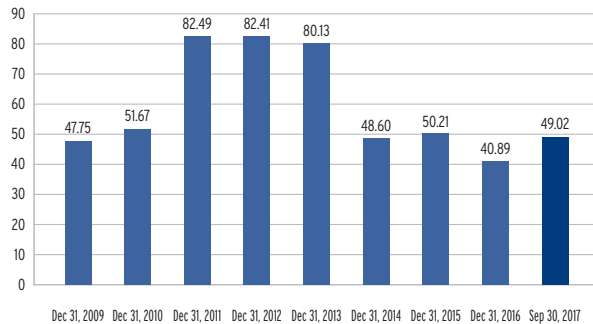
3U HOLDING AG invests its financial portfolio exclusively in call accounts and current time deposits at the Baden-Württembergische Bank, at Sparkasse Marburg-Biedenkopf and at Deutsche Kreditbank AG.

Compared to December 31, 2016, cash and cash equivalents decreased by EUR 2.26 million from EUR 7.33 million to EUR 5.07 million as of September 30, 2017. The financing activity has contributed in particular to this reduction. In this area, the scheduled repayments of current loans have been noticeable.

3U HOLDING AG continues to have a solid equity ratio. Due to the increase in equity and the significantly lower balance sheet total as a result of the sale of the wind farm Schlenzer, the equity ratio increased significantly to 49.02 % compared to December 31, 2016. The leverage ratio is 50.98 %.

With equity positions otherwise unchanged, earnings for the first three quarters contributed to an increase in equity. In return, distributions to the shareholders had an effect.

Development equity ratio (in %)



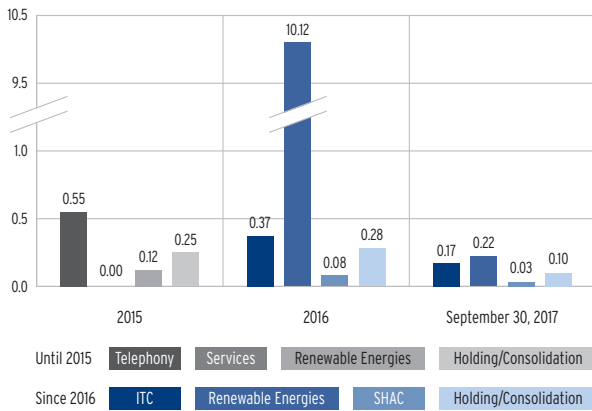
Investments

In the first three quarters of 2017, investments in intangible assets and property, plant and equipment as well as investment in real estate in the Group were carried out only to a limited extent. Total investments amounted to EUR 0.52 million.

EUR 0.17 million were invested in the segment ITC. These mainly relate to investments in ITC hardware. Investments in the segment Renewable Energies amounted to EUR 0.22 million, mainly attributable to the Adelebsen solar park. In the segment SHAC, investments of EUR 0.03 million mainly related to investments in intangible assets. Investments of the holding were made in the amount of EUR 0.10 million.

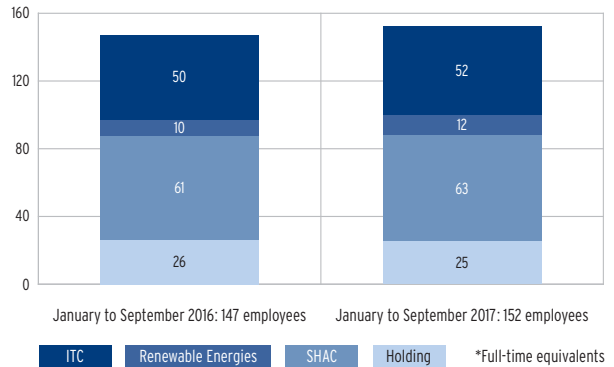
For the financial year 2017, investments in the amount of approximately EUR 0.97 million are expected in the existing business areas. Of this, EUR 0.32 million are to be invested in the segment ITC, EUR 0.35 million in the segment Renewable Energies, EUR 0.05 million in the segment SHAC and EUR 0.25 million in the holding company.

Development of investments in EUR million



Staff*

On the financial statement date the 3U Group employed 152 employees (previous year: 148). The yearly average was 152 (previous year: 147). The average number of employees in the individual divisions is made up as follows:



Events after the reporting period

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Events of particular significance after the end of the interim period have not occurred.

Forecasting report

In the interest of a consistent presentation of the business development, the proceeds from the sale of the wind farm Schlenzer are reported net against the background of the new accounting standards to be applied from January 1, 2018 onwards. This means that the proceeds from the sale of the wind farm have been netted with the liabilities assumed by the purchaser in order to calculate sales. This will result in an adjustment of our forecast regarding the expected sales for the 2017 financial year. The consolidated earnings will not be affected by this decision.

3U Group (IFRS)		Forecast 2017
Sales	(in EUR million)	45.0–47.0
EBITDA (earnings before interest, taxes and amortisation)	(in EUR million)	5.5–7.5
Consolidated earnings	(in EUR million)	0.5–1.5

Consolidated statement of financial position

Assets – 3U Group (in TEUR)	Sep 30, 2017	Dec 31, 2016
Non-current assets	58,601	61,678
Intangible assets	2,432	2,308
Property, plant and equipment	46,613	48,728
Investment property	7,527	7,723
Other financial assets	144	144
Investments accounted for using the equity method	13	15
Deferred tax assets	1,535	1,833
Other non-current assets	337	927
Current assets	22,529	34,084
Inventories	5,539	14,797
Trade receivables	7,031	4,710
Receivables from income tax refunds	329	323
Other current assets	1,349	2,582
Cash and cash equivalents	8,281	11,672
Total assets	81,130	95,762

Shareholders' equity and liabilities – 3U Group (in TEUR)	Sep 30, 2017	Dec 31, 2016
Shareholders' equity	39,771	39,158
Issued capital (conditional capital TEUR 3,531 / December 31, 2016: TEUR 3,531)	35,314	35,314
Own shares	-2,184	-2,184
Capital reserve	10,345	10,345
Retained earnings	-719	-719
Total other comprehensive income	0	-35
Profit/loss carried forward	-2,522	-2,835
Consolidated earnings	779	644
Total shareholders' equity attributable to the shareholders of 3U HOLDING AG	41,013	40,530
Non-controlling interests	-1,242	-1,372
Non-current provisions and liabilities	25,852	37,303
Non-current provisions	833	826
Non-current financial liabilities due to banks	23,918	35,417
Deferred tax liabilities	909	840
Other non-current liabilities	192	220
Current provisions and liabilities	15,507	19,301
Current provisions	265	326
Current income tax liabilities	664	715
Current financial liabilities	7,533	9,419
Trade payables	2,824	4,560
Other current liabilities	4,221	4,281
Total shareholders' equity and liabilities	81,130	95,762

Consolidated statement of income

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3U Group (in TEUR)	Quarterly report		9-months report	
	July 1-September 30 2017	2016	January 1-September 30 2017	2016
Sales	14,159	11,191	35,571	32,479
Other income	838	224	1,333	951
Changes of half-finished and finished services	-1,287	492	-831	3
Other capitalised services	0	0	0	1,108
Costs of materials	-6,625	-6,813	-18,527	-19,379
Gross profit or loss	7,085	5,094	17,546	15,162
Staff costs	-2,370	-2,405	-7,106	-7,346
Other operating expenses	-2,301	-1,340	-5,256	-4,099
EBITDA	2,414	1,349	5,184	3,717
Depreciation and amortisation	-945	-921	-2,829	-2,654
EBIT	1,469	428	2,355	1,063
Income shares in companies that are accounted for using the equity method	0	0	0	0
Other financial result	-265	-274	-843	-697
EBT	1,204	154	1,512	366
Income tax expenses	-594	-30	-628	64
Earnings before non-controlling interests	610	124	884	430
Earnings for the period	610	124	884	430
Of which attributable to non-controlling interests	57	44	105	82
Thereof consolidated earnings	553	80	779	348
Earnings per share total	(in EUR)	0.02	0.00	0.02
		0.00	0.02	0.01

Shortened statement of cash flows

3U Group (in TEUR)	January 1-September 30	
	2017	2016
Cash flow	-3,061	8,856
Cash flows from operating activities	1,994	3,002
Cash flows from investing activities	-489	-10,542
Cash flows from financing activities	-4,566	16,396
Change of restrictions in cash and cash equivalents	1,129	-7,518
Exchange rate changes	0	0
Consolidation-related changes	-330	1
Total change in cash and cash equivalents	-2,262	1,339
Cash and cash equivalents at beginning of period	7,328	4,466
Cash and cash equivalents at end of period	5,066	5,805

Segment information

Segment reporting 2017 January 1–September 30, 2017 (in TEUR)	ITC	Renewable Energies	SHAC	Subtotal	Holding/ Consolidation	Group
Total sales	11,573	7,889	28,527	47,989	357	48,346
Intercompany sales (intra-segment sales)	-1,921	-32	-10,822	-12,775	0	-12,775
Segment sales/Group sales	9,652	7,857	17,705	35,214	357	35,571
Other income	321	739	149	1,209	124	1,333
Change in inventory	0	-825	-6	-831	0	-831
Other capitalised services	0	0	0	0	0	0
Costs of materials	-5,106	-252	-13,205	-18,563	36	-18,527
Gross profit or loss	4,867	7,519	4,643	17,029	517	17,546
Staff costs	-2,341	-434	-2,211	-4,986	-2,120	-7,106
Other operating expense	-1,232	-2,204	-2,014	-5,450	194	-5,256
EBITDA	1,294	4,881	418	6,593	-1,409	5,184
Depreciation	-270	-1,859	-79	-2,208	-621	-2,829
EBIT	1,024	3,022	339	4,385	-2,030	2,355
Financial result*	-38	-971	-35	-1,044	201	-843
Profit/loss of companies recognised at equity	0	0	0	0	0	0
Other financial result	-38	-971	-35	-1,044	201	-843
Income tax	166	-693	-102	-629	1	-628
Earnings for the period*	1,152	1,358	202	2,712	-1,828	884
Of which attributable to non-controlling interests	37	0	68	105	0	105
Segment earnings*/Group earnings	1,115	1,358	134	2,607	-1,828	779

*Before earnings transfer

Segment reporting 2016 January 1–September 30, 2016 (in TEUR)	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

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

*Consolidated subsidiaries

Financial calendar

- **Analysts' Conference**
November 29, 2017 in Frankfurt am Main
- **Publication of the 2017 Annual Report**
March 23, 2018
- **Annual General Meeting 2018**
May 3, 2018
- **Publication of quarterly announcement 1/2018**
May 9, 2018
- **Publication of half year report 2018**
August 15, 2018
- **Publication of quarterly announcement 3/2018**
November 8, 2018

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