



Summary of Group results

3U Group (IFRS)		Quarterly o Jan 1-Mar 31 2010	comparison Jan 1-Mar 31 2009
Sales	(in EUR million)	20.99	24.77
EBITDA (earnings before interest, taxes and amortisation)	(in EUR million)	2.97	3.06
EBIT (earnings before interest and taxes)	(in EUR million)	0.81	0.79
EBT (earnings before tax)	(in EUR million)	0.93	0.49
Net income/loss for the period	(in EUR million)	0.66	0.13
Earnings per share (undiluted)	(in EUR)	0.02	0.00
Earnings per share (diluted)	(in EUR)	0.02	0.00
Equity ratio	(in %)	49.96	45.93

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2 Letter to our Shareholders

Dear Shareholders,

The German economy is busy recovering – albeit slowly. Whilst a decline of around 5 % in economic performance was recorded in 2009, the German Institute for Economic Research (DIW) is expecting economic growth of 1.7 % in 2010, according to its projection that was released in mid-April. The overall economic situation however continues to be characterised by uncertainty.

During the first quarter we have consistently continued to pursue our most important objective of increasing the operative result and thus increasing the enterprise value. We are hence able to report to you today on a positive first quarter for the 3U Group.

In the fixed-line telephony segment, with declining revenues of TEUR 11,728, we were able to achieve an EBITDA of TEUR 1,717 and a surplus of TEUR 1,797. The fixed-line telephony segment has been characterised to a large extent by declining revenues in the call-by-call sector. We are actively working to counter these declining revenues with innovative products, in order to occupy market niches and thereby contribute further to the net income.

During the last quarter of 2009, we launched a far-reaching restructuring programme for the broadband/IP segment, which is represented by LambdaNet, in order to increase synergies and reduce costs. The result for the first quarter 2010 has clearly confirmed our decision. Our conservative projections for the broadband/IP segment were far exceeded. With revenues of TEUR 9,253, an EBITDA of TEUR 2,675 and a surplus of TEUR 354 were realised.

In the segment "Others", in which the 3U HOLDING acitvities next to our investments in the renewable energy sector and the other activities are included, only marginal revenues were realised in the first quarter 2010. The EBITDA was TEUR -1,425 with a deficit of TEUR -1,488. These costs incurred predominantly from staff and other operational expenditures at 3U HOLDING AG. Within this segment, we anticipate significant revenues from 3U SOLAR Systemhandel AG as from the second quarter 2010, the first quarter having been dominated by the preparations for business operation. For instance, at the beginning of May 2010 3U SOLAR's first in-house exhibition was hosted at the premises of our new Group headquarters, introducing the company and its products to a broad spectrum of the expert public.

Therewith the Group results for the first quarter of 2010 showed a total revenue of TEUR 20,995, an EBITDA of TEUR 2,966 and an after-tax result of TEUR 663. Compared with the same quarter a year ago, this is a significant earnings increase of over 400 %.

Investment portfolio expanded

We continued to expand our investment portfolio in the first quarter of 2010.

3U HOLDING AG founded the management consultancy RISIMA Consulting GmbH, together with a partner already established in this market segment. The consultancy portfolio of RISIMA Consulting GmbH is based on innovative maturity models in the areas of business process and risk management, IT strategy and security as well as knowledge management. In doing so, we were able to utilise our implementation experience gained both from 3U HOLDING AG and from our business partner's areas of competence.

RISIMA Consulting GmbH will consequently be operative and positioned to provide tried-and-trusted, efficient and effective solutions for medium-sized enterprises as from the second quarter of 2010.

In March 2010 3U HOLDING AG acquired a majority holding in EuroSun Vacuum-Solar-Systems GmbH. EuroSun Vacuum-Solar-Systems is an enterprise for the development, production and sale of electrical industry products and environmental technology goods, among others, for thermal solar plants and the ORC technology involved in the generation of electrical power from heat, and is thus a significant component of our strategic area of renewable energy.

Also in March 2010, 3U DYNAMICS GmbH was founded. From now on all sales and marketing resources, which are and can be deployed group-wide for more than one affiliated company will be bundled under 3U DYNAMICS.

We will also continue to focus on increasing the enterprise value of 3U HOLDING AG, and will actively pursue to further develop the newly-formed companies over the next 12 to 24 months, with the aim of realising sustainable contributions to earnings.

With a very solid equity ratio of around 50 % and liquid assets of EUR 30.1 million, we are at all times able to avail ourselves of opportunities as they arise, and to invest in profitable growth of our Company.

We thank you, our shareholders, for the confidence you have in us.

Marburg, May 2010

The Management Board

Michael Schmidt

Michael Göbel

4 The 3U share

The 3U share at a glance

International Securities Identification Number (ISIN)	DE0005167902
Wertpapierkennnummer (WKN) [Securities Identification Number]	516790
Stock exchange symbol	UUU
Transparency level	Prime Standard
Designated sponsor	F.I.B. Frankfurter Investmentbank AG
Initial listing	November 26, 1999
Authorised capital in EUR	EUR 51,402,240.00
Authorised capital in shares	51,402,240
Registered share capital in EUR	EUR 46,842,240.00
Registered share capital in shares	46,842,240
Share price at March 31, 2010*	EUR 0.73
Share price high in period from January 1 to March 31, 2010*	EUR 0.94 (January 13, 2010)
Share price low in period from January 1 to March 31, 2010*	EUR 0.68 (March 24, 2010)
Market capitalisation at March 31, 2010	EUR 34,194,835.20
Earnings per share at March 31, 2010	EUR 0.02

The stock markets continued to be marked by uncertainty during the first quarter of 2010. Consequently the Prime All Share Index, in the face of strong fluctuations, improved by 2.3 % in the first quarter of 2010.

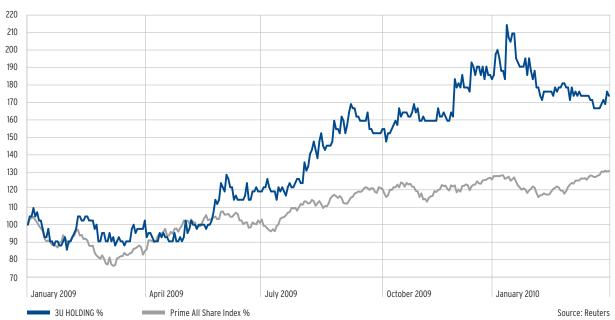
The share price of 3U HOLDING AG was also affected by strong fluctuations. After a closing price of EUR 0.77 on December 31, 2009, the share reached its highest level of EUR 0.94 in January and closed at EUR 0.73 on March 31, 2010.

A well-known research house has announced to take up the coverage of our share upon publication of the first quarterly report of 2010. We will try to make the research available for our shareholders as promptly as possible on our Website.

In addition, a new designated sponsor will support our share as from mid-May 2010. Besides higher liquidity for our shares, we expect a more intense communication with the financial community and a higher visibility especially with institutional investors.

Share price

Share price performance of the 3U shares* from January 1, 2009 to March 31, 2010 vs. Prime All Share Index



^{*}Daily closing price Xetra

Shareholders

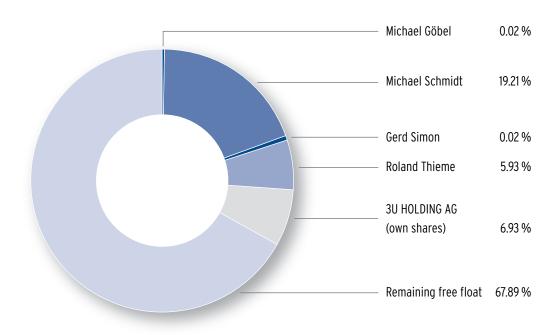
As of March 31, 2010, members of the governing bodies held the following shares with full voting and dividend rights:

Members of the Management Board	
Michael Schmidt	8,999,995 shares
Michael Göbel	8,500 shares
Total Management Board	9,008,495 shares

Members of the Supe	rvisory Board	
Ralf Thoenes	(Chairman)	0 shares
Gerd Simon	(Vice Chairman)	10,000 shares
Peter Coch		0 shares
Total Supervisory Boa	ırd	10,000 shares

Associated persons		
Roland Thieme	(Director of investments in the fixed-line telephony segment)	2,778,330 shares
Total associated persons		2,778,330 shares

Own shares of 3U HOLDING AG	
Number of own shares	3,244,714 shares



An open dialog and transparent communication with our investors are a top priority for us. During the financial year the Annual General Meeting is the key platform for the dialog with our shareholders. In addition, we provide our investors with information in the form of quarterly, semi-annual and annual reports on developments in the Group.

Due to our Company's size, we are known to only few investors. Last year, however, we undertook efforts to strengthen our investor relations activities successfully. Also in the current financial year 2010, too, we will do whatever we can to provide our shareholders with transparent information and awaken further interest amongst investors and analysts. We will increasingly present ourselves to investors and media representatives. These activities are aimed at making the market look closer at the fundamental valuation of 3U HOLDING, thus leading to a significantly higher price level at least in the medium term.

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Corporate governance report

The German Corporate Governance Code has been in existence in Germany since 2002. It was last updated in June 2009 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 German Corporate Governance Code (GCGC). It serves the interests of the companies and its investors.

Declaration of conformity

In 2009, as in previous years, the Management and Supervisory Boards of 3U HOLDING AG discussed the contents of the Corporate Governance Code at length and decided that the recommendations are largely observed.

3U HOLDING AG submitted the declaration of conformity required according to the German Stock Corporation Act on March 23, 2010. It can be viewed on its website (www.3u.net) under the path "Investor Relations/Corporate Governance".

Deviations from the recommendations

D&O insurance

There is currently no deductible for the D&O insurance as recommended in Section 3.8 of the German Corporate Governance Code for members of the Supervisory Board. However it is planned that a deductible will be stipulated in the upcoming insurance period (see section 3.8 of the GCGC).

Composition of the Management Board

The Management Board of 3U HOLDING AG consists of two persons. 3U HOLDING AG believes that it is not necessary for the Management Board to have a chairman or spokesman (see section 4.2.1 of the GCGC).

Age limits for members of the Management Board and Supervisory Board

In sections 5.1.2 and 5.4.1, the GCGC recommends the specification of age limits for members of the Management Board and Supervisory Board. This recommendation is not observed. It constitutes an inappropriate infringement of the right of shareholders to choose members of the Supervisory Board. The Supervisory Board would similarly be restricted in their choice of suitable members for the Management Board if an age limit were imposed for members of the Management Board. 3U HOLDING AG is of the opinion that the introduction of a rigid age limit is not an appropriate selection criterion for finding the most suitable applicants. The emphasis should instead be on the individual skills and experience of the applicant.

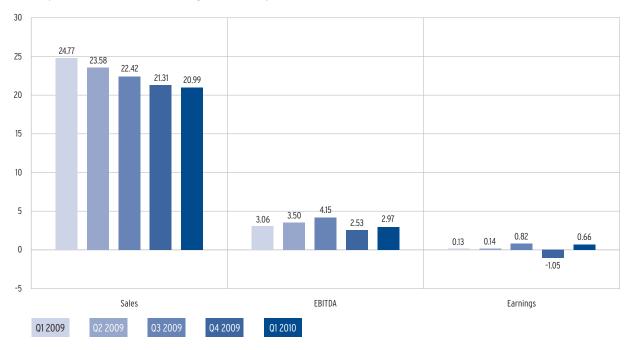
Report on business development

Earnings

Group revenues at EUR 20.99 million declined markedly in the first three months of the 2010 financial year in comparison to the corresponding period of the previous year (EUR 24.77 million). Fixed-line telephony in particular was responsible for this decline, but it was nevertheless able to assert itself well in a rapidly shrinking market, and thanks to its consistent focus on results, continued to make the largest contribution to Group earnings.

At EUR 2.97 million, EBITDA was 2.9 % lower than the EBITDA for the first three months of the previous year (EUR 3.06 million), while the net income of EUR 0.66 million was significantly higher than that for the corresponding period in the previous year (EUR 0.13 million). These are due in particular to a positive financial result and less expenditure on taxes.

Development (sales, EBITDA, earnings) - 3U Group in EUR millions



The new areas of business have not yet generated any significant revenues in the first quarter of 2010, and are thus not an independent segment in the sense of the IFRS. Due to the planned increasing significance of the new business areas and massive distortion of the earnings of the fixed-line telephony segment, in which to date all other HOLDING activities – except the broadband/IP segment - have been taken into account exclusively, we will report over and above the hitherto two business areas of fixedline telephony and broadband/IP on the earnings of a third segment titled "Others", as was the case in the Annual Report for 2009.

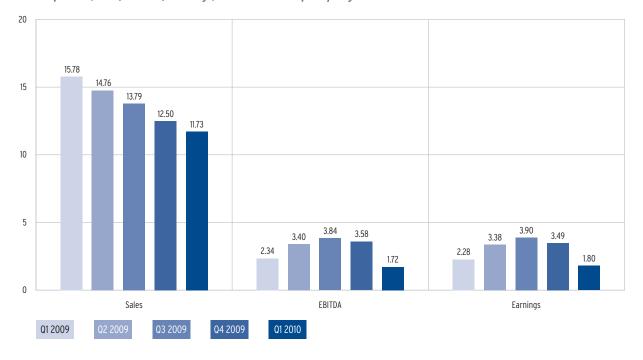
The most important influence on earnings development will be explained below in the description of segment earnings.

Fixed-line telephony segment

The investment portfolio in the fixed-line telephony segment continues to develop very successfully. Our consistent focus on results also led to increase of the margin in the first quarter of 2010. The main focus of activity was once again on the call-by-call and wholesale areas.

Revenues in the fixed-line telephony segment dropped by EUR 4.05 million during the first three months of 2010 in comparison with the corresponding period of the previous year, from EUR 15.78 million to EUR 11.73 million. EBITDA compared year on year declined by EUR 0.62 million from EUR 2.34 million to EUR 1.72 million. Whilst earnings at EUR 1.80 million were less than the previous year's figure, it did however represent an increase in proportion to sales. It is to be noted that the income taxes are carried by the controlling company 3U HOLDING AG.

Development (sales, EBITDA, earnings) - fixed-line telephony segment in EUR millions



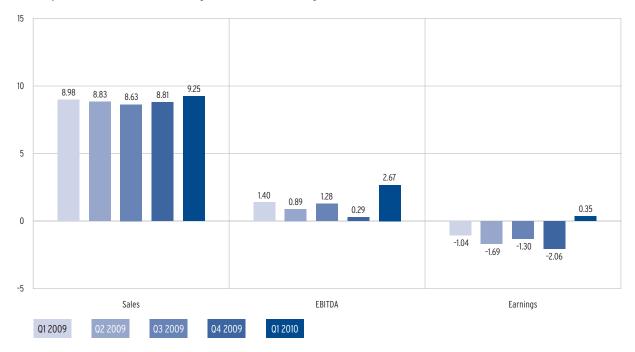
Broadband/IP segment

The broadband/IP segment represented by LambdaNet Communications Deutschland AG and its subsidiaries had a 44.07 % share in Group revenues in the first quarter of 2010.

Despite the numerous improvements, which were implemented during previous years, LambdaNet was unable to reach its full potential. For this reason a series of synergetic measures such as the centralisation of administrative functions, accounting functions and sales and marketing, were approved in the fourth quarter of 2009 and implemented during the first quarter of 2010. Furthermore a broad spectrum of cost-reducing measures was implemented, which among other things was closely linked to a cutback in staff.

During the first three months of the current financial year, LambdaNet realised revenues of EUR 9.25 million. The revenue therefore improved by 3.0 % as compared with the previous year (EUR 8.98 million). The EBITDA at EUR 2.67 million was significantly higher than the figure for the corresponding period in the previous year (EUR 1.4 million). Net income improved by EUR 1.39 million, to the positive level of EUR 0.35 million.

Development (sales, EBITDA, earnings) - broadband/IP segment in EUR millions



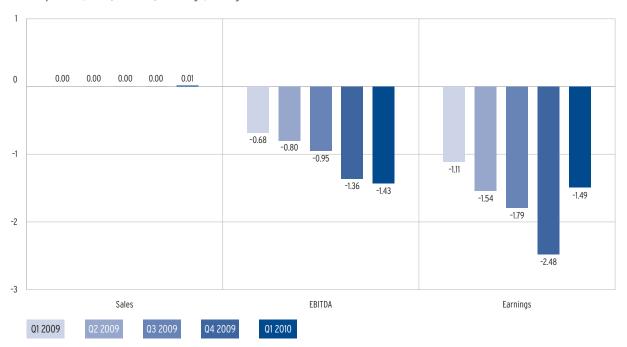
Segment Others

This segment encompasses 3U HOLDING AG, SEGAL Systems GmbH, the companies newly formed in the first quarter of 2010, namely RISIMA Consulting GmbH and 3U DYNAMICS GmbH, as well as the activities of 3U in the area of renewable energy with the companies 3U SOLAR Systemhandel AG, 3U Solarkraft Friedrichstraße GmbH and the majority shareholding in EuroSun Vacuum-Solar-Systems GmbH, acquired during the first quarter of 2010.

Whilst RISIMA Consulting GmbH and 3U DYNAMICS GmbH have not shown any results during the first quarter of the year under review, those rendered by 3U HOLDING AG and SEGAL Systems GmbH were almost exclusively group internal. The activities in the area of renewable energy, too, were fundamentally focused on the implementation of the SEKW project at the new Group head office and the start of business operations of 3U SOLAR Systemhandel AG. Consequently the segment "Others" only generated marginal external revenues during the first quarter 2010 (TEUR 13). The EBITDA for this segment at TEUR -1,425 and the net income at TEUR -1,488 were correspondingly negative. In comparison to the fourth quarter 2009 it is to be noticed that earnings of the fourth quarter 2009 were shaped by provisions for income tax payments.

The EBITDA and net income were affected by the personnel expenses of TEUR 807 and other operating expenses of TEUR 693 in particular, which were incurred at 3U HOLDING AG.

Development (sales, EBITDA, earnings) - Segment Others in EUR million



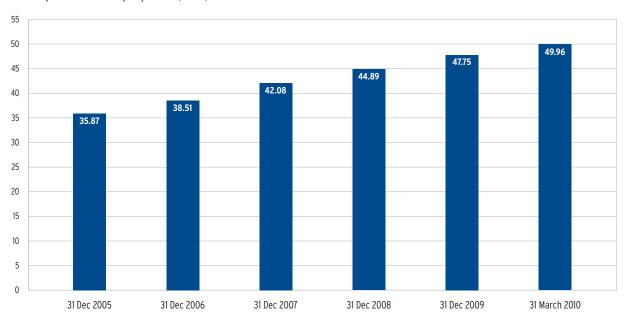
Assets and financial position

The financial portfolio of 3U HOLDING AG was restructured in November 2007, and due to this far-sighted investment strategy, the Group was able to avoid heavy financial losses resulting from the economic crisis. At the present date its financial resources are invested in call accounts and short-term time deposits at the Baden-Württembergische Bank and the Commerzbank AG.

As at March 31, 2010, cash and cash equivalents have fallen from EUR 33.29 million to EUR 30.14 million compared with the end-ofperiod date of December 31, 2009. In addition to the serving of leasing obligations in the broadband/IP segment and the investments - particularly in the new Group headquarters and the development of new business units - in essence the advance payments for network rentals and the reduction of debts (short term leasing liabilities, trade payables, short term tax provisions with characteristics of liabilities) led to the decrease in liquid funds.

The stability of 3U HOLDING AG is clearly demonstrated by its equity ratio, which continues to be very solid. It has improved on a continual basis since the year 2005. At March 31, 2010 the equity ratio was 49.96 % as opposed to 47.75 % on December 31, 2009.

Development in the equity ratio (in %)



verview balance sheet items March 31, 2010		010	March 31, 2009	
	TEUR	%	TEUR	%
Fixed assets	26,353	34.5	27,805	35.5
Other long-term assets	500	0.7	507	0.7
Prepaid network rents – long-term	2,057	2.7	1,269	1.6
Non-current assets	28,910	37.9	29,581	37.8
Working capital	44,637	58.5	47,395	60.5
Prepaid network rents – short-term	2,771	3.6	1,340	1.7
Assets "held for sale" and assets under liquidation	3	0.0	4	0.0
Current assets	47,411	62.1	48,739	62.2
Assets	76,321	100.0	78,320	100.0
Equity	38,057	49.9	37,394	47.8
Minority interests	73	0.1	14	0.0
Long-term provisions and liabilities	20,134	26.4	18,664	23.8
Long-term liabilities	58,264	76.3	56,072	71.5
Current provisions and liabilities	18,057	23.7	22,248	28.4
Short-term liabilities	18,057	23.7	22,248	28.4

The balance sheet total as at March 31, 2010 was EUR 76.32 million. (December 31, 2009: EUR 78.32 million). The reasons for the decrease in comparison to December 31, 2009 are essentially to be found in the lesser investments compared to the write offs of the noncurrent assets and the repatriation of liabilities.

Non-current assets amounted to EUR 28.91 million as per March 31, 2010 (December 31, 2009: EUR 29.58 million). Thus the proportion of non-current assets reported in the balance sheet remains almost constant at 37.9 % (December 31, 2009: 37.8 %). There were significant changes in fixed assets, which declined from EUR 25.07 million per December 31, 2009 to EUR 23.65 million per March 31, 2010 due to write-downs according to plan.

Current assets amounted to EUR 47.41 million per March 31, 2010 (December 31, 2009: EUR 48.74 million). Liquid funds, which fell from EUR 33.29 million per December 31, 2009 to EUR 30.14 million had a decisive influence on this decline. The proportion of current assets reported in the balance sheet was 62.1 % as at March 31, 2010 (December 31, 2009: 62.2 %).

Equity has increased slightly since the beginning of the year, due to the positive period results. As against the previous EUR 37.39 million (per December 31, 2009), EUR 38.06 million is reported on March 31, 2010.

Long-term provisions and liabilities increased as compared with December 31, 2009 by EUR 1.47 million to EUR 20.13 million as at March 31, 2010. This was caused largely by the taking up of a long-term loan in order to finance the building of the new Group headquarters.

The current provisions and liabilities declined against December 31, 2009 by EUR 22.25 million to EUR 18.06 million. The repatriation of debts and availment of reserves in connection with the restructuring concept carried out at LambdaNet in particular were the reasons for this.

The 3U Group was also in a position to meet its payment obligations at all times during the first quarter of 2010.

Operative cash flow during the first three months of the current financial year was EUR -3.12 million (previous year: EUR 1.00 million). The main cause for this are advance payments on network rentals and the reduction of liabilities (short term leasing liabilities, trade payables, short term tax provisions with characteristics of liabilities).

Cash flow statement (in TEUR)	Mar 31, 2010	Mar 31, 2009
Cash flow	-3,145	-4,480
Cash flows from operating activities	-3,124	1,000
Cash flows from investing activities	-929	-759
Cash flows from financing activities	908	-4,721
Changes in cash and cash equivalents	-3,145	-4,480
Cash and cash equivalents at beginning of period	33,289	35,474
Cash and cash equivalents at end of period	30,143	30,994

Statement concerning the financial situation

The Management Board views the financial situation of the enterprise at the time of the drawing up of the consolidated interim financial statements as positive overall. We have surpassed our performance target in the fixed-line telephony segment for the umpteenth time in the first quarter of 2010.

Performance in the broadband/IP segment exceeded planning within the framework of the restructuring concept. The most important measures of this restructuring concept have been implemented in the interim.

Due to its solid financial and net asset position, the 3U Group is in a strong position to continue developing positively.

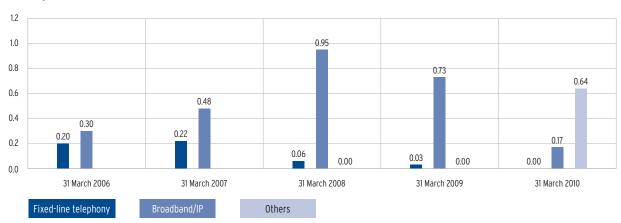
Investments

During the first quarter of 2010, investments totalling EUR 0.81 million were made within the Group (previous year: EUR 0.76 million).

EUR 0.00 million were invested in the fixed-line telephony segment (previous year: EUR 0.03 million); EUR 0.17 million were invested in the broadband/IP segment (previous year: EUR 0.73 million). Investments were mainly into expanding the technical offices and integration of new customers. This accounted for all the necessary maintenance and expansion investments. The investments in the segment "Others" flowed mainly into the new Group head office as well as in the formation, resp. the acquisition of new investments.

Investments totalling EUR 5.3 million have been planned for the existing business areas for the 2010 financial year. The value of investments in new participations is difficult to project, as this is solely dependent upon the opportunities that present themselves.





^{*}Until 2007 the segment Others was accounted for in the segment fixed-line telephony.

Staff*

On the financial statement date the 3U Group employed 163 people (previous year: 158). The quarterly average was 164 (previous year: 157). The average number of employees in the individual divisions is made up as follows:



The staff measures in the broadband/IP segment as decided in the scope of the restructuring were mainly carried out at the end of the first quarter of 2010 and will be effective in the staff count as of the second quarter 2010.

The remuneration system is broken down into fixed and variable elements. Share options were issued to employees within the context of a share option programme for the last time in 2005.

Non-financial performance indicators

It is above all the men and women that work for 3U HOLDING AG and its portfolio companies that are responsible for our business success. Their identification with the Company and commitment to its goals are therefore a top priority.

The potential of our personnel is promoted and fostered, among other things, through a high degree of own responsibility. Our employees have the opportunity to take part in a large number of internal and external training and development programmes. Their bond with the Company is reinforced by a series of measures in which social aspects are at centre-stage. In addition, the Company supports health care for its employees with appropriate programmes.

^{*}Full-time equivalents

Detailed information on stock option programmes

2004/2005 stock option plan

By way of resolution dated May 15, 2003, the Annual General Meeting authorised contingent capital of up to EUR 4,560,000.00 (EUR 912,000.00 before the stock split on July 6, 2004) for issuing stock options to members of the Management Board, executives and employees in the context of a stock option plan and authorised the Management Board accordingly. With the approval of the Supervisory Board, the Management Board made use of this authorisation on March 9, 2005 and established a stock option plan for 2004/2005.

Due to the fact that the share price was quoted well below the strike price during the exercise period March 9, 2007 till March 9, 2010 no stock options from the 2004/2005 stock option plan were exercised. All options expired worthless on March 9, 2010.

Related parties report

There were no extraordinary changes or developments in business relations with related parties in the first three months of the current financial year as against December 31, 2009.

Report on risks and opportunities

As of March 31, 2010, there were no material changes in risks and their assessment as reported in detail in the 2009 annual financial report.

Significant events since the end of the interim reporting period

There were no significant events since the end of the interim reporting period.

Outlook

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Economic outlook

In its forecast for 2010, published in mid-April, the German Institute for Economic Research (DIW) expects a growth rate of 1.7 %. A positive figure of as much as 1.8 % could be achieved in 2011. The recovering world economy will contribute to growth in 2010, whereas growth in 2011 will be influenced by an upswing in the domestic economy in particular.

In the wake of the severe recession the world economy is on the road to recovery. World trade has stabilised and increased significantly in recent months.

The DIW in Berlin predicts a stable rate of development in the German labour market. The labour market has bottomed out and a slight improvement is to be expected. Indicators include the number of workers on short time, which is decreasing considerably, and the fact that these persons are not going into unemployment, but are being offered full-time positions, or the positive expectations of business in the temporary employment sector. However, for a significant increase in employment, stronger economic growth will be necessary.

The DIW has not issued an all-clear for the outlook for public sector. On the contrary, public revenue is expected to develop more negatively than was predicted a few months ago.

The DIW is assuming only a very moderate price increase for this year and the coming year. Consumer prices have risen marginally since the beginning of the year; this may be traced back to an increase in the prices for energy and foodstuffs. Despite this tendency, the economists at DIW expect only moderate price increases of just on 1% this year, and slightly more than 1% for the coming year. The fact that many capacities are still underutilised will have a dampening effect. In addition, there is no cost pressure emanating from wage agreements. For the present, price-driving effects will only emanate from the energy and raw materials markets.

Telecommunications outlook

Developments in 2009 continued into the first three months of 2010. An increasing tendency toward saturation was observed in this market. In the process, the telecommunications sector moved increasingly from being a growth market to being a saturated and eliminatory market. Developments in the market remain dynamic, due to innovations and technical progress; branch experts are expecting a consolidation. A further decline in prices is to be expected due to pronounced competition on the German market.

The 3U Group will continue to pursue a strategy of identifying and occupying profitable niche markets in its core business sectors.

Future growth drivers

As a management and investment company, sustainable operating profitability in future business areas as well as in the existing segments of fixed-line telephony and broadband/IP are our priority.

The Group places great importance on the organic development of the renewable energy sector, on one hand, and taking over enterprises that distinguish themselves by their innovative strength and good prospects of growth on the other. As an opportunistic investor, the Group will be able to avail itself of opportunities that arise. The existing financial situation and the slim line costs structure create the financial background that enables us to operate successfully in the investment business.

Within the next few years, it is planned to develop the 3U Group into a successful investment company, which in addition to the areas of telecommunications/broadband and renewable energy focuses on innovative technologies.

Outlook for the 3U Group

On examination, the development of the business reveals that the 3U Group was able to significantly improve operative results, thanks to its consistent focus on results.

Against the background of the already described negative development in the call-by-call sector, with simultaneous increases in revenues in the areas of wholesale and value-added services as well as the far-reaching restructuring and the associated positive development in the broadband/IP segment the Management Board adheres to the prognosis given on the occasion of the publication of the annual report 2009. The Management Board expects the 3U Group to realise external revenues of around EUR 85 million, an EBITDA of around EUR 13 million for 2010, and a net income of around EUR 3 million. For 2011 the Management Board expects revenues to be between EUR 82 million and EUR 90 million, EBITDA between EUR 12 million and EUR 14 million, and a Group result between EUR 3.5 million and EUR 5 million.

Due to strong fluctuations in the call-by-call market, a medium-term prognosis for the market is difficult. The Management Board expects the negative development to continue in the 2010 and 2011 financial years, and on the whole is expecting increased volatility in the market.

The goal of all activities is to sustainably increase the value of the 3U Group for its shareholders, but also for its employees. The success of these efforts should be reflected in the continued positive progress of the performance of the 3U share. Building onto the successful business operations of the subsidiary companies in the fixed-line telephony segment as well as the far-reaching restructuring of LambdaNet, there will be good opportunities, arising from organic growth in the areas of renewable energy and from the acquisition of further investment participations, to realise an above-average share performance.

In regard to the estimates and expectations set out here, we would like to point out the possibility that the actual future results may deviate substantially from the expectations pertaining to projected development.

Marburg, May 12, 2010

The Management Board

Michael Schmidt

Michael Göbel

Consolidated balance sheet as of March 31, 2010 (IFRS)

Assets 3U Group (in TEUR)	Mar 31, 2010	Dec 31, 2009
So Group (in Feor)	Mai 31, 2010	Dec 31, 2009
Long-term assets	28,910	29,581
Intangible assets	2,352	2,551
Property, plant and equipment	23,653	25,072
Financial assets	349	182
Other non-current assets	500	507
Prepaid network rentals - long-term	2,057	1,269
Current assets	47,411	48,739
Inventories	440	196
Trade receivables	11,219	11,502
Other current assets	2,834	2,408
Cash and cash equivalents	30,143	33,289
Prepaid network rentals – current	2,771	1,340
Assets in liquidation*	3	4
Total assets	76,321	78,320

^{*}These include CityDial GmbH (associated company in liquidation) with TEUR 3 (previous year: TEUR 4)

Shareholders' equity and liabilities 3U Group (in TEUR)	Mar 31, 2010	Dec 31, 2009
oc order (in 120k)	mar 51, 2515	200 01, 2007
Shareholders' equity	38,130	37,408
Issued capital		
(conditional capital TEUR 4,560; previous year: TEUR 4,560)	46,842	46,842
Capital reserve	21,499	21,499
Own shares	-1,436	-1,436
Adjustment item for currency difference	-12	-12
Retained earnings	-29,499	-29,536
Net income/loss	663	37
Total shareholders' equity attributable to the shareholders of 3U HOLDING AG	38,057	37,394
Minority interests	73	14
Long-term provisions and liabilities	20,134	18,664
Long-term provisions	5,044	5,045
Long-term liabilities due to banks	2,222	513
Long-term lease liabilities	10,780	10,801
Network rentals received – long-term	1,821	2,038
Deferred taxes	267	267
Current provisions and liabilities	18,057	22,248
Current provisions	1,289	825
Current tax provisions	2,301	3,987
Current liabilities due to banks	0	0
Trade payables	7,098	7,760
Current lease liabilities	1,588	2,367
Other current liabilities	5,705	7,283
Network rentals received – current	76	26
Total shareholders' equity and liabilities	76,321	78,320

24 Consolidated income statement (IFRS)

3U Group (in TEUR) 3-month rep Jan 1-Mar 31 Jan		h report Jan 1-Mar 31
	2010	2009
Sales	20,995	24,765
Other earnings	591	242
Costs of materials	-13,440	-16,413
Gross profit or loss	8,145	8,593
Staff costs	-2,293	-2,835
Other operating expenses	-2,886	-2,701
EBITDA	2,966	3,058
Depreciation and amortisation	-2,153	-2,273
EBIT	813	786
Income from financial assets	116	-293
EBT	929	493
Income tax expense	-293	-366
Share of net income/loss attributable to shareholders of 3U HOLDING AG	636	127
Share of net income/loss attributable to minority shareholders	27	0
Consolidated net income/loss	663	127

3U Group (in TEUR)	3-month report	
	Jan 1-Mar 31 2010	Jan 1-Mar 31 2009
	2010	2007
Number of shares	46,842,240	46,842,240
Buyback of own shares in November 2008	-208,872	-208,872
Buyback of own shares in December 2008	-271,379	-271,379
Buyback of own shares in January 2009	-327,813	-327,813
Buyback of own shares in February 2009	-38,077	-38,077
Buyback via public buyback offer	-2,398,573	-2,398,573
Weighted average number of ordinary shares for basic earnings per share	43,597,526	45,331,230
Effect of dilutive potential of ordinary shares: options*	1,732,500	1,732,500
Weighted average number of ordinary shares for diluted earnings	43,597,526	45,331,230
Earnings per share		
Earnings per share, undiluted (in EUR)	0.02	0.00
Earnings per share, diluted (in EUR)	0.02	0.00

^{*}In 2009 as well as in 2010 (until March 9, 2010) the strike price of the options lies well above the stock price and therefore the options have no diluting effect in 2009 as well as in 2010 (until March 9, 2010).

26 Statement of income and accumulated earn

January 1 - March 31, 2010

3U Group (in TEUR)	Mar 31, 2010	Mar 31, 2009
Earnings after taxes	663	127
Attributable to 3U HOLDING AG shareholders	636	127
Attributable to minority interests	27	0
Directly in equity comprised changes		
Exchange rate differences	0	0
Tax on earnings	0	0
Change of the value comprised in equity (exchange rate differences)	0	0
Earnings from derivative financial instruments	0	0
Income taxes	0	0
Change of the value comprised in equity (derivative financial instruments)	0	0
Sum of the in equity comprised changes after taxes	0	0
Attributable to 3U HOLDING AG shareholders	0	0
Attributable to minority interests	0	0
Total earnings of the period	663	127
Attributable to 3U HOLDING AG shareholders	636	127
Attributable to minority interests	27	0

28 Statement of changes in equity (IFRS)

3U Group (in TEUR)	Issued capital	Capital reserve	Reserve for currency differences	
As of Jan 1, 2009	46,842	21,296	-12	
Consolidated profit	0	0	0	
Reserves for own shares	0	-1,233	0	
Changes taken directly to equity	0	0	0	
Alteration basis of consolidation	0	0	0	
As of Dec 31, 2009	46,842	20,063	-12	

3U Group (in TEUR)	Issued capital	Capital reserve	Reserve for currency differences	
As of Jan 1, 2010	46,842	20,063	-12	
Consolidated profit	0	0	0	
Reserves for own shares	0	0	0	
Changes taken directly to equity	0	0	0	
Alteration basis of consolidation	0	0	0	
As of Mar 31, 2010	46,842	20,063	-12	

Retained earnings	Net income/loss attributable to 3U HOLDING AG shareholders	Shareholders' equity attributable to 3U HOLDING AG shareholders	Minority interests	Total shareholders' equity
-29,536	0	38,590	0	38,590
0	37	37	1	38
0	0	-1,233	0	-1,233
0	0	0	0	0
0	0	0	13	13
-29,536	37	37,394	14	37,408

Retained earnings	Net income/loss attributable to 3U HOLDING AG shareholders	Shareholders' equity attributable to 3U HOLDING AG shareholders	Minority interests	Total shareholders' equity
-29,499	0	37,394	14	37,408
0	663	663	0	663
0	0	0	0	0
0	0	0	0	0
0	0	0	59	59
-29,499	663	38,057	73	38,130

30 Cash flow statement (IFRS)

3U Group (in TEUR)	Jan 1-Mar 31 2010	Jan 1-Mar 31 2009
Net income/loss for the period	663	127
+/- Depreciation/write-ups of fixed assets	2,153	2,271
+/- Increase/decrease of provisions	-1,223	343
-/+ Profit/loss on disposal of long-term assets	49	0
-/+ Increase/decrease in inventories and trade receivables	39	212
+/- Increase/decrease in trade payables	-661	-305
+/- Changes to other receivables	-800	-95
-/+ Changes to other payables	-1,579	227
+/- Change in network rentals prepaid and received	-2,036	-1,827
+/- Other non-cash changes	370	46
Cash flows from operating activities	-3,124	1,000
+ Inflows from disposals of property, plant and equipment	49	0
- Outflows for investments in property, plant and equipment	-781	-756
- Outflows for investments in intangible assets	-31	-3
- Outflows from additions to financial assets	-166	0
Cash flows from investing activities	-929	-759
Sum carried forward	-4,053	241

3U Group (in TEUR)	Jan 1-Mar 31 2010	Jan 1-Mar 31 2009
Sum carried forward	-4,053	241
 Cash outflow to companies' owner and minority partners (dividends, purchase of own shares, equity capital payback, other disbursements) 	0	-1 220
	•	-1,230
+ Cash inflow from the issuance of debit and borrowing of money	1,709	0
- Outflows from the repayment of bonds and (finance) loans	0	-2,943
- Repayment of lease liabilities	-801	-548
Cash flows from financing activities	908	-4,721
Increase/reduction in cash and cash equivalents	-3,145	-4,480
Cash and cash equivalents at beginning of period	33,289	35,474
Cash and cash equivalents at end of period	30,143	30,994

Explanatory notes to the consolidated financial statements as of March 31, 2010

General information about the Group

3U HOLDING AG (subsequently also referred to as 3U or Company), headquartered in Marburg, was founded in 1999 as a result of the change in the form of 3U Telekommunikation GmbH, Eschborn (formerly registered with the Frankfurt am Main District Court, HRB number 47870). The Company's registered office was relocated to Marburg in the 2003 financial year. It has since been registered in the Register of Companies there, under HRB number 4680.

On October 31, 2007, the name of the Company was changed from 3U TELECOM AG to 3U HOLDING AG on the basis of a resolution by the Annual General Meeting on August 28, 2007. In accordance with the resolution by the extraordinary General Meeting on January 15, 2007, the object of the Company was changed to the management of its own assets, the acquisition, management and sale of investments in German and foreign companies as well as the supply of management and advisory services and other services for Subsidiaries and associated companies and third parties.

The business activities of 3U HOLDING AG and its Subsidiaries are asset management and the provision of telecommunication services in the fixed-line and broadband/IP segments.

Furthermore 3U has expanded its activities in the field of Renewable Energies, IT services and consulting.

The address of the registered office of the Company is: Neue Kasseler Straße 62F, 35039 Marburg

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, 2009 were applied unchanged for the interim statements as of March 31, 2010.

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.

All stock options given in the year 2005 expired on March 9, 2010. Due to the fact that the share price was quoted well below the strike price during the exercise period March 9, 2007 till March 9, 2010 no stock options from the 2004/2005 stock option plan were exercised.

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 please 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 three months of 2010 as against the previous year. For information about individual business relations, please refer to our Annual Report of December 31, 2009, Section 8.3.

Basis of consolidation

Compared with December 31, 2009 the following changes to the basis of consolidation have arisen:

The company RISIMA Consulting GmbH, with its registered office in Marburg, was founded in accordance with Memorandum of Association dated January 29, 2010. 3U HOLDING AG holds an 80 % share.

A 74.996 % shareholding was acquired in EuroSun Vacuum-Solar-Systems GmbH, Frankenhardt, by way of an agreement dated March 26, 2010. The registered office was changed to Marburg and the object of the enterprise reformulated.

3U DYNAMICS GmbH with registered office in Marburg was also founded on March 26, 2010. Die 3U HOLDING AG has a 60 % shareholding in this company.

With effect from January 1, 2010 25.004 % of the shares in SEGAL Systems GmbH, Marburg, were sold. 3U HOLDING AG continues to hold a 74.996 % share in this company.

As at March 31, 2010 in addition to 3U HOLDING AG 17 (December 31, 2009: 14) subsidiary companies both within the country and outside its borders in which 3U HOLDING AG has a direct or indirect majority of votes, will be comprised.

CityDial GmbH remains in liquidation.

Other information

On March 1, 2010 the Company announced that the Supervisory Board of the Company had decided to revoke the appointment of Oliver Zimmermann to the Management Board with immediate effect.

As successor the Supervisory Board appointed the Head of the Finance and Controlling division of 3U HOLDING AG, Mr. Michael Göbel.

Segment reporting

In its interim consolidated financial statements as of March 31, 2010, 3U recognises the segment of fixed-line telephony. This comprises the call-by-call, preselection, value-added and scheduling services in the wholesale area. In addition, 3U also operates the segment of broadband/IP, legally combined under LambdaNet.

SEGAL Systems GmbH, which operates in the area of IT services, and 3U Solarkraft Friedrichstraße GmbH as well as 3U SOLAR Systemhandel AG, which operate in the field of renewable energies, are not subject to segment reporting per IFRS 8.13 They will be featured together with 3U HOLDING AG under "Others". The same applies to the newly established companies, RISIMA Consulting GmbH and 3U DYNAMICS GmbH, as well as the acquired majority shareholding in EuroSun Vacuum-Solar-Systems GmbH.

Segment reporting first quarter 2010 (in TEUR)	Fixed-line telephony	Broadband/IP	Others	Group
Total sales	14,804	9,707	13	24,525
Intercompany sales (inter-/intra-segment sales)	-3,076	-453	0	-3,530
External sales	11,728	9,253	13	20,995
Other operating income	271	259	61	591
Costs of materials	-8,227	-5,214	0	-13,440
Gross profit or loss	3,772	4,299	74	8,145
Staff costs	-724	-762	-807	-2,293
Other operating expense	-1,331	-862	-693	-2,886
EBITDA	1,717	2,675	-1,425	2,966
Depreciation	-74	-2,026	-54	-2,153
EBIT	1,643	649	-1,480	813
Group EBIT				813
Group EBIT				013
Financial result				116
Thereof: Profit/loss of companies included at equity				153
Taxes on income				-293
Share of net income/loss attributable to shareholder	s of 3U HOLDING	AG		636
Share of net income/loss attributable to minority sha	areholders			27
Consolidated net income/loss				663

Segment reporting first quarter 2009 (in TEUR)	Fixed-line telephony	Broadband/IP	Others	Group
Total sales	20,886	9,214	0	30,100
Intercompany sales (inter-/intra-segment sales)	-5,105	-230	0	-5,335
External sales	15,781	8,984	0	24,765
Other operating income	101	135	6	242
Costs of materials	-11,414	-4,999	0	-16,413
Gross profit or loss	4,468	4,120	6	8,593
Staff costs	-711	-1,689	-435	-2,835
Other operating expense	-1,469	-1,142	-90	-2,701
EBITDA	2,288	1,289	-518	3,058
Depreciation	-82	-2,141	-50	-2,273
EBIT	2,206	-852	-568	786
Group EBIT				786
Financial result				-293
Thereof: Profit/loss of companies included at equity				-1
Taxes on income				-366
Share of net income/loss attributable to shareholde	rs of 3U HOLDING	AG		127
Share of net income/loss attributable to minority sh	areholders			0
Consolidated net income/loss				127

The Management Board of 3U stipulates sales and the consolidated segment result before financing and income taxes as major performance indicators for a segment's business success, since it considers them crucial to a sector's success.

The intercompany sales represent the sales between the segments. These are eliminated. All other business transactions between the segments were already eliminated within the items concerned and only the consolidated values are thus presented there.

In the column Group, the 3U Group recognises items that by definition are not elements of the segment result. The financial result is composed of interest income and interest expenses as well as the income of companies included according to the at-equity method. The interest income is the result of investments of liquidity that are not allocated to the segments. The interest expense is largely based upon financing in the broadband/IP segment. The taxes on income are also not included in the segment result, as the tax expense may only be allocated to legal entities.

The following cash flow data were produced for the 3U Group (all amounts in TEUR):

Cash flow data 2010 (in TEUR)	Fixed-line telephony	Broadband/IP	Others
Cash flows from operating activities	-790	-900	-1,434
Cash flows from investing activities	43	-168	-804
Cash flows from financing activities	0	-801	1,709

Cash flow data 2009 (in TEUR)	Fixed-line telephony	Broadband/IP	Others
Cash flows from operating activities	615	475	-90
Cash flows from investing activities	-32	-725	-2
Cash flows from financing activities	0	-3,491	-1,230

For the purposes of monitoring earnings power and allocating resources between the segments, the Management Board scrutinises the material, intangible and financial assets allocated to the individual segment. Goodwill was allocated to the segments subject to reporting requirements.

(In TEUR)	Mar 31, 2010	Dec 31, 2009
Assets		
Fixed-line telephony segment	12,832	12,521
Broadband/IP segment	28,264	29,100
Others	5,078	3,406
Total segment assets	46,174	45,027
Assets not allocated	30,147	33,293
Total consolidated assets	76,321	78,320
Liabilities		
Fixed-line telephony segment	7,070	7,052
Broadband/IP segment	24,999	26,981
Others	6,122	6,879
Total segment liabilities	38,191	40,912
Reconciliation (shareholder's equity/minority interests)	38,130	37,408
Total consolidated liabilities/shareholder's equity	76,321	78,320

The investment in City Dial GmbH valued at equity and the liquid funds are not allocated to any segment.

The uniform Group accounting policies and methods of calculation were applied in the segment reporting. Telecom 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 prize comparison method is applied and with Group specific effects added. Administrative services are calculated as cost allocations.

(In TEUR)	Depreciation and amortisation Jan 1-Mar 31			Investments Jan 1-Mar 31	
	2010	2009	2010	2009	
Fixed-line telephony segment	74	82	5	32	
Broadband/IP segment	2,025	2,141	168	725	
Others	54	50	639	2	

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, May 12, 2010

The Management Board

Michael Schmidt

Michael Göbel

Financial calendar

Contact

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- Publication of report on Q2 2010 August 13, 2010
- Annual General Meeting August 19, 2010
- Publication of report on Q3 2010 November 12, 2010
- Analysts' conference
 "Deutsches Eigenkapitalforum Herbst 2010"
 Frankfurt am Main
 November 22–24, 2010

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Imprint

Published by 3U HOLDING AG Neue Kasseler Straße 62F 35039 Marburg

Photographs Shutterstock Images LLC (title)

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

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Disclaimer

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

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

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

3U Group

3U HOLDING AG

Fixed-line telephony

010017 Telecom GmbH Marburg, Germany

3U MOBILE GmbH Marburg, Germany

3U TELECOM GmbH Marburg, Germany

3U TELECOM GmbH Vienna, Austria

Discount Telecom S&V GmbH Marburg, Germany

fon4U Telecom GmbH Marburg, Germany

LineCall Telecom GmbH Marburg, Germany

OneTel **Telecommunication GmbH** Marburg, Germany

Spider Telecom GmbH Marburg, Germany

Broadband/IP

LambdaNet Communications **Deutschland AG** Hannover, Germany

LambdaNet Communications Austria GmbH Vienna, Austria

LambdaNet Communications s.r.o.

Městec Králové, Czech Republic

IT/Consulting

3U DYNAMICS GmbH Marburg, Germany

myFairPartner Limited London, Great Britain

RISIMA Consulting GmbH Marburg, Germany

SEGAL Systems GmbH Marburg, Germany

Renewable energies

3U SOLAR Systemhandel AG Marburg, Germany

3U Solarkraft Friedrichstraße GmbH Marburg, Germany

EuroSun Vacuum-Solar-Systems **GmbH** Marburg, Germany



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