



QUARTERLY REPORT 3/2007

3U HOLDING 

SUMMARY OF GROUP RESULTS

3U Group (IFRS)		9-month comparison	
		1 Jan – 30 Sep 2007	1 Jan – 30 Sep 2006
Sales from continuing operations	(in € million)	57.31	65.54*
EBITDA (earnings before interest, taxes, depreciation and amortisation) from continuing operations	(in € million)	1.53	0.02*
EBIT (earnings before interest and taxes) from continuing operations	(in € million)	0.80	-1.24*
EBT (earnings before taxes) from continuing operations	(in € million)	1.14	1.04*
Net income/loss for the period from continuing operations	(in € million)	1.06	1.04*
Net income/loss from discontinuing operations	(in € million)	-5.51	-2.23*
Total earnings per share (basic)	(in €)	-0.09	-0.03
Total earnings per share (diluted)	(in €)	-0.09	-0.02
Equity ratio	(in %)	39.02	39.00

3U Group (IFRS)		Quarterly comparison	
		Q3 2007	Q3 2006
Sales from continuing operations	(in € million)	20.03	21.90*
EBITDA (earnings before interest, taxes, depreciation and amortisation) from continuing operations	(in € million)	0.73	-0.03*
EBIT (earnings before interest and taxes) from continuing operations	(in € million)	0.50	-0.28*
EBT (earnings before taxes) from continuing operations	(in € million)	0.75	1.94*
Net income/loss for the period from continuing operations	(in € million)	0.70	2.00*
Net income/loss from discontinuing operations	(in € million)	-2.14	-2.10*
Total earnings per share (basic)	(in €)	-0.03	0.00
Total earnings per share (diluted)	(in €)	-0.03	0.00
Equity ratio	(in %)	39.02	39.00

*The figures for the previous year have been adjusted for operations to be discontinued.

In view of the third quarter of 2006, the EBITDA and EBIT figures were adjusted for the non-recurring positive special effect of € 2.20 million from fund income.



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Dear Shareholders,

You have in your hands the report on the third quarter of 2007, the first under the new name of 3U HOLDING AG. Our Company's Annual General Meeting took place on 28 August 2007. The shareholders agreed to all resolutions proposed by the Management Board and the Supervisory Board, including the change of name, by a majority of over 98%. The new name was entered into the Marburg Commercial Register on 31 October 2007. The new name reflects the strategic repositioning; 3U HOLDING AG will now adopt the function of a management and investment holding company. The development of the investment business should lead to realising new growth and income potential. Due to pending minority shareholders' action in rescission, the spinning off of the telecommunications services sector from 3U HOLDING AG to the new 3U TELECOM GmbH resolved in the Extraordinary General Meeting held in January 2007 and the connected amendments to the Articles of Association have yet to take place. However, on the basis of our current Articles of Association we are already authorised to establish other companies or to invest in other companies which lie outside the traditional telecommunications sector. In addition we are expressly authorised to deploy our available cash and cash equivalents for the acquisition of companies or interests.

Repositioning has positive effect on the share price

The strategic repositioning, connected with the planned disposal of LambdaNet, was very well received by the media, analysts and investors alike. The enterprise value has since significantly increased. The share price even reached a new record for the year during the third quarter of 2007.

LambdaNet still held for sale

We strictly adhere to the sale of LambdaNet Communications Deutschland AG, which we developed into one of the leading suppliers of carrier network solutions for telecommunications companies. In view of the continued and generally well-known conservative lending policy among banks for investment financing triggered by the crisis in the US mortgage loans market, the sale may possibly be made more difficult.

Sales development in line with expectations

Since LambdaNet is still held for sale, it is also to be deferred as a held-for-sale company in accordance with the International Financial Reporting Standards (IFRS) in the third quarter, in addition to the subsidiaries in Austria and USA also currently held for sale. The sales of the original Broadband/IP segment have therefore not been included in the Group's current quarterly report, and the comparable period's figures have been adjusted accordingly. Consolidated sales, which have therefore resulted exclusively from the core business of fixed-line telephony, amounted to € 20.03 million during the third quarter of 2007 following € 18.95 million

in the second quarter of 2007. As against the third quarter of 2006, sales fell by 8.5% to € 21.90 million. The decline in sales thus remained in line with expectations.

Positive result continues in core business fixed-line telephony sector

Thanks to various optimisation measures and a systematic focus on earnings, the fixed-line telephony sector continues to deliver positive earnings contributions to the consolidated profit. At € 0.73 million in the third quarter, EBITDA was positive in every quarter of the current financial year (Q3 2006: € -0.03 million) following € 0.64 million in the second quarter and € 0.16 million in the first quarter.

Net profit for the period rose in the third quarter of 2007 as against the second quarter of 2007 significantly by 67% from € 0.42 million to € 0.70 million and thus amounted to € 1.06 million as of 30 September 2007.

Strategic repositioning as basis for increasing corporate value

3U HOLDING AG intends to develop into a well-known and successful investment company within the next three to five years and develop a correspondingly risk-balanced investment portfolio whilst generating above-average returns. Our traditional core business of fixed-line telephony will contribute positively to the consolidated profit. Cash and cash equivalents will increase further as a result of the possible sale of LambdaNet and will put our company in a position to operate successfully as an investment company.

It is our aim to drive forward the change to a successful management and investment company for the shareholders to generate attractive returns and to further increase the value of 3U HOLDING AG.

Marburg, November 2007

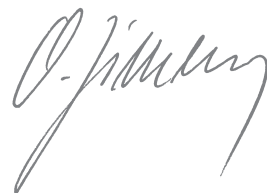
The Management Board



Michael Schmidt



Roland Thieme



Oliver Zimmermann

Investor relations

The most important Investor Relations event of the third quarter of 2007 was the Annual General Meeting held in Marburg on 28 August 2007. The Management and Supervisory Boards provided a detailed report on the concluded 2006 financial year and reported on the current 2007 financial year and on further planning in respect of the Company's strategic repositioning. All draft resolutions of the Management and Supervisory Boards were agreed to by a majority of 98 %.

Peter Coch, who was appointed to the Supervisory Board at the beginning of August to replace the outgoing member Hubertus Kestler, was also introduced to the shareholders during the Annual General Meeting.

Summary of 3U shares

International Securities Identification Number (ISIN)	DE0005167902
Wertpapierkennnummer (WKN) [Securities Identification Number]	516790
Stock exchange symbol	uuu
Trading segment	Prime Standard
Industry key	Telecommunication
Designated sponsor	AXG Investmentbank AG
Initial listing	26 November 1999
Registered share capital	€ 46,842,240.00
Share price on 28 September 2007*	€ 0.89
Share price high in period from 1 January to 30 September 2007*	€ 1.11 (16 July 2007)
Share price low in period from 1 January to 30 September 2007*	€ 0.59 (11 and 17 May 2007)
Number of shares	46,842,240
Market capitalisation on 30 September 2007	€ 41,689,593.60
Earnings per share (basic)	€ -0.09

*Daily closing price Xetra

Share price

Price performance of 3U shares* against the Technology All Share Index



Supported by our active Investor Relations work, the repositioning raised awareness and thus led to a pleasingly higher valuation of 3U shares during the reporting period. In the third quarter of 2007, the share price rose to a record high for the year from € 1.11 in July, but then sank to just under € 0.90 by the end of the third quarter of 2007, accompanied by the overall market. As against the beginning of the year, the price of € 0.62 as of 30 September 2007 generated a performance of over 40%; as measured by the record for the year in July, this represented a rise of almost 80%.

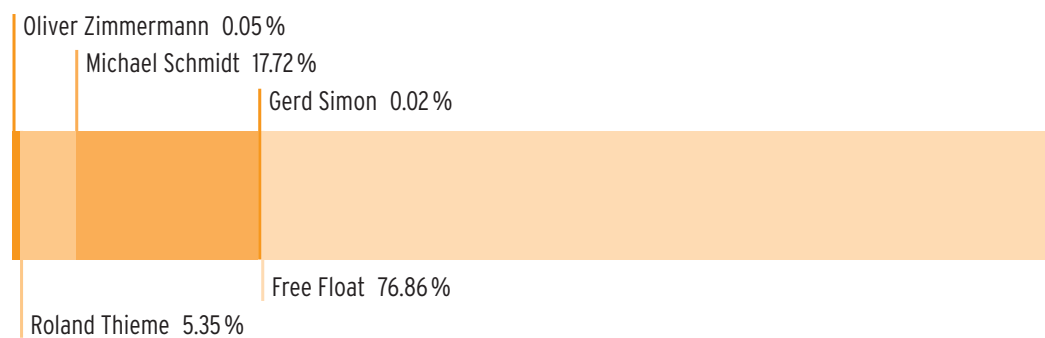
*Daily closing price Xetra

Shareholder structure

As of 30 September 2007, members of the governing bodies held the following shares with full voting and dividend rights:

Management Board		
Michael Schmidt	(Member of the Management Board, Technology)	8,299,995 shares
Roland Thieme	(Member of the Management Board, Technical Service)	2,508,330 shares
Oliver Zimmermann	(Member of the Management Board, Finance)	25,000 shares
Management Board total		10,833,325 shares

Supervisory Board		
Ralf Thoenes	(Chairman)	0 shares
Gerd Simon	(Deputy Chairman)	10,000 shares
Peter Coch		0 shares
Supervisory Board total		10,000 shares



As already announced in the report on the second quarter of 2007, LambdaNet, being a company for sale, will again be reported as a held-for-sale company in line with International Financial Reporting Standards (IFRS) in the third quarter of 2007. The foreign companies in the USA and in Austria are also currently held for sale. These sales will therefore not be included in the consolidated income statement. This must be taken into account in a comparison of current figures with figures from previous reporting periods. By contrast, net profit for the period and the balance sheet figures of the held-for-sale companies are reported separately in the consolidated financial statements as of 30 September 2007.

Results of operations

Group (fixed-line telephony core business)

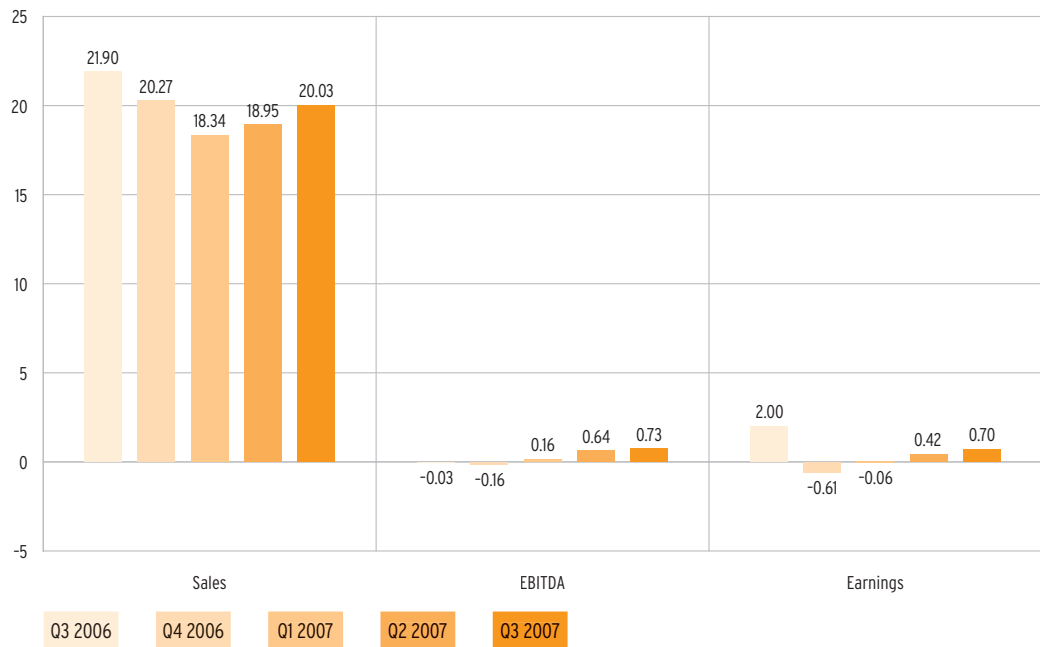
Since the sales from the companies held for sale are not included in the consolidated income statement, consolidated sales now result exclusively from the core business of fixed-line telephony as of 30 September 2007. Following sales of € 18.95 million during the second quarter of 2007, adjusted for the held-for-sale effect, € 20.03 million were received in the third quarter of 2007. As against the third quarter of 2006 (€ 21.90 million), sales fell by 8.5% in line with expectations. Sales of € 57.31 million were thus recorded during the first nine months of the current 2007 financial year.

Our systematic focus on earnings is bearing fruit. In comparison with the second quarter of 2007, EBITDA from the core business of fixed-line telephony rose during the third quarter of 2007 by around 14.1% from € 0.64 million to € 0.73 million (Q3 2006: € -0.03 million). EBITDA has thus been consecutively positive for the third quarter.

Net profit for the period in the core business of fixed-line telephony also developed very pleasingly. As against the second quarter of 2007, the net profit for the third quarter of 2007 rose by 67% from € 0.42 million to € 0.70 million. Quarterly profit has thus been positive for the second time running. At € 2.00 million, the net profit for the period in the third quarter of 2006 was above the result of the corresponding reporting period of the current financial year, but was positively influenced to a substantial degree by non-recurring special effects.

The results from LambdaNet and the foreign companies held for sale are included in the consolidated net profit for the period. The ongoing high depreciation of LambdaNet continues to impact total net income negatively. Net loss for the period of the 3U Group amounted to € 1.44 million in the third quarter of 2007, as against a net loss of € 0.82 million in the second quarter of 2007 (Q3 2006: € -0.10 million).

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



Financial and assets position

As a result of the separation of held-for-sale LambdaNet and the held-for-sale subsidiaries in Austria and in the USA, the balance sheet ratios have significantly changed, since they have not been reported separately. A comparison with the corresponding reporting periods of previous financial years is thus not of significance.

Equity ratio is important for reporting on the stability of the Company. This is unchanged in its presentation and remains comparable with previous reporting periods. In comparison with 31 December 2006 (38.51%), the equity ratio of the 3U Group further improved at 39.02% as of the balance sheet date 30 September 2007.

*The comparative figures (sales, EBITDA and earnings) of the previous period have been adjusted for discontinuing operations.

The EBITDA figures were adjusted for 2006 to take into account the non-recurring positive special effects of € 2.20 million from fund income (Q3 2006) and € 0.31 million (Q4 2006) as well as the negative special effects of € 0.25 million from deconsolidation (Q1 to Q4 2006), risk adjustments for court cases in provisions of € 0.70 million (Q4 2006) and non-recurring special effects of € 0.37 million in connection with the corporate restructuring (Q4 2006).

Investments in the core business of fixed-line telephony amounted to a total of € 0.36 million in the first nine months of the current financial year.

At € 30.62 million (31 December 2006: € 74.68 million), non-current assets accounted for 31.54 % of total assets of € 97.08 million. At € 66.46 million (31 December 2006: € 32.74 million), current assets accounted for 68.46 % of total assets. Non-current provisions and liabilities totalled € 0.10 million (31 December 2006: € 32.79 million).

Please note again that the significant changes as against the comparative periods are due in particular to the separation of LambdaNet and the companies in the USA (3U TELECOM INC.) and Austria (3U TELECOM GmbH) as companies held for sale, as required by IFRS.

As of 30 September 2007, cash and cash equivalents amounted to € 33.18 million. The decline in cash as against 31 December 2006 (€ 38.83 million) is essentially due to the reclassification of the cash and cash equivalents of LambdaNet. Including the cash position of LambdaNet, cash and cash equivalents decreased from € 4.07 million as of 30 September 2007 by only € 1.14 million to € 37.69 million despite further repayments in the first nine months of 2007.

Employees

The number of employees in the 3U Group (excluding the held-for-sale companies LambdaNet Communications Deutschland AG, 3U TELECOM INC., USA and 3U TELECOM GmbH, Austria), remained constant at a total of 60 as of 30 September 2007 as against 30 June 2007.

Employee structure in the first nine months of 2007*



*Employees including temporary staff based on full-time equivalents (weighted quarterly figures).

There were no extraordinary developments in business with related parties in the first nine months of 2007 as against the previous year.

RISK REPORT

As of 30 September 2007, there were no material changes in the risks and the appraisal of them as reported in the 2006 Annual Report.

SIGNIFICANT EVENTS SINCE THE END OF THE INTERIM REPORTING PERIOD

Entry of resolutions of the Annual General Meeting into the Commercial Register

The change of name from 3U TELECOM AG to 3U HOLDING AG was entered into the Marburg Commercial Register on 31 October 2007. The resolutions of the Annual General Meeting were entered in respect of the authorisation for acquisition of own shares and the Company agreements with the subsidiaries 010017 Telecom GmbH and Discount Telecom S&V GmbH.

Actions for rescission and cancellation

An appeal was lodged at the Frankfurt am Main Higher Regional Court against its ruling to uphold the actions for rescission and cancellation by minority shareholders against the resolutions of the Extraordinary General Meeting of 15 January 2007. The Frankfurt am Main District Court rejected the application for a so-called clearance and/or release procedure for the same reasons as in the proceedings in the main action. The release procedure is intended to allow spinning off the telecommunications services sector resolved in January of this year to form the new 3U TELECOM GmbH and for the company agreement to be entered into the Commercial Register before the end of this year. The Company has lodged complaints with the Higher Regional Court.

Strategic repositioning

The Annual General Meeting of 28 August 2007 agreed to the draft resolutions by a large majority. The entry in the Commercial Register on 31 October 2007 means that the originally named 3U TELECOM AG now operates under the new name of 3U HOLDING AG. The change of name reflects the strategic repositioning of the Company headquartered in Marburg. 3U HOLDING AG will now adopt the function of a management and investment holding company. The development of the investment business should lead to the realisation of new growth and income potential.

The aim is to develop into a well-known and successful investment company within the next three to five years which generates attractive returns based on a risk-diversified investment portfolio.

Fixed-line telephony core business

The core business of fixed-line telephony is developing in line with the Management Board's expectations. Sales may be declining as expected, but this segment now delivers sustainable positive earnings contributions thanks to a systematic focus on earnings. We will maintain this strict course.

We have enhanced the product portfolio in the area of value-added services. Since mid-October 2007, we have offered bundled customer services in call-through processes via 0180 numbers even with alternative providers, where call-by-call is not possible. The opportunity thus arises for us to access customer groups which are actually otherwise contractually bound.

The area of 0900 premium services is also being extended for content providers. From the installation of new, and the transfer of existing, 0900 numbers to 3U's "intelligent network" to invoicing, receivables management and end-customer care, we offer a comprehensive service range for premium services.

Profitability in the core business has been secured by focussing on the area of call-by-call and wholesale in the fixed-line telephony sector. We are expecting these positive developments to continue and to stabilise. The objectives for the core business of fixed-line telephony for 2007 as a whole is an EBITDA of around € 2 million and earnings of around € 1.2 million on sales of around € 80 million.

Opportunities

In the core business of fixed-line telephony, the 3U Group has implemented the right measures for a solid basis that is geared to earnings in the difficult telecommunications market. We are continuing to work intensively on realising more earnings potential in the area of call-by-call, wholesale and premium services. In the future, the fixed-line telephony sector is set to make a positive contribution to the Group's earnings.

By agreeing to the draft resolutions, the Annual General Meeting has set the course for the strategic repositioning under the new name of 3U HOLDING AG.

The sale of LambdaNet means cash of € 33.18 million would flow into the already available cash and cash equivalents.

It is our aim to drive forward the change to a successful management and investment company in order to generate attractive returns and to further increase the value of the Company.

CONSOLIDATED INCOME STATEMENT (IFRS)

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3U Group (in T€)	3-month report		9-month report	
	1 July – 30 September 2007	2006	1 January – 30 September 2007	2006
Sales	20,027	21,902	57,311	65,544
Cost of sales	-17,093	-19,602	-48,865	-58,774
Gross profit	2,934	2,300	8,446	6,770
Selling expenses	-455	-634	-1,573	-1,931
Administrative expenses and general expenses	-1,945	-2,076	-6,228	-6,208
Other operating income	345	28,312	1,399	31,427
Other operating expenses	-384	-25,980	-1,246	-29,147
Earnings before interest and taxes	495	1,922	798	911
Interest income	282	68	403	219
Interest expenses	-22	-47	-62	-96
Income/expenses from financial assets (equity method)	-2	-3	-2	8
Earnings before taxes	753	1,940	1,137	1,042
Income tax expense	-54	59	-73	-4
Earnings before minority interests	699	1,999	1,064	1,038
Minority interests	0	0	0	0
Net income/loss from continuing operations	699	1,999	1,064	1,038
Total net income/loss from discontinuing operations	-2,140	-2,095	-5,507	-2,226
Total consolidated net income/loss	-1,441	-96	-4,443	-1,188
Earnings per share				
Earnings per share, basic (in €)	-0.03	0.00	-0.09	-0.03
Earnings per share, diluted (in €)	-0.03	0.00	-0.09	-0.02
Average shares outstanding, basic (per item)	46,842,240	46,842,240	46,842,240	46,842,240
Average shares outstanding, diluted (per item)	49,914,490	49,914,490	49,914,490	49,914,490

CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2007 (IFRS)

Assets 3U Group (in T€)	30 September 2007	31 December 2006
Non-current assets	30,620	74,679
Intangible assets	1,011	8,010
Property, plant and equipment	1,702	38,880
Financial assets*	26,541	24,948
Deferred tax assets	0	0
Other non-current assets	0	683
Prepaid expenses	1,366	2,158
Current assets	66,455	32,738
Inventories	0	102
Trade receivables	10,189	13,603
Other current assets	53	2,287
Cash and cash equivalents	6,020	13,979
Prepaid expenses	0	2,767
Assets held for sale	50,193	0
Total assets	97,075	107,417

*This includes CityDial GmbH (associated company) with T€ 94 (previous year: T€ 96).

Shareholders' equity and liabilities 3U Group (in T€)	30 September 2007	31 December 2006
Shareholders' equity	37,877	41,365
Issued capital	46,842	46,842
Capital reserve	21,469	21,379
Revaluation reserve	1,972	1,115
Retained earnings	-27,989	-24,133
Net income/loss	-4,443	-3,856
Minority interests	25	25
Adjustment item for currency difference	1	-7
Non-current provisions and liabilities	103	32,788
Non-current provisions	103	4,642
Non-current liabilities due to banks	0	10,137
Non-current lease liabilities	0	17,879
Other non-current liabilities	0	5
Deferred income	0	125
Current provisions and liabilities	59,095	33,264
Current provisions	2,446	4,998
Current liabilities due to banks	0	3,870
Trade payables	10,400	18,424
Current lease liabilities	0	2,041
Other current liabilities	1,906	1,276
Deferred income	0	2,655
Liabilities held for sale	44,343	0
Total shareholders' equity and liabilities	97,075	107,417

CASH FLOW STATEMENT (IFRS)

3U Group (in T€)	1 January – 30 September	
	2007	2006
Net income/loss for the period	-4,443	-1,188
Depreciation/write-ups of fixed assets	9,978	13,266
Increase/decrease of provisions and valuation allowances	1,121	-5,997
Profit/loss on disposal of non-current assets	0	-2,623
Increase/decrease of inventories trade receivables	-701	778
Increase/decrease of trade accounts payable	-2,904	-7,354
Changes to other receivables	2,170	2,752
Changes to other payables	744	8,197
Changes in prepaid expenses and deferred income	-901	-41
Interest payments	-1,479	-1,793
Income tax payments	-91	-79
Other non-cash changes	76	-203
Cash flows from operating activities from continuing operations	-186	5,715
Cash flows from operating activities from discontinuing operations	3,756	0
Cash flows from operating activities	3,570	5,715
Inflows from the disposal of non-current assets	397	0
Outflows for investments in property, plant and equipment	-2,299	-1,826
Outflows for investments in intangible assets	-11	0
Inflows from the disposal of financial assets	2,454	25,854
Outflows for additions to financial assets	-2,730	-23,554
Cash flows from investing activities from continuing operations	-391	474
Cash flows from investing activities from discontinuing operations	-1,798	0
Cash flows from investing activities	-2,189	474
Outflows for the repayment of bonds and (finance) loans	-2,836	-2,610
Repayment of lease liabilities	-1,249	-1,243
Cash flows from financing activities from continuing operations	-797	-3,853
Cash flows from financing activities from discontinuing operations	-3,288	0
Cash flows from financing activities	-4,085	-3,853

3U Group (in T€)	1 January – 30 September	
	2007	2006
Increase/reduction in cash and cash equivalents	-2,704	2,336
Changes to cash and cash equivalents from changes to the scope of consolidation	-79	-86
Cash and cash equivalents at the beginning of the period from continuing operations	7,473	15,278
Cash and cash equivalents at the beginning of the period from discontinuing operations	6,506	0
Cash and cash equivalents at the beginning of the period	13,979	15,278
Cash and cash equivalents at the end of the period from continuing operations	6,020	17,528
Cash and cash equivalents at the end of the period from discontinuing operations	5,176	0
Cash and cash equivalents at the end of the period	11,196	17,528

STATEMENT OF CHANGES IN EQUITY (IFRS)

3U Group (in T€)	Issued capital	Capital reserve	Revalu- ation reserve/ retained earnings	Profit/ loss carried forward	Minority interests	Currency	Net income/ loss	Total share- holders' equity
As of 1 Jan 2006	46,842	20,901	2,213	-24,133	9	-11	0	45,821
Consolidated profit	0	0	0	0	16	0	-3,856	-3,840
Stock options	0	478	0	0	0	0	0	478
Revaluation securities	0	0	-1,098	0	0	0	0	-1,098
Changes taken directly to equity	0	0	0	0	0	4	0	4
As of 31 Dec 2006	46,842	21,379	1,115	-24,133	25	-7	-3,856	41,365

3U Group (in T€)	Issued capital	Capital reserve	Revalu- ation reserve/ retained earnings	Profit/ loss carried forward	Minority interests	Currency	Net income/ loss	Total share- holders' equity
As of 1 Jan 2007	46,842	21,379	1,115	-27,989	25	-7	0	41,365
Consolidated profit*	0	0	0	0	0	0	-4,443	-4,443
Stock options	0	90	0	0	0	0	0	90
Revaluation securities	0	0	857	0	0	0	0	857
Changes taken directly to equity	0	0	0	0	0	8	0	8
As of 30 Sep 2007	46,842	21,469	1,972	-27,989	25	1	-4,443	37,877

*Of which € -5,507 thousand from discontinuing operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2007 (IFRS)

• Order book	See "Report on Business Development" page 9 et seq.
• Development of costs and prices	See "Report on Business Development" page 9 et seq.
• Employee participation programme	No changes as against financial year 2006
• Number of employees	See "Employees" page 11

General information about the Group

3U HOLDING AG (hereinafter 3U HOLDING or the Company), headquartered in Marburg, was founded in 1999 as a result of a 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 Commercial Register there, under HRB number 4680. On 31 October 2007, the name of the Company was changed from 3U TELECOM AG to 3U HOLDING AG on the basis of the resolution of the Annual General Meeting of 28 August 2007.

Accounting principles

This interim financial report complies with the provisions of International Financial Reporting Standards (IFRS). This 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 31 December 2006 were applied unchanged to the interim statements as of 30 September 2007.

In addition, please note in respect to accounting that LambdaNet Communications Deutschland AG, Hannover, 3U TELECOM INC., Henderson (NV), USA and 3U TELECOM GmbH, Vienna, Austria have been recognised as held for sale under IFRS 5.

In order to provide readers of the financial statements with a better assessment of the financial impact of the discontinuing operations (IFRS 5.30), there has been no consolidation of income and expenses between the continuing operations and those held for sale.

The following information in the notes, with the exception of that expressly provided under "Operations held for sale", relates to the continuing operations.

There were no extraordinary developments in business with related parties and the Company in the first nine months of 2007 as against the previous year.

Scope of consolidation

As of 1 January 2007, the following companies left the scope of consolidation (status: 31 December 2006):

3U TELECOM AG, Switzerland

3U TELECOM S.P.R.L., Belgium

3U TELECOM SARL, Luxemburg

3U TELECOM Ltd., United Kingdom

3U TELECOM SARL, France

The following companies were reclassified as "held for sale":

LambdaNet Communications Deutschland AG, Hannover

3U TELECOM INC., Henderson (NV), USA

3U TELECOM GmbH, Vienna, Austria

There were no other changes in the scope of consolidation.

Operations held for sale

On 21 June 2007, following its approval by the Supervisory Board, the Management Board of 3U HOLDING AG announced plans to dispose of its subsidiary LambdaNet Communications Deutschland AG and thereby its entire Broadband/IP business area. Having acquired LambdaNet in April 2004 and successfully developing it into one of the leading providers of carrier network solutions for telecommunications companies, Internet service providers and business customers, it is now being sold for strategic reasons. As the fixed-line telephony sector refocused on call-by-call and wholesale business in mid-2006, LambdaNet is no longer required by the 3U Group. As a result of the disposal, 3U HOLDING AG should receive further liquidity to add to its current cash and cash equivalents for the planned development of its investment business.

On 14 September 2007, the Supervisory Board also agreed to the continuation of the streamlining decided upon by the Management Board approving the sale of the remaining foreign companies 3U TELECOM INC., Henderson (NV), USA and 3U TELECOM GmbH, Vienna, Austria. Relevant discussions are in progress with parties interested in purchase.

The amounts of investments reported separately in the balance sheet and income statement as held for sale as of 30 September 2007 in line with IFRS 5 break down as follows:

A) Investment in LambdaNet Communications Deutschland AG (former broadband/IP Segment)

Income statement for the period from 1 January to 30 September 2007

Income statement (in T€)	1 January – 30 September	
	2007	2006
Sales	26,156	28,200
Other operating income	744	6,121
Current expenses	-32,745	-37,003
Earnings before taxes	-5,845	-2,682
Taxes	-1	-1
Total earnings	-5,846	-2,683

Assets held for sale as of 30 September 2007

Assets held for sale (in T€)	30 Sep 2007
Property, plant and equipment	13,673
Capitalised leased assets	17,057
Other non-current assets	6,138
Current assets	11,631
Total	48,499

Liabilities held for sale as of 30 September 2007

Liabilities held for sale (in T€)	30 Sep 2007
Expensed, non-current leased liabilities	16,551
Other non-current liabilities	6,648
Expensed, current liabilities	2,120
Other current liabilities	18,025
Total	43,344

**B) Investments in 3U TELECOM INC., Henderson (NV), USA and in 3U TELECOM GmbH, Vienna, Austria
(fixed-line telephony segment)**

Income statement for the period from 1 January to 30 September 2007

Income statement (in T€)	1 January – 30 September	
	2007	2006
Sales	5,658	6,060
Other operating income	1,417	806
Current expenses	-6,721	-6,335
Earnings before taxes	354	531
Taxes	-16	-74
Total earnings	338	457

Assets held for sale as of 30 September 2007

Assets held for sale (in T€)	30 Sep 2007
Property, plant and equipment	92
Other non-current assets	121
Current assets	1,481
Total	1,694

Liabilities held for sale as of 30 September 2007

Liabilities held for sale (in T€)	30 Sep 2007
Other current liabilities	998
Total	998

Cash flow from discontinuing operations

In this interim report, cash flow from discontinuing operations in the first nine months of 2007 has been reported separately. On account of the planned disposal of LambdaNet Communications Deutschland AG, 3U TELECOM INC., USA and 3U TELECOM GmbH, Austria, cash flow has been listed as subtotals representing cash flow from operating activities, investing activities and financing activities and cash and cash equivalents of the continuing operations. The decision to sell LambdaNet Communications Deutschland AG was made in the second quarter of 2007 and the decision to sell 3U TELECOM INC., USA and 3U TELECOM GmbH, Austria, was made in the third quarter, meaning the cash flow for the first nine months of 2006 and the third quarter of 2006 have therefore been shown unchanged.

Contingent liabilities

In a recent decision, the Cologne Administrative Court declared the advance regulation on termination charges by the "Bundesnetzagentur für Elektrizität, Gas, Telekommunikation, Post und Eisenbahnen" as illegal, thereby partially justifying an action by mobile telephony providers. If the Federal Administrative Court upholds the ruling of the first instance, all the interconnection partners of mobile phone operators would receive subsequent debits. This would result in contingent liabilities of € 2.92 million for 3U HOLDING AG as of 30 September 2007.

2008 German corporation tax reform

The German corporation tax reform coming into force on 1 January 2008 will impact earnings at 3U HOLDING AG. The reform leads to a reduction of the average tax rate from 42.42 % to 34.85 %. The effects of this reduction in the tax rate on the income taxes in the reporting quarter were not significant.

Significant events since the end of the interim reporting period

Please see page 12 of this quarterly report.

Responsibility statement

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

Marburg, November 2007

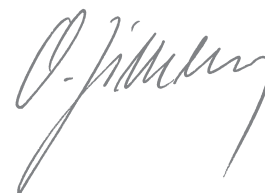
The Management Board



Michael Schmidt



Roland Thieme



Oliver Zimmermann

FINANCIAL CALENDAR

- **Analysts' conference**
30 November 2007
- **Publication of the 2007 Annual Report**
31 March 2008
- **Publication of report on Q1 2008**
27 May 2008
- **Publication of report on Q2 2008**
26 August 2008
- **Publication of report on Q3 2008**
25 November 2008

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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 TELECOM 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 TELECOM 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 TELECOM 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 TELECOM AG in accordance with the German Commercial Code (HGB) or IFRS. It should be noted that the figures for 3U TELECOM 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.

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fon4U

fon4U Telecom GmbH
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