

9 Month Report

2007



Dear shareholders, employees and friends of United Internet!



On completion of the first nine months of 2007 we can be satisfied with what we have achieved so far: in comparison with the same period last year, we achieved strong growth in both sales and earnings and once again set new record figures. Consolidated sales of United Internet AG grew by 27.1 % from € 844.4 million in the first nine months to € 1,073.1 million (adjusted prior-year figure after the sale and deconsolidation of twenty4help in the first quarter of 2007). Pre-tax earnings climbed 29.6 %, from € 140.4 million (comparable prior-year figure) to € 182.0 million. This figure contains a one-off net positive effect on earnings from our Online Marketing segment of € 7.4 million in the second quarter of 2007.

Our good result reflects the positive development of our two business segments, Products and Online Marketing:

In the Product sector, with our brands GMX, WEB.DE, 1&1, InterNetX and Fasthosts, sales grew by 26.8 % over the previous year to € 915.5 million and EBT by 24.7 % to € 163.2 million. Compared with September 30, 2006, the number of paying customer contracts increased by 1.02 million to 7.07 million. There was strong growth in all product lines: in Webhosting we made particularly strong progress in our foreign markets with year-on-year growth in contracts of 390,000 to 1.55 million. Including Germany, we held a total of some 3.20 million webhosting contracts as of September 30, 2007 — an increase of 470,000 compared with September 30, 2006. In the field of Information Management, we posted year-on-year growth of 120,000 in new contracts to reach 1.19 million and 470,000 DSL contracts to reach 2.54 million. In addition to the acquisition of new customers and the launch of innovative products — such as our all-inclusive packages with internet and telephony flat rates and the optional inclusion of movie and mobile telephony flat rates — the main focus of our DSL business was placed on raising customer loyalty and expanding business with our current client base. Compared with September 30, 2006, we were able to raise the number of telephony customers from 560,000 to 1.60 million. At the same time, the number of telephone minutes completed per month grew from 540 million to over 800 million. The number of our own DSL connection customers also improved strongly by 600,000 to

2.19 million. Following the launch of our all-inclusive packages — without Deutsche Telekom connection — on July 1, 2007, we were able to compensate in part for the dip in DSL growth of the second quarter and gain 120,000 new DSL contracts.

In the Online Marketing segment, our brands AdLINK Media, affilinet and Sedo are benefiting from the positive development of the online advertising market. Compared with the same period last year, sales in this segment grew by 28.6 % to € 157.0 million. EBT improved by 61.6 % to € 22.3 million — influenced by a one-off positive effect on earnings of € 7.4 million.

Our former third segment, Outsourcing, is no longer separately disclosed since the sale of the twenty4help group to Teleperformance S.A. The consolidated figures for the previous year have been adjusted accordingly and now only comprise continued operations. The remaining Outsourcing brand InterNetX was integrated into the Product segment.

We are also optimistic for the remaining months of the current fiscal year: with our all-inclusive packages launched in July 2007, which no longer require a Deutsche Telekom connection, we expect strong growth which will enable us to reach our targets for the year. We also see further good growth opportunities for our international webhosting business and online advertising. The roll-out of new products in Germany and abroad will also open up further opportunities.

Montabaur, November 9, 2007

Ralph Dommermuth
CEO

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Selected key figures acc. to IFRS

(continued operations)

		Jan.–Sept. 2007	Jan.–Sept. 2006
Sales	€ million	1,073.1	844.4
Earnings before interest, taxes, depreciation, amortization (EBITDA)	€ million	235.5	177.2
Earnings before taxes (EBT)	€ million	182.0	140.4
Employees	number	3,734	2,895
Share price as of end of September (XETRA)	€	15.79	10.85
Earnings per share	€	0.48	0.33

Quarterly development	Q4/2006 € million	Q1/2007 € million	Q2/2007 € million	Q3/2007 € million	Q3/2006 € million
Sales	329.7	336.9	361.1	375.1	295.2
EBITDA	44.0	63.4	95.5	76.6	66.1
EBT	30.9	50.1	71.8	60.1	53.1

Management report for the first nine months 2007

Economic environment

Global economic growth

The positive economic development forecast by many economists for 2007 was confirmed in the first nine months of 2007, both globally as well as in Europe and Germany. According to estimates of the International Monetary Fund (IMF), the global economy is now growing even faster than predicted in spring. In its latest "World Economic Outlook" report, the IMF expects global economic growth of around 5.2 % for 2007 and is thus slightly above its spring forecast of 4.9 %. For the Euro zone, the IMF now forecasts growth of 2.5 %, compared with 2.3 % in its spring forecast. Experts also expect sustained and stable growth in Germany. Against this backdrop, the leading economic institutes forecast growth of 2.6 % for 2007 in their fall reports. As a result of this robust economic development, the German Labor Agency ("Bundesagentur für Arbeit") reports that the number of officially registered unemployed has also fallen. Unemployment fell to 3.434 million in October, down 110,000 on the previous month and 650,000 on the previous year.

ITC markets continue to grow

The market for information technology and telecommunications (ITC) is also profiting from the current global economic growth. Business confidence in the high-tech sector remains high. This was the finding of a quarterly survey conducted by the German ITC sector association BITKOM. According to the Q3-2007 survey, 75 % of companies expect higher revenues in 2007 than in the previous year, while 12 % expect stable and 13 % falling revenues. In the first nine months of 2007, the BITKOM index grew from 47 points at the end of 2006 to over 59 points at present (with 51 points in the first quarter and 64 points in the second quarter of 2007). The relevant ITC markets for United Internet — DSL, webhosting, information management and online advertising — were able to benefit more than most from this positive development.

The German DSL market has so far fulfilled the high expectations placed in it for 2007. The DSL connections supplied by Deutsche Telekom AG alone grew by 16.9 % to 20.0 million in the first nine months 2007. Year-on-year growth of 27.8 % also illustrates that the market penetration of fast internet connections is continuing unabated.

The international hosting market also continues to enjoy strong growth. The number of registered top-level domains around the world grew by 18 million in the first half of 2007 alone to reach a total of some 138 million — an increase of 15 % compared with December 31, 2006. The German top-level domain ".de" is also enjoying strong demand and grew by around 910,000 (+9 %) in the first nine months of 2007 to 11.34 million domains.

Last but not least, the German online advertising market has been experiencing dynamic growth. As in previous years, the forecast made by the Online Marketing Group ("Online-Vermarkterkreis" — OVK) in March 2007 was adjusted upward again. The new estimated figure for gross advertising spend in the entire online segment is at least € 2.7 billion (March forecast: € 2.5 billion) — an increase of 42 % over 2006. A survey of the US online advertising market made by the Interactive Advertising Bureau (IAB) and PricewaterhouseCoopers (PwC) paints a similar picture. In the first half of 2007, sales in the world's largest online advertising market reached almost USD 10 billion — an increase of 27 % over the same period last year.

Business development

With 7.07 million customer contracts, United Internet AG is a leading international Internet Service Provider. Following the sale of twenty4help and the subsequent discontinuation of the Outsourcing segment, we are now mainly represented by eight brands in two business segments:

In the Product segment, our value-added internet services and fast DSL connections are directed at private users, small offices / home offices (SoHos) and small to mid-size enterprises (SMEs). These groups are served directly by the brands GMX, WEB.DE and 1&1. In addition, we also market our webhosting products as white-label solutions to other ISPs — indirectly — via resellers.

In our Online Marketing segment, we are mainly represented by the brands AdLINK Media, affilinet and Sedo. We offer various marketing and sales solutions to advertisers: Display Marketing via AdLINK Media, Affiliate Marketing via affilinet and Domain Marketing via Sedo.

Dynamic growth in DSL

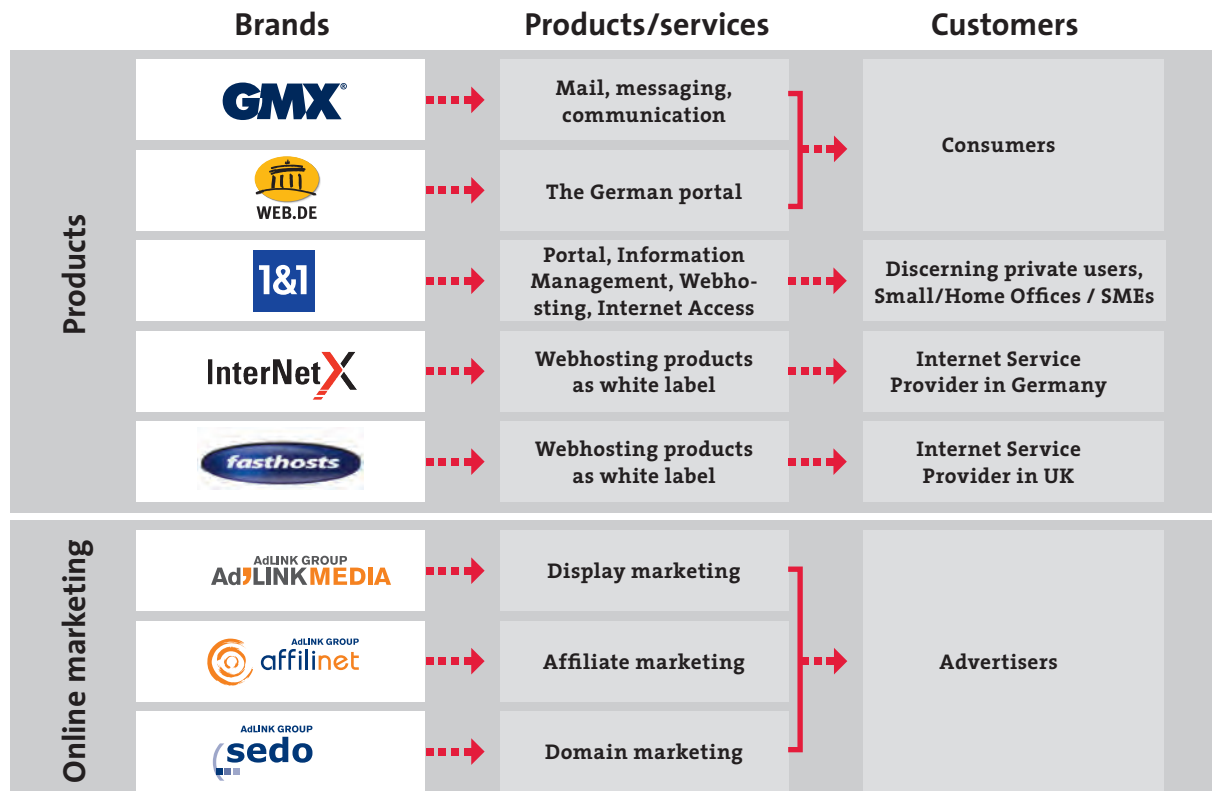
In comparison with September 30, 2006 we succeeded in adding 470,000 new DSL customer contracts, bringing the total to approximately 2.54 million as of September 30, 2007. In addition to the acquisition of new customers and the launch of innovative products — such as our all-inclusive packages with internet and telephony flat rates and the optional inclusion of movie and mobile telephony flat rates — the main focus of our DSL business was placed on raising customer loyalty and expanding business with our current client base. Compared with September 30, 2006, we were able to raise the number of our telephony customers from 560,000 to 1.60 million. At the same time, the number of telephone minutes completed per month grew from 540 million to over 800 million. The number of our own DSL connection customers also improved strongly by 600,000 to 2.19 million. Following the launch of our all-inclusive packages — without Deutsche Telekom connection — on July 1, 2007, we were able to compensate in part for

the dip in DSL growth, especially in the second quarter of 2007 (60,000 new customer contracts), and once again gain 120,000 new DSL customers — despite the usual learning curve in processes, interfaces and sales.

Successful international expansion

International expansion in our core markets continues to make strong progress: in the period under review, sales outside Germany accounted for € 154.7 million of total consolidated revenues (prior year: € 93.5 million). In our Product business we added 390,000 new hosting contracts abroad, compared with the same period last year, and held 1.55 million contracts as of September 30, 2007. Following the successful establishment of our business in the UK, the USA, France and Austria, we also entered the Spanish market in the third quarter of 2007 and are offering a free hosting package there until year-end as a promotional offer.

Segments and brands



Sale of twenty4help

On March 13, 2007 we completed the sale of the United Internet Group subsidiary twenty4help Knowledge Service AG to the French Teleperformance group. The Group's Outsourcing segment, of which twenty4help accounted for around 90 %, will no longer be separately disclosed in future. The remaining Outsourcing brand InterNetX was integrated into the Product segment. The sale resulted in extraordinary income of around € 65.8 million which is disclosed in the figures of this quarterly report as "Result from discontinued operations" in accordance with IFRS 5.

Investment in Goldbach Media

On April 13, 2007 the United Internet subsidiary AdLINK Internet Media AG concluded an agreement with Goldbach Media AG, Küsnacht, Switzerland, the terms of which stipulated that AdLINK Internet Media AG was to contribute its shares of 50 % in AdLINK Internet Media AG Switzerland and 30 % in AdLINK Internet Media GmbH Austria to Goldbach Media AG. In return, AdLINK Internet Media AG received a 19.4 % shareholding in Goldbach Media AG (now 14.99 % due to dilution following the capital increase in June 2007 in connection with the listing of Goldbach on the SWX Swiss Exchange). The non-cash contribution was accompanied by long-term cooperation agreements between AdLINK and Goldbach in the field of online marketing.

Investment fund with the Samwer brothers

On June 25, 2007 United Internet AG announced that it was to invest increasingly in young European internet and technology companies in cooperation with the German internet entrepreneurs Alexander, Marc and Oliver Samwer (amongst other things, founders of alando / eBay Germany and Jamba, and investors in StudiVZ, LinkedIn etc.). The investments are to be held in a joint, newly founded fund to be managed by the Samwer brothers. The fund will act as an early-phase investor and help boost the growth of start-ups by utilizing the contacts and experience of the Samwer brothers' well-established European Founders Fund as well as the reach and wide range of possibilities offered by the United Internet Group. In the first three months, the joint fund has already invested in over 30 companies.

Strategic investment with Drillisch

On September 21, 2007 we announced that we would take a 50 % stake in a newly established holding company — subject to approval now given by the anti-trust authorities; the remaining 50 % of this holding company is owned by Drillisch AG. In turn, the holding company directly owns approx. 6.01 % of shares in freenet AG, Büdelsdorf. Furthermore, the holding company indirectly has the right to acquire a further 18.49 % of the freenet shares. The participation agreement provides for put- and call options, rights of first refusal and preemption rights for the parties and, until occurrence of the conditions precedent, a right of withdrawal for each party. Both shareholders of the holding company want to keep all options open regarding changes in ownership within the holding company and its stake in freenet, and in particular to increase the stake in freenet or possibly take over freenet completely.

Employees

Following the sale of twenty4help, United Internet employed a total of 3,734 people at the end of September 2007 (December 31, 2006: 3,284), of which 809 (December 31, 2006: 677) were employed outside Germany.

Share, share buyback and dividend

During the period under review, the United Internet share grew by 26 % — from € 12.53 as of December 31, 2006 to € 15.79 as of September 30, 2007.

Following the adoption and completion of two share buyback programs in 2006, the Management Board of United Internet AG resolved on May 14, 2007 to buy back up to 2,000,000 further shares in the company (representing approx. 0.80 % of capital stock) via the stock exchange. On completion of this share buyback program on July 24, 2007, the Management Board of United Internet AG resolved on the same date to launch a new share buyback program to buy back up to 5,000,000 further shares in the company (representing approx. 2.00 % of capital stock) via the stock exchange in the period up November 29, 2008. As of September 30, 2007 the Company held a total of 18,000,000 treasury shares which had been bought on the stock exchange for a total purchase price of € 213.3 million, representing an average share price of € 11.85.

The Annual Shareholders' Meeting of United Internet AG on May 30, 2007 followed the proposal of the Management Board and Supervisory Board and agreed to pay a dividend of 18 cents per share for the fiscal year 2006 (prior year: 6.25 cents adjusted for the share split). The dividend payment totaling € 42.5 million was made on May 31, 2007.

Segment development

Product segment

In the first nine months of 2007, the United Internet Group's dominant business remained its Product segment with the main brands GMX, WEB.DE, 1&1, InterNetX and Fasthosts, which together account for 85.3 % of total sales. In the period under review, sales in this segment grew by 26.8 % to € 915.5 million (prior year: € 721.8 million). Earnings before interest, taxes, depreciation and amortization (EBITDA) improved by 21.7 % to € 204.4 million (prior year: € 167.9 million), while earnings before taxes (EBT) reached € 163.2 million (prior year: € 130.9 million) growth of 24.7 %. The EBT margin reached 17.8 %. Customer acquisition costs continue to be charged directly as expenses.

Our very healthy key financials are closely linked with the dynamic growth of our customer base. As of September 30, 2007 we had over 7.07 million fee-based customer contracts (prior year: 6.05 million). These are divided among three product lines:

- **Information Management** with professional e-mail solutions, messaging, address management, Pocket Web and 0700 numbers

Year-on-year comparison of customer contracts by product lines

Customer contracts (million)	30.09.2006	30.09.2007	Difference
Information Management	1.07	1.19	+ 0.12
Webhosting	2.73	3.20	+ 0.47
thereof abroad	1.16	1.55	+ 0.39
Internet Access	2.25	2.68	+ 0.43
thereof DSL	2.07	2.54	+ 0.47
Total	6.05	7.07	+ 1.02

Quarter-on-quarter comparison of customer contracts by product lines

Customer contracts (million)	30.06.2007	30.09.2007	Difference
Information Management	1.16	1.19	+ 0.03
Webhosting	3.11	3.20	+ 0.09
thereof abroad	1.47	1.55	+ 0.08
Internet Access	2.57	2.68	+ 0.11
thereof DSL	2.42	2.54	+ 0.12
Total	6.84	7.07	+ 0.23

Information Management: excluding test contracts

Internet Access and DSL: excluding provider-independent VoIP flat rate contracts

- **Webhosting** with domains, home pages, dedicated and virtual servers, and e-shops
- **Internet-Access** with DSL connections (including internet telephony and video-on-demand) and narrowband connections.

Our brands not only generate revenues from subscriptions; an increasing proportion of income also results from our online advertising and e-commerce activities. United Internet Media, the marketing company for our GMX, WEB.DE and 1&1 portals and our shopping portal SmartShopping.de, provides advertisers and agencies in Germany with a reach of around 50 % of all German internet users, as well as high-quality, targeted marketing and innovative advertising instruments.

Our family of brands provides unique market coverage in Germany:

GMX

GMX targets private users with its Information Management products. 8.9 million unique users per month make GMX one of Germany's leading providers of mail, messaging and communication solutions. In addition to its free products, GMX also offers fee-based value-added services. In the period under review GMX focused on the development of a multi-messenger as well as a new webmailer. The new webmailer relies on AJAX technology, which enables the creation of dynamic pages and the continual background refreshing of content. The new webmailer is also to be offered on the US market at the end of 2007.

WEB.DE

With 12.7 million unique users, WEB.DE is one of Germany's most frequently visited websites and is "the German internet portal" for many users. WEB.DE also offers free basic services and fee-based products, including the WEB.DE Club. In the period under review, WEB.DE expanded its entertainment section with the addition of ringtones, a ticket shop and music downloads. A video community was also integrated which allows members to share their videos with all internet users or a pre-defined circle of friends. The company also focused on the development of its social and personal network "unddu.de", which is currently in the beta phase.

1&1

1&1 is the right address for discerning private users, offices and SMEs requiring Information Management, Webhosting and Access solutions. 1&1 is No. 2 in Germany's DSL sector and the world's leading hosting company, currently active in 6 countries. During the period under review, the main focus in the German DSL segment was the launch of our all-inclusive packages. Outside Germany, the main activity was the launch of our new data center in the USA and the product rollout of 1&1 in Spain.

InterNetX

United Internet's reselling activities in Germany are all conducted through InterNetX. The company's hosting products are marketed by InterNetX to other ISPs and multimedia agencies (resellers), who in turn market them under their own name and for their own account. In the period under review, InterNetX focused on expanding its reseller network. InterNetX currently serves 17,380 resellers (prior year: 15,900) for which it hosts 2 million domains and over 750 servers.

Quarterly development in € million

	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q3 2006
Sales	279.2	287.5	306.9	321.1	257.4
EBITDA	32.1	57.9	74.0	72.5	64.3
EBT	19.4	44.7	60.6	57.9	51.4

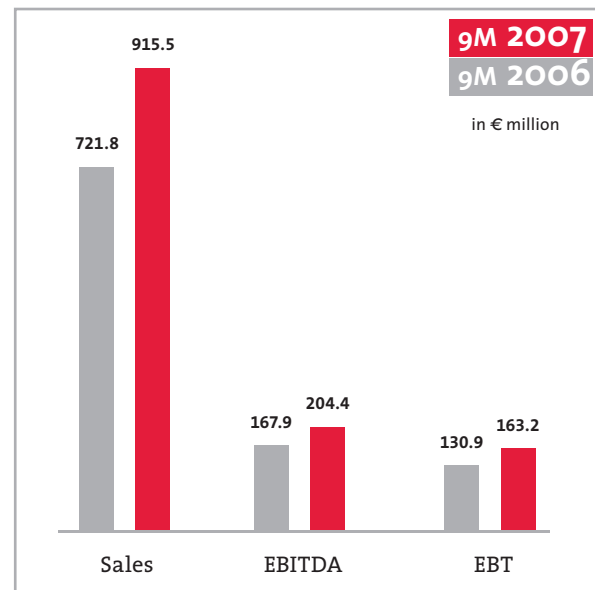
Fasthosts

Fasthosts is our reseller brand in the UK. Similar to InterNetX, Fasthosts markets hosting products to over 5,400 ISPs and multimedia agencies (resellers), who market them under their own name. Fasthosts is also active in the direct marketing of products to consumers and companies. Fasthosts focused on its planned product launch in the USA at the end of the year. Fasthosts will focus exclusively on the reseller business in the USA.

Outlook

In our Product segment, we are confident that our long-term international expansion strategy will continue to make good progress and that we can maintain our dynamic growth. With the launch of 1&1 Surf & Phone all-inclusive packages in July 2007 we expect to compensate for the second quarter dip in DSL growth by the end of the fiscal year, and we are confident to reach our target of approx. 500,000 new DSL customers in 2007. In total, we expect dynamic growth in all product lines. In view of the high reach of our portals, our innovative advertising technology and the expected market growth, there are also good possibilities for our portal marketer United Internet Media to enjoy further success in the remaining months of the current fiscal year.

Financial figures Product segment



Online Marketing

Our Online Marketing segment offers advertisers a variety of marketing and sales solutions: Display Marketing via AdLINK Media, Affiliate Marketing via affilinet and Domain Marketing via Sedo. In contrast to the marketing of our own websites in the Product segment, this segment focuses on the marketing of third-party domains and websites — in 9 European nations and the USA.

Compared with the same period last year, the Online Marketing segment once again achieved strong growth: sales grew by 28.6 %, from € 122.1 million to € 157.0 million. The segment thus accounted for 14.7 % of the United Internet Group's total sales. EBITDA grew by 132.7 % from € 15.0 million to € 34.9 million, while EBT improved by 61.6 % from € 13.8 million to € 22.3 million. As a result of the contribution of our shares in AdLINK Switzerland and AdLINK Austria to Goldbach Media AG and the restructuring of our French and UK markets in the second quarter 2007, these earnings figures include one-off income of € 16.8 million and impairment charges of € 9.4 million.

AdLINK Media

AdLINK Media is one of Europe's largest independent marketers of online advertising. The company's business model is based on an online advertising network of high-reach websites, which it markets to advertisers. In the period under review, the company focused mainly on the expansion of its advertising network. As a result, the number of ad impressions generated by the network grew to 9.1 billion per month (prior year: 7.8 billion).

Quarterly development in € million

	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q3 2006
Sales	50.5	49.2	54.0	53.8	37.6
EBITDA	7.3	6.5	23.0	5.4	4.1
EBT	6.0	5.6	12.5	4.2	4.0

affilinet

affilinet brings together suppliers of affiliate programs and website operators. It profits from the contacts and sales initiated via the network on a purely performance-oriented basis. In the period under review, affilinet focused on gaining new program suppliers and expanding its network: the number of affiliate programs grew to over 1,500 (prior year: 1,270) and the number of active websites reached over 420,000 (prior year: 390,000).

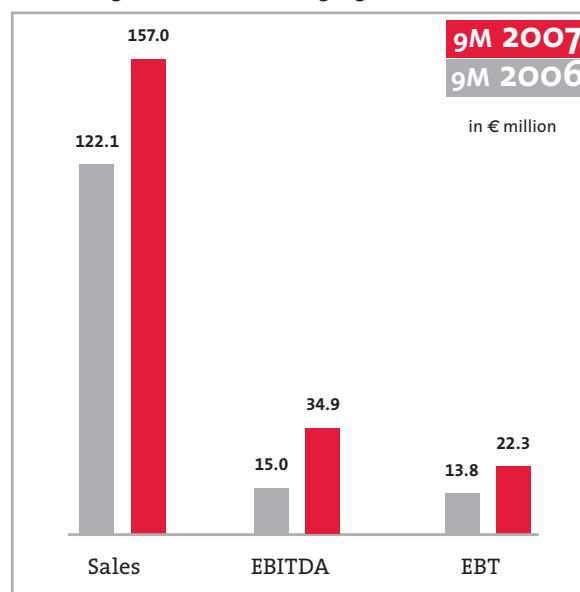
Sedo

Sedo operates the global domain trading platform "sedo.com", which currently trades 8.9 million domains. In its "domain parking" business, Sedo markets some of these domains to advertisers on behalf of the domain owners. In the period under review, Sedo focused in particular on driving its international expansion — especially in the USA and the UK. The number of marketable domains grew to around 4.16 million (prior year: 2.15 million).

Outlook

In view of the ongoing positive development of the segment and the growing German and European online advertising markets, we expect further encouraging growth in the remaining months of the current fiscal year.

Financial figures Online Marketing segment



Assets, liabilities, financial position and profit or loss

Earnings: strong growth in sales and earnings

The United Internet Group very successfully continued its profitable growth in the first nine months of 2007. There was significant growth in the financial figures as well as in key customer and market figures. Consolidated sales grew by 27.1 % from € 844.4 million last year to € 1,073.1 million. This strong growth resulted from both the Product and Online Marketing segments, where we benefited from growing customer figures and a booming advertising market. The largest contribution toward sales growth came from the dominant Product segment where sales benefited from the dynamic growth of broadband contracts with stronger customer retention, successful customer acquisition in our national and international target markets in web-hosting and fast growing advertising and e-commerce revenues in our portal business. In our broadband segment, strong growth in sales resulted from the fact that more and more of our new DSL customers and our existing base subscribed not only to our DSL tariff, but also to network connections, internet telephony and additional services such as security packs and video-on-demand. This enabled us to combine stronger customer ties with additional revenues. This development will be continued and strengthened by the trend toward all-inclusive DSL packages — without Deutsche Telekom AG phone lines — which is already being observed in metropolitan areas. United Internet has been offering the corresponding packages under the 1&1 brand since July 1, 2007.

Consolidated gross margin fell from 42.9 % in the previous year to 40.4 % for the period under review. The main reason was the strong growth in new DSL customers and the changed product mix: we achieved a further increase in new DSL customers in the first nine months of 2007, whereby DSL offers higher revenues but a lower gross margin in comparison to other products, such as webhosting or portal. A decisive factor for us, however, is that despite ongoing fierce competition, the contribution margin per customer is stable in our DSL business along with solid growth in new customer figures.

Due to our strong customer growth, as well as the costs associated with stronger customer retention and the launch of our all-inclusive packages, sales and

marketing expenses grew strongly from € 155.5 million to € 177.9 million. As a result of even stronger growth in sales revenues, however, their proportion fell to 16.5 % (prior year: 18.4 %). As in previous years, customer acquisition costs are directly expensed. Administrative expenses grew more slowly than sales, from € 51.6 million (6.1 %) to € 61.4 million (5.7 %).

EBITDA of continued operations grew by 32.9 % to € 235.5 million (prior year: € 177.2 million). Pre-tax earnings (EBT) also improved strongly by 29.6 %, from € 140.4 million to € 182.0 million. This figure includes a positive one-off effect from the Online Marketing segment of € 7.4 million from the second quarter 2007. United Internet AG thus once again displayed both high profitability and strong growth in the first nine months of 2007.

Financial position: strong cash flow

Despite high cash expenses for new DSL customer acquisition, cash flow from operating activities grew to € 153.6 million (from € 130.4 million last year), thus underlining the strong cash generation of our business. Net cash flow from operating activities fell to € 166.0 million as a result of an increase in trade payables as of the balance sheet date last year (prior year: € 212.8 million).

In terms of investment activity, € 93.0 million was spent last year for the acquisition of UK webhosters Fasthosts, while in the period under review there were proceeds of € 86.9 million from the sale of twenty-4help. Investments in intangible assets and property, plant and equipment rose to € 37.1 million (prior year: € 23.3 million) as a result of increased business and mainly reflect the continuing organic growth of our Product segment and the extension of our data center in the US. A total of € 17.5 million was used for the purchase of further shares in associated companies and € 34.3 million for affiliated companies. On balance, therefore, a total of € 1.8 million was used for

Quarterly development in € million

	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q3 2006
Sales	329.7	336.9	361.1	375.1	295.2
EBITDA	44.0	63.4	95.5	76.6	66.1
EBT	30.9	50.1	71.8	60.1	53.1

investment activities (prior year: cash outflow of € 115.6 million).

The dominant factors in cash flow from financing activities (total cash outflow € 169.3 million, prior year: € 92.0 million) were the cash outflow for the acquisition of treasury shares amounting to € 133.8 million (prior year: € 79.5 million) and the dividend payment of € 42.5 million (prior year: € 15.6 million).

Assets and liabilities: increase in equity

In the first nine months of 2007, the change in asset structure was significantly influenced by the strong earnings of the United Internet Group. Despite the fact that treasury shares are deducted from equity capital (€ 213.3 million, prior year: € 79.5 million), the Group's equity ratio rose to 41.2 % (December 31, 2006: 40.9 %).

The consolidated balance sheet total rose to € 850.5 million (December 31, 2006: € 819.5 million), of which € 395.7 million was goodwill. As of the balance sheet date, intangible assets amounted to € 129.3 million (December 31, 2006: € 147.4 million) and resulted mainly from company acquisitions. These will be mostly amortized over the coming years and partly offset from tax, resulting in a reduction in both earnings and tax payments. Due to the strong inflow of cash from operating activities, net bank borrowing of the United Internet Group remained generally stable at

€ 87.6 million (December 31, 2006: € 86.0 million) — despite the purchase of treasury shares and further shares in affiliated companies and the dividend payment.

Investments

In addition to its core brands and investments made by the joint fund with the Samwer brothers, United Internet held equity investments in three other companies as of September 30, 2007. Whereas fun communications GmbH (United Internet share: 49 %) and the recently, with effect from 31.12.2007, sold NT plus AG (40.23 %) posted positive operating results in the period under review, our latest investment, Bigpoint, is still in the start-up phase. After acquiring a 12.51 % stake in the company in late December 2006, we hold a call option to acquire a further 12.52 % of shares by the end of 2007.

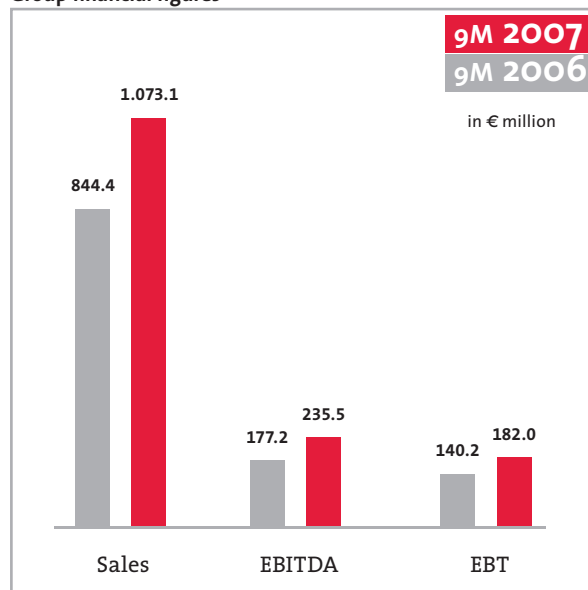
Risk report

During the first nine months of 2007, the overall risk situation remained mostly unchanged from the risk report provided as part of the annual financial statements 2006. We made allowance for the possible increased credit risk caused by the launch of all-inclusive packages in the third quarter of 2007 by revising our credit assessment process. The new credit assessment process will be continually developed and adapted for new products.

The availability of our equipment and the protection of customer data are essential elements of our business model. There is a general risk of hackers attacking or breaking into the network and thus spying on or deleting customer data. In the third quarter of 2007 there was a successful hacker attack on servers of United Internet's UK subsidiary Fasthosts. In the course of measures to restore network security, customers were asked to change their personal passwords. Despite extensive protective measures and additional security checks, there is a residual risk of successful hacker attacks. This may have a negative impact on the image and operations of United Internet.

There were no risks which directly jeopardized the continued existence of United Internet, neither from individual risks nor from the overall risk situation.

Group financial figures



Due to United Internet's ongoing strict alignment as an Internet Service Provider, the major risks for the company's future assets, liabilities, financial position and profit or loss focus on the areas of supplier dependency, technology and software systems, and competition. The risk management culture we have introduced enables us to proactively counter such risks. We judge the probability of such adverse developments as low to limited.

Subsequent events

In October 31, 2007 we sold our shareholding of 40.23 % in NT plus AG with effect from December 31, 2007. The purchase price will be paid fully in cash in three tranches up to the end of 2009. The parties agreed not to disclose the purchase price, which is slightly above our book value according to IFRS.

There were no other major events subsequent to the reporting period which had a significant impact on the business development of United Internet.

Opportunities and outlook

Outlook for 2007 remains positive

The positive economic development forecast by many economists for 2007 was confirmed in the first nine months of 2007 — globally, as well as in Europe and Germany. The opinion of many market experts indicates that there will be no significant change to this positive development until the end of the year. As a consequence of the recent international financial crisis, however, the IMF forecasts a fall to 4.8 % in 2008 (following an expected 5.2 % in 2007) and to 2.1 % in the EU (following an expected 2.5 % in 2007). The German government has also lowered its growth forecast for 2008 from 2.4 % to 2.0 %.

High market growth for DSL, webhosting and online marketing

According to the survey "Germany Online 4", the trend toward broadband connections is set to continue. The number of broadband connections will grow to 21 million in 2010 and to over 27 million by 2015, so that

almost 70 % of all German households will have broadband connections by this time.

Independent market experts are also forecasting dynamic growth in the fields of webhosting and online advertising. Tier 1 Research expects the global hosting market to grow by 10 % in 2007, while Gartner and IDC predict annual growth rates as high as 15 % and 16 % until 2010, respectively.

Sustained growth expected in all segments

In our Product segment we are confident that our long-term international expansion strategy will continue to make good progress and that we can maintain our dynamic growth. In our DSL business we expect the all-inclusive Surf & Phone packages launched in July 2007 will continue to generate strong growth and thus enable us to achieve our annual target of approx. 500,000 new DSL customers. In total, we expect dynamic growth in all product lines. Owing to the tremendous reach of its portals, its innovative advertising technology and the expected market growth, our portal marketing company United Internet Media can also look forward to continued success in fiscal 2007.

The same applies to our Online Marketing segment, which in contrast to the Product segment only markets third-party websites and domains. Due to the positive development of this segment and the strong ongoing growth of the online advertising market, we expect further significant increases in sales and earnings.

Consolidated Financial Statements January to September 2007

Balance Sheet in €k

ASSETS	September 30, 2007		December 31, 2006	
Current assets				
Cash and cash equivalents	28,340	3.3 %	32,723	4.0 %
Accounts receivable and other assets	103,375	12.2 %	120,920	14.8 %
Inventories	11,896	1.4 %	16,797	2.0 %
Prepaid expenses	18,848	2.1 %	19,522	2.4 %
Other assets	23,786	2.8 %	17,705	2.2 %
	186,245	21.9 %	207,667	25.3 %
Non-current assets				
Equity investments	31,434	3.7 %	11,006	1.3 %
Other financial assets	31,899	3.8 %	3,695	0.4 %
Property, plant and equipment	70,156	8.2 %	66,296	8.1 %
Intangible assets	129,304	15.3 %	147,370	18.0 %
Goodwill	395,737	46.6 %	373,687	45.6 %
Deferred tax assets	5,684	0.7 %	9,811	1.2 %
	664,214	78.1 %	611,865	74.7 %
Total assets	850,459	100.0 %	819,532	100.0 %
LIABILITIES AND EQUITY				
Liabilities				
Current liabilities				
Accounts payable, trade	151,280	17.8 %	163,330	19.9 %
Liabilities due to banks	14,890	1.8 %	16,140	2.0 %
Advance payments received	5,910	0.7 %	5,440	0.7 %
Accrued taxes	39,604	4.7 %	25,743	3.1 %
Deferred revenue	102,324	12.0 %	92,520	11.3 %
Other accrued liabilities	1,699	0.2 %	1,699	0.2 %
Other liabilities due to associated companies	9,000	1.1 %	0	0.0 %
Other liabilities	53,714	6.3 %	50,510	6.2 %
	378,421	44.5 %	355,382	43.4 %
Non-current liabilities				
Convertible bonds	486	0.1 %	876	0.1 %
Liabilities due to banks	101,089	11.9 %	102,579	12.5 %
Deferred tax liabilities	18,142	2.1 %	21,769	2.7 %
Deferred revenue	0	0.0 %	1,756	0.2 %
Other liabilities	2,196	0.3 %	2,155	0.3 %
	121,913	14.3 %	129,135	15.8 %
Total liabilities	500,334	58.8 %	484,517	59.1 %
Equity				
Capital stock	250,477	29.5 %	250,235	30.5 %
Additional paid-in capital	157,758	18.5 %	156,447	19.1 %
Accumulated income	132,869	15.6 %	-6,014	-0.7 %
Treasury stock	-213,338	-25.1 %	-79,561	-9.7 %
Revaluation reserves	9,574	1.1 %	1,373	0.2 %
Currency translation adjustment	766	0.1 %	930	0.1 %
	338,106	-	323,410	-
Minority interests	12,019	1.4 %	11,605	1.4 %
Total equity	350,125	41.2 %	335,015	40.9 %
Total liabilities and equity	850,459	100.0 %	819,532	100.0 %

Consolidated Financial Statements January to September 2007

Income Statement in €k

	2007		2006	
	January–Sept.		January–Sept.	
Sales	1,073,061	100.0%	844,365	100.0%
Cost of sales	-639,099	-59.6%	-482,367	-57.1%
Gross profit	433,962	40.4%	361,998	42.9%
Selling expenses	-177,939	-16.5%	-155,524	-18.4%
General administrative expenses	-61,360	-5.7%	-51,553	-6.1%
Other operating income / expenses	15,780	1.5%	1,551	0.2%
Amortization of intangible assets resulting from company acquisitions	-16,873	-1.6%	-15,988	-2.0%
Amortization of goodwill	-9,373	-0.9%	0	0.0%
Operating result	184,197	17.2%	140,484	16.6%
Financial result	-2,608	-0.2%	-1,560	-0.2%
Result from associated companies	438	0.0%	1,462	0.2%
Pre-tax result	182,027	17.0%	140,386	16.6%
Income taxes	-66,721	-6.3%	-55,042	-6.5%
Net income before minority interests (from continued operations)	115,306	10.7%	85,344	10.1%
Results from discontinued operations	68,248	6.4%	5,154	0.6%
Net income before minority interests (after discontinued operations)	183,554	17.1%	90,498	10.7%
Minority interests	-2,155	-0.2%	-4,642	-0.5%
Net income attributable to shareholders of United Internet AG	181,399	16.9%	85,856	10.2%
Result per share (in €)				
- basic	0.76		0.35	
- diluted	0.75		0.34	
thereof result per share (in €)				
- from continued operations				
- basic	0.48		0.33	
- diluted	0.47		0.32	
thereof result per share (in €)				
- from discontinued operations				
- basic	0.28		0.02	
- diluted	0.28		0.02	
Weighted average share (in million units)				
- basic	237.64		247.38	
- diluted	238.95		249.35	

Consolidated Financial Statements January to September 2007

Income Statement in € million

	Q1 2007 Jan.–March	Q2 2007 April–June	Q3 2007 July–Sept.	Q3 2006 July–Sept.
Sales	336.9	361.1	375.1	295.2
Cost of sales	-200.7	-213.9	-224.5	-167.0
Gross profit	136.2	147.2	150.6	128.2
Selling expenses	-61.3	-55.2	-61.4	-50.4
General administrative expenses	-18.8	-21.3	-21.3	-18.9
Other operating income / expenses	0.0	16.5	-0.7	-0.2
Amortization of intangible assets resulting from company acquisitions	-5.6	-5.6	-5.7	-5.6
Amortization of goodwill	0.0	-9.4	0.0	0.0
Operating result	50.5	72.2	61.5	53.1
Financial result	-0.8	-0.5	-1.3	-0.8
Result from associated companies	0.4	0.1	-0.1	0.8
Pre-tax result	50.1	71.8	60.1	53.1
Income taxes	-19.2	-25.0	-22.5	-20.0
Net income before minority interests (from continued operations)	30.9	46.8	37.6	33.1
Results from discontinued operations	68.3	0.0	0.0	1.9
Net income before minority interests (after discontinued operations)	99.2	46.8	37.6	35.0
Minority interests	-0.6	-1.4	-0.2	-2.0
Net income attributable to shareholders of United Internet AG	98.6	45.4	37.4	33.0
Result per share (in €)				
- basic	0.41	0.19	0.16	0.14
- diluted	0.41	0.18	0.16	0.14
thereof result per share (in €)				
– from continued operations				
- basic	0.13	0.19	0.16	0.13
- diluted	0.13	0.18	0.16	0.13
thereof result per share (in €)				
– from discontinued operations				
- basic	0.28	-	-	0.01
- diluted	0.28	-	-	0.01

Consolidated Financial Statements January to September 2007

Statement of Changes in Shareholder's Equity

	Capital stock		Additional paid-in capital €k	Accumulated profit/loss €k
	Share	€k		
Balance as of January 1, 2006	62,275,201	62,275	238,506	-2,822
Exercise of conversion rights	782,228	782	232	
Capital increase in return for stock	186,825,603	186,826	-85,928	-100,898
Employee stock ownership program AdLINK			212	
Employee stock ownership program United Internet			844	
Withdrawal of treasury shares				
Dividend payment				-15,569
Currency translation adjustment				
Net income 2006				85,856
Dividend payments				-180
Balance as of September 30, 2006	249,883,032	249,883	153,866	-33,613
Balance as of January 1, 2007	250,235,176	250,235	156,447	-6,014
Exercise of conversion rights	241,372	242	276	
Employee stock ownership program AdLINK			160	
Employee stock ownership program United Internet			875	
Revaluation surplus Goldbach				
Withdrawal of treasury shares				
Dividend payment				-42,516
Currency translation adjustment				
Net income 2007				181,399
Decrease in shareholdings				
Balance as of September 30, 2007	250,476,548	250,477	157,758	132,869

Treasury stock €k	Revaluation reserve €k	Currency translation €k	Total €k	Minority interests €k	Total equity €k	Total net income	
						attributable to share-holders of United Internet AG €k	Minority interests €k
0	892	1,111	299,962	8,528	308,490	57,608	2,214
			1,014		1,014		
			0		0		
			212		212		
			844		844		
-79,561			-79,561		-79,561		
			-15,569		-15,569		
		41	41		41	41	
			85,856	4,642	90,498	85,856	4,642
			-180		-180		
-79,561	892	1,152	292,619	13,170	305,789	85,897	4,642
-79,561	1,373	930	323,410	11,605	335,015	113,575	6,954
			518		518		
			160		160		
			875		875		
	8,201		8,201		8,201	8,201	
-133,777			-133,777		-133,777		
			-42,516		-42,516		
		-164	-164		-164	-164	
			181,399	2,155	183,554	181,399	2,155
				-1,741	-1,741		
-213,338	9,574	766	338,106	12,019	350,125	189,436	2,155

Consolidated Financial Statements January to September 2007

Cash Flow Statement in €k

	2007 Jan.–Sept.	2006 Jan.–Sept.
Cash flow from operating activities		
Net income (from continued operations)	115,306	85,344
Net income (from discontinued operations)	68,248	5,154
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization (from continued operations)		
Depreciation and amortization	25,092	20,682
Amortization of intangible assets resulting from company acquisitions	16,873	15,988
Goodwill amortization	9,373	0
Amortization (from discontinued operations)		
Depreciation and amortization	0	3,583
Compensation expenses from employee stock option plans	1,035	1,306
Results of associated companies consolidated using the equity method	-438	-1,462
Distributed profits of associated companies	666	559
Income from deconsolidation of affiliated companies	-65,794	0
Non-cash result from contribution of assets	-16,808	0
Change in deferred taxes	55	-1,022
Non-cash expenses / income	0	221
Operative cash flow	153,608	130,353
Change in assets and liabilities		
Change in receivables and other assets	-10,768	3,408
Change in inventories	4,296	-660
Change in deferred expenses	-519	964
Change in accounts payable, trade	-6,916	60,699
Change in advance payments received	470	338
Change in other accrued liabilities	0	-317
Change in accrued taxes	15,121	20,438
Change in other liabilities	143	-15,203
Change in deferred income	11,471	12,873
Change in assets and liabilities, total	13,298	82,540
Cash flow from operating activities	166,906	212,893
Cash flow from investing activities		
Capital expenditure for intangible assets and property, plant and equipment	-37,062	-23,292
Investments in other financial assets	-77	0
Payments of loans granted	-44	-148
Disposal of assets	215	825
Purchase of shares in associated companies	-17,489	0
Purchase of further shares in affiliated companies	-34,249	0
Proceeds from partial deconsolidation	86,873	0
Acquisition costs, net of acquired cash	0	-92,970
Cash flow from investment activities	-1,833	-115,585
Cash flow from financing activities		
Purchase of treasury stock	-133,777	-79,561
Funds and securities	0	-77,815
Change in bank liabilities	-2,740	80,854
Loans received from associated companies	9,000	0
Dividend payments	-42,516	-15,569
Minority interests	0	-180
Capital increase	1,076	293
Repayment of convertible bonds	-335	-19
Cash flow from financing activities	-169,292	-91,997
Net increase/decrease in cash and cash equivalents	-4,219	5,311
Cash and cash equivalents at beginning of fiscal year	32,723	36,177
Change in currency translation adjustments	-164	41
Cash and cash equivalents at end of fiscal year	28,340	41,529

1 Information on the company

United Internet AG is a service company operating in the telecommunication and information technology sector with registered offices at Elgendorfer Strasse 57, 56410 Montabaur, Germany. The company is registered at the district court of Montabaur under HR B 5762.

2 Significant accounting, valuation and consolidation principles

The condensed consolidated interim report for the period from January 1 to September 30, 2007 was prepared in accordance with IAS 34 "Interim Financial Reporting".

A condensed reporting format was chosen for the presentation of this consolidated interim report, as compared with the consolidated financial statements. For this reason, it is to be read in connection with the consolidated financial statements as of December 31, 2006. The accounting and valuation principles applied in the consolidated financial statements as of December 31, 2006 were adopted without change for the preparation of this consolidated interim report.

The application of new or revised IFRS standards and interpretations had no significant effect on the Group's assets, financial position and earnings.

This consolidated interim report was not audited according to Sec. 317 HGB nor reviewed by an auditor.

The consolidated interim report includes all subsidiaries and associated companies.

Changes in the reporting unit

Due to the sale of twenty4help, the prior-year figures of the income statement are adjusted in accordance with IFRS 5. Revenues and expenses of the discontinued business segment are no longer included in the respective items and the business segment is disclosed separately with its result after taxes. The comparative balance sheet figures as of December 31, 2006 and the cash flow statement remain unchanged. Revenues of the sold business segment amounted to € 23.2 million in the first quarter of 2007 and € 69.6 million in the first nine months of 2006. Earnings after tax of this business segment amounted to € 2.5 million in the first quarter of 2007 and € 6.5 million in the first nine months of 2006.

In accordance with IFRS 5, there was no scheduled depreciation or amortization of intangible assets or property, plant and equipment in the first quarter of 2007. The result from discontinued operations in the first quarter of 2007 comprises earnings after taxes of € 2.5 million and income from the sale of shares amounting to € 65.8 million. Cash inflows less sales costs and cash equivalents transferred amounted to € 86.9 million.

Due to the non-cash contribution of AdLINK Internet Media AG's 50 % shareholding in AdLINK Internet Media AG Switzerland and 30 % shareholding in AdLINK Internet Media GmbH Austria to Goldbach Media AG, these shareholdings are no longer disclosed under the item "Equity investments". The prorated results of the two companies up to the time of their disposal are included in the consolidated interim report according to the equity method. In return for this non-cash contribution, AdLINK Internet Media AG received 19.4 % of shares in Goldbach Media AG. Following the capital increase of Goldbach in the course of its IPO, this shareholding fell to 14.99 %. The shareholding is disclosed under the item "Other financial assets". In accordance with IAS 39, initial recognition was made at acquisition cost, which corresponds to the fair value of the given compensation.

United Internet Beteiligungen GmbH has acquired a 12.51 % shareholding in Bigpoint GmbH (formerly: e-sport GmbH), Hamburg. In addition there exists a call option for a further 12.52 % by the end of 2007.

United Internet Beteiligungen GmbH has acquired a shareholding of 66.6 % in the European Founders Fund GmbH & Co. Beteiligungs KG Nr. 1. Due to company law regulations, United Internet Beteiligungen GmbH cannot exert a controlling interest in the company — despite holding a majority of voting rights. Instead, it exerts a material interest and the company is thus consolidated as an equity investment pursuant to IAS 28.

In an agreement dated July 10, 2007, United Internet Beteiligungen GmbH increased its shareholding in fun communications GmbH from 33.33 % to 49.0 %.

The closure proceedings initiated in fiscal year 2006 for the operations of AdLINK Internet Media APS, Copenhagen / Denmark, were completed in the first quarter of 2007.

Effective January 1, 2007, Schlund + Partner AG, Karlsruhe, and Alturo GmbH, Zweibrücken, were merged into 1&1 Internet AG, Montabaur.

In fiscal year 2007 the company 1&1 Espana S.L.U., Madrid / Spain was founded.

The consolidated group remains otherwise unchanged from the consolidated financial statements as at December 31, 2006.

Explanations of balance sheet items

Specific explanations are only given for those items which display material changes in the amounts presented as compared with the last consolidated financial statements.

3 Equity investments

Equity investments as of September 30, 2007 comprise NT plus, fun, Bigpoint and the European Founders Fund. Additions mainly result from the acquisition of shares in Bigpoint (€ 12,546k) and the European Founders Fund (€ 10,036k). Disposals result from the non-cash contribution of shares in AdLINK Austria and AdLINK Switzerland to Goldbach.

The following table gives an overview of the development of equity investments:

	2007 €k
Carrying amount at the beginning of the fiscal year	11,006
Additions	23,738
Adjustments	
– Dividends	–666
– Shares in result	438
Disposals	–3,082
	31,434

4 Other financial assets

The increase in other financial assets results mainly from the disclosure of shares in Goldbach. In accordance with IAS 39, these shares are to be classified as available-for-sale financial assets.

	2007 €k
Initial valuation of shares in Goldbach	19,890
Disposal value of equity investments	–3,082
Result from company transaction	16,808
Initial valuation of shares in Goldbach	19,890
Ancillary acquisition costs	51
Addition from initial valuation	19,941
Subsequent valuation acc. to IAS 39	8,326
Balance sheet carrying amount	28,267

5 Property, plant and equipment, intangible assets and goodwill

A total of € 37,062k was invested in property, plant and equipment and intangible assets during the interim reporting period. Investments focused mainly on the further expansion in network, infrastructure and data centers.

The increase in goodwill of € 32,050k results from the purchase of further shares in affiliated companies. Amortization on goodwill of AdLINK amounting to € 9,373k had a contrary effect. The further disposal amounting to € 627k resulted from the deconsolidation of twenty4help.

Goodwill is presented for each business segment of United Internet:

	2007 €k	2006 €k
Product segment	305,969	305,969
Outsourcing segment	0	627
Online Marketing segment	89,786	67,091
	395,737	373,687

6 Liabilities due to banks

Non-current liabilities due to banks amounting to € 100.0 million result from a revolving syndicated loan granted to United Internet AG with a term until September 13, 2012. The total credit line amounts to € 500.0 million. No collateral was required for the syndicated loan.

This revolving syndicated loan replaces the previous revolving syndicated loan amounting to € 125.0 million.

Current liabilities due to banks result mainly from the utilization of credit lines by AdLINK.

The working capital loans for United Internet AG amounting to € 55,0 million and the terms are June and September 2008 respectively.

7 Accrued taxes

The rise in accrued taxes results from the increased tax result.

8 Deferred income

Deferred income consists mainly of advance customer payments for services which will not be rendered until the following months.

9 Capital stock

Through partial use of conditional capital, the capital stock of the Company was increased in the first half of 2007 by € 241,372, from € 250,235,176 to € 250,476,548, by issuing 241,372 new, nopar registered shares for cash contribution. The cash contribution represented the conversion of convertible bonds in the first nine months of 2007 issued under the Company's employee stock ownership plan.

As of September 30, 2007 the Company held a total of 18.0 million treasury shares or 7.19% of current capital stock. The average purchase price per share amounted to € 11.85. Treasury shares reduce equity capital and are not entitled to dividend payments.

The dividend payment for fiscal year 2006 amounting to € 42.5 million was made on May 31, 2007.

10 Revaluation reserves

The increase in revaluation reserves amounting to € 8,201k resulted from the subsequent valuation of shares in Goldbach. Profits and losses from subsequent valuation to fair value are recognized directly in equity capital at net value, i. e. less deferred taxes.

Explanations of income statement items

11 Goodwill amortization

Due to restructuring at CibleClick France and AdLINK UK, the goodwill of these two companies was subjected to non-scheduled impairment tests. In connection with these impairment tests, the goodwill of CibleClick France was written down by € 7,662k and that of AdLINK UK by € 1,711k in the first nine months of 2007.

12 Other operating income / expenses

In the first nine months of 2007, other operating income / expenses were strongly influenced by the book profit of AdLINK amounting to € 16,808k in connection with the contribution of shares to Goldbach. We refer in this matter to our explanations under "Other financial assets".

13 Income taxes

Disclosed income taxes mainly consist of current tax expenses in Germany, which result from the increased tax result. There has been no significant effect on balance for domestic deferred taxes from the reduction of the tax rate in connection with the Germany corporation tax reform 2008.

Other items

14 Employee stock ownership programs

The employee stock ownership plan of AdLINK Internet Media AG 2007 employs virtual stock options (so-called Stock Appreciation Rights — SARs).

At September 2007, the first tranche was issued to senior managers of the AdLINK Group. The resolution comprises a volume of 260,000 virtual stock options at a strike price of € 15.57.

15 Transactions with related parties

United Internet AG is subject to significant influence, as defined by IAS 24, from Mr. Ralph Dommermuth, the major shareholder, as well as from the members of the Management Board and Supervisory Board.

There is no change in the circle of related parties as compared with the consolidated financial statements as at December 31, 2006.

The number of shares in United Internet AG held by members of the Management Board and Supervisory Board is shown in the following table:

Shareholding (units)	September 30, 2007
Management Board	
Ralph Dommermuth	88,000,000
Norbert Lang	576,128
Supervisory Board	
Kurt Dobitsch (Chairman)	-
Bernhard Dorn	-
Michael Scheeren	700,000

United Internet's premises in Montabaur are leased from Mr. Ralph Dommermuth. The resulting rent expenses are customary and amounted to € 1,170k in the first nine months of 2007.

There is a sponsoring contract between United Internet AG and Deutsche Challenge 2007 AG & Co. Management KG, Munich, according to which support was given by United Internet AG as the main sponsor of the "United Internet Team Germany" in the America's Cup 2007. The sole proprietor of Deutsche Challenge 2007 AG & Co. Management KG is Mr. Ralph Dommermuth. Sponsoring expenses in the first nine months of 2007 amounted to € 5.0 million.

The United Internet Group can also exert a material influence on its equity investments. There is a general loan agreement between United Internet AG and European Founders Fund GmbH & Co. Beteiligungs KG Nr. 1, under which United Internet AG had borrowed a total of € 9.0 million as of September 30, 2007. There were no other significant transactions with equity investments in the period under review.

16 Subsequent events

On September 21, 2007 United Internet and Drillisch AG signed a participation agreement regulating United Internet's investment in a joint company. It is planned that United Internet and Drillisch will each hold 50 % of this joint company which directly owns approx. 6.01 % of shares in freenet AG, Büdelsdorf. Furthermore, the holding company indirectly has the right to acquire a further 18.49 % of the freenet shares.

In return for its stake in the joint company, United Internet will contribute up to € 151.3 million in cash and in the form of a shareholder's loan to the holding company. The participation contract includes mutual put and call options, tender rights, pre-emption and first refusal rights and mutual rights of the parties to withdraw from the agreement until the conditions precedent have been met. The acquisition was approved by the antitrust authorities on October 24, 2007.

In a contract dated October 31, 2007 United Internet AG and Arques Industries AG, Starnberg, agreed on the sale of the United Internet Group member NT plus AG. The shares are to be sold with effect from December 31, 2007. The purchase price will be settled in three tranches till end of 2009 fully in cash.

United Internet subsidiaries and shareholdings



Products	
1&1 Internet AG	(D)
1&1 Internet Inc.	(USA)
1&1 Internet Ltd.	(UK)
1&1 Internet S.A.R.L.	(F)
1&1 Internet S.L.U.	(E)
1&1 Internet Service GmbH	(D)
1&1 Internet Services Inc.	(RP)
Fasthosts Internet Ltd.	(UK)
GMX GmbH	(D)
GMX Internet Services GmbH	(D)
InterNetX GmbH	(D)
United Internet Media AG	(D)
WEB.DE GmbH	(D)

Online Marketing	
AdLINK Internet Media AG	(D)
AdLINK Internet Media AB	(S)
AdLINK Internet Media B.V.	(NL)
AdLINK Internet Media GmbH	(D)
AdLINK Internet Media Ltd.	(UK)
AdLINK Internet Media N.V.	(B)
AdLINK Internet Media S.A.	(F)
AdLINK Internet Media S.L.U.	(E)
AdLINK Internet Media Srl	(I)
afflinet GmbH	(D)
afflinet Ltd.	(UK)
CibleClick Performances S.A.	(F)
Sedo GmbH	(D)
Sedo LLC	(USA)

Management Board:

CEO: Ralph Dommermuth (43), qualified banker
 CFO: Norbert Lang (46), qualified banker

Shareholdings:

Bigpoint GmbH 12.51 %
 fun communications GmbH 49.00 %
 NT plus AG 40.23 %

Supervisory Board:

Chairman: Kurt Dobitsch (53), self-employed entrepreneur
 Bernhard Dorn (66), self-employed business leader consultant
 Michael Scheeren (50), qualified banker

This report is available in German and English. Both versions can be downloaded from www.united-internet.de.
 In all cases of doubt, the German version shall prevail.

Disclaimer

This Report contains certain forward-looking statements which reflect the current views of United Internet AG's management with regard to future events. These forward looking statements are based on our currently valid plans, estimates and expectations. The forward-looking statements made in this Report are only based on those facts valid at the time when the statements were made. Such statements are subject to certain risks and uncertainties, as well as other factors which United Internet often cannot influence but which might cause our actual results to be materially different from any future results expressed or implied by these statements. Such risks, uncertainties and other factors are described in detail in the Risk Report section of the Reports of United Internet AG. United Internet does not intend to revise or update any forward-looking statements set out in this Report.

Financial calendar

March 30, 2007	Annual financial statements for fiscal year 2006
March 30, 2007	Press and analyst's conference
May 9, 2007	Business figures for the 1st quarter of 2007
May 30, 2007	Annual Shareholder's Meeting in Frankfurt am Main, Alte Oper
May 31, 2007	Dividend payment for fiscal year 2006
August 10, 2007	Business figures for the 2nd quarter of 2007
August 10, 2007	Press and analyst's conference
November 9, 2007	Business figures for the 3rd quarter of 2007

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