

9-Month Report
January to September 2004



Foreword

Dear shareholders, employees and friends of United Internet!

After completing the first 9 months of its current fiscal year, United Internet is well on schedule to meeting its targets for the year. Compared with the same period last year, our business model has once again clearly demonstrated its strength: with sales of € 365.9 million, we exceeded the prior-year figure of € 299.1 million by more than 22 %. At the same time, we raised pre-tax earnings from € 44.4 million last year to € 66.2 million — representing growth of 49 %.

All business segments contributed toward this positive result — albeit in varying degrees: the Product sector, with our brands GMX, 1&1 and Schlund+Partner, raised sales by 22 % over the previous year to € 257.7 million and EBT by 43 % to € 62.8 million. During the period under review, the number of paying customer contracts grew by over 530,000 to a total of 3.33 million. Of particular significance here are the growth in DSL contracts and our non-German business: the number of DSL contracts has grown from 650,000 at the end of 2003 to 930,000, while our webhosting business outside Germany (UK, France, Austria and the USA) has grown from 175,000 to 330,000. Despite the high marketing costs involved in entering the US market and for the launch of our own DSL resale business in July 2004, the Product segment achieved an EBT margin of over 24 %.

The company's Outsourcing segment also posted a significant improvement in sales during the first nine months with an increase of 14 % to € 63.4 million. At € 3.2 million, however, EBT remained well below the prior-year figure (€ 6.2 million). As already explained in our first-half report, the reasons for this fall in earnings lie in the completion of a major order and the lower productivity during the start-up phase of newly acquired projects.

Due in part to the first-time consolidation of Sedo and imedia, our third business segment "Online Marketing" was able to report strong growth in both sales and pre-tax earnings: revenue leapt 42 % to € 44.8 million, while EBT improved from € -2.7 million to € 2.0 million.

We are confident that we can reach our annual sales target of € 506 million. We have also raised our earnings forecast once again for fiscal 2004: we currently expect an EBT result of some € 85 million (previously € 80 million).



Ralph Dommermuth,
CEO

Montabaur, November 10, 2004

A handwritten signature in blue ink, which appears to be "Ralph Dommermuth".

Selected Key Figures (US-GAAP)

	2004	2003
	Jan.–Sept.	Jan.–Sept.
Sales	€ 365.9 million	€ 299.1 million
Earnings before interest, taxes, depreciation and amortization (EBITDA)	€ 82.8 million	€ 61.2 million
Earnings before taxes (EBT)	€ 66.2 million	€ 44.4 million
Employees	4,409	3,707
Share price as at end of September (XETRA)	€ 17.30	€ 16.91
Earnings per share*	€ 0.68	€ 0.46

* Calculated on the basis of the current number of shares outstanding.

Quarterly development of key figures

	Q4/2003	Q1/2004	Q2/2004	Q3/2004	Q3/2003
Sales	€ 115.9 million	€ 118.8 million	€ 120.0 million	€ 127.1 million	€ 101.4 million
EBITDA	€ 23.3 million	€ 26.6 million	€ 29.2 million	€ 27.0 million	€ 23.2 million
EBT	€ 20.4 million	€ 21.1 million	€ 23.7 million	€ 21.4 million	€ 17.5 million

Share ownership (units)

	Q2/2004	Q3/2004
Management Board		
Ralph Dommermuth (Chairman)	22,000,000	22,000,000
Norbert Lang	240,000	282,000
Supervisory Board		
Kurt Dobitsch (Chairman)	—	—
Bernhard Dorn	—	—
Michael Scheeren	415,100	405,350
Subscription Rights (units)		
Norbert Lang	84,000	42,000

Development of the Group

Record sales and earnings

In the first 9 months of 2004, consolidated sales revenues grew by 22 % to € 365.9 million (prior year: € 299.1 million).

Earnings before interest, taxes, depreciation and amortization (EBITDA) grew by 35 % to € 82.8 million (prior-year: € 61.2 million). We succeeded in raising earnings before taxes (EBT) by 49 %, from € 44.4 million to € 66.2 million. This growth was achieved in spite of considerably higher marketing and sales costs for our US expansion and the launch of our own DSL resale business in July 2004.

Successful international expansion

Our international expansion program continues to make strong progress: in the period under review, sales outside Germany accounted for € 77.2 million of total consolidated revenue (prior year: € 51.4 million). Our Product segment is now active in 5 nations: in Germany, we are the second largest provider of DSL connections and the clear market leader in webhosting. In the UK, we have established ourselves among the country's top webhosters and in the USA we are already one of the top ten hosting companies after just 9 months. We also launched activities in France and Austria this year, in May and in August respectively. As of September 30, 2004 we had 330,000 customer contracts outside Germany (September 30, 2003: 120,000). In our Outsourcing and Online Marketing segments we operate our own facilities in 13 different nations.

Start of DSL reselling

On July 12, 2004 our 1&1 brand launched its own DSL resale business. 1&1 DSL Plus offers customers both a DSL connection and internet access from a single source. This will enable 1&1 to develop stronger ties with its customers while also

generating additional revenue and contribution. In turn, customers now have just one partner for all their DSL needs. At the same time, we also launched a VoIP solution — which is included in all 1&1 DSL Plus tariffs. This new package has been extremely well received: in addition to 105,000 new DSL access contracts (net), we also sold 100,000 DSL resale connections already in the third quarter. In the meantime (October 27, 2004), GMX has also launched its own DSL resale offer.

Cash flow / capital expenditures

As well as raising earnings in the first nine months, we also succeeded in lifting operative cash flow to € 59.9 million (prior year: € 44.5 million). Investments in tangible and intangible assets amounted to € 15.5 million (prior year: € 20.6 million). In our Product segment, investments focused on the scheduled expansion of infrastructure and server capacities at our data centers. In the Outsourcing segment, we invested mainly in technical infrastructure and the creation of office facilities for new projects.

In early 2002 we sold a 15 % stake in AdLINK Internet Media AG to DoubleClick Inc. and deposited a further 21 % of shares with a DoubleClick trustee pending a call option. The earnings targets agreed for exercising the call option were not achieved. The deposited shares were therefore transferred back to United Internet on July 27, 2004. On September 22, 2004 we bought back our former 15 % stake in AdLINK from DoubleClick for € 7.7million. We thus currently hold 82.45 % of AdLINK's total stock.

Bank balances

As of September 30, 2004, the Group's net bank balances amounted to € 103.5 million (December 31, 2003: € 48.9 million).

Mitarbeiter

At the end of September 2004, United Internet employed a total of 4,409 people (December 31, 2003: 4,032). The Group's international expansion is also reflected in the number of staff employed outside Germany, which reached 1,687 (December 31, 2003: 1,492) or approximately 38 % of the Group total.

Parent company results

Pre-tax earnings of the parent company, United Internet AG, amounted to € 1.3 million (prior-year: € -2.6 million). As of September 30, 2004 the company had a positive bank balance of € 14.6 million. The equity ratio remains high at 87.1 %.

Affiliates

After raising our shareholding in Sedo and imedia and incorporating them in the Online Marketing segment, our minority shareholdings now consist of Metropolis, fun and NT plus. These companies made a positive contribution to consolidated earnings.

Share and dividend

After easily outperforming the TecDax index in the first half of the year, the United Internet share failed to escape the prevailing negative trend among German internet stocks in the third quarter. In total, the stock price fell from € 18.82 at year-end 2003 to € 17.30 as of September 30, 2004.

The annual shareholders' meeting on May 18, 2004 adopted the payment of a 15-cent dividend per share. A total amount of € 8.6 million was paid out on May 19, 2004.

On the basis of an authorization granted by the annual shareholders' meeting, the Management Board of United Internet AG resolved on October 1, 2004 to buy back up to 1.75 million company stocks.

Outlook

The current fiscal year has been very satisfactory to date: we have reached 72 % of our annual sales target and even 83 % of our expected annual EBT. We intend to utilize the leeway we have gained in EBT to step up our marketing efforts toward year-end. These activities will focus primarily on our own DSL connections, further international expansion in the field of webhosting and the canvassing of new free-mail users for GMX. We are confident that we can reach our targets and continue to exploit every opportunity for profitable growth.

Product Segment

In our Product segment we offer customers top-quality internet products. Our business relationships are based on subscription contracts with monthly flat-rate fees and additional variable (use-related) charges.

Our products are divided into 3 product lines:

- **Information Management:** including e-mail accounts, messaging, address management and 0700 numbers.
- **Webhosting:** domains, home pages, dedicated servers, e-shops.
- **Internet Access:** DSL and narrow-band access.

With our strong brands — GMX, 1&1, Schlund+Partner — we are well positioned to serve a wide range of market needs and customers. We can offer a varied range of products with regard to both features and pricing.

As of September 30, 2004 we had a total of 3.33 million paying accounts (year-end 2003: 2.8 million). Of this total, the Information Management product line accounted for 0.34 million contracts, our Webhosting business for 1.74 million and Internet Access for around 1.25 million contracts (of which 0.93 million were DSL accounts).

During the period under review, Product segment sales grew by 22 % to € 257.7 million (prior-year: € 211.7 million); EBT was up 43 % to € 62.8 million (prior-year: € 43.9 million). Despite high investments to establish our US business and increased marketing expenditure to launch our DSL resale business, we still reached an EBT profit margin of over 24 %. The effects of our

DSL resale business were felt for the first time in the third quarter: sales grew from € 82.8 million in the 2nd quarter to € 90.6 million in the 3rd quarter.

Customer contracts by product line (in million)

Product Line	Customer Contract
Information Management	0.34
Webhosting	1.74
Internet Access	1.25 (of which 930,000 DSL)

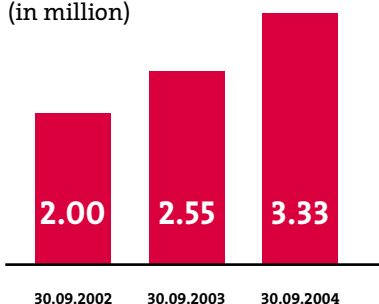
We expect the strong trend in our Product segment to continue in future. Leading internet analysts also forecast that market growth will remain strong for our product lines.

GMX

The free information management products of GMX are targeted especially at home users. With over 19 million accounts and more than 100 million visitors a month, GMX is one of Germany's leading portals. In addition, GMX offers fee-based, added-value services and internet access products.

In the period under review, GMX focused on the following developments: the TÜV certification of its e-mail virus protection services, the launch of a new GMX portal and the expansion of storage capacities for all e-mail price tariffs.

Customer contracts, total
(in million)



1&1

The information management, web-hosting and access solutions of 1&1 are aimed at discerning private users and SOHOs. 1&1 succeeded in strengthening its position as the world’s largest hosting company and Germany’s second-largest DSL supplier.

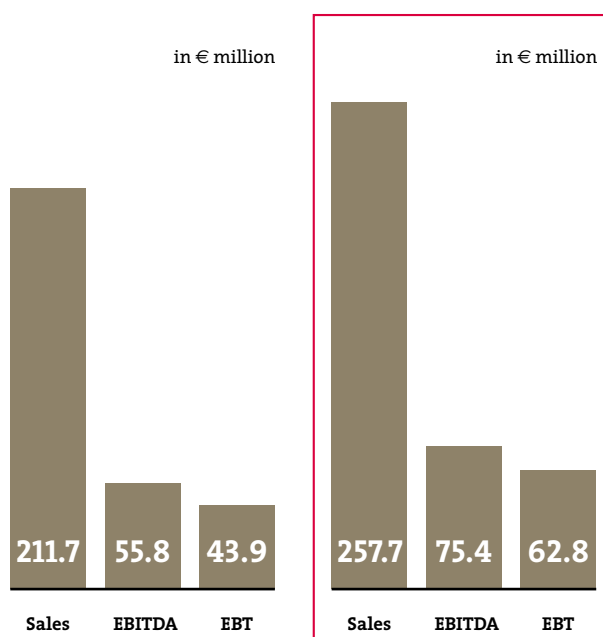
In the period under review, 1&1 focused on the following activities: the expansion of business in the USA, France and Austria; the international rollout of

Webhosting 5.0; the launch of DSL connections under its own name and on its own account; and the introduction of innovative new features, such as Voice-over-IP.

Schlund+Partner

Our premium brand Schlund+Partner is aimed mainly at small to mid-size companies. In addition to its professional information management, hosting and access services, Schlund+Partner offers comprehensive on-site service, which is provided by its extensive network of partners.

In the first 9 months of 2004, Schlund+Partner launched its new product “Business Homepage” — a solution for professional yet low-price web design. The new “DSL BusinessFLAT” product is a flat-rate tariff tailored specifically to company needs.



Quarterly development in € million

	Q4/2003	Q1/2004	Q2/2004	Q3/2004	Q3/2003
Sales	81.1	84.3	82.8	90.6	73.1
EBITDA	21.2	24.4	27.2	23.8	21.9
EBT	19.0	20.0	22.8	20.0	17.7

2003
Jan.-Sept.

2004
Jan.-Sept.

Outsourcing Segment

Our Outsourcing segment comprises purely B2B activities. We are represented in this segment by the brands Schlund Technologies and twenty4help.

In the first 9 months of 2004, sales in this segment grew noticeably while earnings lagged somewhat behind the prior-year figures. The main reason for this was the termination of a major twenty4help contract and the lower productivity of new projects in the start-up phase.

Sales in the first 9 months were thus up 14 % to € 63.4 million (prior year: € 55.8 million), while EBT fell to € 3.2 million (prior year: € 6.2 million). It is encouraging to note, however, that the EBT margin improved from 1 % in the 2nd quarter to over 6 % in the 3rd quarter. We are also optimistic for the future — in addition to growth in sales, we expect further progress toward our targeted EBT margin of around 10 %.

Schlund Technologies

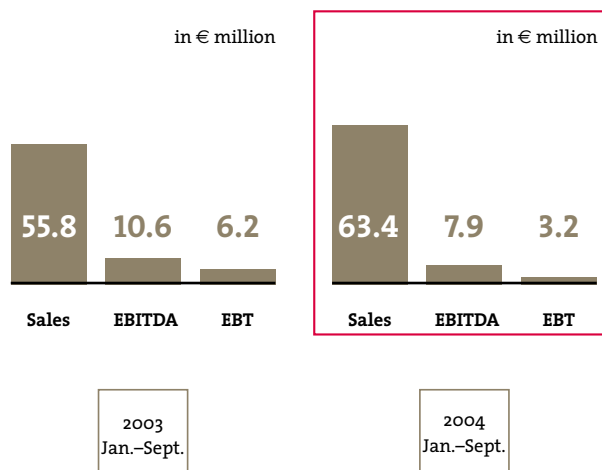
Schlund Technologies markets our products (mostly domains) to smaller ISPs and multimedia agencies, which in turn sell them to consumers and businesses.

Schlund Technologies focused on canvassing new partners and succeeded in raising the number of resellers from 6,500 (year-end 2003) to over 8,500.

twenty4help

twenty4help specializes in providing CRM services via its 10 facilities in 7 nations. Over 1.5 million technical queries are dealt with every month in a total of 17 different languages.

In the period under review, twenty4help expanded its services and now offers — as part of the Microsoft Support Partner network — support services for small businesses. twenty4help was also certified with the industry's most highly regarded quality standard "COPC-2000".



Quarterly development in € million

	Q4/2003	Q1/2004	Q2/2004	Q3/2004	Q3/2003
Sales	21.4	22.6	21.1	19.7	18.3
EBITDA	3.3	3.4	1.8	2.7	2.7
EBT	1.3	1.8	0.2	1.2	1.1

Online Marketing Segment

The Online Marketing segment comprises the activities of AdLINK, Sedo and imedia. These brands offer advertisers a wide range of tailored marketing and sales solutions.

Due mainly to the first-time consolidation of Sedo (January 2004) and imedia (May 2004), this segment achieved significant year-on-year growth. Sales grew by 42 % to € 44.8 million (prior year: € 31.5 million), while EBT improved from € -2.7 million to € 2.0 million. In the 3rd quarter — traditionally the weakest in the online advertising market — our brands succeeded in holding sales stable compared with the 2nd quarter and reaching an EBT margin of over 4 %. In the 4th quarter, we expect a seasonally typical increase in sales and stable EBT margins of 4 to 5 %.

AdLINK

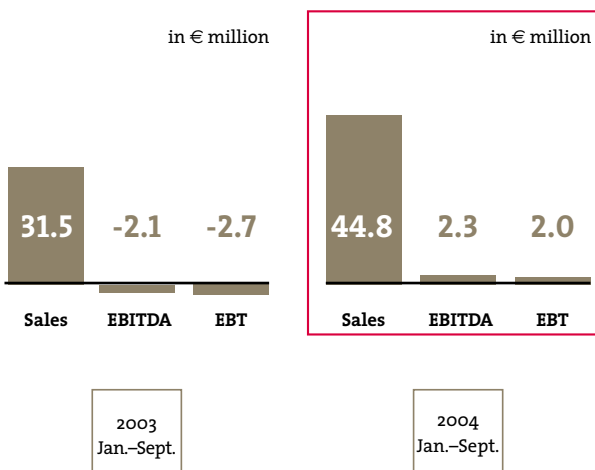
AdLINK is one of Europe's largest independent marketers of online advertising space. The company's business model is based on an online advertising network consisting of around 2,400 websites generating some 4.1 billion page impressions per month, which it markets to advertisers. In 2004 AdLINK is focusing on breaking even.

Sedo

Sedo operates the global domain trading platform "sedo.com" as well as marketing selected domains to advertisers on behalf of the domain owners. In the period under review, Sedo launched its own facility in the USA. Within just a brief period, the company succeeded in closing a number of promising cooperation agreements. Its catalogue of marketable English-language national domains has grown from 30,000 at year-end 2003 to over 160,000.

imedia

imedia operates "affili.net" — a network for suppliers of partner programs and mediating website operators. affili.net manages these programs and benefits from the contacts initiated via the network. In the first 9 months of 2004, imedia succeeded in gaining a series of leading program suppliers, such as Doc-Morris, debitel, eSixt and mobile.de. The number of affiliated websites grew from 180,000 as of year-end 2003 to over 200,000.



Quarterly development in € million

	Q4/2003	Q1/2004	Q2/2004	Q3/2004	Q3/2003
Sales	13.4	11.9	16.1	16.8	9.9
EBITDA	-0.1	0.3	1.1	0.9	-0.9
EBT	1.0	0.1	1.2	0.7	-1.1

United Internet AG – Consolidated Income Statement according to US-GAAP

from January 1, 2004 to September 30, 2004 in €k

	2004		2003	
	January–September		January–September	
Sales	365,921	100.0 %	299,121	100.0 %
Cost of sales	-198,050	-54.1 %	-176,960	-59.2 %
Gross profit	167,871	45.9 %	122,161	40.8 %
Selling expenses	-71,355	-19.5 %	-52,868	-17.7 %
General and administrative expenses	-30,488	-8.4 %	-28,833	-9.6 %
Other operating income/expenses	-769	-0.2 %	3,463	1.2 %
Operating result	65,259	17.8 %	43,923	14.7 %
Interest result	936	0.3 %	131	
Result from associated companies	9		336	0.1 %
Pre-tax result	66,204	18.1 %	44,390	14.8 %
Income taxes	-26,255	-7.2 %	-18,745	-6.2 %
Net profit	39,949	10.9 %	25,645	8.6 %
Minority interests	-767	-0.2 %	875	0.3 %
Profit after minority interests	39,182	10.7 %	26,520	8.9 %
Result per share (in €)				
– basic	0.68		0.46	
– diluted	0.68		0.46	
Weighted average shares in 2004 (in million units)				
– basic	57.65		57.65	
– diluted	57.67		57.67	

United Internet AG – Consolidated Income Statement according to US-GAAP

Quarterly development in € million

	Q1/2004	Q2/2004	Q3/2004	Q3/2003
Sales	118.8	120.0	127.1	101.4
Cost of sales	-64.5	-63.7	-69.8	-59.3
Gross profit	54.3	56.3	57.3	42.1
Selling expenses	-22.2	-22.1	-27.0	-16.9
General and administrative expenses	-10.7	-10.0	-9.8	-8.9
Other operating income / expenses	-0.5	-1.1	0.8	1.0
Operating result	20.9	23.1	21.3	17.3
Interest result	0.2	0.4	0.3	0.0
Result from associated companies	0.0	0.2	-0.2	0.2
Pre-tax result	21.1	23.7	21.4	17.5
Income taxes	-8.3	-9.5	-8.5	-7.2
Net profit	12.8	14.2	12.9	10.3
Minority interests	-0.1	-0.4	-0.3	0.4
Profit after minority interests	12.7	13.8	12.6	10.7
Result per share (in €)*				
– basic	0.22	0.24	0.22	0.18
– diluted	0.22	0.24	0.22	0.18

* Calculated on the basis of the current number of shares outstanding.

United Internet AG – Consolidated Balance Sheet according to US-GAAP
as of September 30, 2004 in €k

ASSETS

	September 30, 2004		December 31, 2003	
Current assets				
Cash and cash equivalents	107,005	33.7 %	52,856	19.7 %
Accounts receivable and other assets	66,173	20.9 %	69,343	25.9 %
Inventories	4,841	1.5 %	6,077	2.3 %
Prepaid expenses	8,438	2.7 %	8,521	3.2 %
Deferred tax asset	3,300	1.0 %	5,124	1.9 %
Current assets, total	189,757	59.8 %	141,921	53.0 %
Non-current assets				
Equity investments	13,368	4.2 %	12,762	4.8 %
Other financial assets	646	0.2 %	996	0.3 %
Property, plant and equipment	39,995	12.7 %	42,194	15.8 %
Intangible assets	6,433	2.0 %	6,001	2.3 %
Goodwill	64,504	20.3 %	60,707	22.7 %
Prepaid expenses	981	0.3 %	1,069	0.4 %
Deferred tax asset	1,684	0.5 %	2,044	0.8 %
Non-current assets, total	127,611	40.2 %	125,773	47.0 %
Assets, total	317,368	100.0 %	267,694	100.0 %
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable, trade	22,772	7.2 %	26,561	9.9 %
Liabilities due to banks	269	0.1 %	621	0.3 %
Advance payments received	21,229	6.7 %	11,549	4.3 %
Accrued taxes	7,147	2.3 %	28,029	10.5 %
Other accrued liabilities	44,090	13.9 %	17,509	6.5 %
Deferred revenue	41,093	12.9 %	33,015	12.3 %
Current liabilities, total	136,600	43.0 %	117,284	43.8 %
Non-current liabilities				
Convertible bonds	1,665	0.5 %	2,016	0.8 %
Liabilities due to banks	3,205	1.0 %	3,361	1.3 %
Deferred revenue	1,249	0.4 %	1,337	0.5 %
Deferred tax liability	910	0.3 %	910	0.3 %
Non-current liabilities, total	7,029	2.2 %	7,624	2.8 %
Liabilities, total	143,629	45.3 %	124,908	46.7 %
Minority interests	9,763	3.0 %	11,825	4.4 %
Equity				
Capital stock	58,040	18.3 %	57,474	21.5 %
Additional paid-in capital	121,158	38.2 %	119,569	44.7 %
Accumulated deficit	-15,845	-5.0 %	-46,406	-17.3 %
Outstanding, unrealized compensation for employee stock ownership program	0		-179	-0.1 %
Currency translation adjustment	623	0.2 %	503	0.2 %
Equity, total	163,976	51.7 %	130,961	48.9 %
Equity and liabilities, total	317,368	100.0 %	267,694	100.0 %

United Internet AG – Consolidated Statement of Cash Flows according to US-GAAP

from January 1, 2004 to September 30, 2004 in €k

	2004	2003
	January–Sept.	January–Sept.
Cash flow from operating activities		
Profit after minority interests	39,182	26,520
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization	17,525	17,231
Compensation expenses from employee stock option plans	54	584
Not distributed profits of associated companies	-9	-336
Distributed profits of associated companies	200	200
Minority interests	767	-875
Change in deferred taxes	2,184	896
Not cash-relevant results/expenses	44	291
	59,947	44,511
Changes in assets and liabilities		
Change in receivables and other assets	4,193	4,663
Change in inventories	1,235	-2,748
Change in deferred expenses	272	14
Change in accounts payable, trade	-4,444	-11,890
Change in payments received	0	1,904
Change in other accrued liabilities	25,536	-1,545
Change in accrued taxes	-21,627	14,492
Change in other liabilities	8,445	-3,193
Change in deferred income	7,991	4,095
Changes in assets and liabilities	21,601	5,792
Cash flow from operating activities	81,548	50,303
Cash flow from investment activities		
Capital expenditure for intangible assets and property, plant and equipment	-15,525	-20,573
Repayments/payments of loans granted	314	536
Disposal of assets, net book value	191	970
Acquisitions, net of acquired cash	-3,368	-171
Acquisition of additional shares in associated companies	0	-33
Cash flow from investment activities	-18,388	-19,271
Cash flow from financing activities		
Change in bank loans	-534	-210
Dividend payments	-8,621	-28,591
Minority interests	-1,338	-44
Additional payment for the exercise of convertible bonds	1,714	616
Payment/repayment of convertible bonds	-352	-145
Cash flow from financing activities	-9,131	-28,374
Net increase/net decrease in cash	54,029	2,658
Cash on hand and bank balances at the beginning of the fiscal year	52,856	32,379
Changes in currency translation adjustments	120	246
Cash on hand and bank balances as of September 30, 2004	107,005	35,283

United Internet AG – Development of Consolidated Equity according to US-GAAP

	Balance as of Dec. 31, 2002 €k	Change €k	Balance as of Dec. 31, 2003 €k	Change €k	Balance as of Sept. 30, 2004 €k
Capital stock	56,882	592	57,474	566	58,040
Exercise of conversion rights		592		566	
Capital increase through contribution in kind	865	-865	0		0
Exercise of conversion rights		-865		0	
Additional paid-in capital	117,515	2,054	119,569	1,589	121,158
Adjustment of the intrinsic value shown as part of the capital reserve resulting from options granted in the context of the employee stock ownership programme		871		-125	
Exercise of conversion rights		1,183		1,714	
Outstanding compensation for employee stock ownership programme	-156	-23	-179	179	0
Adjustment of the intrinsic value shown as part of the capital reserve resulting from options granted in the context of the employee stock ownership programme		-23		179	
Currency translation	190	313	503	120	623
Currency translation adjustment		313		120	
Accumulated deficit	-58,210	11,804	-46,406	30,561	-15,845
Net income		38,218		39,182	
Dividend payment		-28,591		-8,621	
Additional purchase price consideration		2,177			
Total equity	117,086	13,875	130,961	33,015	163,976
Adjustment of the intrinsic value shown as part of the capital reserve resulting from options granted in the context of the employee stock ownership programme		848		54	
Exercise of conversion rights		910		2,280	
Currency translation adjustment		313		120	
Net income		38,218		39,182	
Dividend payment		-28,591		-8,621	
Additional purchase price consideration		2,177			
Comprehensive Income	37,626		38,531		39,302
Currency translation adjustment	321		313		120
Net income	37,305		38,218		39,182

United Internet AG – Income Statement according to German Commercial Code (HGB)

from January 1, 2004 to September 30, 2004 in T€

	2004	2003
	January–September	January–September
Net sales	2,033	2,496
Other operating income	5,812	461
Cost of materials		
Cost of purchased services	-1,610	-2,088
Personnel expenses		
a. Wages and salaries	-959	-810
b. Social security contributions	-85	-60
Depreciation of intangible and tangible assets	-65	-106
Other operating expenses	-2,120	-2,487
Income from shareholdings	260	200
Interest and similar income	1,362	828
Depreciation of financial assets	-3,185	0
Interest and similar expenses	-190	-1,023
Result before taxes	1,253	-2,589
Income taxes	-18,093	-87
Other taxes	-2	-3
Loss	-16,842	-2,679
Accumulated profits	42,203	13,490
Balance sheet profit	25,361	10,811

The accounting and valuation principles used in this 9-month report correspond to those applied in the annual financial statements for fiscal 2003.

United Internet AG – Balance Sheet according to German Commercial Code (HGB)

as of September 30, 2004 in T€

ASSETS

	September 30, 2004		December 31, 2003	
Fixed assets				
Intangible assets				
Concessions, industrial and similar rights, and assets and licenses in such rights and assets	15		26	
Intangible assets, total	15		26	
Property, plant and equipment				
Other equipment, operational and office equipment	164	0.1 %	190	0.1 %
Property, plant and equipment, total	164	0.1 %	190	0.1 %
Financial assets				
Shares in affiliated companies	108,975	75.6 %	79,768	42.0 %
Investments	11,049	7.7 %	33,823	17.8 %
Other loans	18		337	0.2 %
Financial assets, total	120,042	83.3 %	113,928	59.9 %
Fixed assets, total	120,221	83.4 %	114,144	60.0 %
Current assets				
Accounts receivable and other assets				
Accounts receivable, trade	1		46	
Receivables due from affiliated companies	9,028	6.3 %	38,827	20.5 %
Receivables due from companies in which an investment is held	3		27	
Other assets	348	0.2 %	88	
Accounts receivable and other assets, total	9,380	6.5 %	38,988	20.5 %
Cash in hand and bank balances	14,589	10.1 %	36,946	19.4 %
Current assets, total	23,969	16.6 %	75,934	40.0 %
Prepaid expenses	0		11	
Balance sheet, total	144,190	100.0 %	190,089	100.0 %

EQUITY AND LIABILITIES

	September 30, 2004		December 31, 2003	
Equity				
Capital stock	58,040	40.3 %	57,474	30.2 %
Additional paid-in capital	41,251	28.6 %	39,537	20.8 %
Revenue reserves	898	0.6 %	898	0.4 %
Profit	25,361	17.6 %	50,824	26.7 %
Equity, total	125,550	87.1 %	148,733	78.2 %
Accruals				
Accrued taxes	66		25,941	13.6 %
Other reserves and accrued liabilities	1,736	1.2 %	6,816	3.7 %
Accruals, total	1,802	1.2 %	32,757	17.2 %
Liabilities				
Bonds	1,333	0.9 %	1,778	0.9 %
Accounts payable, trade	94	0.1 %	199	0.1 %
Liabilities due to affiliated companies	7,630	5.3 %	2,267	1.2 %
Other liabilities	7,781	5.4 %	4,355	2.3 %
Liabilities, total	16,838	11.7 %	8,599	4.5 %
Balance sheet, total	144,190	100.0 %	190,089	100.0 %



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 Service GmbH (D)

A1 GmbH

Alturo GmbH

GMX GmbH
GMX Internet Services GmbH

Schlund + Partner AG

Outsourcing

MIP Multimedia Internet Park GmbH

Schlund Technologies GmbH

twenty4help Knowledge Service AB (S)
twenty4help Knowledge Service AG (D)
twenty4help Knowledge Service B.V. (NL)
twenty4help Knowledge Service Ltd. (UK)
twenty4help Knowledge Service S.L. (E)
twenty4help Knowledge Service Sp.zo.o. (PL)
twenty4help Knowledge Service S.r.L. (I)

Online Marketing

AdLINK Internet Media AG (82.45 %)

imedia – Gesellschaft für
neue Medien mbH (70 %)

Sedo GmbH (51.07 %)

Shareholdings:

fun communications GmbH	33.33 %
Metropolis AG	45.77 %
NT Plus AG	40.23 %

■ Financial Calendar 2004

March 25, 2004	Financial Press Conference for Fiscal Year 2003, Analyst's Conference
May 17, 2004	Business Figures for the 1st Quarter of 2004
May 18, 2004	Annual Shareholder's Meeting in Frankfurt am Main, Alte Oper
May 19, 2004	Dividend payment
August 13, 2004	Business Figures for the 2nd Quarter of 2004, Press and Analyst's Conferences
November 10, 2004	Business Figures for the 3rd Quarter of 2004

■ Imprint

Publisher and copyright © 2004
United Internet AG
Elgendorfer Straße 57
D-56410 Montabaur
Germany
www.united-internet.com

November 2004

Registry court: Montabaur HRB 5762

This 9-month report is also available in German.
In all cases of doubt, the German version shall prevail.

For further information, please contact

Marcus Bauer
Head of Investor Relations
Phone: +49 26 02/96-16 31
Fax: +49 26 02/96-10 13
E-Mail: investor-relations@united-internet.com

Disclaimer

This Annual 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 Annual 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 Annual Reports of United Internet AG.



United Internet AG

Elgendorfer Straße 57

D-56410 Montabaur

Phone +49 26 02/96-11 00

Fax +49 26 02/96-10 13

investor-relations@united-internet.com