



com**BOTS**®

**QUARTERLY
FINANCIAL REPORT**
AS OF SEPTEMBER 30, 2007
INTERIM ANNOUNCEMENT ACCORDING TO ARTICLE 37X WPHG



COMBOTS AG THE THIRD QUARTER 2007 AT A GLANCE

- * Q3 trendsetting quarter; decision on realignment
- * Marketing efforts without sufficient results; decision to discontinue development and operation of the service made
- * Initiated restructuring is on schedule; result for Q3 burdened with one-off extraordinary depreciations in the amount of 7.5 million Euro and one-off cash effective restructuring costs in the amount of 2.4 million Euro; EBT Q3/2007 -17.4 million Euro
- * Significant reduction of the operating cost base already planned for Q4 with an EBT of approx. -5 million Euro
- * Positive development of United Internet: unrealized capital gains of more than 79.1 million Euro (+27%) since the beginning of the year; therefore dual corporate strategy overall successful
- * Restructuring to be completed largely in 2007; company's next steps will be reviewed comprehensively and in an open manner
- * Expected result of 1-2 million Euro including the financial result for total year 2008

COMBOTS AG FINANCIALS AT A GLANCE

in million Euro

	Q3/2007	Q3/2006	Q1-Q3/2007	Q1-Q3/2006
General administration costs	(1.9)	(1.7)	(4.9)	(6.3)
Operating result continued operations	(1.9)	(1.7)	(4.9)	(6.3)
Financial result and result from associated companies	1.2	1.1	7.1	6.8
Tax income (expense)	(1.1)	(0.2)	(1.2)	1.1
Result from continued operations	(1.8)	(0.8)	1.1	1.6
Result from discontinued product operation ComBOTS	(16.8)	(11.7)	(30.1)	(28.0)
Net result for the period	(18.5)	(12.5)	(29.1)	(26.4)
Net result for the period per share (in Euro)	(0.53)	(0.35)	(0.83)	(0.73)
Liquid funds and other securities	510.0	432.5	510.0	432.5
Shareholders' equity	525.0	462.4	525.0	462.4
Balance sheet total	545.1	481.4	545.1	481.4



COMBOTS AG

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COMBOTS Q3/2007

LETTER TO SHARE- HOLDERS



COMBOTS AG

LETTER TO SHAREHOLDERS FROM CHAIRMAN AND FOUNDER MICHAEL GREVE

Dear Madam, Dear Sir, Dear Shareholders,

The third quarter of fiscal 2007 was a decisive and trendsetting quarter for ComBOTS AG. As already announced at the Annual General Meeting and in the half year report in July we expected to see during this quarter whether we could succeed in securing a broader user basis for the ComBOTS product. Unfortunately, the efforts by the company to position the service through marketing and functional extensions in Q2 and Q3 did not achieve sufficient success by the end of the third quarter. The Supervisory Board and the Executive Board of ComBOTS AG, therefore, decided on September 25 to discontinue the further development of the digital communication service in its current form and to restructure and realign the company. Furthermore, the Supervisory Board and Executive Board decided today, to also discontinue the operation of the service and to no longer offer the product.

Unsatisfactory market acceptance and self-distribution of the service

In March of this year the Beta Phase was concluded for the newly developed communication service and Version 1.0 was published. Despite major efforts no significant gains in user numbers have been made since then. This unsatisfactory market acceptance and the inadequate level of self-distribution do not constitute a sufficient perspective in order to continue developing the service and the product further on.

As already announced in the ad hoc disclosure on September 25, the company carried out – in parallel to the discontinuation of the further development and the now decided discontinuation of the communication service – a restructuring which encompasses both the adjustment of the internal and external development capacities tied to the project and a reduction in existing capacities for making available the service and adjusting the operational organization. This restructuring was initiated at the end of the third quarter and is on schedule.

Significant reduction in cost structure planned

The above-mentioned measures will significantly reduce the cost basis. Within the framework of restructuring the company anticipates one-off unscheduled depreciations and amortizations with no cash impact of 7.5 million Euro and, in addition, one-off effects with a cash impact in the amount of 2.4 million Euro.

The total anticipated restructuring costs were taken into account in these Q3 statements. For the fourth quarter a significant reduction in the cost basis is already expected. Restructuring is to be completed largely this year.

Cost basis more or less constant in Q3

During the third quarter of fiscal 2007 the cost basis was to a large extent on a constant level. The efforts in connection with the functional extension and marketing of the product had a slight cost increasing impact. In the last quarter the loss on an EBITDA bases rose to 9.1 million Euro (Q3/ 2006: -11.3 million Euro) and hence reflected the planning of the senior management. Taking into account depreciations and amortizations in an amount of 9.5 million Euro,



the EBIT to -18.6 million Euro (Q3/2006: -13.4 million Euro). In the quarter the result before tax amounted to -17.4 million Euro, including one-off expenses from restructuring in a total amount of 9.9 million Euro. The company anticipates for Q4/2007 an already significantly reduced cost basis and a result before tax and one-off effects of approximately -5 million Euro.

Share in United Internet AG with a further increase in value

The 9.27 percent shareholding in United Internet AG, taken in 2005 within the framework of the dual corporate strategy, recorded yet another positive development. Hence, the disappointing development of the business unit "Personal Digital Communication" the substance of the company has been further strengthened. The shareholding in United Internet fully met expectations with unrealized price gains of more than 79 million Euro from the beginning of the year until the closing date September 30, 2007. Including the shareholding in United Internet AG the company had liquid assets (including tradable securities) of 510 million Euro on the reporting date September 30, 2007.

Outlook

The company plans to complete the restructuring largely in Q4/2007. In parallel to this, the company wants to develop and then implement realization and continuation concepts for the existing assets and, more particularly, for the data center and the real estate. With a small team the company plans to evaluate possible new online services during the first half year 2008 and subsequently to possibly develop them. Furthermore, the company will also review during this period in an open manner to what extent the capital resources and also the capital market strategy need to be adjusted overall to the future scope of business.

For Q1/2008 the company proceeds on the assumption of total costs within the group of approximately 2.2 million Euro with income still to be negligible. These include material costs of approximately 0.9 million Euro, personnel expenses of 0.9 million Euro as well as depreciations and amortizations of 0.4 million Euro. Acquisitions are not scheduled according to the current planning for 2008. For the full year 2008 the company plans with a positive result of 1-2 million Euro on the basis of the current asset and financial structure including the financial income.

The measures, which have been decided, are now in the implementation phase which involves restructuring and realigning our business, a significant reduction in operating expenses and the perspective of achieving a positive operating result following these measures in fiscal 2008. They constitute an important and positive step for the company and hence for all its shareholders. The upcoming decisions and further steps likewise require careful preparation on the basis of appropriate information. We would ask all our shareholders for the necessary patience and trust.

Michael Greve
Chairman & Founder



COMBOTS AG

CONSOLIDATED PROFIT AND LOSS STATEMENT (IFRS)

AS OF SEPTEMBER 30, 2007

in T Euro, except for share details

	Q3/2007	Q3/2006	Q1-Q3/2007	Q1-Q3/2006
Revenues	0	0	0	0
Cost of Sales	0	0	0	0
Gross profit	0	0	0	0
Marketing and advertising	0	0	0	0
General administration costs	(1,856)	(1,672)	(4,933)	(6,342)
Research and development	0	0	0	0
Operating result from continued operations	(1,856)	(1,672)	(4,933)	(6,342)
Financial income	1,232	1,068	7,144	6,006
Net income from associated companies	0	0	0	826
Net result before taxes	(624)	(604)	2,211	490
Taxes income (paid)	(1,147)	(153)	(1,156)	1,076
Result from continued operations	(1,771)	(757)	1,055	1,566
Result from the discontinued product operation ComBOTS	(16,762)	(11,735)	(30,121)	(27,985)
Net result for the period	(18,533)	(12,492)	(29,066)	(26,419)
Earnings per share (in Euro)	(0.53)	(0.35)	(0.83)	(0.73)
undiluted	(0.53)	(0.34)	(0.82)	(0.72)
diluted				
Average number of outstanding shares				
undiluted	34,677,570	35,858,523	35,039,270	35,949,790
diluted	35,267,213	36,621,027	35,628,913	36,712,294



COMBOTS AG

CONSOLIDATED BALANCE SHEET (IFRS)

AS OF SEPTEMBER 30, 2007

ASSETS in T Euro

	09/30/2007	12/31/2006
Long-term Assets		
Property, plant and equipment	22,741	24,211
Intangible assets	106	5,748
Lendings	335	348
Marketable securities	439,954	364,545
Total long-term assets	463,136	394,852
Short-term assets		
Cash and cash equivalents	47,261	38,152
Marketable securities	22,727	59,990
Trade accounts receivable	0	34
Tax refund claims	5,204	2,535
Other assets and deferred expenses	2,876	57,128
Subtotal short-term assets	78,068	157,839
Non-current assets held for sale	3,887	9,772
Total short-term assets	81,955	167,611
Total assets	545,091	562,463

LIABILITIES in T Euro

	09/30/2007	12/31/2006
Shareholders' equity		
Common shares at 1 Euro	34,671	38,429
Capital reserve	78,739	104,776
Other reserve	206,610	129,050
Accumulated total result	207,390	236,456
Treasury stock	(2,380)	(20,255)
Total shareholders' equity	525,030	488,456
Long-term liabilities		
Due to banks from the property leasing company	11,630	11,849
Total long-term liabilities	11,630	11,849
Short-term liabilities		
Trade accounts payable	1,722	1,939
Provisions	4,520	1,930
Tax provisions	35	36
Other short-term liabilities	2,154	58,253
Total short-term liabilities	8,431	62,158
Total liabilities	545,091	562,463



COMBOTS AG

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

AS OF SEPTEMBER 30, 2007

in T Euro

	Q1-Q3/2007	Q1-Q3/2006
Net cash provided by operating activities		
Net result for the period	(29,066)	(26,405)
Result from at equity investment	0	(826)
Interest income	(8,452)	(6,179)
Interest paid	550	480
Taxes income (paid)	1,156	(1,076)
Depreciation/amortization on intangible assets and tangible assets	14,192	4,902
Disposal of fixed assets	355	114
Expenditure from employee stock option plan	120	91
Result from sales of marketable securities	758	505
Change in assets and liabilities		
Trade accounts receivable	34	1,999
Due from associated companies	0	(17)
Other assets and deferred expenses	(2,434)	2,999
Short-term liabilities and deferred income	2,958	(10,767)
Taxes paid	(2,659)	(19,635)
Cash flow from operating activities	(22,488)	(53,815)
<i>Thereof from continued operations</i>	<i>(6,526)</i>	<i>(4,085)</i>
<i>Thereof from the discontinued product operation ComBOTS and WEB.DE portal</i>	<i>(15,962)</i>	<i>(49,730)</i>
Cash flow from investing activities		
Investments in intangible assets		
Investments in property, plant and equipment	(1,024)	(5,615)
Change in marketable securities	(526)	(14,592)
Acquisition of associated companies less received liquid funds	36,888	(73,900)
Cash flow from investing activities	0	1,911
<i>Thereof from continued operations</i>	35,338	(92,196)
<i>Thereof from the discontinued product operation ComBOTS</i>	<i>36,618</i>	<i>(72,219)</i>
	<i>(1,280)</i>	<i>(19,977)</i>
Cash flow from financing activities		
Capital increase		
Acquisition of treasury stock	189	242
Repayments of liabilities of the property leasing company	(12,228)	(2,452)
Repayments of loans	(219)	0
Minority interests	13	19
Interest received	0	(14)
Interest paid	9,054	6,179
Cash flow from financing activities	(550)	(480)
	(3,741)	3,494
Increase/decrease of cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	9,109	(142,517)
Cash and cash equivalents at the end of the period	38,152	150,757
	47,261	8,240

COMBOTS AG

DEVELOPMENT OF SHAREHOLDERS' EQUITY (IFRS)

FROM 12/31/2006 TO 09/30/2007

in T Euro

	Common stock	Capital reserve	Other reserves	Accumulated result	Treasury stock	Total
December 31, 2005	38,361	104,373	32,523	269,795	(16,175)	428,877
Capital increase						
of conditional capital	50	192				242
Acquisition of treasury stock					(2,452)	(2,452)
Effect from employee stock option plan		91				91
Equity variations with no effect on income from available-for-sale securities			61,534			61,534
Result for the period				(25,901)		(25,901)
September 30, 2006	38,411	104,656	94,057	243,894	(18,627)	462,391
December 31, 2006	38,429	104,776	129,050	236,456	(20,255)	488,456
Capital increase						
of conditional capital	37	152				189
Cancellation of treasury stock	(3,795)	(26,308)			30,103	0
Acquisition of treasury stock					(12,228)	(12,228)
Effect from employee stock option plan		120				120
Equity variations with no effect on income from available-for-sale securities			77,560			77,560
Result for the period				(29,066)		(29,066)
September 30, 2007	34,671	78,739	206,610	207,390	(2,380)	525,030

COMBOTS

Q3/2007

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

COMBOTS AG

NOTES TO THE CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2007

1. Information about the Company

Since 2000 ComBOTS AG (previously: WEB.DE AG), Amalienbadstrasse 41, 76227 Karlsruhe, has been listed on the stock exchange. Since the sale of the portal business WEB.DE in October 2005 the Company has been pursuing a dual corporate strategy. On the one hand, the Company has a 9.27% share in the United Internet Group and hence participates in the growth and success of one of the leading German mixed internet groups with offerings in the fields of portal, email, DSL, web hosting and online advertising. On the other hand, the Company invests in the building up of the business unit "Personal Digital Communication".

2. Generally Accepted Accounting and Valuation Principles

The quarterly Financial Statements of ComBOTS AG for the period from January 1, to September 30, 2007 were prepared in accordance with IAS 34 "Interim Financial Reporting" as Condensed Financial Statements. The Condensed Interim Financial Statements do not include all information prescribed for the Financial Statements of a full fiscal year and should be read in connection with the annual Financial Statements as of December 31, 2006.

The generally accepted accounting and valuation methods applied for the preparation of the Condensed Interim Financial Statements are without exception in conformity with the methods applied in the last annual Financial Statements as of December 31, 2006. For the interim report the standards and interpretations IAS 1 (changed) as well as IFRIC 7 to 10 had to be applied for the first time. The application did not have any impact on the quarterly statements.

3. Use of Estimates

The preparation of the Consolidated Interim Financial Statements in conformity with IFRS partly requires the Executive Board to make estimates and assumptions which have an impact on the amounts stated for assets, debts and contingent liabilities on the Balance Sheet date as well as the recognition of income and expenses during the reporting period. Any actual amounts and/or developments can deviate from these estimates.

During the current fiscal year assumptions and estimates were made, more particularly, following the decision on the realignment of the Company taken on September 25, 2007, in respect of aspects in connection with the future business activities of the Company. Based on these estimates and assumptions the recognition of deferred tax assets in respect of losses carried forward, the impairment test for the development of the newly defined cash generating units (CGUs) in the continued operations and the recognition of the restructuring provision were evaluated and/or made for the continued operations.

In connection with the realignment assumptions and estimates were also made in respect of the net disposal proceeds of the assets for sale.

Furthermore, estimates were made in respect of the classification of possible payment commitments as provision or contingent liability. This is determined by the classification of a utility outflow as likely which leads to the recognition of a provision or as unlikely which would lead to a recognition as contingent liability.

The estimates and underlying assumptions are reviewed on a permanent basis. Corrections of estimates are stated during the period during which the estimate is reviewed and possibly also in later periods if the review concerns both current and later periods.

4. Changes to the Scope of Consolidation

Within the framework of a re-organization of the ComBOTS Group under company law, ComBOTS Product GmbH & Co KG with registered office in Karlsruhe, was transformed into a limited liability company during the first quarter of fiscal 2007.

Furthermore, ComBOTS Product Management GmbH, Informia Asset Management GmbH and Informia AG were merged into ComBOTS Management GmbH during the second quarter of the fiscal year. ComBOTS Holding GmbH & Co. KG was integrated into ComBOTS AG.

Apart from the aforementioned there have been no re-organizations under company law with a major impact on the Consolidated Financial Statements.

5. Discontinued Product Operation “ComBOTS”

The Executive Board and the Supervisory Board of ComBOTS AG decided on September 25, 2007 to discontinue the further development of the free of charge service of the same name for personal digital communication in its current form and to give the Company a to realign the company.

The background to this decision is the unsatisfying market acceptance and self-distribution of the service since the end of the Beta phase and the publication of Version 1.0 in mid March 2007. The efforts deployed by the Company in order to position the service through marketing and functional extensions in Q2 and Q3 did not result in sufficient success at the end of Q3. As already announced in the half year report, the Company evaluated the further perspective for the service at the end of Q3 and based on the results now available it reached the conclusion that there are no adequate prospects justifying a further development of the service in its current form.

In parallel to the discontinuation of the further development of the communication service the Company executes a restructuring which includes both the adjustments of the internal and external development capacities related to the project and the reduction of existing capacities for the making available of the service as well as an adjustment of the operational organization.

Furthermore, it was decided on October 26, 2007 to discontinue the operation of the communication service and to cease the future offer of the service.

The goal of the Company is to significantly reduce through the measures described the cost structure of currently approximately 6.5 million Euro cash charges and 2.0 million Euro amortizations and depreciations.

From the current point of view the restructuring measures will probably involve non-scheduled and non-cash amortizations and depreciations in an amount of 7.5 million Euro as well as one-off cash charges in the amount of 2.4 million Euro. The restructuring is to be mainly completed in Q4/2007.

As a result of this decision the assets of the discontinued "ComBOTS" product operations were broken down into assets which are to be disposed of within the framework of the discontinuation and assets which will probably no longer be used after the realignment of the Company on the one hand and assets which are to be continued to be used after the realignment of the Company, on the other hand.

The assets to be disposed of and/or to be no longer used were classified in accordance with IFRS 5 as held for sale and consequently measured at the lower of carrying value and the expected disposal proceeds less costs to sell. This includes, in particular after the realignment, software licenses and IT equipment no longer needed (mainly servers and routers) which were devalued to the expected net disposal proceeds.

Concerning the assets which are to be continued to be used in the Company an impairment test within the intendment of IAS 36 was made (see Item 6 Impairment Test as at September 30, 20).

For the additional costs incurred in connection with the discontinuation of the product corresponding provisions were made in an amount of 2.4 million Euro (see Item 8 Restructuring).

The values shown in respect of the discontinuation of the product area "ComBOTS" shown in the Profit and Loss statement as well as in the cash flow statement break down as follows on the reporting date and on September 30, 2006:

in T Euro, except for share details

	Discontinued Product Operation Q1-Q3/2007	Discontinued Product Operation Q3/2007	Discontinued Product Operation Q1-Q3/2006	Discontinued Product Operation Q3/2006
Revenues	4	1	0	0
Cost of sales	(5,795)	(3,246)	0	0
Marketing and advertising	(3,440)	(1,191)	(4,977)	(2,538)
General administration costs	(634)	(105)	(1,478)	(1,047)
Research and development	(10,326)	(2,291)	(21,530)	(8,150)
Result of the discontinued product operation CombOTS after taxes	(20,191)	(6,832)	(27,985)	(1,735)
Result of the discontinuation of the product operation CombOTS	(9,930)	(9,930)	0	0
Result of the discontinued product operation CombOTS according to P & L	(30,121)	(16,762)	(27,985)	(11,735)
Number of shares				
undiluted	35.039.270	34,677,570	35,949,790	35,858,523
diluted	35.628.913	35,267,213	36,712,294	36,621,027
Effect on the earnings per share from continuing activities				
undiluted	(0.58)	(0.20)	(0.78)	(0.33)
diluted	(0.57)	(0.19)	(0.76)	(0.32)
Effect on the earnings per share of the disosal				
undiluted	(0.28)	(0.29)	(0.00)	(0.00)
diluted	(0.28)	(0.28)	(0.00)	(0.00)
Effect on the earnings per share, total				
undiluted	(0.86)	(0.48)	(0.78)	(0.33)
diluted	(0.85)	(0.48)	(0.76)	(0.32)
Net cashflow of the discontinued product operation for the operating activities	(15,962)		(26,606)	
Net cashflow of the discontinued product operation for investing activities	(1,280)		(19,977)	
Net cashflow of the discontinued product operation for financing activities	0		0	

6. Impairment Test as of September 30, 2007

IAS 36 requires companies to check on each reporting date whether there are indications for impairment. If there are such indications, an impairment test has to be carried out. As a result of the initiated realignment of the Company such an indication exists. The assets which are to be continued to be used and, therefore, are to be attributed to the continued operations had to be subject to an impairment test.

In order to conduct the impairment test the cash generating units (CGUs) of the Company were reviewed in a first step on the basis of the last annual Financial Statements. Given the planned realignment of the Company the CGUs had to be newly defined. Against the backdrop of the current state of planning of the realignment the future CGUs will be "Letting of Buildings", "Data Center Operation" and "Communication Services".

The assets which will continue to be used after the realignment of the Company were allocated to these CGUs.

The CGU "Letting of Buildings" concerns essentially the real property and building held in Sarah Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG which are to be let in future.

The CGU "Data Center Operation" relates to the newly installed data center which is probably to be used within the framework of Housing and/or Hosting.

The achievable amount of the cash generating units was determined on the basis of the calculation of a utility value using cash flow forecasts.

In the CGU "Communication Services" depreciations in the amount of 7.5 million Euro were made based on the impairment test carried out. For the CGUs "Letting of Buildings" and "Data Center Operation" there was no need for an impairment.

7. Restructuring Provision

Within the framework of restructuring the existing personnel development capacities were adjusted and the existing personnel capacities for the making available of the service were reduced and the operational organization was aligned. Based on the corresponding individual agreements with the employees affected by the restructuring measures dismissals for operational reasons will be avoided to a large extent.

Furthermore, contractual agreements with service providers need to be wound up in some operational areas.

Overall the corresponding restructuring costs to be expected in this connection are estimated at 2.4 million Euro which have been provisioned accordingly.

8. Treasury Shares and Shareholders' Equity

Until August 8, 2007 911,700 treasury shares were acquired by ComBOTS AG during the fiscal year. The average purchase price amounted to 10.80 Euro per share which meant that the total purchase price amounted to 9,848 T Euro. The stock of treasury shares increased to 3,794,922 shares as at August 8, 2007; this corresponded to a share of 9.87% in the subscribed capital.

By decision of the Executive Board of August 8, 2007, with the approval of the Supervisory Board, these shares were canceled in accordance with the empowerment by the general meeting, and at the same time the shareholders' equity was reduced by a nominal 3,794,922 Euro. The entry in the Commercial Register was made on October 4, 2007. The subscribed capital of the Company was reduced accordingly by 3,794,922 Euro; the remaining difference between the acquisition costs of the shares and the nominal value of the capital reduction was offset against the capital reserve in an amount of 26,307,855 Euro.

After the cancelation of the treasury shares the share buy back program of ComBOTS AG was continued and within the framework of the program 228,300 treasury shares with an average purchase price of 10.43 Euro or 2,380 T Euro were purchased. This corresponds to a share in the now reduced shareholders' equity of 0.66%.

The share buy backs are reported during the year on the corporate pages of the website in the section Corporate/Governance.

9. Securities

Since August 2006 basically all securities including shares in United Internet have been categorized as "available for sale".

Changes in respect of securities result on the one hand from the price increase of the shares held by ComBOTS AG in United Internet AG.

The shares in United Internet AG concern a total of 23,200,000 registered shares from the sale of the portal business. On September 30, 2007 the share price was 15.92 Euro per share; consequently, an increase in value of 3.41 Euro per share or a total of 79.1 million Euro compared to December 31, 2006 (share price: 12.51 Euro) was reported in the shareholders' equity with no effect on the net profit.

On the other hand, said changes concern additions and disposals in the portfolio of other securities. During the first nine months of the fiscal year securities with a total nominal value of 64.4 million Euro became due and were paid out to ComBOTS. This concerned essentially fixed interest securities and interest rates between 1.625% and 9.75%. Within the framework of these final maturities and/or disposals losses and/or price differences of 704 T Euro were realized.

During the same period securities were acquired with acquisition costs of 37.3 million Euro and included in the portfolio of available for sale securities. This, too, mainly concerns bonds with mostly fixed and partly also variable interests between 3.625% and 5.5%.

10. Tax Expenses

As in previous years, deferred tax liabilities were only stated in respect of changes in values of the shares in United Internet AG categorized as available for sale and the other securities. At the same time deferred tax assets in respect of the tax losses carried forward are recognized to offset deferred tax liabilities in accordance with the provisions of IAS 12. After the deferred tax liabilities shown with no effect on the net profit in the shareholders' equity decreased versus December 31, 2006, the deferred tax assets had to be reduced accordingly, so that tax expenses were stated in an amount of 0.6 million Euro.

Within the framework of the corporate tax reform by the German legislator the tax rates were significantly lowered with effect from January 1, 2008. By decision of the Federal Council of July 6, 2007 the corresponding Bill was adopted. The German Parliament had already approved the Bill on May 25. As an essential component of the Bill the corporation tax rate will be lowered from 25% to 15%. At the same time the trade tax assessment number is reduced from 500 to 350.

The tax rate to be applied for the setting up of tax deferrals in respect of temporary differences whose reversal is only expected from fiscal 2008 was reduced for the above mentioned reasons from 39% to 29%. Consequently, both deferred tax assets and deferred tax liabilities for which a reversal of the differences is only expected from 2008 were reduced accordingly. Since the reduction of the deferred tax liabilities from the securities available for sale was recognized with no impact on net profit by analogy to the setting

up in the shareholders' equity whereas the reduction of deferred tax assets in respect of tax losses carried forward was recognized with no impact on net profit by analogy to the setting up, this results in an incremental tax expense in the amount of 0.5 million Euro.

Tax expenses during the reporting period developed altogether as follows:

in T Euro_-----

	Q1-Q3/2007	Q1-Q3/2006
Actual taxes	10	180
Deffered taxes from tax rate change	509	0
Deffered tax expenses (earnings)	637	(1,256)
Tax expenses (earnings)	1,156	(1,076)

11. Cash Flow Statement

For the purposes of the Cash Flow Statement of the condensed financial statements, the cash and cash equivalents are as follows:

in T Euro_-----

	09/30/2007	09/30/2006
Current accounts	5,982	8,240
Term money accounts	19,779	0
Time deposit accounts	21,500	0
Total liquid assets	47,261	8,240

12. Share-Based Compensation

ComBOTS has a stock option plan for the benefit of its employees. On the basis of this stock option plan stock options are granted for the first time with a fixed employment. On September 30, 2007 1,524,758 (PY: 1,668,741) options were issued to subscribe ComBOTS shares to employees and members of the senior management of ComBOTS AG and its subsidiaries. The options may only be exercised if the ComBOTS share price has increased at least once by 10% since

the issue of the option. The exercise price is determined by the stock exchange price of the ComBOTS share at the time of allocation of the option plus a premium of 10%. The options may be exercised in the amount of one-third after the second, third and fourth year on the third to 20th stock exchange trading day after the ordinary general meeting or the announcement of a quarterly or half year report and in the event of full exercise of the options the conditional capital would be used in an amount of up to 1,525 Euro (PY: 1,669 T Euro). The options become forfeited after a maximum of ten years.

As a matter of principle, employees lose their claims under the stock options granted if they leave the Company within the qualifying period. Within the framework of the transfer of the portal business and the corresponding employees to 1&1 Internet AG in fiscal 2005 a special agreement was reached for the employees concerned so that the options issued to them are only forfeited if and to the extent that the employment relationship with 1&1 Internet AG ends with the qualifying period. The expenses associated with these options were completely covered in fiscal 2005.

On September 30, 2007 845,293 options for current and former employees as well as executive and non executive bodies of ComBOTS AG and its subsidiaries and moreover 679,465 options for employees of the WEB.DE portal sold in 2005 were outstanding. During the last half year no major allocations of options were made; a total of 37,301 options were exercised including 10,766 by current employees of ComBOTS AG. During the current fiscal year 120 T Euro (PY: 91 T Euro) from the options were recorded as personnel expenses.

13. Segment Reporting

Against the backdrop of the realignment of the Company these quarterly financial statements and the reported comparative periods merely differentiate between continued and discontinued business activities. There are no grounds for any more detailed segmentation at the present time.

14. Transactions with Related Parties

Related persons and companies within the meaning of IAS 24 are persons and companies in respect of which one of the parties has the possibility to control the other party or exercise material influence. Related companies are Cinetic Gesellschaft zur Entwicklung und Vertrieb von Medientechnik mbH, Karlsruhe, as majority shareholder of CombOTS AG as well as all subsidiaries and associated companies of CombOTS AG. A further related company is SüdLeasing Immobilien GmbH as shareholder of Sarah Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG which is consolidated as a so-called special purpose entity. Cinetic Gesellschaft zur Entwicklung und Vertrieb von Medientechnik mbH is to be considered as the parent company of CombOTS AG within the meaning of IAS 27.

Related persons include the members of the Executive Board, the Supervisory Board and the senior management of the subsidiaries.

The related persons and companies have not changed compared to the annual Financial Statements.

There were no material transactions with related parties. Further details on related parties can be found in the Annual Report 2006 on Page 51.

15. Employees

On the reporting date September 30, 2007 CombOTS AG and its subsidiaries employed a total of 138 employees (PY: 168). The headcount breaks down as follows on the reporting date:

	09/30/2007
Executive Board and Senior Management	5
Customer Service and Marketing	17
Research and Development, IT	77
General Administration, Finance and Public Relations	39
Total	138

16. Directors' Holdings

The reportable shareholdings of executive and non-executive directors as at September 30, 2007 are as follows:

Management	Shares	Options
Michael Greve	none	none
Robert Gratzl	23,800	181,430
Matthias Hornberger	47,353	158,430
Heiko Schneefeld	22,300	90,000
Frank Schüller	34,150	99,670

Supervisory Board	Shares	Options
Hansjörg Reiter	none	none
Felix Greve	none	none
Karl Schlagenhau	none	none

Cinetic Gesellschaft zur Entwicklung und Vertrieb von Medientechnik mbH (of which CEO Michael Greve and his brother Matthias Greve own 50% each) continues to hold 21,584,505 shares in CombOTS AG. Felix Greve holds 459,400 shares in CombOTS AG indirectly through three asset management companies.

17. Legal Disputes

As already reported in the Annual Report 2006 an action under trademark law of another company concerning the name "CombOTS" was decided at first instance in favor of CombOTS AG so that the plaintiff lodged an appeal against the judgment. The oral appeal proceedings took place before the Higher Regional Court Düsseldorf in September 2007. The court's decision is expected for November 2007.

Furthermore, two actions for rescission and nullity in respect of resolutions of the annual general meetings on July 13, 2006 and July 19, 2007 of a shareholder were pending on September 30, 2007. On October 2, 2007 ComBOTS AG, Karlsruhe, agreed with the shareholder in two out-of-court settlements to withdraw the pending actions of rescission and nullity.

Within the framework of the settlement, ComBOTS AG undertakes to make use of the existing empowerment to buy back own shares insofar, that until June 30th, 2008, 8% of the capital (i.e. 2.772.116 shares) – taking into account the shares already owned – are to be acquired, in order to subsequently cancel them. Currently the ComBOTS AG holds 228.300 own shares (as of September 30, 2007) from the ongoing buy-back program. The obligation for the buyback of shares namely expires as soon as the share price of ComBOTS AG (XETRA) exceeds the price of 13,35 Euro, measured on a daily average basis for a duration more than 5 subsequent trading days. This approximates the value of cash and cash equivalents (incl. tradable securities) per share as of August 31, 2007.

Furthermore, ComBOTS AG undertakes to continue the information policy towards its shareholders, followed before and at the annual shareholder meeting 2007, also at the annual shareholder meeting 2008.

In addition, an action was filed by an IT service company for payment under a purchase and service contract concerning the supply of standard software plus certain service and support services. ComBOTS has filed a counter-claim in this respect. The court proceedings have not yet taken place. No major charge for ComBOTS is expected in this respect.

18. Events after the Balance Sheet Date

The implementation of the restructuring measures in view of the realignment of the Company decided on September 25, 2007 is currently developing as planned. By decision of October 26, 2007 the Executive Board and the Supervisory Board decided to discontinue the operation of the communication service "ComBOTS" in future because of the otherwise incurred cost level. On October 26, 2007 the Executive Board and the Supervisory Board of ComBOTS AG also decided to merge ComBOTS Product GmbH into ComBOTS AG as the absorbing legal entity.

By October 25, 2007 the share price of United Internet dropped from 15.92 Euro per share on September 30, 2007 to 14.80 Euro per share. Referred to the share position held by us of 23.2 million United Internet shares, this means that there has been a share price decrease since September 30, 2007 of 26.0 million Euro in respect of the position. Compared to December 31, 2006 the value of this position increased by 53.1 million Euro up to October 25, 2007.

19. Liability Situation

In connection with the sale of the portal business to United Internet, ComBOTS AG furnished comprehensive warranties and made representations in respect of the object of the agreement to the buyers in its capacity as seller in accordance with standard practice for such transactions. The liability of ComBOTS AG under the violation of such warranties was limited to a total amount of 100 million Euro. Concerning the performance of the main service obligations, in particular a transfer of title and other transfer obligations and the ancillary and indemnification obligations explicitly regulated in the asset contribution contract and/or in the share purchasing agreement with United Internet, an absolute maximum liability, together with claims under infringement of warranties, of 300 million Euro was agreed. The warranties have different terms; in individual cases up to five years from the time of completion (October 31, 2005).

In addition, a competition clause was agreed under which we are, amongst other things, prohibited from operating an internet portal in German speaking countries or a web-based German email service (like the email services of WEB.DE, GMX, Yahoo, MSN or T-Online) for a period of two years from execution (October 31, 2005). In the event of violation of the competition clause, a non-recurring penalty of 100 million Euro becomes due. It must be offset against the maximum liability sum for warranty violation. With the full payment of the penalty, the validity of the compensation clause ends.

An actual payment obligation under the warranties or the competition clause is not currently anticipated.

COMBOTS

Q3/2007

INTERIM

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REPORT



In response to this unsatisfactory development a series of adjustment measures was already taken during the second quarter. In several steps the product and internet design were rendered more “grown up” and high quality objects instead of comic characters as a base design for the product were made available. By withdrawing the characters and emotions when addressing users a switch was made at the same time to pure function marketing. The technical functionalities as well as the product benefits of ComBOTS were now the focus of communication. At the same time, ComBOTS was supplemented by “File Sync”, the automatic synchronization of files across all terminal devices of a user connected to ComBOTS. In addition, the compatibility to other messenger networks such as ICQ, MSN, Yahoo or AOL was secured and the telephony function was redesigned and converted to the industry leading SIP standard. Furthermore, the product was made available with all basic functions for utilization on mobile phones.

Despite these comprehensive measures market acceptance for the product and self dissemination of the service remained absolutely unsatisfactory. The efforts made by the Company in order to position the service through marketing and functional extensions on the market in Q2 and Q3 were not sufficiently successful by the end of Q3. As already announced in the half year report, the Company evaluated the further perspectives for the service at the end of Q3 and taking into account the results now available, it reached the conclusion that there is not a sufficient perspective to continue to develop the service in its current form. Consequently, the Executive Board and the Supervisory Board of ComBOTS AG decided on September 25, 2007 that the further development of the “ComBOTS” service for personal, digital communication is discontinued in its current form and that the Company will be realigned.

Against the backdrop of the unsatisfactory development of user numbers the product was not able to generate material revenues – they only amounted to 4,000 Euro – since the completion of the public Beta phase when we entered the operational business and revenue phase.

For the third quarter of fiscal 2007 total operating costs amounted to 8.7 million Euro after 8.2 million Euro during the second quarter of 2007. Apart from the cost of sales in the amount of 3.2 million Euro research and development expenses in the amount of 2.3 million Euro were the dominating items. Marketing and advertising expenses reached 1.2 million Euro during the reporting period; general administration costs were 2.0 million Euro.

Following the decision of September 25, 2007, the product area “ComBOTS” is presented in the Profit and Loss statement for the first nine months of fiscal 2007 as a discontinued product area. The comparative prior year numbers were adjusted accordingly. The result reported for the discontinued product area ComBOTS includes, therefore, on the one hand the operating result of the product area for the past nine months (-20.2 million Euro) as well as on the other hand the probable expenses in connection with the discontinuation of the product area in the amount of 9.9 million Euro. These include one-off unscheduled amortizations and depreciations in the amount of 7.5 million Euro without a cash effect as well as restructuring costs in the amount of 2.4 million Euro with a cash impact.

In the continued business area with the business units presented under Item 7 “Letting of Buildings”, “Data Center Operation” and “Communication Services” total costs amount to 4.9 million Euro for the period Q1-Q3/2007 or 1.9 million Euro for Q3/2007.

Total depreciations and amortizations amount to 14.2 million Euro (including unscheduled depreciations and amortizations of 7.5 million Euro) for the period Q1-Q3/2007 with an EBITDA,



ie earnings before interest, taxes, depreciation and amortization of -20.9 million Euro. These include 2.4 million Euro restructuring costs. During the first nine months of fiscal 2006 the EBITDA amounted to -29.4 million Euro.

The EBIT, ie earnings before interest and taxes, amounts to -35.1 million Euro during the first nine months of fiscal 2007, including unscheduled depreciations and amortizations and restructuring costs of 9.9 million Euro from the discontinuation of the product area CombOTS. The accordingly adjusted EBIT amounts to -25.2 million Euro. During the comparative prior year period the EBIT amounted to EUR -34.3 million.

Financial Result

The investment of existing liquidity as well as the dividends from United Internet AG generated a positive financial income during the first nine months of fiscal 2007 of 7.1 million Euro (PY: 6.0 million Euro). 4.1 million Euro of this amount are attributable to dividend payments of United Internet.

In accordance with the International Financial Reporting Standards (IFRS) the value increase of the United Internet block of shares in the amount of 79.1 million Euro between January 1 and September 30, 2007 was, as already mentioned, not recognized as income in the Profit and Loss statement but was rather offset as neutral in terms of net profit against the shareholders' equity.

The other liquid assets and fungible securities are almost exclusively invested in bonds and money market securities of different issuers within the scope of a basically conservative investment philosophy.

Results for the Reporting Period

The nine month period 2007 closes – including one-off restructuring charges of 9.9 million Euro – with earnings before tax (EBT) of -27.9 million Euro. During the comparative prior year period the EBT amounted to -27.5 million Euro.

For the third quarter 2007 the EBT – including one-off charges from restructuring in the amount of 9.9 million Euro – amounted to -17.4 million Euro versus -12.3 million Euro in Q3/2006. Without the restructuring charges this corresponds to a 5.1 million Euro improvement in result.

As mentioned above, the adjustment of tax deferral without a cash effect, more particularly as a result of the tax reform 2008, resulted in tax expenses of 1.1 million Euro in Q3/2007.

Overall the nine month period 2007 – including one-off charges for restructuring in the amount of 9.9 million Euro – resulted in a loss for the period of -29.1 million Euro versus -26.4 million Euro during the comparable prior year period.

This loss for the period of -29.1 million Euro contrasted – as already mentioned – with unrealized share price gains for the United Internet block of shares not recognized in the Income statement for the first nine months of 2007 of 79.1 million Euro.

3. Net Assets and Financial Position

Cash flow Statement

The essential cash and cash equivalent streams during the fiscal year can be presented as follows:

	Q1-Q3/2007	Q1-Q3/2006
Cashflow from the operating activity	(22.5)	(53.8)
Cashflow from the investing activity	35.3	(92.2)
Cashflow from the financing activity	(3.7)	3.5
Change in cash and cash equivalents	9.1	(142.5)
Cash and cash equivalents at the beginning of the reporting period	38.2	150.7
Cash and cash equivalents at the end of the reporting period	47.3	8.2



During the reporting period the cashflow from the operating activity amounted to -22.5 million Euro versus -53.8 million Euro during the comparable prior year period whereby -23.1 million Euro of the prior year amount were accounted for by the business unit WEB.DE portal sold in 2005. This mainly concerned income tax payments. After elimination of this item there is nonetheless a significant improvement in the operating cashflow during the reporting period versus prior year. This is a direct consequence of the cost and expense cutting measures during the reporting period.

The tax paid during the reporting period in the amount of 2.7 million Euro mainly concerns investment income tax from dividends and interest paid.

Investments in tangible and intangible assets amounted during the reporting period to 1.6 million Euro versus 20.2 million Euro during the comparable prior year period.

During fiscal 2007 a total of 1.140.000 treasury shares at acquisition costs totalling 12.2 million Euro or an average 10.73 Euro per share were acquired year to date.

Inflows from interest and dividends amounted to 9.1 million Euro during the reporting period and outflows in respect of interests totaled 0.6 million Euro.

Net Assets and Financial Position

The following table shows in condensed form the key Balance Sheet items versus prior year:

	09/30/2007	12/31/2006
Cash and cash equivalents and securities	510	463
Other short term assets	8	60
Tangible and intangible assets	23	30
Non-current assets held for sale	4	9
Total assets	545	562
Short term liabilities	8	62
Long term bank liabilities from property leasing company	12	12
Shareholders' equity	525	488
Total liabilities	545	562

The Balance Sheet total decreased slightly by 17 million Euro versus December 31, 2006. This resulted on the one hand from the payment of a turnover tax liability of 56.7 million Euro from the sale of the portal business in 2005 to United Internet and a corresponding receivable from United Internet also in the amount of 56.7 million Euro by way of mutual offsetting.

On the other hand, liquid assets and securities increased by 47 million Euro due to the positive share price development of the United Internet share.

Liquid assets and securities of the ComBOTS Group amounted to 510 million Euro on September 30, 2007 (PY; 463 million Euro). This corresponds to 94% of the Balance Sheet total. 369 million Euro of the 510 million Euro are accounted for by the market value of the 23.2 million shares in United Internet (valued at the price on the Balance Sheet date of 15.92 Euro/share) as well as by 141 million Euro liquid assets and interest-bearing bonds. ComBOTS is hence in a very sound financial starting position in order to reach its strategic objectives.

The United Internet shares are reported as securities available for sale in the Consolidated



COMBOTS AG FINANCIAL CALENDAR

DATES

11/12/2007	German Equity Forum Fall 2007
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COMBOTS AG IMPRINT

Publisher

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This report appears in German (original language) and English (translation). Only the German language version is legally binding.



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