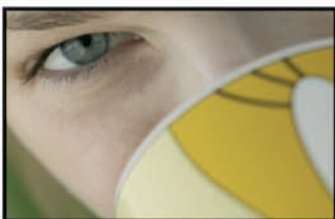
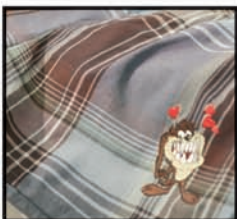
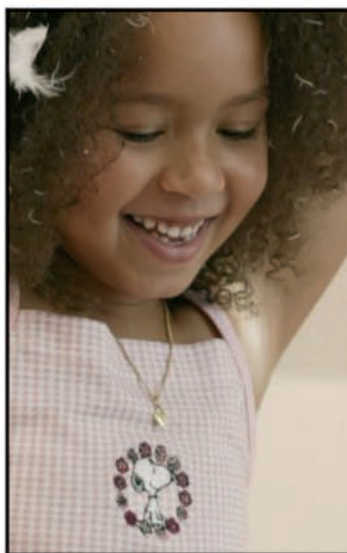
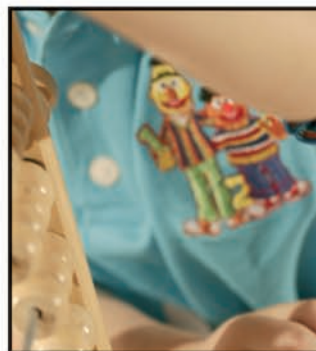
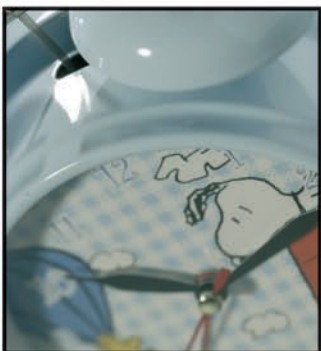
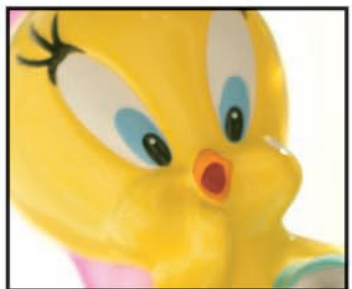
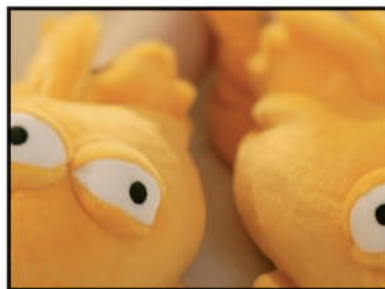




9-MONTHS REPORT 2008

UNITED[®]
LABELS
COMICWARE
UNITEDLABELS AG





PETER BODER
CEO

Dear **UNITEDLABELS** Shareholders,

UNITEDLABELS AG succeeded in maintaining its forward momentum over the course of the first nine months. Group revenue rose by 6% to € 30.5 million, while EBIT amounted to € 0.2 million. Net profit improved by € 0.2 million.

Growth in sales was driven by both the Key Account and the Special Retail segment. Within the Key Account segment revenue grew by 8% to € 21 million. Accounting for 70% of our business, this segment continues to be the dominant force within our portfolio, underpinned by a segment result of € 2.5 million at the end of the first nine months. Within this context, our subsidiary House of Trends made a particularly strong contribution to growth. Here, sales revenue increased to € 1.8 million.

Within the Special Retail segment, **UNITEDLABELS** recorded revenue growth of 1%, taking sales in this area to € 9.2 million. The segment result grew by as much as 14% to € 0.5 million. Whereas Germany saw a slight decline in business with „The Wild Soccer Bunch“ („Die Wilden Kerle“), our subsidiary in Italy achieved revenue growth of 28% to € 1.1 million.

We completed the relocation of our office in the UK, moving our premises from Nottingham to London. Alongside the closer proximity to our customers, we will benefit from targeted recruitment measures implemented with the express purpose of strengthening our local team.

In November, **UNITEDLABELS** received yet another award – the third in our trophy cabinet – from the world's largest industry association, the „International Licensing Industry Merchandisers' Association“ (LIMA). This time around, **UNITEDLABELS** was named „Best Licensee 2008“, reinforcing the strong position held by our company when it comes to our range of products, merchandise categories and licences.

What is more, we remain committed to maintaining an attractive and topical range of licences. Our portfolio includes the latest top-level licences „Hannah Montana“, „High School Musical“, „Clone Wars“ and „Camp Rock“. All four are currently in the headlines, with movies being screened either in cinemas or on television. A prime example: „High School Musical“, which has set new box-office records and is currently storming the cinema charts in 26 countries.

Finally, I would like to turn my attention to another important issue: the crisis within the financial markets. Unfortunately, the price of **UNITEDLABELS** shares was affected by the severe market conditions experienced worldwide. As we are all aware, the most recent developments are well beyond **UNITEDLABELS**' sphere of influence. **UNITEDLABELS** is extremely prudent when it comes to safeguarding its financial resources. Boasting an equity ratio of 63.5%, we have established a very solid position – and we are confident that the markets will recover, **UNITEDLABELS**' share price will rise and our shareholders will emerge from the current bear market with a profit. Our current share price provides the perfect opportunity to invest in our company and participate directly in our success.

Thank you for placing your trust in our company.

Peter Boder, CEO

Key Figures	9M 2008 (€ '000)	9M 2007 (€ '000)
Revenue	30,549	28,812
EBITDA	704*	887*
EBIT	227	353
EBT	(72)	84
Net profit for the year	(6)	(163)
Net cash from operating activities	3,085	3,151
Earnings/(loss) per share (€)	0.00	(0.04)
Headcount	139	136

*incl. amortisation of usufructuary rights

Revenue and Earnings

Revenue increased by 6% in the first nine months, up from € 28.8 million in 2007 to € 30.5 million in 2008. Among the principal growth drivers were our location in Germany (+6%), as well as Belgium (+32%) and Italy (+28%). Sales generated by House of Trends europe GmbH, Quakenbrück, a new subsidiary established in August 2007, contributed a total of € 1.8 million to revenues. Earnings before interest and taxes (EBIT) amounted to € 0.2 million (prev. year: € 0.4 million), while our post-tax profit improved from € -0.2 million a year ago to a break-even result in 2008. In the third quarter alone we managed to propel revenue by 13% to € 1.2 million. By contrast EBIT contracted during the same period, down € 0.1 million to € -0.1 million. This was attributable mainly to the weakness of the euro in relation to the US dollar and a higher level of returned goods.

Segments

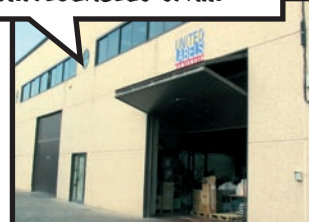
The business model embraced by **UNITEDLABELS** is centred around key account business as a focal point of the company's activities. In total, 70% of revenue is generated in this field. In the first nine months of the financial year sales revenue within this area rose by 8% year on year to € 21,361 thousand (prev. year: € 19,705 thousand). Overall, segment expenses amounted to € 16,642 thousand (prev. year: € 14,377 thousand). The segment result for the entire Key Account segment amounted to € 2,537 thousand (prev. year: € 3,095 thousand). Revenues generated within the Special Retail segment totalled € 9,188 thousand in the first nine months (prev. year: € 9,107 thousand). While Italy managed to generate growth in what is generally seen as a particularly successful market for specialist retailers, business in Germany was unable to match last year's performance, which had been buoyed by „Die Wilden Kerle“ („The Wild Soccer Bunch“). Having said that, the licences „High School Musical“ and „Angel Cat Sugar“ look set to become worthy successors. Expenses within the Special Retail segment amounted to € 7,617 thousand (prev. year: € 7,647 thousand), while pro rata depreciation and write-downs of property, plant and equipment totalled € 1,022 thousand (prev. year: € 980 thousand).

Thus, the segment result increased by 14% to € 548 thousand (prev. year: € 480 thousand). Administrative expenses declined from € 3,034 thousand in the first nine months of 2007 to € 2,775 thousand in the first nine months of 2008.

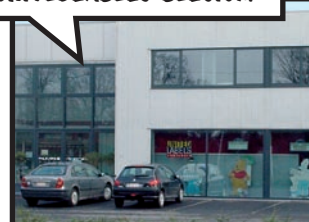
UNITEDLABELS GERMANY



UNITEDLABELS SPAIN



UNITEDLABELS BELGIUM



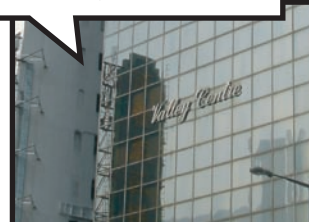
UNITEDLABELS FRANCE



UNITEDLABELS UK



UNITEDLABELS HONGKONG



On this basis, primary segment reporting is as follows:

Primary reporting format – Customer segments

2008

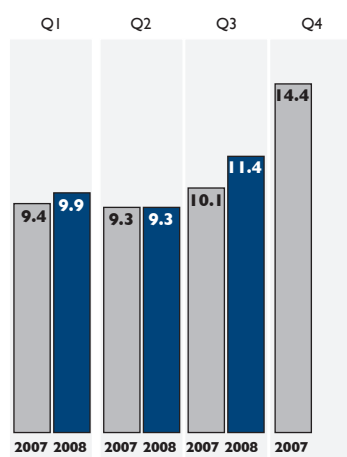
in € '000	Special Retail	Key Account	Group
Sales revenues	9,188	21,361	30,549
Segment expenses	(7,617)	(16,642)	(24,259)
Depreciation/amortisation and write-downs	(1,022)	(2,180)	(3,203)
Segment result	548	2,539	3,087
Administrative expenses			(2,775)
Depreciation administration			(84)
Finance cost			(299)
Result from ordinary activities			(72)
Taxes			66
Consolidated net profit/(loss)			(6)

	Special Retail	Key Account	Administration	Group
Segment assets (in € '000)	14,790	20,373	15,035	50,198
Segment liabilities (in € '000)	5,750	9,561	2,996	18,307

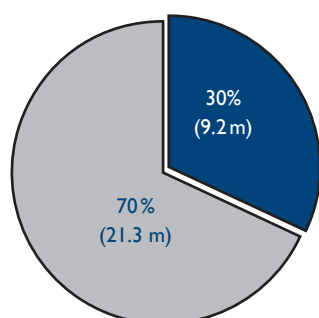
2007

in € '000	Special Retail	Key Account	Group	
Sales revenues	9,107	19,705	28,812	
Segment expenses	(7,647)	(14,377)	(22,024)	
Depreciation/amortisation and write-downs	(980)	(2,233)	(3,213)	
Segment result	480	3,095	3,575	
Administrative expenses			(3,034)	
Depreciation administration			(187)	
Finance cost			(269)	
Result from ordinary activities			84	
Taxes			(248)	
Consolidated net profit/(loss)			(163)	
	Special Retail	Key Account	Administration	Group
Segment assets (in € '000)	14,871	22,326	12,818	50,015
Segment liabilities (in € '000)	5,060	9,199	3,317	17,576

PAST SALES PERFORMANCE (IN € M)



BREAKDOWN OF SALES IN THE FIRST 9 MONTHS 2008 FOR KEY ACCOUNTS AND SPECIAL RETAIL IN % (€)



Key Account

Special Retail

Secondary reporting format – Geographical segments (in € '000)

Sales revenues

	1-9/2008	1-9/2007
Germany, Austria, Switzerland	13,780	13,991
Iberian Peninsula	8,303	7,887
France	4,589	3,101
Rest of the World	3,877	3,833
Group	30,549	28,812

Total assets

	1-9/2008	1-9/2007
Germany, Austria, Switzerland	34,080	34,790
Iberian Peninsula	9,285	7,855
France	1,412	1,092
Rest of the World	5,421	6,278
Group	50,198	50,015

Balance Sheet

Net cash from operating activities amounted to € 3.1 million in the first nine months (prev. year: € 3.2 million). Cash and cash equivalents decreased from € 4.8 million at the end of the 2007 financial year to € 4.0 million at the end of the reporting period, while financial liabilities declined from € 10.2 million to € 5.4 million. At the reporting date, net debt stood at € 1.4 million.

As at September 30, 2008, the equity ratio was 63.5%. The company continues to hold 46,199 treasury shares. Following the Annual General Meeting in May, a dividend of € 0.8 million was distributed to shareholders and recognised in equity.

Compared to the end of the 2007 financial year, the balance sheet total contracted by € 3.2 million to € 50.2 million due to the decline in receivables and liabilities.

Basis of preparation (IFRS/IAS) and statement of compliance

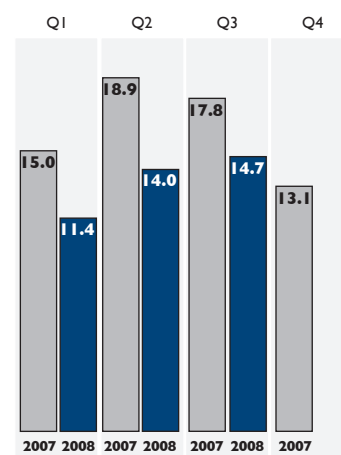
The financial statements for the quarter have been prepared in accordance with internationally accepted accounting standards, on the basis of the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) promulgated by the International Accounting Standards Board (IASB).

In preparing the consolidated financial statements, the Management Board is required to make estimates and assumptions that affect the reported amounts of assets and liabilities/equity as well as the amounts disclosed in the income statement. It is possible that these assumptions and estimates may not coincide with actual occurrences. Actual results may differ from forecasts if consumer behaviour or the actions of licensors or trading partners (customers, suppliers) change.

Uniform accounting policies have been applied to the quarterly financial statements.

The financial statements are presented in euros.

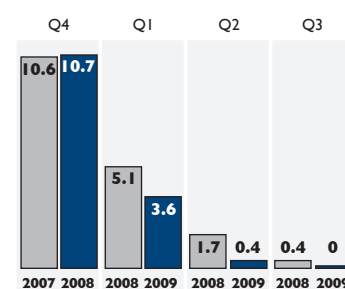
ORDER BACKLOG (IN € M)



Employees

At the end of September 2008, the **UNITEDLABELS** Group employed 139 (prev. year: 136) members of staff. Of these, 75 were employed in Germany, 45 in Spain, 5 in France, 6 in Belgium, 5 in England and 3 in Italy. Additional staff members were recruited mainly for recently established House of Trends europe GmbH.

BREAKDOWN OF ORDER BACKLOG (IN € M)



Licences

As at September 30, 2008, **UNITEDLABELSAG** held a portfolio of 56 licence agreements covering the most well-known and popular cartoon characters, the emphasis being on the merchandise categories of giftware, accessories, apparel and soft toys.

New licences such as „Star Wars – The Clone Wars“, „Sino“, „Naruto“, „Camp Rock“, „High School Musical“, „Angel Cat Sugar“ and „Hannah Montana“ are expected to produce an additional boost to our overall sales performance.

Within this context, newly launched movies such as „High School Musical 3“ will raise the awareness and appeal of the various characters and thus drive demand for products sold under licence.

Share Performance

Financial market crisis, recessionary fears, plunging share prices: these are the headlines to have dominated stock market performance over recent weeks.

Given the general lack of confidence in stock investments at present, it is little wonder that **UNITEDLABELS AG**, too, was affected by the global malaise witnessed in the financial markets, a plight shared by large exchange-listed corporations as well as other small- and mid-caps. The level of turbulence currently experienced brings back memories of the meltdown afflicting the Neue Markt standard several years ago. But despite this, we all know that markets will recover at some stage. Share prices will gain momentum and shareholders will reap the rewards.

We believe that our current market capitalisation fails to capture the true value of **UNITEDLABELS AG**. Of course, we hope that confidence will return to the markets in the near future, producing fresh impetus for our stock. After all, the key fundamentals of **UNITEDLABELS AG** are good. Now, it is all about timing: buy at an opportune moment, when prices are low, and then participate in the company's success and profit from potential dividend payments.

Directors' Holdings

As at September 30, 2008, **UNITEDLABELS AG** had a total of 4.2 million shares, with 46,199 shares being held by the company itself as treasury stock. At September 30, 2008, the Management Board as well as the Members of the Supervisory Board of **UNITEDLABELS AG** held the following shares and options:

Peter M. Boder held 2.63 million shares. The Chairman of the Supervisory Board Dr. Jens Hausmann held no shares; the members of the Supervisory Board Prof. Dr. Helmut Roland and Michael Dehler held 5,728 and 441 shares respectively. In October, Prof. Dr. Roland acquired a total of 4,122 no-par-value shares.

As at September 30, 2008, no options had been granted and no valid share option plan was in place.

Outlook

UNITEDLABELS is committed to sustainable growth in revenues and earnings. We consider ourselves well positioned as we approach the fourth quarter, a period that generally produces strong forward momentum.

A series of new licences will provide fresh impetus to our attractive portfolio. In „Camp Rock“, we have again chosen a licence targeted at the age group of 8- to 16-year-olds. „Camp Rock“ is a springboard for up-and-coming musicians – a tremendous success in the United States.

Additionally, we have concluded a far-reaching cooperation agreement with the well-known artist Steinbeck. Our newly developed „Sino“ brand is to be rolled out from 2009 onwards, offering retailers a broad range of products underpinned by extensive marketing measures.

Furthermore, **UNITEDLABELS** will be opening its very first **UNITEDLABELS** Seasonstore in Germany – in a prime shopping location. The store will offer the full **UNITEDLABELS** product portfolio for a limited period of time, our objective being to gain first-hand experience of temporary retail concepts and to analyse consumer behaviour with regard to our merchandise sold under licence. The first project will be implemented in Münster in the last two months of 2008 – in the run-up to Christmas.

Put your trust in us!

9-MONTHS STATEMENT

UNITEDLABELS Aktiengesellschaft, Münster Group Income Statement (IFRS)

for the period from 1 January to 30 September 2008 (unaudited)

	01/01/2008 30/09/2008		01/01/2007 30/09/2007		01/07/2008 30/09/2008		01/07/2007 30/09/2007
	€	%	€	%	€	%	€
Sales revenues	30,549,419.37	100.0 %	28,812,068.81	100.0 %	11,360,134.68	100.0 %	10,084,294.62
Cost of materials	(17,233,705.80)	(56.4%)	(15,051,980.33)	(52.2%)	(7,009,748.76)	(61.7%)	(5,005,347.22)
Amortisation/write-downs of usufructuary rights	(2,810,852.45)	(9.2%)	(2,866,445.25)	(9.9%)	(1,141,917.92)	(10.1%)	(1,142,066.42)
	10,504,861.11	34.4%	10,893,643.23	37.8%	3,208,468.00	28.2%	3,936,880.98
Other operating income	177,673.87	0.6%	65,975.26	0.2%	65,825.37	0.6%	16,411.15
Staff costs	(4,684,979.34)	(15.3%)	(4,284,794.67)	(14.9%)	(1,504,461.17)	(13.2%)	(1,371,554.25)
Depreciation of property, plant and equip- ment, and amortisation of intangible assets (excl. amortisation of usufructuary rights)	(476,113.13)	(1.6%)	(534,310.78)	(1.9%)	(153,947.27)	(1.4%)	(177,391.82)
Other operating expenses	(5,293,960.39)	(17.3%)	(5,787,331.52)	(20.1%)	(1,703,385.22)	(15.0%)	(2,248,657.64)
Profit from operations	227,482.13	(0.7%)	353,181.52	1.2%	(87,500.29)	(0.8%)	155,688.42
Finance income	99,765.62	(0.3%)	113,411.82	0.4%	15,576.29	0.1%	34,194.69
Finance cost	(399,255.98)	(1.3%)	(382,913.48)	(1.3%)	(74,453.46)	(0.7%)	(138,968.17)
Net finance cost	(299,490.36)	(1.0%)	(269,501.66)	(0.9%)	(58,877.17)	(0.5%)	(104,773.48)
Profit before income taxes	(72,008.23)	(0.2%)	83,679.86	0.3%	(146,377.46)	(1.3%)	50,914.95
Taxes on income	65,882.50	0.2%	(246,688.22)	(0.9%)	87,772.75	0.8%	(70,217.09)
Consolidated net profit	(6,125.73)	0.0%	(163,008.36)	(0.6%)	(58,604.70)	(0.5%)	(19,302.14)

Consolidated earnings per share

basic	0.00 €	(0.04) €
diluted	0.00 €	(0.04) €
Weighted average shares outstanding		
basic	4,153,801 shares	4,200,000 shares
diluted	4,153,801 shares	4,200,000 shares

Group Statement of Changes in Equity

(unaudited)

	Subscribed capital € '000	Capital reserves € '000	Revenue reserves € '000	Translation reserve € '000	Consolidated unapp. profit € '000	Treasury shares € '000	Total € '000
Balance at 31/12/2006	4,200	24,384	2,883	(20)	1,995	0	33,442
Avg.dividend distr.	0	0	0	0	(840)	0	(840)
Consolidated net profit Q II 2007	0	0	0	0	(163)	0	(163)
Balance at 30/09/2007	4,200	24,384	2,883	(20)	992	0	32,439
Currency translation	0	0	0	(34)	0	0	(34)
Consolidated net profit 2007	0	0	0	0	397	0	397
Treasury shares	0	0	0	0	0	(223)	(223)
Total result of the period	0	0	0	(34)	(443)	(223)	(700)
Balance at 31/12/2007	4,200	24,384	2,883	(54)	1,552	(223)	32,742
Currency translation	0	0	0	(15)	0	0	(15)
Dividend distribution	0	0	0	0	(830)	0	(830)
Consolidated net profit Q III 2008	0	0	0	0	(6)	0	(6)
Balance at 30/09/2008	4,200	24,384	2,883	(69)	716	(223)	31,891

UNITEDLABELS Aktiengesellschaft, Münster Group Balance Sheet (IFRS) as at 30 September 2008

ASSETS

Assets	30/09/2008 €	31/12/2007 €
Non-current assets		
Property, plant and equipment	6,008,741.72	6,324,683.81
Intangible assets	11,445,632.47	10,773,443.69
Deferred tax assets	3,276,859.75	2,981,975.43
	20,731,233.94	20,080,102.93
Current assets		
Inventories	9,948,539.27	9,002,441.07
Trade and other receivables	14,059,542.59	18,007,959.28
Other assets	1,471,745.71	1,487,706.58
Cash and cash equivalents	3,987,172.80	4,780,636.01
	29,467,000.37	33,278,742.95
Total assets	50,198,234.31	53,358,845.88

UNITEDLABELS Aktiengesellschaft, Münster Group Balance Sheet (IFRS) as at 30 September 2008

EQUITY AND LIABILITIES

	30/09/2008 €	31/12/2007 €
Shareholder's equity		
Capital and reserves attributable to the owners of the parent company		
Subscribed capital	4,200,000.00	4,200,000.00
Capital reserves	24,384,570.63	24,384,570.63
Revenue reserves	2,883,209.63	2,883,209.63
Currency translation	(69,392.96)	(54,111.96)
Consolidated unappropriated surplus	715,515.06	1,552,400.98
Treasury shares	(223,413.73)	(223,413.73)
Total equity	31,890,488.63	32,742,655.55
Non-current liabilities		
Provisions for pensions	803,275.00	718,405.00
Financial liabilities	5,022,507.23	5,810,422.04
	5,825,782.23	6,528,827.04
Current liabilities		
Provisions	674,104.54	1,061,165.99
Tax liabilities	85,095.16	33,007.00
Financial liabilities	385,114.95	4,355,512.65
Trade and other payables	11,337,648.81	8,637,677.64
	12,481,963.45	14,087,363.28
Total equity and liabilities	50,198,234.31	53,358,845.88

UNITEDLABELS Aktiengesellschaft, Münster Group Cash Flow Statement (unaudited)

	09/2008 € '000	09/2007 € '000
Consolidated net profit	(6)	(163)
Depreciation of property, plant and equipment, and amortisation of intangible assets	3,287	3,401
Change in provisions	(302)	287
Other non-cash expenses	295	(191)
Loss on the disposal of non-current assets	0	34
Changes in inventories, trade receivables and other assets not attributable to investing or financing activities	3,018	(530)
Changes in trade payables and other liabilities not attributable to investing or financing activities	(3,206)	313
Cash flows from operating activities	3,085	3,151
Proceeds from the disposal of non-current assets	0	0
Payments for investments in non-current assets	(2,245)	(6,504)
Cash flows from investing activities	(2,245)	(6,504)
Proceeds from capital increase	0	0
Dividend distribution	(831)	(840)
Proceeds from financial loans	0	1,402
Repayment of financial loans	(788)	(250)
Cash flows from financing activities	(1,619)	312
Net cash change in cash and cash equivalents	(779)	(3,041)
Currency translation	(15)	0
Cash and cash equivalents at the beginning of the period	4,782	4,486
Cash and cash equivalents	3,988	1,445
Gross debt bank	5,408	4,641
Net debt bank	1,420	3,196
Composition of cash and cash equivalents:		
Cash and cash equivalents	3,988	1,445

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FINANCIAL CALENDAR 2008**November 10-12**

Participation at the German
Equity Forum in Frankfurt

November 10

Publication of 9-Months Report

UNITEDLABELS AG

Investor Relations-contact:

If you require further information
on **UNITEDLABELS** or its financial
results, please contact Mr. Timo Koch:

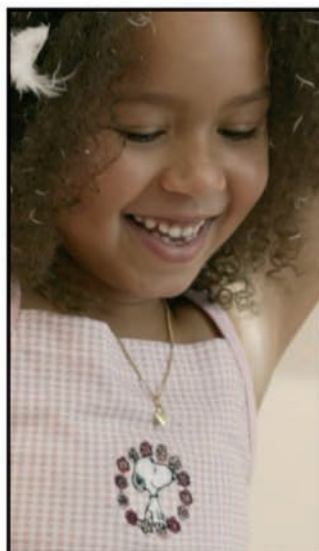
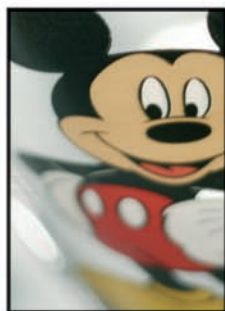
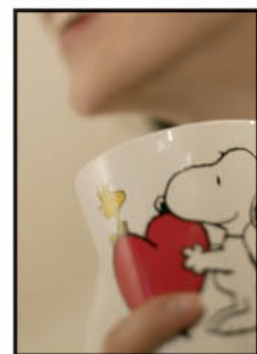
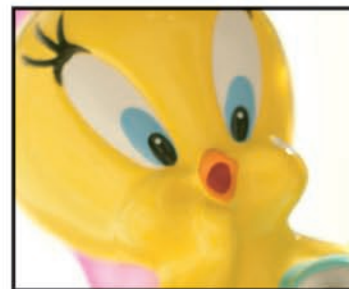
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