



3-MONTHS' REPORT 2009

UNITED[®] LABELS COMICWARE

UNITEDLABELS AG



LETTER TO SHAREHOLDERS



PETER BODER
CEO

Dear UNITEDLABELS Shareholders,

The first quarter of the 2009 financial year was shaped by general economic conditions which, as for everyone, represent a challenge for **UNITEDLABELS**. Following on from a low order backlog in the fourth quarter of 2008, consolidated revenue and earnings in the first quarter of 2009 were down on the prior year. At the end of the 2008 financial year, the order backlog was € 4.1 million less than in the previous year. Given the difficult economic situation in Europe, we were not in a position to close this gap.

Accordingly, revenues in the first quarter totalled € 8.7 million and earnings after taxes amounted to € -0.2 million. Key Accounts in Germany proved particularly reluctant to buy in the first quarter. There were no requests for tenders, and orders were scaled back. Sales in the domestic special retail sector fell by 26 % compared to the same period in the prior year.

The European subsidiaries largely performed as planned, generating a positive operating result in aggregate. In France, Belgium and the UK, earnings were up on the prior year. Naturally it is essential to sustain these trends.

The level of orders received was extremely good in the first quarter. These were up 49 % to € 11.3 million. Although it is too early to talk about a general change in consumer demand, the high level of incoming orders is a result of the measures we have taken for 2009 in various areas of the business. At € 11.7 million, our order backlog at the end of the first quarter again exceeded the prior year's.

Initial orders from Eastern Europe, mainly Poland, also demonstrate that there are new opportunities and additional markets that **UNITEDLABELS** can tap into.

The 2009 financial year will certainly not be easy. We are however convinced that we have the right business model, the right employees and great potential.

Thank you for placing your trust in our company.

A handwritten signature in black ink, appearing to read "Peter Boder".

Peter Boder
CEO

Key Figures	Q1 2009 (€'000)	Q1 2008 (€'000)
Revenue	8,691	9,874
EBITDA *	(337)*	414*
EBIT	(465)	253
Profit before tax	(492)	132
Profit for the year	(218)	96
Order backlog	11,706	11,401
Earnings per share (€)	(0.05)	0.02
Number of employees	131	143

*incl. amortisation of usufructuary rights

UNITEDLABELS GERMANY



UNITEDLABELS SPAIN



UNITEDLABELS BELGIUM



UNITEDLABELS FRANCE



UNITEDLABELS UK



UNITEDLABELS HONGKONG



Revenue and Earnings

Consolidated revenue in the first three months of the financial year amounted to € 8.7 million (previous year: € 9.9 million). Business in the German market especially got off to a muted start in 2009. The order patterns of key accounts and specialist retailers alike were characterised by significant uncertainty and reluctance. By contrast, slight gains were achieved in France.

EBIT in the first quarter of 2009 was € -0.5 million (previous year: € 0.3 million) and consolidated net profit amounted to € -0.2 million (previous year: € 0.1 million). The gross profit margin deteriorated by 6.5 percentage points compared to the prior year as revenues in the first quarter were influenced by key accounts and hard discounters. This reflects the change in the retail landscape and consumers' current buying behaviour.

Segments

Revenues generated within the Special Retail segment totalled € 2,638 thousand in the first three months (previous year: € 2,884 thousand), down 8.5 % on the prior year. Neither Spain nor Italy, where Special Retail is traditionally strong, nor Germany was able to maintain sales at the same level as last year. Given segment expenses of € 2,299 thousand (previous year: € 2,374 thousand) and depreciation for the Special Retail segment of € 286 thousand (previous year: € 342 thousand), the segment result is likewise slightly down on the prior year at € 53 thousand.

The business model for **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 three months of the financial year, sales revenue within this area was € 6,054 thousand (previous year: € 6,990 thousand) with segment expenses totalling € 4,958 thousand (previous year: € 5,015 thousand). The segment result for Key Accounts as a whole amounted to € 456 thousand (previous year: € 1,091 thousand).

Administrative expenses declined from € 1,007 thousand in the first three months of 2008 to € 973 thousand in the first three months of 2009.

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On this basis, primary segment reporting is as follows:

Primary reporting format – Customer segments

2009

	Special Retail	Key Account	Group
in € '000			
Sales revenues	2,638	6,054	8,691
Segment expenses	(2,299)	(4,958)	(7,257)
Depreciation/amortisation	(286)	(640)	(926)
Segment result	53	456	508
Administrative expenses			(946)
Depreciation administration			(26)
Finance cost			(27)
Result from ordinary activities			(492)
Tax			273
Consolidated net profit/(loss)			(218)
	Special Retail	Key Account	Administration
Segment assets (in € '000)	13,787	19,331	14,243
Segment liabilities (in € '000)	3,869	6,126	5,132
			15,127

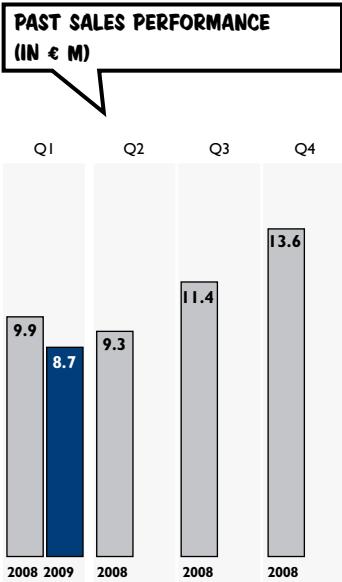


2008

in € '000	Special Retail	Key Account	Group
Sales revenues	2,883	6,991	9,874
Segment expenses	(2,374)	(5,015)	(7,389)
Depreciation/amortisation	(342)	(884)	(1,226)
Segment result	167	1,092	1,260
Administrative expenses			(978)
Depreciation administration			(29)
Finance cost			(121)
Result from ordinary activities			132
Tax			(36)
Consolidated net profit/(loss)			96

	Special Retail	Key Account	Administration	Group
Segment assets (in € '000)	14,901	19,664	17,136	51,701
Segment assets (in € M)	5,277	6,858	6,727	18,862

3-MONTHS' REPORT

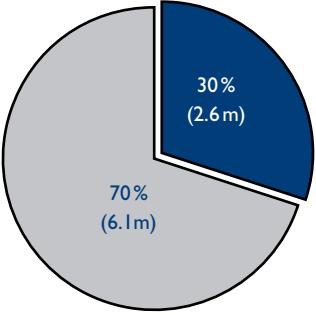


Secondary reporting format – Geographical segments (in € '000)

Sales revenues	I-3/2009	I-3/2008
Germany, Austria, Switzerland	3,770	4,918
Iberian Peninsula	2,301	2,492
France	1,743	1,155
Rest of the World	878	1,309
Group	8,691	9,874



Total assets	I-3/2009	I-3/2008
Germany, Austria, Switzerland	32,990	35,306
Iberian Peninsula	8,465	9,498
France	1,355	1,108
Rest of the World	4,551	5,789
Group	47,361	51,701



Key Account

Special Retail

Balance Sheet

In terms of assets, inventories were scaled down by 4 % compared to the end of the 2008 financial year from € 9,353 thousand to € 8,972 thousand.

Cash and cash equivalents were used to pay back bank borrowings so that while bank balances fell from € 4,986 thousand to € 1,970 thousand, loans to the amount of € 3,154 thousand were repaid. Net debt thus fell by € 138 thousand.

As at March 31, 2009, the equity ratio was 68.1 %. The company continues to hold 46,199 treasury shares.

Compared to the end of the 2008 financial year, the balance sheet total contracted by € 5.7 million to € 47.4 million due to the decline in receivables and liabilities.

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

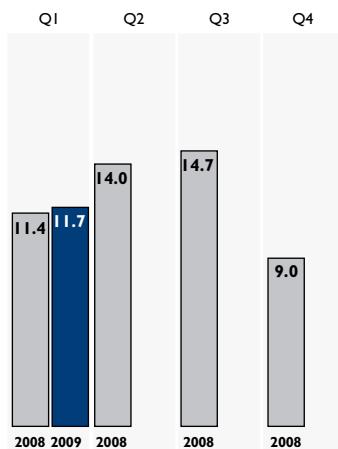
The financial statements for the quarter have been prepared in accordance with internationally accepted accounting standards on the basis of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) promulgated by the International Accounting Standards Board (IASB).

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.

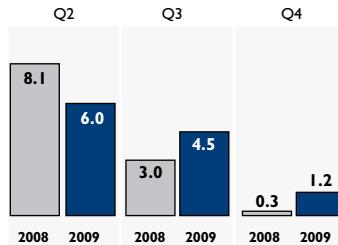
ORDER BACKLOG (IN € M)



Employees

At the end of March 2009, the **UNITEDLABELS** Group employed 131 (previous year: 143) members of staff. Of these, 73 were employed in Germany, 42 in Spain, four in France, six in Belgium, three in the UK and three in Italy. At the UK subsidiary in particular, the number of employees fell considerably due to restructuring carried out last September.

BREAKDOWN OF ORDER BACKLOG (IN € M)



Licences

UNITEDLABELS holds a portfolio of different licences for cartoon and entertainment products. A large proportion of revenue is generated by the internationally acclaimed classic brands "Peanuts", "Simpsons", "SpongeBob SquarePants" and Disney characters. More recent stars such as "High School Musical" or "Sino" also have their place in the portfolio. This keeps the range up to date and customers can be certain that **UNITEDLABELS** always has the latest licences.

Share Performance

Despite the financial crisis, shares in **UNITEDLABELS AG** rose significantly in value during the first quarter. At the start of the year, i.e. January 5, 2009, the closing price on Xetra was € 1.71. This had increased to € 2.35 as at March 31, 2009, a rise of 37 % in the period under review.

The share price continues to fluctuate within an unsatisfactory range, thereby offering plenty of potential.

General Meeting of Shareholders and Dividend Payment

The 9th Annual General Meeting of Shareholders will take place on May 15, 2009, at the Halle Münsterland trade show and conference centre in Münster, Germany. We look forward to welcoming you to Münster and responding to any questions and suggestions you may have.

In the 2006 and 2007 financial years, a dividend was paid of € 0.20 per share. Despite the current global economic climate, **UNITEDLABELS** will propose to the Annual General Meeting of Shareholders a dividend payment of the same amount of € 0.20 per share for the financial year now ended. We wish to reward our shareholders for their loyalty, as well as sending a signal that we have confidence in the Group's business model and continued success.

Directors' Holdings

As at March 31, 2009, **UNITEDLABELS AG** had a total of 4.2 million shares. The Management Board and members of the Supervisory Board of **UNITEDLABELS AG** held the following shares and options as at March 31, 2009:

Peter M. Boder held 2.63 million shares. The Chairman of the Supervisory Board Dr. Jens Hausmann held no shares and the members of the Supervisory Board Professor Helmut Roland and Michael Dehler held 10,000 and 441 shares respectively. As at March 31, 2009, no options had been granted and no valid share option programme was in place.



Outlook

Economic forecasts for 2009 remain very cautious. Many companies are reporting falling orders and the threat of redundancies, while further bankruptcies cannot be ruled out. These developments impact the purchasing power of our customers and the buying behaviour of our trading partners. Although the 2009 financial year will have its challenges, **UNITEDLABELS** is well placed to meet them.

This year, the company has the opportunity to acquire a further 10 % of the profitable Groupe Montesquieu of France and thereby further extend its market position in France.

Textiles represent an important, if not the most important, part of the licensing business. Clothing, soft furnishings and other textile products account for a third of the total market. The majority of sales of character licences (20 %) relate to apparel and translate into a market volume of just over a billion. As a consequence, **UNITEDLABELS** will reinforce its soft furnishings and apparel product area further in the coming weeks and months. Collections are being systematically developed for baby products, swimwear, nightwear, daywear and outerwear.

The Eastern European market is also high up on the sales agenda. In the past, **UNITEDLABELS** has been represented in Eastern European countries by the branch networks of its German customers. We are now entering these markets and applying fresh, new competencies, having already obtained our first orders.

A number of anniversaries will take place during this financial year. "Bob the Builder" and "SpongeBob SquarePants" are both 10 years old, while "Barbie" is celebrating her 50th birthday. These special occasions will be supported by extensive TV and marketing activities by the major media companies. This will boost their popularity and ultimately the demand for our licensed merchandise.

For the high-spending teen target group, **UNITEDLABELS** has added a promising new licence to its portfolio in the shape of "Camp Rock". Following on from "High School Musical" and "Hannah Montana", "Camp Rock" is the third Disney licence to have enjoyed massive success in the United States and which is becoming more and more popular and in demand in Germany.

It is difficult to predict what will happen during the 2009 financial year. The company is however well placed and positioned to meet the challenges ahead. The general upturn may come much sooner than we all think.

3-MONTHS' STATEMENT

UNITEDLABELS Aktiengesellschaft, Münster Group Income Statement (IFRS)

for the period from 1 January to 31 March 2009 (unaudited)

	01/01/2009 31/03/2009		01/01/2008 31/03/2008		01/01/2009 31/03/2009		01/01/2008 31/03/2008	
	€	%	€	%	€	%	€	%
Sales revenues	8,691,151.16	100.0%	9,873,948.07	100.0%	8,691,151.16	100.0%	9,873,948.07	
Cost of materials	(5,166,004.10)	(59.4%)	(5,036,510.70)	(51.0%)	(5,166,004.10)	(59.4%)	(5,036,510.70)	
Amortisation of usufructuary rights	(800,373.31)	(9.2%)	(1,091,533.52)	(11.1%)	(800,373.31)	(9.2%)	(1,091,533.52)	
	2,724,773.75	31.4%	3,745,903.85	37.9%	2,724,773.75	31.4%	3,745,903.85	
Other operating income	114,879.08	1.3%	59,179.73	0.6%	114,879.08	1.3%	59,179.73	
Staff costs	(1,582,840.29)	(16.0%)	(1,572,221.14)	(15.9%)	(1,582,840.29)	(16.0%)	(1,572,221.14)	
Depreciation of property, plant and equipment, and amortisation of intangible assets (excl. amortisation of usufructuary rights)	(127,701.58)	(1.5%)	(160,979.54)	(1.6%)	(127,701.58)	(1.5%)	(160,979.54)	
Other operating	(1,593,703.16)	(18.3%)	(1,818,940.86)	(18.4%)	(1,593,703.16)	(18.3%)	(1,818,940.86)	
Profit from operations	(464,592.20)	(5.3%)	252,942.04	2.6%	(464,592.20)	(5.3%)	252,942.04	
Finance income	12,185.61	0.1%	71,981.48	0.7%	12,185.61	0.1%	71,981.48	
Result from at-equity investments	84,695.45	1.0%	0,00	0.0%	84,695.45	1.0%	0,00	
Finance cost	(124,008.77)	(1.4%)	(192,496.48)	(1.9%)	(124,008.77)	(1.4%)	(192,496.48)	
Net finance cost	(27,127.71)	(0.3%)	(120,514.99)	(1.2%)	(27,127.71)	(0.3%)	(120,514.99)	
Profit before tax	(491,719.91)	(5.7%)	132,427.05	1.3%	(491,719.91)	(5.7%)	132,427.05	
Taxes on income	273,237.91	3.1%	(36,406.06)	(0.4%)	273,237.91	3.1%	(36,406.06)	
Consolidated net profit / (loss)	(218,482.00)	(2.5%)	96,020.99	1.0%	(218,482.00)	(2.5%)	96,020.99	

Consolidated earnings per share

basic	(0.05 €)	0.02 €
diluted	(0.05 €)	0.02 €
Weighted average shares outstanding		
basic	4,153,801 shares	4,159,733 shares
diluted	4,153,801 shares	4,159,733 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 31/12/2007	4,200	24,385	2,883	(54)	1,552	(223)	32,743
Consolidated net profit Q1 2008	0	0	0	0	96	0	96
Total result of the period	0	0	0	0	96	0	96
Balance at 31/03/2008	4,200	24,385	2,883	(54)	1,648	(223)	32,839
Currency translation	0	0	0	(231)	0	0	(231)
Dividend	0	0	0	0	(830)	0	(830)
Consolidated net profit 2008	0	0	0	0	769	0	769
Total result of the period	0	0	0	(231)	(61)	0	(292)
Balance at 31/12/2008	4,200	24,385	2,883	(285)	1,491	(223)	32,451
Currency translation	0	0	0	2	0	0	2
Consolidated net profit / (loss) Q1 2009	0	0	0	0	(218)	0	(218)
Total result of the period	0	0	0	2	(218)	0	(216)
Balance at 31/03/2009	4,200	24,385	2,883	(283)	1,273	(223)	32,235

3-MONTHS' STATEMENT

UNITEDLABELS Aktiengesellschaft, Münster Group Balance Sheet (IFRS) as at 31 March 2009

ASSETS

Assets	31/03/2009 €	31/12/2008 €
Non-current assets		
Property, plant and equipment	5,766,462.40	5,843,203.03
Intangible assets	10,910,217.02	11,112,398.05
At-equity investments	761,360.35	676,664.90
Deferred tax assets	3,780,875.68	3,492,542.80
	21,218,915.45	21,124,808.78
Current assets		
Inventories	8,972,200.29	9,353,570.90
Trade and other receivables	13,324,999.47	16,083,826.43
Other assets	1,874,033.80	1,503,531.95
Cash and cash equivalents	1,970,397.42	4,985,908.71
	26,141,630.97	31,926,837.99
Total assets	47,360,546.42	53,051,646.77

UNITEDLABELS Aktiengesellschaft, Münster
Group Balance Sheet (IFRS) as at 31 March 2009

EQUITY AND LIABILITIES

	31/03/2009 €	31/12/2008 €
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	(282,745.82)	(285,067.46)
Consolidated unappropriated surplus	1,272,597.53	1,491,079.70
Treasury shares	(223,413.73)	(223,413.73)
Total equity	32,234,218.24	32,450,378.77
Non-current liabilities		
Provisions for pensions	858,557.00	831,557.00
Financial liabilities	3,523,969.30	3,751,747.97
Trade payables	225,000.00	575,300.00
Deferred tax liabilities	14,482.80	14,482.80
	4,622,009.10	5,173,087.77
Current liabilities		
Provisions	1,271,535.79	1,413,554.15
Current income tax liabilities	28,757.25	31,555.26
Financial liabilities	2,271,478.25	5,197,243.52
Trade and other payables	6,932,547.79	8,785,827.30
	10,504,319.08	15,428,180.23
Total liabilities	15,126,328.18	20,601,268.00
Total equity and liabilities	47,360,546.42	53,051,646.77

3-MONTHS' STATEMENT

UNITEDLABELS Aktiengesellschaft, Münster Group Cash Flow Statement (unaudited)

	03/2009 € '000	03/2008 € '000
Consolidated net profit	(218)	96
Depreciation of property, plant and equipment, and amortisation of intangible assets	928	1,253
Change in provisions	(115)	837
Other non-cash expenses	(373)	(24)
Loss on the disposal of non-current assets	0	0
Changes in inventories, trade receivables and other assets not attributable to investing or financing activities	2,770	3,268
Changes in trade payables and other liabilities not attributable to investing or financing activities	(5,706)	(3,490)
Cash flows from operating activities	(2,715)	1,940
Proceeds from the disposal of non-current assets	0	0
Payments for investments in non-current assets	(76)	(23)
Cash flows from investing activities	(76)	(23)
Proceeds from capital increase	0	0
Dividend distribution	0	0
Proceeds from financial loans	0	0
Repayment of financial loans	(228)	(292)
Cash flows from financing activities	(228)	(292)
Net cash change in cash and cash equivalents	(3,018)	1,625
Currency translation	2	0
Cash and cash equivalents at the beginning of the period	4,986	4,782
Cash and cash equivalents	1,970	6,407
Gross debt bank	5,795	8,898
Net debt bank	3,825	2,491
Composition of cash and cash equivalents:		
Cash and cash equivalents	1,970	6,407

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FINANCIAL CALENDAR 2009

May 15

9th Annual General Meeting in
 Halle Münsterland

August 13

Publication of 6-Months' Report

November 9 -11

Participance at the
 German Equity Forum
 in Frankfurt

November 12

Publication of 9-Months' Report

If you require further information
 on **UNITEDLABELS** or its financial
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