



3-Month Report 2008

AdLINK Group at a glance

Selected key figures acc. to IFRS		31.03.2008	31.03.2007	Change in %
Financial figures				
Sales	EUR million	57.1	50.0	14.2
Gross margin	%	23.8	26.5	-
EBITDA	EUR million	5.3	6.7	-20.9
EBT	EUR million	4.0	5.4	-25.9
Net income	EUR million	2.7	2.9	-7.4
Earnings per share (undiluted)	EUR	0.10	0.11	-9.1
Employees	number	493	416	18.5
AdLINK share				
Share price	EUR	15.03	18.10	-17.0
Shares	number	26,154,640	25,914,900	-
Market capitalization	EUR million	393.1	469.1	-

Quarter development (in EUR million)	Q3 2007	Q4 2007	Q1 2008	Q1 2007
Sales	55.4	69.5	57.1	50.0
EBITDA	5.4	8.4	5.3	6.7
EBT	3.9	7.0	4.0	5.4
Net income	2.1	3.8	2.7	2.9



Foreword by the Management Board



Stéphane Cordier
Chief Executive Officer



Andreas Janssen
Chief Financial Officer



Marc Stilke
Chief Operating Officer
and Speaker

DEAR SHAREHOLDERS, FRIENDS AND EMPLOYEES,

The AdLINK Group, one of Europe's leading independent networks for digital marketing solutions, can look back on a mixed first quarter 2008. In an increasingly competitive market environment, consolidated sales rose from EUR 50.0 million last year to EUR 57.1 million in the first quarter of 2008 and thus grew by 14.2%. Earnings before interest, taxes, depreciation and amortization (EBITDA) fell however by 20.9% to EUR 5.3 million, compared with EUR 6.7 million last year. Earnings before taxes (EBT) reached EUR 4.0 million, following EUR 5.4 million in the previous year (-25.9%). Thanks to an improved tax ratio, the Group's net income fell less strongly by 7.4% to EUR 2.7 million, compared with EUR 2.9 million last year. Earnings per share (EPS) amounted to EUR 0.10, following EUR 0.11 in the previous year.

We are satisfied with the development of sales and earnings in Display Marketing and Affiliate Marketing in the first quarter. We expanded our market position in both segments during the period under review. Whereas our brands AdLINK Media and affilinet in Display Marketing and Affiliate Marketing thus continued to benefit from the positive development of the online advertising market and displayed strong growth, our Domain Marketing segment (Sedo) fell short of expectations and the prior-year figures. In addition to the weak dollar, the main reason was a sudden change in policies and algorithms by our most important partner in the field of search engine marketing.

In terms of operations, we succeeded in improving the critical figures for our network size — and thus the basis for our business: In Display Marketing the number of unique users per month increased from 75.5 million to 87.9 million, compared with the same quarter last year. The average number of ad impressions generated per month on marketed websites grew from 7.6 billion to 9.4 billion. In our Affiliate Marketing business the number of program suppliers rose from 1,230 last year to 1,430. The number of ad impressions generated per month improved from 7.0 billion to over 7.8 billion. In the Domain Marketing segment the number of domains offered for trading grew from 6.9 million last year to 12.3 million. Around 6.4 million of these domains (prior year: 2.9 million) are available for marketing purposes. The number of registered members also grew strongly, from 480,000 to 730,000.

The key milestones of the past quarter were: in Display Marketing (AdLINK Media, composite, net:dialogs) the expansion of our marketing network to Croatia and Slovenia where now after the purchase of two online marketers by our partner Goldbach Media AG, two new companies will be operating under the AdLINK Media brand, in Affiliate Marketing the further international expansion with the roll-out in Spain and the Netherlands, and in Domain Marketing the acquisition of DomainsBots S.r.l., which offers technology for semantic searches and research by domain name.

ONLINE MARKETERS' OPTIMISM UNBROKEN

In its Online Report 2008/01, the Online Marketing Group (Online-Vermarkterkreis – OVK) continues to forecast strong growth for the online advertising sector. The group's experts forecast total billings of EUR 3.7 billion, which would represent average growth of 29%. According to the US agency Washingtonpost.Newsweek Interactive, the online advertising sector is better equipped to survive a possible recession than classic advertising. The experts believe that in contrast to traditional advertising formats, like TV, the cost for online campaigns is lower and there are better possibilities of measuring the advertising success. At the same time, this does not make the sector immune against disruptions to the general economic situation.

We also believe that the online advertising market should continue to enjoy dynamic growth. With the expansion of content, we also expect the reach and volume of marketable ad impressions of our websites to grow. Thanks to constant improvements in targeting technologies we currently believe this growth can be translated into rising sales and earnings figures.

Montabaur, May 8, 2008

Stéphane Cordier
Andreas Janssen
Marc Stilke



Management Report

1. ECONOMIC ENVIRONMENT

Global economic growth

According to a forecast of the International Monetary Fund, the downturn in the global economy will also affect Germany and lead to slower growth. In its spring report on the development of the global economy, presented in Washington, the IMF's experts made a downward adjustment to their growth forecast for Germany and now predict growth of 1.4% in 2008 — following a forecast of 1.5% in February and 2.0% last fall. The adjusted forecast for the USA was even more dramatic: the IMF expects just 0.5% growth for 2008. The IMF regards the financial crisis brought about by the US real estate market as the main brake on growth, followed by high energy prices and — for the Euro zone — the export-hindering strength of the Euro. The IMF reduced its 2008 forecast for the global economy as a whole by half a percentage point to 3.7%.

Online advertising market continues to grow

Despite the modest outlook for the global economy, the German high-tech industry remains confident for business in 2008. 73% of companies expect rising sales in Germany, while 17% expect stable and just 10% falling revenues. This was the finding of a recent survey conducted by the German ITC sector association BITKOM.

The market researchers also forecast a positive development for online marketing. At its annual press conference, the German Digital Economy Association (Bundesverband Digitale Wirtschaft — BVDW) presented key sector data and forecasts, which all indicated an extremely positive development for the industry. In the past year, for example, the online advertising market set a new record of around EUR 2.9 billion. Experts predict that this figure will once again be easily exceeded in the current year with billings of EUR 3.7 billion.

JupiterResearch forecasts growth for the European online advertising market of 18% to EUR 9.1 billion, compared with forecasts for 2007 of EUR 7.7 billion. These forecasts do not yet consider the threat of recession in the USA and the subsequent impact on European markets. Should the situation continue or intensify, the whole advertising market and thus also the AdLINK Group, would be directly and negatively affected.

2. THE STRUCTURE OF THE AdLINK GROUP

Brands of the AdLINK Group

The AdLINK Group is one of Europe's leading independent networks for digital marketing solutions. With AdLINK Media, net:dialogs, composite, affilinet and Sedo, the AdLINK Group has specialists in five separate business fields: Display, Direct and Online Dialogue, E-Mail, Affiliate and Domain Marketing. With its five specialists, some 490 employees and 17 offices in 9 European nations and the USA, as well as cooperation partners in Latin America and Asia, the AdLINK Group offers its customers a global network for online marketing.

AdLINK Media is the specialist for Display Marketing within the AdLINK Group and a leading independent display marketer in Europe with a network of high-reach and well-known websites. For advertisers, this means that every second European internet user can be contacted via AdLINK Media. With its extensive network of offices, AdLINK Media is represented in all major European nations. Our specialists net:dialogs and composite are also positioned in the Display Marketing segment and offer solutions for direct and dialogue marketing as well as e-mail marketing.

net:dialogs is the ideal partner for advertisers and media agencies seeking to implement successful direct and dialogue marketing campaigns.

composite is the e-mail marketing specialist of the AdLINK Group. With access to 15 million e-mail addresses in six countries, composite is one of Europe's largest and most reliable suppliers. Via composite's brokering network, customers also have access to many more e-mail addresses around the world. composite is thus able to provide global e-mail campaigns in over 20 nations and in 15 languages.

affilinet is the specialist for Affiliate Marketing within the AdLINK Group. Located in Germany, France, the UK, the Netherlands and Spain, affilinet operates one of Europe's most successful affiliate networks. It offers online advertisers (affiliate program suppliers) an effective digital sales channel and its registered sales partners (publishers) attractive earning opportunities.

Sedo is the specialist for Domain Marketing within the AdLINK Group. Based in Germany and the USA, and with numerous

international websites, Sedo is a leading global market place for domain trading. Sedo is also one of the world's leading suppliers in the field of domain parking. In addition, the company's activities comprise domain administration, domain transfer and domain appraisal.

Employees

At the end of March 2008, AdLINK Internet Media AG employed a total of 493 people (December 31, 2007: 472). The number of staff employed outside Germany amounted to 231 (December 31, 2007: 220).

Share

The share price of AdLINK Internet Media AG fell from EUR 15.10 as of December 31, 2007 to EUR 15.03 as of March 31, 2008.

increase resulted mainly from the strong growth of the market, whereby Display Marketing in particular benefited from top high-reach websites. At the end of March, 223 people were employed in this segment (prior year: 209, +6.7%).

There was also further progress in the key figures for network size: the number of unique visitors per month rose by 16.4% from 75.5 million last year to 87.9 million. The average number of ad impressions generated per month on marketed websites grew from 7.6 billion to 9.4 billion. Compared with the same period last year, the number of advertising customers fell from around 1,700 to 1,340. This was due to a stronger focus on large advertising agencies with above-average growth in volumes with major advertising clients. By improving our key figures (unique users and ad impressions) we have thus cemented our leading market position as an independent European marketer of high-reach third-party websites. In the period under review, we added numerous high-reach and highly frequented websites to our portfolio, including the Viacom Group (Viva, Nickelodeon etc.) and TV info.

3. DEVELOPMENT OF THE BUSINESS

Display Marketing (AdLINK Media, composite and net:dialogs)

In Display Marketing, where we are represented by the brands AdLINK Media, composite and net:dialogs, sales improved by 14.5%, from EUR 16.6 million last year to EUR 19.0 million. This

In the ranking of German research institute AGOF (Study Group Online Research), AdLINK Media has moved up one place from 7 to 6. This is due to the increase in net reach in the field of unique users and underlines the strong position of AdLINK Media on the German advertising market.

As in 2007 the trend toward innovative advertising formats, and in particular video formats, continued in 2008. In an annual survey on future trends in Affiliate Marketing which questioned 600





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online media, interactive and context-sensitive advertising was found to have the greatest development potential. The trend is clearly toward dynamic and interactive advertising formats, which create an added value and an additional appeal for the website with current content and moving images. With very innovative advertising, in this case a Flash layer on which a plane flew over the website, AdLINK Media was able to raise the average click rate for customer Germanwings on viamichelin.de by over 175%. To raise awareness even further, a video ran both subtly in the website background and at the same time in a banner.

Display Marketing	31.03.2007	31.03.2008	Change in %
Sales (EUR million)	16.6	19.0	14.5
Employees	209	223	6.7
Advertising customers	1,707	1,340	-21.5
Ad impressions / month	7.6 billion	9.4 billion	23.7
Unique users / month	75.5 million	87.9 million	16.4

Affiliate Marketing (affilinet)

Sales in Affiliate Marketing grew by 30.5%, from EUR 17.7 million last year to EUR 23.1 million. Compared with the same period last year, the reach of this segment's network was also improved. The number of affiliate program suppliers grew from around 1,230 last year to 1,430, while the number of websites increased from 390,000 to around 440,000. The number of ad impressions generated per month grew from 7.0 billion to over 7.8 billion. At the end of March, 97 people were employed in this segment (prior year: 83).

In the 1st quarter of 2008, affilinet launched a new advertising administration program throughout Europe offering numerous new functions. New and innovative features, such as mass upload and rotations, were also implemented. Moreover, a multi-lingual affilinet website was introduced for all countries, so that publishers around the world can now register in their own language. In terms of sales, we gained numerous new programs with major customers in the first quarter, including Lidl, Orange and Nescafé.

In early 2008 we entered the Spanish and Dutch markets. affilinet works very closely with AdLINK Media, so that we can also offer customers in these countries services from a single source and thus make it even more attractive for advertisers to run their campaigns via a network of specialists. In March 2008,

the German "Affiliate NetworkxX Award" was presented for the first time. The jury was sufficiently impressed by affilinet to award it prizes in the two categories "Innovative Affiliate Network" and "Best Support Affiliates".

Affiliate Marketing	31.03.2007	31.03.2008	Change in %
Sales (EUR million)	17.7	23.1	30.5
Employees	83	97	16.9
Affiliate programs	1,232	1,430	16.1
Websites	390,000	440,000	12.8
Ad impressions / month	7.0 billion	7.8 billion	11.4

Domain Marketing (Sedo)

In Domain Marketing we were unable to continue the exceptionally successful development of fiscal year 2007 in the first quarter of 2008. Sales fell short of expectations. Apart from the weak dollar, the main reason was a sudden change in policy and search algorithms by our most important partner in the field of search engine marketing. Compared with the same period last year, sales fell by EUR 0.7 million, from EUR 15.7 million to EUR 15.0 million. At the end of March, 173 people were employed in Domain Marketing (prior year: 124).

Despite this less than satisfactory development in sales, the fundamental key figures continue to point strongly upwards. The number of domains traded via Sedo grew from 6.9 million last year to 12.4 million. Of this total, 6.5 million domains (prior year: 2.9 million) are available for marketing purposes. The number of registered members also grew from 480,000 to 736,000.

The first quarter was dominated by our efforts to improve customer service. We launched a customer certification program in order to raise the quality of future client accounts and thus our advertising offer. Before registering their domains with Sedo's database, customers with a certain profile are first verified with a valid credit card, via SMS confirmation or by fax.

Effective January 1, 2008, Sedo acquired a minority shareholding of 40% in the Italian company DomainsBot S.r.l. DomainsBot offers innovative search technology for domain names. DomainsBot develops models for semantic searches and research by domain name. The company's own search engine also offers live status reports of a chosen domain and

enables users to register or sell the desired domain with just a few clicks.

In February Sedo was voted one of the winners in this year's "Germany's Best Employer" competition. The competition is run by the "Great Place to Work Institute Deutschland", and a total of 255 companies took part. The award was presented by Germany's Labor Minister Olaf Scholz.

The German domain "shopping.de" was negotiated and sold via Sedo during the period under review. The sale marked the highest price ever paid for a domain with a German address. In the second auction of premium domains on the GreatDomains platform, a price of 112,500 US dollars was paid for eggs.com — the highest auction price yet in 2008. Both sales prices underline the ongoing trend toward higher prices for top-quality domains.

Domain Marketing	31.03.2007	31.03.2008	Change in %
Sales (EUR million)	15.7	15.0	-4.5
Employees	124	173	39.5
Domains	6.9 million	12.3 million	78.3
Marketed domains	2.9 million	6.4 million	120.7
Registered members	480,000	730,000	52.1

4. EARNINGS, FINANCIAL POSITION AND NET ASSETS

Earnings: sales and earnings fall short of expectations

In the first three months of 2008 the AdLINK Group raised sales by just 14.2%, compared with the same period last year, and thus fell short of our own expectations. Sales grew from EUR 50.0 million last year to EUR 57.1 million in the first quarter of 2008. The proportion of sales generated outside Germany amounted to 39.3% (prior year: 44.6%).

Gross margin was slightly below the prior-year level at 23.8% (prior year: 26.5%). Gross profit grew by just 3.0% to EUR 13.6 million (prior year: EUR 13.2 million), due to a shift in sales proportion among the various segments and pressure on margins in Display and Domain Marketing. Selling expenses increased to EUR 4.3 million (prior year: EUR 3.6 million, +19.4%), while general and administrative expenses from EUR

3.4 million to EUR 4.0 million (+17.6%). There was thus a disproportionately strong increase in costs, compared with sales.

As a result, EBITDA fell by 20.9% to EUR 5.3 million, compared with EUR 6.7 million in the previous year. Pre-tax earnings (EBT) amounted to EUR 4.0 million, following EUR 5.4 million last year (-25.9%). Thanks to an improved tax ratio, the Group's net income fell less strongly by 7.4% to EUR 2.7 million, compared with EUR 2.9 million last year. Undiluted earnings per share (EPS) amounted to EUR 0.10 as of March 31, 2008, following EUR 0.11 in the previous year.

There was widely divergent progress in sales and earnings during the 1st quarter of 2008. While our brands AdLINK Media (Display Marketing) and affilinet (Affiliate Marketing) continued to benefit from the positive development of the online advertising market, Domain Marketing (Sedo) fell short of our expectations and the prior-year figures. Apart from the weakness of the US dollar, the main reason was a sudden change in policy and search algorithms by our most important partner in the field of search engine marketing.

There was also varied progress in our geographical segments — Germany, Euroland and Non-Euroland. In the Germany segment, sales grew strongly by 25.2% thanks to the positive development of AdLINK Media and affilinet, while the segment result stagnated due to the weakness of Domain Marketing. In the Euroland and Non-Euroland segments (Sweden, USA, UK, Switzerland), sales grew by just 2.1% or dipped slightly by -1.3%. Earnings were down on the previous year in both regions. In the Euroland segment, this was due to a weaker development in the countries France and Italy; in the Non-Euroland segment it was due to the aforementioned weakness in connection with the negative currency effects from the development of the US dollar and the UK pound.

Financial position: strong cash flow

Operative cash flow fell to EUR 3.9 million, compared with EUR 4.7 million last year. Cash flow from operating activities, however, grew strongly to EUR 6.9 million (prior year: EUR 5.3 million). This was mainly due to a change in receivables and other financial assets (proceeds of EUR 12.7 million) and a smaller change in trade payables (disbursement of EUR 8.1 million). In terms of investment activity, an amount of EUR 249k was spent during the period under review.



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The main item in cash flow from financing activities was the change in loans from affiliated companies. Due to free cash generated, loans of EUR 6.1 million were redeemed during the period under review.

Cash and cash equivalents increased to EUR 10.0 million during the period under review, compared with EUR 9.5 million on December 31, 2007.

Assets and liabilities: net borrowing decreased

As of March 31, 2008, the AdLINK Group had total assets of EUR 169.0 million (31.12.2007: EUR 184.2 million). The decrease results mainly from the reduction in trade accounts receivable and the subsequent valuation of shares in Goldbach Media AG. The Group's net borrowing fell from EUR 41.7 million as of December 31, 2007 to EUR 35.3 million on March 31, 2008. Equity remained virtually unchanged at EUR 66.3 million as of March 31, 2008, compared with EUR 66.4 million on December 31, 2007. Due to the reduced balance sheet total, the equity ratio grew from 36.0% (31.12.2007) to 39.2% at the end of the reporting period.

5. RISK REPORT

The risk management system of the AdLINK Group identifies, classifies and evaluates risks according to statutory regulations. The aim of risk management is to systematically deal with potential risks as well as to promote a risk-oriented approach throughout the entire organization. This controlled approach to risks is aimed at utilizing existing opportunities to the full and enhancing the company's success. Our risk management system not only serves to fulfill statutory regulations, but aims to raise corporate value and is thus in the interest of our lenders and stakeholders.

In the first quarter of 2008, the overall risk situation remained mostly unchanged from the risk report provided as part of the annual report 2007. There were no risks which directly jeopardized the continued existence of the AdLINK Group as of the date on which this interim report was prepared, neither from individual risks nor from the overall risk situation.

As competition on the online advertising market continues to be intense, the major risks for the Company's present and future assets, liabilities, financial position and profit or loss focus on the areas of competition, inventory, personnel and product development. Due to its wide range of varying digital marketing solutions, the AdLINK Group is already largely capable of covering the needs of its national and international customers and partners in the online advertising market. The further expansion and investment in specialists already belonging to the Group, such as affinet, net:dialogs and Sedo, and the continual improvement and development of the underlying technologies all serve to reduce the company's risk and provide an opportunity to enhance its competitive advantage over other market players.

The risk management culture we have introduced enables us to proactively counter such risks and limit them to a minimum. We judge the probability of such adverse developments as low in the short term and moderate in the medium term.

6. SUBSEQUENT EVENTS

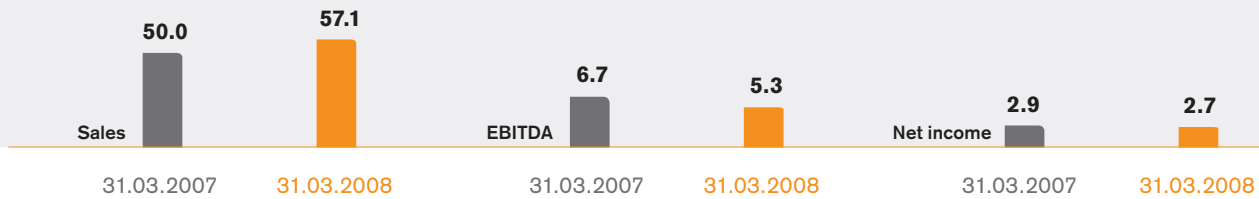
There were no major events subsequent to the reporting period which had a significant impact on the business development of the AdLINK Group.

7. OPPORTUNITIES AND OUTLOOK

Modest prospects for the global economy in 2008

According to a forecast of the International Monetary Fund, the downturn in the global economy will also affect Germany and lead to slower growth. In its spring report on the development of the global economy, presented in Washington, the IMF's experts made a downward adjustment to their growth forecast for Germany and now predict growth of 1.4% in 2008 — following a forecast of 1.5% in February and 2.0% last fall. The adjusted forecast for the USA was even more dramatic: the IMF expects just 0.5% growth for 2008. The IMF regards the financial crisis brought about by the US real estate market as the main brake on growth, followed by high energy prices and — for the Euro zone — the export-hindering strength of the Euro. The IMF reduced its 2008 forecast for the global economy as a whole by half a percentage point to 3.7%.

Key consolidated figures in EUR million



According to the IMF's experts, the financial market and real estate crisis in the USA will also affect Europe — albeit with a certain delay. The German economy is currently profiting from full order books which are keeping export growth at a high level in the first half of 2008. This growth driver is expected to start faltering, however, as the financial crisis dampens global demand and the strong Euro hinders exports. The IMF views the global inflation trend as a "source of considerable concern". Inflation is being fanned above all by a strong increase in food and energy prices. For Germany, the Fund forecasts a slight rise in inflation from 2.3% in 2007 to 2.5% in the current year. Despite the economic slowdown, the IMF forecasts a further positive development on the German labor market.

Still good prospects for ITC markets

The German ITC sector is still upbeat about prospects for 2008. The trade association BITKOM expects total growth of 1.6% to EUR 145.2 billion in 2008 for the IT, telecommunications and digital consumer electronics segments. Growth of 2% to EUR 148.1 billion is forecast for 2009. IT services and software are expected to display the most dynamic growth, with increases of 5% and 6%. In total, the association expects sales to exceed EUR 150 billion for the first time in 2008. The general sector mood therefore remains upbeat: 79% of companies expect rising sales, 16% expect a stable development and just 5% expect revenue to fall.

Boom in broadband connections to continue

According to the latest "Germany Online" survey, the trend toward broadband connections is set to continue. The number of broadband connections will increase to 21 million by 2010 and to over 29 million connections by 2015 — so that over 80% of all German households will have a broadband connection by this time.

The ongoing boom in broadband connections will also positively impact the online advertising market. With growing household penetration of broadband internet, we can offer new and innovative products and services — such as data-intensive video advertising format formats.

High growth rates also expected for online advertising

The online advertising market is expected to continue its high growth rates. In its report "European Online Advertising, Forecast, 2007 to 2012", JupiterResearch forecasts growth in Western Europe of 18% to EUR 9.1 billion in 2008.

Despite a leap in sales of 51% to almost EUR 2.9 billion, there seems to be no end in sight for growth on the German online advertising market. The tremendous untapped potential becomes apparent if one compares online advertising's share of the total advertising pie with online usage as a proportion of total media usage: the forecast for 2007 of 12.5% of the advertising market (without posters) is still behind the online share of daily media consumption of around 15%. In 2008, the German Online Marketing Group (Online-Vermarkterkreis – OVK) expects online advertising revenues to exceed EUR 3.7 billion, corresponding to growth of around 29%.

Opportunities for AdLINK Group despite more modest global conditions

Thanks to our excellent positioning on the online advertising market we expect good opportunities once again in fiscal year 2008.

The above mentioned market and sector surveys do not consider the current danger of a recession in the USA, the impact of a weak dollar and high oil prices, the turbulence on the international money and capital markets and its possible negative impact on the global economy. Should these factors deteriorate further in the course of the year, we cannot exclude the possibility that this may have an adverse effect on the development of our business.

Further growth expected

We will continue to observe the market very carefully in 2008, in order to be able to react quickly and flexibly to market developments and trends. To this end, we will invest steadily in our technology and constantly improve and expand it. The continued international expansion of affilinet will offer further new opportunities in future, which will enable us to offer integrated advertising solutions together with AdLINK Media and thus strengthen our customer relationships. In an increasingly



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competitive market, we believe that customer service and customer retention will become a key aspect, together with the further internationalization and expansion of our network's reach.

Consolidated Balance Sheet

as of March 31, 2008

	March 31, 2008		December 31, 2007	
	in EUR		in EUR	
ASSETS				
Cash and cash equivalents	9,968,766	5.9%	9,535,938	5.2%
Accounts receivable	39,011,419	23.1%	52,150,404	28.3%
Accounts receivable from affiliated companies	496,560	0.3%	569,709	0.3%
Inventories	4,535,547	2.7%	3,623,468	2.0%
Prepaid expenses	1,219,707	0.7%	648,352	0.4%
Other current assets	2,347,597	1.4%	3,221,192	1.7%
Current assets	57,579,596	34.1%	69,749,063	37.9%
Equity investments	517,353	0.3%	0	0.0%
Other financial assets	26,247,091	15.5%	28,793,987	15.6%
Property, plant and equipment	1,662,160	1.0%	1,681,816	0.9%
Intangible assets (w/o goodwill)	6,447,442	3.8%	7,030,977	3.8%
Goodwill	73,638,363	43.6%	73,638,363	40.0%
Deferred tax assets	2,945,397	1.7%	3,296,111	1.8%
Non-current assets	111,457,806	65.9%	114,441,254	62.1%
Total assets	169,037,402	100.0%	184,190,317	100.0%
LIABILITIES AND EQUITY				
Liabilities				
Accounts payable, trade	40,428,928	23.9%	48,782,757	26.5%
Accounts payable due to affiliated companies	45,858,545	27.1%	51,938,971	28.2%
Liabilities to banks (short-term)	236,735	0.1%	175,550	0.1%
Accrued taxes	5,217,102	3.1%	5,411,176	2.9%
Deferred income	1,033,500	0.6%	1,033,500	0.6%
Provisions	7,551,880	4.5%	7,888,336	4.3%
Convertible bonds	15,353	0.0%	15,626	0.0%
Current liabilities	100,342,043	59.4%	115,245,916	62.6%
Convertible bonds	30,435	0.0%	30,537	0.0%
Deferred tax liabilities	1,462,625	0.9%	1,631,047	0.9%
Long-term liabilities due to minority shareholders	897,569	0.5%	886,488	0.5%
Non-current liabilities	2,390,629	1.4%	2,548,072	1.4%
Total liabilities	102,732,672	60.8%	117,793,988	64.0%
Equity				
Capital Stock	26,154,640	15.5%	26,154,640	14.2%
Additional paid-in capital	63,670,693	37.7%	63,487,620	34.5%
Accumulated deficit	-33,327,384	-19.7%	-35,988,110	-19.5%
Revaluation reserve	6,211,359	3.7%	8,720,051	4.7%
Currency translation adjustments	-710,130	-0.4%	-283,424	-0.2%
Total equity w/o minority interest	61,999,178	36.7%	62,090,777	33.7%
Minority interest	4,305,552	2.5%	4,305,552	2.3%
Total equity	66,304,730	39.2%	66,396,329	36.0%
Liabilities and equity, total	169,037,402	100.0%	184,190,317	100.0%



Consolidated Income Statement

from January 1 to March 31, 2008

	January-March 2008		January-March 2007	
	in EUR		in EUR	
Sales	57,096,676	–	49,979,031	–
Cost of sales	-43,515,515	-76.2%	-36,731,263	-73.5%
COS in % from sales	23.8%		26.5%	
Gross profit	13,581,161	23.8%	13,247,768	26.5%
Selling expenses	-4,276,395	-7.5%	-3,596,203	-7.2%
General and administrative expenses	-4,016,376	-7.0%	-3,384,450	-6.8%
Other operating expenses	-1,695,991	-3.0%	-475,016	-1.0%
Other operating income	1,374,603	2.4%	476,639	1.0%
Depreciation of capitalized assets in the scope of acquisitions (IFRS 3)	-413,655	-0.7%	-427,395	-0.9%
Operating result	4,553,347	8.0%	5,841,343	11.7%
Interest and similar expenses	-610,511	-1.1%	-694,746	-1.4%
Interest and similar income	73,514	0.1%	47,407	0.1%
Expenses resulting of guaranteed dividend payment to minority shareholders	-11,081	0.0%	0	0.0%
Result from associated companies	0	0.0%	156,000	0.3%
Pre-tax result	4,005,269	7.0%	5,350,004	10.7%
Income taxes	-1,344,543	-2.4%	-2,481,851	-5.0%
Net income	2,660,726	4.7%	2,868,153	5.7%
Minority interest	0	0.0%	0	0.0%
Net income attributable to shareholders of AdLINK Internet Media AG	2,660,726	4.7%	2,868,153	5.7%
Earnings per share				
Basic (EUR/share)	0,10		0,11	
Diluted (EUR/share)	0,10		0,11	
Weighted average number of shares outstanding	26,154,640		25,914,900	
Weighted average number of shares outstanding diluted	26,520,596		26,494,501	

Consolidated Income Statement

Quarterly development

	Q3 2007	Q4 2007	Q1 2008	Q1 2007
	in EUR k	in EUR k	in EUR k	in EUR k
Sales	55,381	69,457	57,097	49,979
Cost of sales	-42,288	-51,965	-43,516	-36,731
COS in % from sales	23.6%	25.2%	23.8%	26.5%
Gross profit	13,093	17,492	13,581	13,248
Selling expenses	-4,175	-4,204	-4,276	-3,596
General and administrative expenses	-3,876	-4,151	-4,016	-3,385
Other operating (income) expenses	-1	-1,076	-322	2
Depreciation of capitalized assets in the scope of acquisitions (IFRS 3)	-428	-428	-414	-427
Operating result	4,613	7,633	4,553	5,842
Interest and similar expenses	-721	-637	-611	-695
Interest and similar income	53	43	74	47
Expenses resulting of guaranteed dividend payment to minority shareholders	0	-54	-11	0
Result from associated companies	0	0	0	156
Pre-tax result	3,945	6,985	4,005	5,350
Income taxes	-1,854	-3,212	-1,344	-2,482
Net income	2,091	3,773	2,661	2,868
Minority interest	0	0	0	0
Net income attributable to shareholders of AdLINK Internet Media AG	2,091	3,773	2,661	2,868
Earnings per share				
Basic (EUR/share)	0.08	0.14	0.10	0.11
Diluted (EUR/share)	0.08	0.15	0.10	0.11



Consolidated Statement of Changes in Shareholder's Equity

	Common stock Shares and EUR	Additional paid-in capital EUR	Accumulated deficit EUR
Balance as of December 31, 2006	25,914,900	62,750,216	-54,813,402
Amortization of deferred stock option compensation		310,730	
Exercise of convertible bonds	239,740	426,674	
Revaluation reserve			
Currency translation adjustment			
Net income			18,825,292
<i>of which items recognized directly in equity (after taxes)</i>			
Balance as of December 31, 2007	26,154,640	63,487,620	-35,988,110
Amortization of deferred stock option compensation		183,073	
Revaluation reserve			
Currency translation adjustment			
Net income			2,660,726
<i>of which items recognized directly in equity (after taxes)</i>			
Balance as of March 31, 2008	26,154,640	63,670,693	-33,327,384

Revaluation reserves (after taxes)	Currency translation adjustment	Total shareholders' equity	Minority interest	Total company's equity	Total Net Income	
					of share- holders of AdLINK Inter- net Media AG	of minority interests
EUR	EUR	EUR	EUR	EUR	EUR	EUR
0	-7,248	33,844,466	4,305,552	38,150,018	11,804,206	4,301,924
		310,730		310,730		
		666,414		666,414		
8,720,051		8,720,051		8,720,051	8,720,051	
	-276,176	-276,176		-276,176	-276,176	
		18,825,292		18,825,292	18,825,292	
8,720,051	-276,176				8,443,875	
8,720,051	-283,424	62,090,777	4,305,552	66,396,329	27,269,167	0
		183,073		183,073		
-2,508,692		-2,508,692		-2,508,692	-2,508,692	
	-426,706	-426,706		-426,706	-426,706	
		2,660,726		2,660,726	2,660,726	
-2,508,692	-426,706				-2,935,398	
6,211,359	-710,130	61,999,178	4,305,552	66,304,730	-274,672	0



Consolidated Statement of Cash Flow

from January 1 to March 31, 2008

	January-March 2008 in EUR	January-March 2007* in EUR
Net Income	2,660,726	2,868,153
Adjustment to reconcile net income to net cash provided by operating activities		
Depreciation	789,182	682,381
disposals of assets	0	-7,689
Change in deferred taxes	220,496	1,228,713
Compensation expenses from employee stock option plans	183,073	60,531
Compounding liability guarantee dividend minority shareholders	11,081	0
Operative cash flow	3,864,558	4,676,089
Changes in assets and liabilities		
Change in receivables and other assets	12,659,447	3,339,129
Change in receivables from affiliated companies	73,149	1,043,365
Change in Inventories	-912,079	-100,410
Change in other short-term financial assets	356,242	0
Change in prepaid expenses	-571,452	-447,267
Change in accounts payable, trade	-8,056,586	-3,419,188
Change in accounts payable due to affiliated companies	-24,757	-569,958
Change in accrued taxes	-164,698	397,256
Change in other liabilities	-305,825	397,150
Changes in assets and liabilities, total	3,053,441	640,077
Cash flow from operating activities	6,917,999	5,316,166
Cash flow from investment activities		
Capital expenditure for property, plant and equipment	-195,663	-116,613
Capital expenditure for intangible assets	-53,164	-202,684
Cash inflow through disposal of assets	0	7,689
Cash flow from investment activities	-248,827	-311,608
Cash flow from financing activities		
Change of utilized credit line from affiliated companies	-6,055,669	-14,645,555
Borrowing/Repayment of short-term bank loans	61,185	13,002,114
Cash flow from financing activities	-5,994,484	-1,643,441
Net increase / net decrease in cash	674,688	3,361,117
Cash and cash equivalents at the beginning of the fiscal year	9,535,938	5,924,572
Effect of exchange rate differences on cash	-241,860	-31,645
Cash and cash equivalents at the end of the reporting period	9,968,766	9,254,044
Deposit of interest	71,664	44,187
Cash paid for interest	-639,933	-1,181,680
Cash paid for taxes	-1,278,423	-641,313

* Some prior-year totals have changed as a result of reclassifications.

Notes

1. INFORMATION ON THE COMPANY

Management Board

Stéphane Cordier (CEO)
Marc Stilke (Speaker of the Board)
Andreas Janssen (CFO)

Supervisory Board

Michael Scheeren (Chairman)
Norbert Lang (Deputy Chairman)
Andreas Gauger

2. SIGNIFICANT ACCOUNTING, VALUATION AND CONSOLIDATION PRINCIPLES

The condensed consolidated interim report for the period January 1 to March 31, 2008 was prepared in accordance with IAS 34 "Interim Financial Reporting".

A condensed reporting format was chosen for the presentation of this consolidated interim report, as compared with the annual financial statements. For this reason, it is to be read in connection with the consolidated financial statements as at December 31, 2007. With regard to the accounting and valuation principles applied in the consolidated accounts, we therefore refer to the explanations provided in the notes to the consolidated financial statements as of December 31, 2007. In the following, we shall only explain any new or amended accounting and valuation principles.

The application of new or revised IFRS standards and interpretations had no significant effect on the consolidated interim report.

The consolidated interim report includes all subsidiaries and associated companies. During the course of the first three months of 2008, there were the following changes in the consolidated group in comparison with the consolidated financial statements as at December 31, 2007.

3. COMPANY TRANSACTIONS

Investment in DomainsBot S.r.l.

With economic effect from January 1, 2008, Sedo GmbH, Cologne / Germany acquired a minority holding of 40% in the Italian company DomainsBot S.r.l., Rome / Italy.

The investment involved a purchase price payment of EUR 120k to the shareholders for the acquisition of a 40% stake. Under the terms of the agreement, Sedo GmbH, Cologne / Germany also undertakes to make a direct contribution to the company's capital. The minimum payment amounts to EUR 397k and can rise to a maximum of EUR 716k depending on the attainment of defined sales targets by DomainsBot S.r.l. in fiscal year 2007.

The figures for fiscal year 2007 have not yet been adopted. Preliminary values have thus been used for consolidation in these interim financial statements.

A call option for a further 20% was also agreed between the parties for the period January 1, 2010 to December 31, 2010. The call option can be unilaterally exercised by Sedo GmbH, Cologne / Germany. The agreed payment for the additional shares is calculated on the basis of sales and pre-tax earnings of DomainsBot S.r.l. for the fiscal year 2009. If the option is exercised, 50% of the calculated amount is to be paid to the sellers and 50% as a contribution to the company's capital.

An acquisition payment of EUR 513k was already made in fiscal year 2007, subject to the legal assignment of share rights. As of December 31, 2007, this payment was disclosed under other financial assets. No further payment has since been made.

4. EXPLANATIONS OF INCOME STATEMENT ITEMS

4.1. Cost of sales

Costs increased significantly in both absolute terms and in relation to sales during the 1st quarter. This was due to a disproportionately strong increase in direct product costs. Direct product costs comprise payments for marketed advertising space and the necessary technical costs incurred in supplying the advertising.



Notes

	2008 EUR k	2007 EUR k
Direct product costs	40,646	34,255
Personnel expenditure	2,296	2,038
Depreciation	89	63
Other costs	485	375
Total	43,516	36,731

4.2. Selling expenses

	2008 EUR k	2007 EUR k
Personnel expenses	2,751	2,336
Depreciation	96	87
Other costs	1,429	1,173
Total	4,276	3,596

4.3. General and administrative expenses

	2008 EUR k	2007 EUR k
Personnel expenses	2,354	1,986
Depreciation	191	106
Other costs	1,471	1,292
Total	4,016	3,384

4.4. Other operating expenses

	2008 EUR k	2007 EUR k
Currency losses	1,116	252
Accounts receivable losses and new allowances for trade receivables	432	172
Other	148	51
Total	1,696	475

The strong increase in other operating expenses resulted partly from higher currency losses due to the USD/EUR and GBP/EUR development and partly from a higher amount for the formation of allowances for trade receivables.

4.5. Other operating income

	2008 EUR k	2007 EUR k
Currency gains	804	134
Reversal of allowances for trade receivables	149	271
Other	422	72
Total	1,375	477

The significant change in the USD/EUR and GBP/EUR exchange rates resulted in currency gains of EUR 670k in the 1st quarter. Other operating income includes an amount of EUR 250k from the partial reversal of an accrual formed for litigation.

4.6. Amortization of capitalized intangible assets resulting from business combinations

	2008 EUR k	2007 EUR k
Customer base	250	250
Internet platform	94	94
Software	70	70
Trademarks	0	13
Total	414	427

4.7. Interest result

Interest and similar expenses refer in particular to financial expenses for loans and overdraft facilities. The improvement of the interest result resulted from lower average financing requirements of the Group compared with the previous year.

4.8. Income taxes

There was a strong decrease in income taxes due in the period under review. The Group's tax rate fell to 33.6% (prior year:

46.4%). The main reason for the reduced tax expense was the lower tax rate in Germany as of January 1, 2008 as a result of the German Corporate Tax Reform.

	2008 EUR k	2007 EUR k
Income taxes for the current period	-1.130	-1.257
Change in deferred tax liabilities	130	162
Change in deferred tax assets	-345	-1.387
Total deferred tax liabilities	-1.345	-2.482

5. EXPLANATIONS OF BALANCE SHEET ITEMS

Specific explanations are only given for those items which display material changes in the amounts or contents presented as compared with the annual financial statements 2007.

5.1. Cash and cash equivalents

Cash and cash equivalents are mainly bank balances and cash in hand. Available-for-sale current assets included in this item were reduced by EUR 348k to EUR 322k in comparison with December 31, 2007.

5.2. Trade accounts receivable

The strong reduction in trade receivables of EUR 13,139k is due mainly to seasonal factors. This item includes allowances for receivables amounting to EUR 1,852k (December 31, 2007: EUR 1,671k).

5.3. Property, plant and equipment, and intangible assets

Intangible assets fell significantly during the period under review as a result of scheduled amortization. Investments in intangible assets amounted to just EUR 54k. The investments concerned mainly standard software.

Investments in property, plant and equipment amounting to EUR 196k concerned mainly vehicles, IT equipment, servers and office furniture.

5.4. Liabilities due to affiliated companies

	2008 EUR k	2007 EUR k
Financial liabilities due to United Internet AG	44,988	51,044
Interest liabilities due to United Internet AG	450	472
Trade accounts payable	421	423
Total	45,859	51,939

The decline in liabilities due to affiliated companies results from a decrease in financial liabilities due to United Internet AG amounting to EUR 6,056k, due to generated free cash flow.

5.5. Capital reserves

The increase in capital reserves amounting EUR 183k resulted from contributions in connection with the accounting of employee stock ownership plans, in accordance with IFRS 2.

5.6. Revaluation reserve

The change in revaluation reserves resulted from the subsequent valuation of shares held in Goldbach Media AG to their fair value as of the balance sheet date.

5.7. Employee stock ownership programs

Virtual stock options

The current employee stock ownership plan employs virtual stock options (so-called Stock Appreciation Rights – SARs) based on a resolution adopted by the Management Board on August 1, 2007. SARs refer to the commitment of AdLINK Internet Media AG (or a subsidiary) to pay the beneficiary a cash amount equivalent to the difference between the issue price on the date of granting the option and the median closing price of the Company's share in electronic trading (Xetra) of the Frankfurt Stock Exchange on the last 10 trading days before



Notes

exercising the option. An SAR corresponds to a virtual subscription right for one share of AdLINK Internet Media AG. However, it is not a share right and thus not a (genuine) option to acquire shares of AdLINK Internet Media AG.

Up to 25% of the SAR may be exercised at the earliest 24 months after the date of issue; up to 50% at the earliest 36 months after the date of issue; a total of up to 75% at the earliest 48 months after the date of issue; and the full amount at the earliest 60 months after the date of issue.

With a resolution of February 22, 2008 and approval of the Supervisory Board on February 26, 2008, a tranche was approved for issue to senior managers of the AdLINK Group. The resolution comprises a volume of up to 60,000 virtual stock options at an issuance price of EUR 18.15 (Tranche C).

With the approval of the Supervisory Board, a resolution was adopted on March 6, 2008 to issue a tranche to the Management Board member Stéphane Cordier. The issued tranche comprises a volume of 200,000 units at an issuance price of EUR 18.60 (Tranche D). As opposed to standard conditions, different time hurdles were agreed for Tranche D. Up to 50% of the SARs of Tranche D may be exercised at the earliest on April 1, 2008 and the full amount at the earliest on April 1, 2009.

6. TRANSACTIONS WITH RELATED PARTIES

United Internet AG is the majority shareholder of AdLINK Internet Media AG. In addition, AdLINK Internet Media AG is subject to significant influence, as defined by IAS 24, from the members of the Management Board and Supervisory Board. With the exception of remuneration and long-term compensation plans, there were no other legal transactions with members of the Management Board and Supervisory Board during the period under review. In the following, therefore, reference is only made to business transactions with United Internet AG and its subsidiaries.

United Internet Group

A contract was signed in May 2005 between AdLINK Internet Media AG and United Internet AG concerning participation in the overdraft service of the United Internet Group. Under this agreement, AdLINK Internet Media AG is able to borrow and repay money flexibly. The agreement can be terminated at any time with 10 days notice to the end of the month. Interest is variable and based on the market interest rate.

The operating business relations with United Internet AG described in the Annual Report 2007 continued on the whole in the period under review. The volume of services can be seen from the following table:

Object of business transaction	2008 EUR k
Acquired inventories (domains)	94
Interest expenses	453
Rent paid	31
Other services received	143
Sales revenue	1,262
Rent received	22

7. SEGMENT REPORTING

The Group defines the following three primary geographical segments:

- Germany
- Euroland: Italy, Spain, France, Belgium, the Netherlands,
- Non-Euroland: Sweden, Denmark, USA, UK

January–March 2008

	Germany EUR k	Euroland EUR k	Non-Euroland EUR k	Consolidation EUR k	Total AdLINK Group EUR k
Non-group revenue	34,643	13,178	9,276		
Inter-segment revenue	166	205	186	-557	
Segment revenue	34,809	13,383	9,462	-557	57,097
Operating result	4,749	-475	433	-154	4,553
Segment result	4,749	-475	433	-154	4,553
Interest expense				-611	-611
Interest income				74	74
Cost of guaranteed dividend to minority shareholders				-11	-11
Result before taxes					4,005
Income taxes				-1,344	-1,344
Net income					2,661

January–March 2007

	Germany EUR k	Euroland EUR k	Non-Euroland EUR k	Consolidation EUR k	Total AdLINK Group EUR k
Non-group revenue	27,674	12,903	9,402		
Inter-segment revenue	701	198	92	-991	
Segment revenue	28,375	13,101	9,494	-991	49,979
Operating result	4,702	295	844		5,841
Result from at-equity companies	0	7	149		156
Segment result	4,702	302	993	0	5,997
Interest expense				-694	-694
Interest income				47	47
Cost of guaranteed dividend to minority shareholders				0	0
Result before taxes					5,350
Income taxes				-2,482	-2,482
Net income					2,868



Notes

8. SUBSEQUENT EVENTS

There were no significant events subsequent to the balance sheet date which may have resulted in a different representation of the Company's assets, financial position and earnings.

Montabaur, May 8, 2008



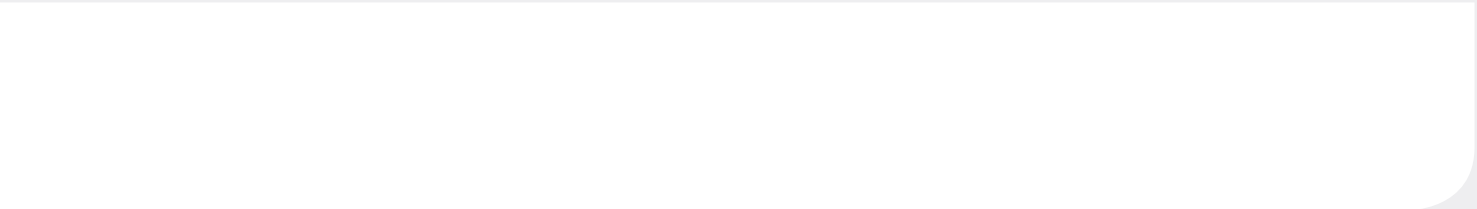
Stéphane Cordier



Andreas Janssen



Marc Stilke



Financial calendar 2008

APRIL 4, 2008	Annual Financial Statements 2007, Press and Analyst Conference
MAY 8, 2008	Publication of 3-Month Report 2008
MAY 26, 2008	Annual Shareholders' Meeting
AUGUST 12, 2008	Publication of 6-Month Report 2008
AUGUST 13, 2008	Press and Analyst Conference
NOVEMBER 13, 2008	Publication of 9-Month Report 2008

AdLINK GROUP

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