

AD-HOC DISCLOSURE ACC. TO ART. 17 MAR

United Internet increases full-year guidance after successful first half-year 2021

- Customer contracts: + 520,000 to 26.17 million contracts
- Sales: EUR 2.776 billion (+ 4.4% yoy)
- EBITDA: EUR 673.2 million, thereof operating EUR 633.8 million (+ 2.1%)
- EBIT: EUR 441.9 million, thereof operating EUR 402.5 million (+ 4.4%)
- Earnings per share: EUR 1.26, thereof operating EUR 1.15 (+ 17.3%)
- Full-year 2021 guidance increased

Montabaur, August 4, 2021. United Internet AG can look back on a successful first six months of 2021. The company invested in new customer contracts and the expansion of its existing customer relationships, and thus in sustainable growth. All in all, the number of fee-based customer contracts was raised by a further 520,000 contracts to a current 26.17 million. Of this total, 280,000 contracts were added in the Consumer Access segment and 180,000 contracts in the Business Applications segment. A further 60,000 contracts and 290,000 ad-financed free accounts were added in the Consumer Applications segment.

Consolidated sales grew by 4.4% to EUR 2,775.6 million in the first half of 2021 (EUR 2,657.9 million in the previous year).

In the first six months of 2021, earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 673.2 million and earnings before interest and taxes (EBIT) to EUR 441.9 million. These figures include an (out-of-period) positive effect on earnings of EUR 39.4 million from the fiscal year 2020. This (out-of-period) earnings effect results from the national roaming agreement concluded with Telefónica Germany, which also applies retroactively as of July 1, 2020 for MBA MVNO advance services. The national roaming agreement includes annually decreasing data prices again, similar to the pricing mechanisms of the first five years of the MBA MVNO agreement.

Adjusted for this (out-of-period) positive earnings effect from the retroactively more favorable advance service prices for mobile communications, the key earnings figures developed as follows: operating EBITDA improved by 2.1%, from EUR 620.5 million in the same period last year to EUR 633.8 million, and operating EBIT by 4.4% from EUR 385.4 million to EUR 402.4 million. These earnings figures include initial costs for the construction of the 1&1 mobile communications network of EUR -14.9 million (prior year: EUR -5.6 million), as well as the announced investments of IONOS for a product and sales drive focusing on its cloud business and further international expansion amounting to EUR -16.4 million.

Earnings per share (EPS) amounted to EUR 1.26. Without consideration of the (out-of-period) positive effect on earnings from the new advance service prices for mobile communications (EPS effect: EUR +0.11) and the Tele Columbus impairment reversals in the previous year

(EPS effect: EUR +0.08), operating EPS improved by 17.3% from EUR 0.98 in the same period last year to EUR 1.15 and operating EPS before PPA by 9.8% from EUR 1.23 to EUR 1.35.

Outlook 2021

Following its successful first half-year 2021, United Internet AG is increasing its full-year guidance for 2021 and now anticipates sales growth to approx. EUR 5.6 billion (previous guidance: approx. EUR 5.5 billion). Operating EBITDA (without consideration of the out-of-period income of EUR 39.4 million in connection with the signing of the national roaming agreement) is expected to increase to approx. EUR 1.25 billion (previous guidance: approx. EUR 1.22 billion). This figure includes unchanged initial costs of approx. EUR 30 million for the 5G network rollout of 1&1 and an amount of approx. EUR 40 million for the product and sales drive of IONOS.

An overview of all key figures and the Half-year Financial Report 2021 (on August 5, 2021) are available online at www.united-internet.de.

About United Internet

With over 26 million fee-based customer contracts and more than 39 million ad-financed free accounts, United Internet AG is a leading European internet specialist. At the heart of United Internet is a high-performance "Internet Factory" with approx. 9,900 employees, of which around 3,200 are engaged in product management, development and data centers. In addition to the high sales strength of its established brands (such as 1&1, GMX, WEB.DE, IONOS, STRATO, and 1&1 Versatel), United Internet stands for outstanding operational excellence with around 66 million customer accounts worldwide.

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Note

In the interests of clear and transparent reporting, the annual financial statements and interim statements of United Internet AG, as well as its ad-hoc announcements pursuant to Art. 17 MAR, contain additional financial performance indicators to those required under International Financial Reporting Standards (IFRS), such as EBITDA, EBITDA margin, EBIT, EBIT margin and free cash flow. Information on the use, definition and calculation of these performance measures is provided in the Annual Report 2020 of United Internet AG on page 57.