

PRESS RELEASE

United Internet gets off to good start in 2022

- Customer contracts: + 170,000 to 26.85 million contracts
- Sales: + 3.7% to EUR 1.444 billion
- EBITDA: + 5.5% over comparable prior-year figure to EUR 329.2 million
- EBIT: + 6.8% to EUR 209.4 million
- 2022 guidance confirmed

Montabaur, 12 May 2022. United Internet AG got off to a good start in its fiscal year 2022. In the first quarter of 2022, the company continued to make investments in new customer contracts and the expansion of existing customer relationships, and thus in sustainable growth. The total number of fee-based customer contracts increased by a further 170,000 to 26.85 million contracts. Despite shift effects due to the recent amendment of the German Telecommunications Act (effect: -90,000 contracts), 60,000 new contracts were added in the Consumer Access segment and 90,000 in the Business Applications segment. A further 20,000 contracts were gained in the Consumer Applications segment. Ad-financed free accounts were 170,000 down on December 31, 2021, but still 600,000 accounts above the comparative prior-year date of March 31, 2021.

Sales grew by 3.7% in the first quarter of 2022, from EUR 1,392.2 million in the previous year to EUR 1,443.7 million.

Quarterly earnings in the previous year were impacted by a (non-period) positive effect of EUR 34.4 million. Without consideration of this earnings effect and additionally adjusted for positive non-cash valuation effects from derivatives of EUR 0.2 million in the prior-year quarter and EUR 0.8 million in the first quarter of 2022, the Group's key earnings figures developed as follows: EBITDA rose by 5.5%, from EUR 311.9 million in the previous year to EUR 329.2 million, and EBIT by 6.8% from EUR 196.0 million to EUR 209.4 million. These earnings figures include expenses incurred for the construction of 1&1 mobile communications network of EUR -8.3 million (prior year: EUR -7.2 million), as well as costs for the announced additional marketing activities of IONOS to raise brand awareness in its most important European markets of EUR -6.0 million.

Earnings per share (EPS) fell by 5.2%, from EUR 0.58 in the previous year to EUR 0.55, and EPS before PPA by 4.4% from EUR 0.68 to EUR 0.65 (in each case without consideration of the non-period positive effect on earnings in 2021). This decline in EPS was due to a year-on-year deterioration in the financial result, which was impacted above all by the subsequent measurement of financial derivatives, as well as – with regard to the result from associated companies – the prorated negative result of Kublai GmbH, which was not included in the comparative figures for the first quarter of 2021 as the takeover of Tele Columbus AG was still ongoing.

Outlook 2022

On completion of the first quarter, United Internet AG can confirm its guidance for 2022. The company continues to expect an increase in consolidated sales for the year as a whole to approx. EUR 5.85 billion (prior year: EUR 5.646 billion). Despite additional investments, EBITDA 2022 is likely to be on a par with 2021 (EUR 1.259 billion). This EBITDA forecast includes costs for the 1&1 network rollout of approx. EUR 70 million (prior year: EUR 38 million), as well as approx. EUR 30 million for additional marketing activities of IONOS to raise brand awareness in its most important European markets.

An overview of all key figures and the Interim Statement Q1 2022 are available online at www.united-internet.de

About United Internet

With over 26 million fee-based customer contracts and more than 40 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 10,000 employees, of which around 3,400 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 67 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 2021 of United Internet AG on page 57.