

**UNITED INTERNET AG**

**6-Month 2024**

**Frankfurt/Main,  
August 8, 2024**



# AGENDA

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**Ralph Dommermuth**      Company development

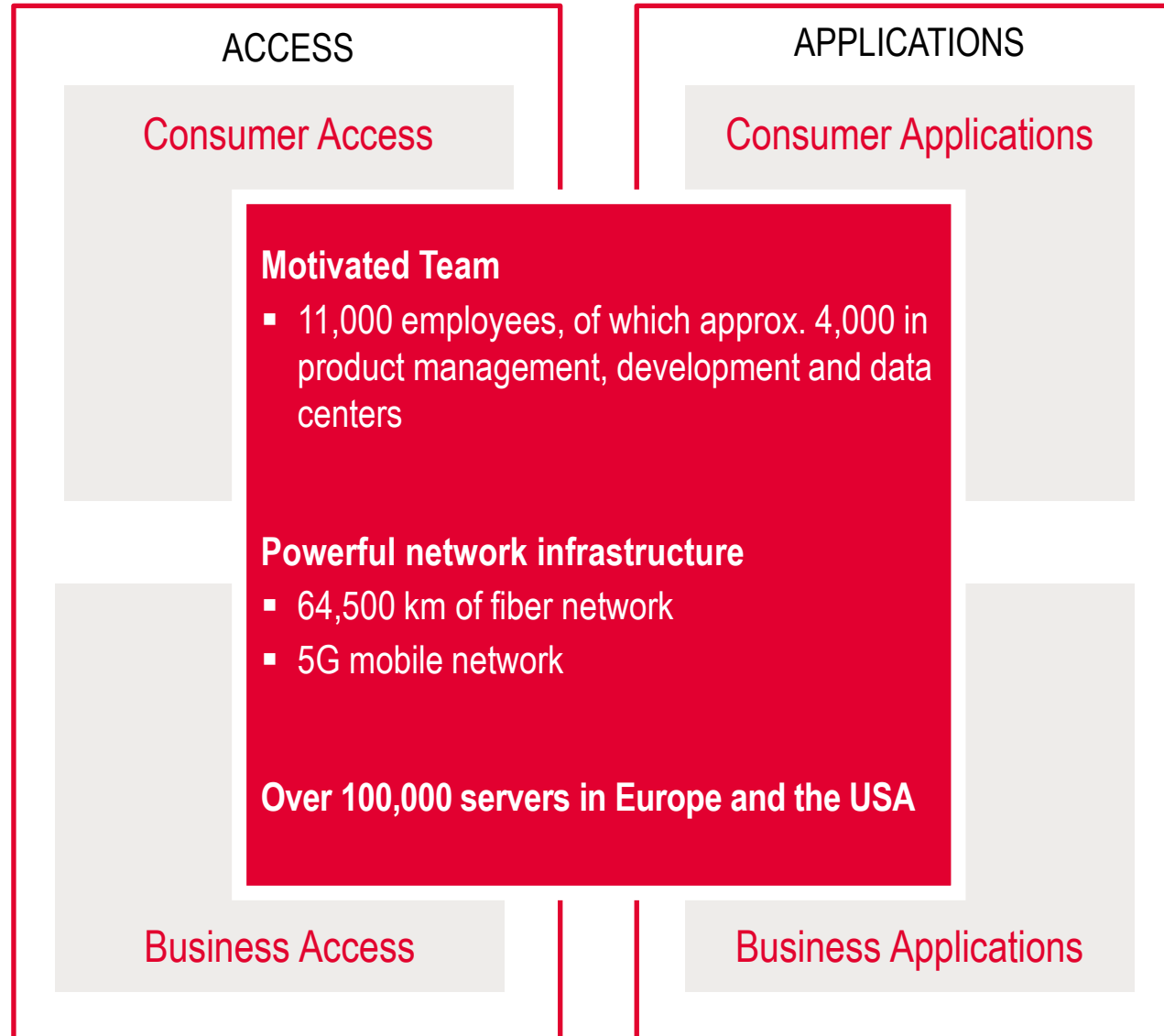
Outlook 2024

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**Ralf Hartings**      Results H1 2024

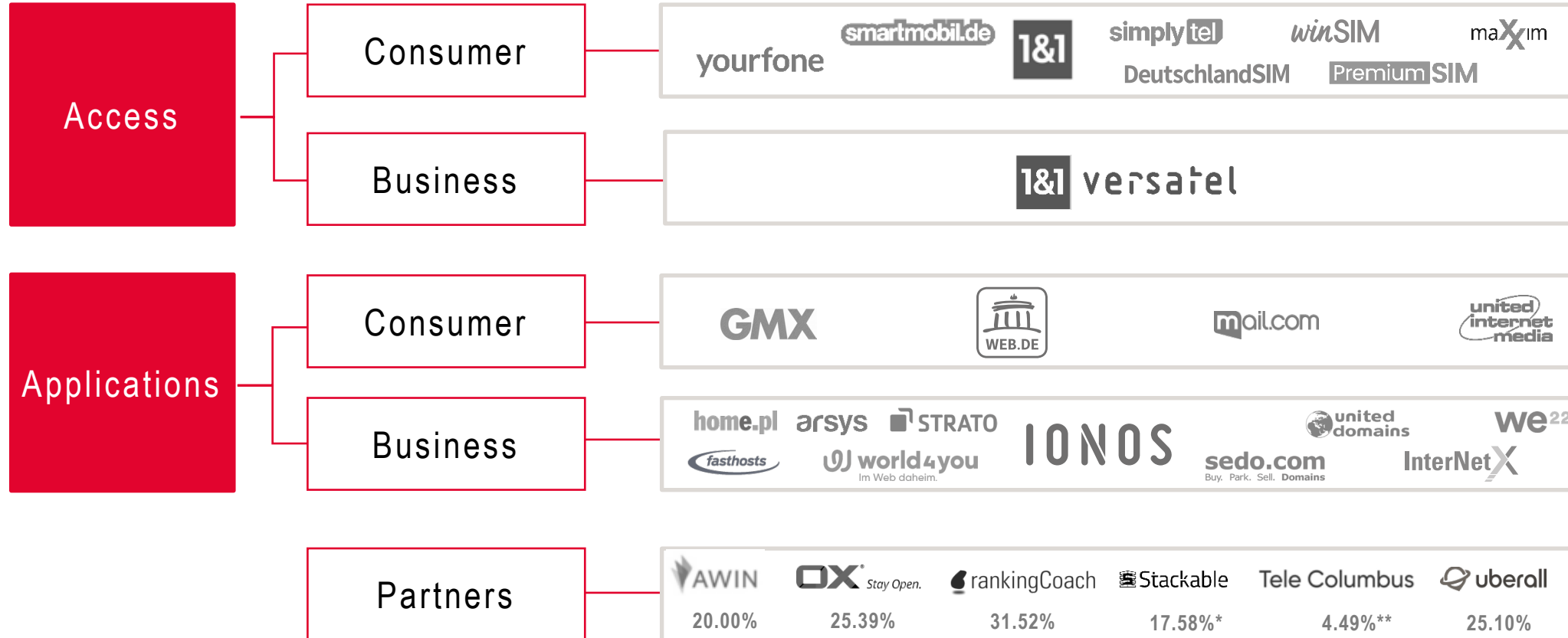
# COMPANY DEVELOPMENT

## 2 BUSINESS AREAS: ACCESS & APPLICATIONS



# BRANDS & INVESTMENTS

(as of June 30, 2024)



\* Held indirectly via the 63.84% interest in IONOS Group SE

\*\* Held indirectly via the 4.71% interest in Kublai GmbH

# “ACCESS” IN H1 2024

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

# “CONSUMER ACCESS”

## Fixed-line

- 1&1 with 3.99 million broadband connections
- VDSL and FTTH complete packages including voice and IP-TV via 1&1 Versatel, with last mile via Deutsche Telekom and City Carrier

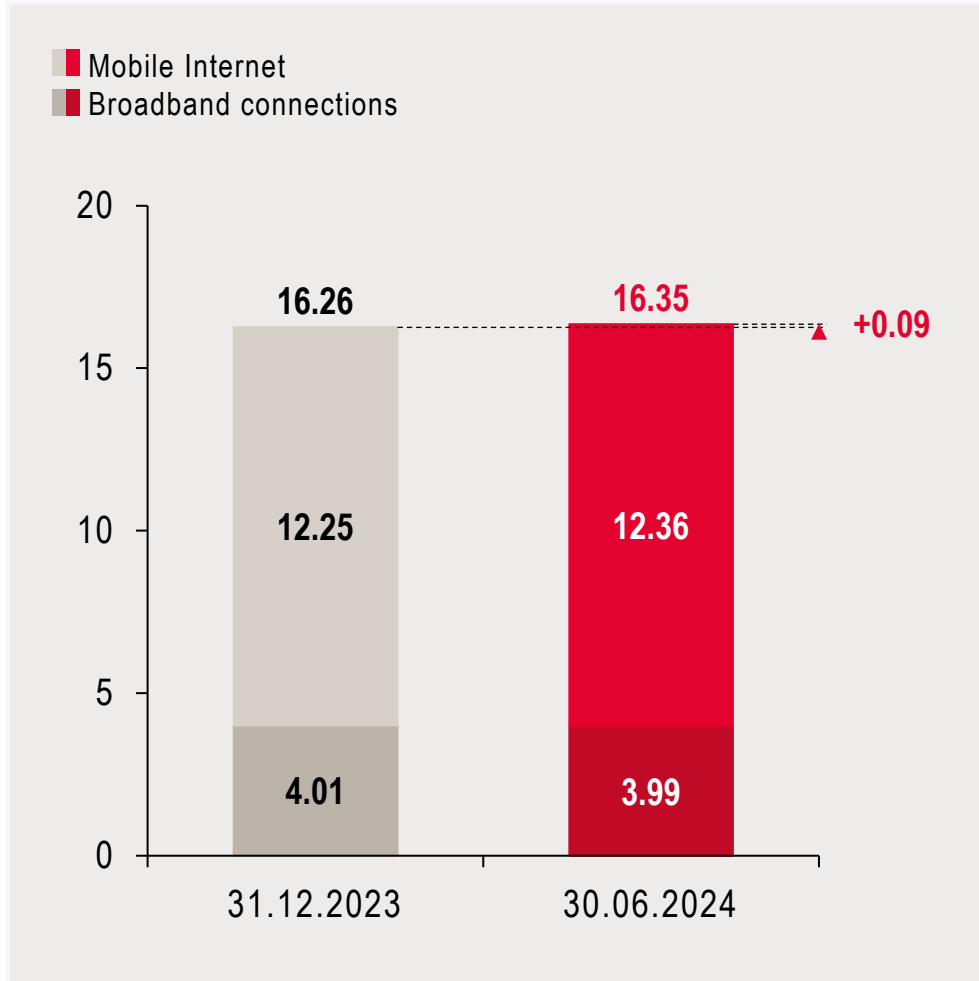
## Mobile

- 12.36 million mobile contracts
- First Open RAN in Europe, fully virtualized
- Migration of existing customers from wholesale contracts started



# “CONSUMER ACCESS”: CUSTOMER CONTRACTS

(in millions)

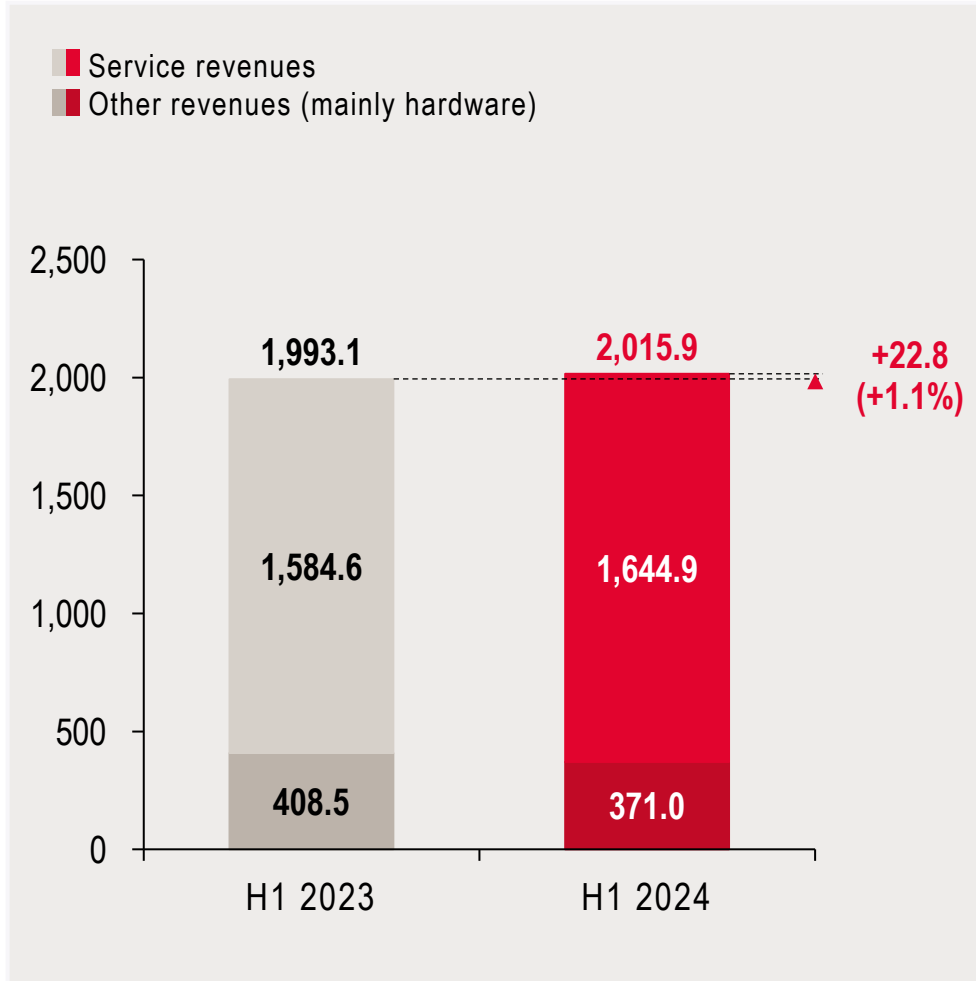


- 16.35 million customer contracts (+90,000)
  - 12.36 million mobile Internet contracts (+110,000)
  - 3.99 million ADSL / VDSL / FTTH broadband lines (-20,000)



# “CONSUMER ACCESS”: REVENUES

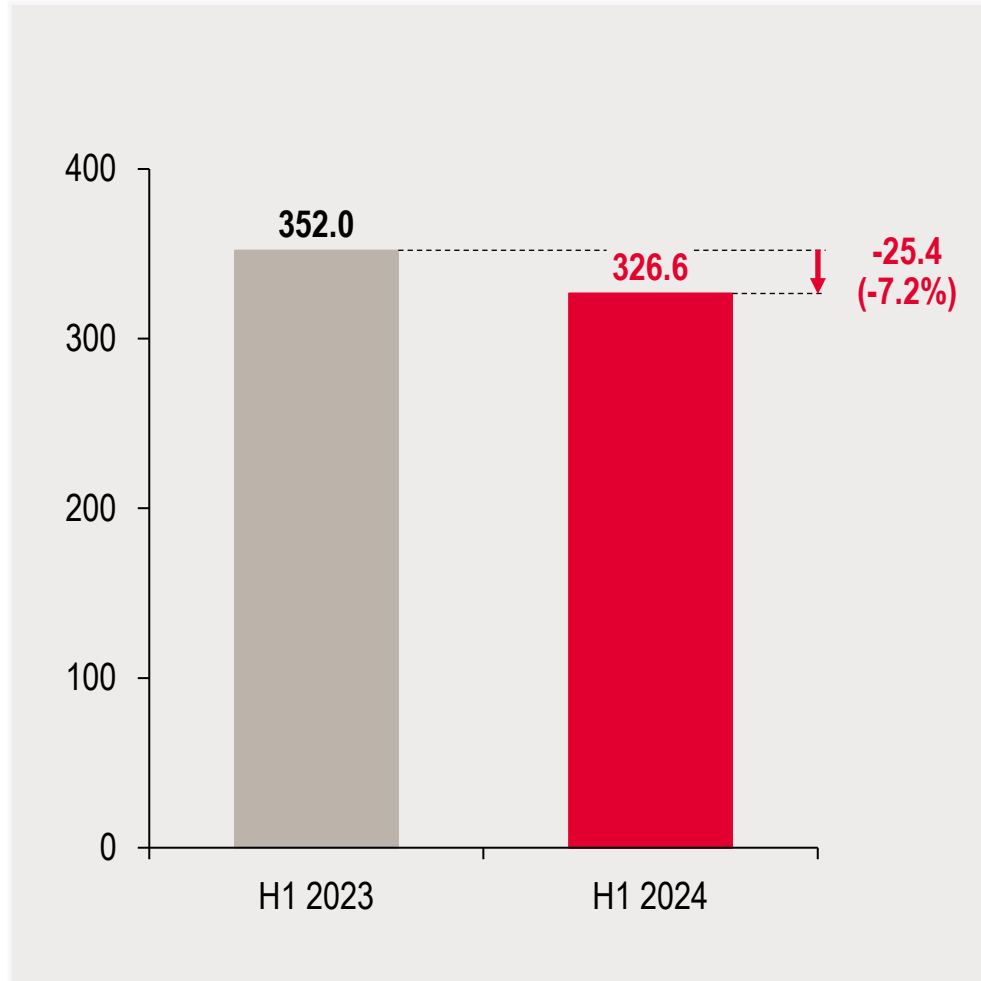
(acc. to IFRS in € millions)



- +1.1% revenues to € 2.016 billion
  - +3.8% service revenues to € 1.645 billion
  - -9.2% other revenues (especially smartphones) to € 371.0 million
- ➔ +4.4% service revenue without reduction due to regulatory reduction in mobile termination fees

# “CONSUMER ACCESS” (I): TOTAL EBITDA

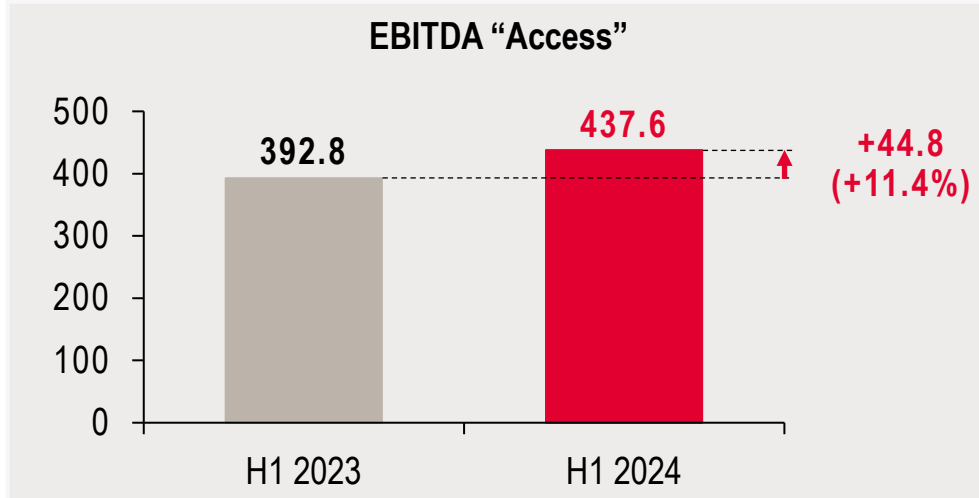
(acc. to IFRS in € millions)



- -7.2% EBITDA to € 326.6 million, including
  - € -111.0 million from expenses for the expansion of the 1&1 mobile network (prior year: € -40.8 million), thereof € -14.3 million in out-of-period expenses from subsequent invoices for additional services for network expansion in 2022 and 2023
- 16.2% EBITDA margin (prior year: 17.7%)

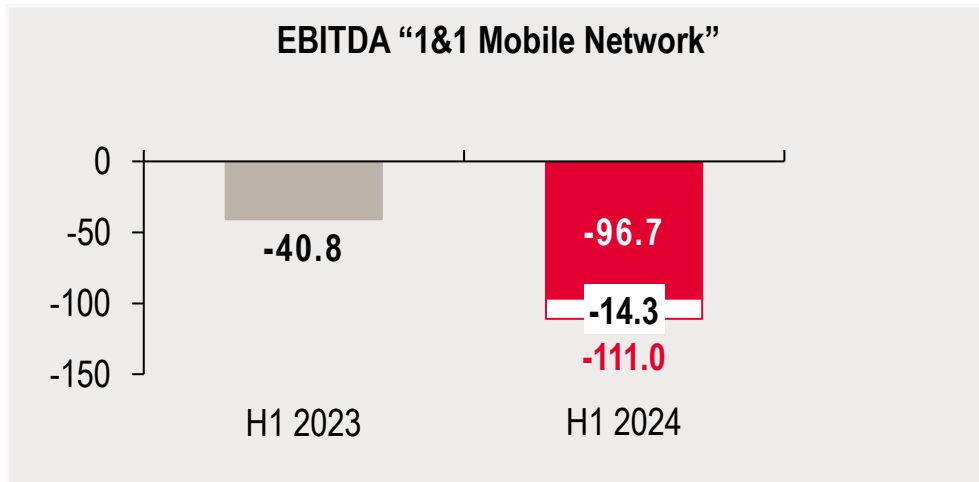
# “CONSUMER ACCESS” (II): EBITDA SUBSEGMENTS

(acc. to IFRS in € million)



## “Access”

- +11.4% EBITDA to € 437.6 million
- 21.7% EBITDA margin (prior year: 19.7%)



## “1&1 Mobile Network”

- € -111.0 million EBITDA, thereof € -14.3 million out-of-period expenses

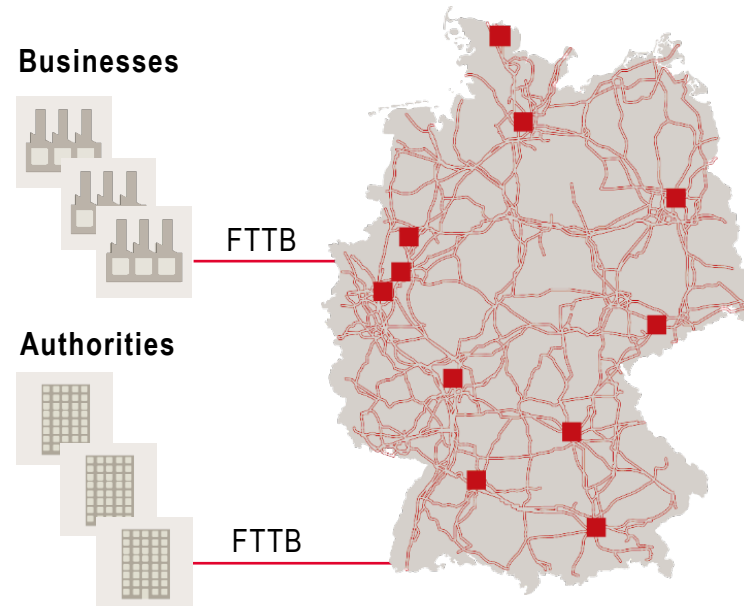
# “BUSINESS ACCESS”

- 1&1 Versatel operates one of the largest German fiber optic networks
- Project business and plug-and-play solutions for medium-sized companies



**GLASFASER  
DIREKT**

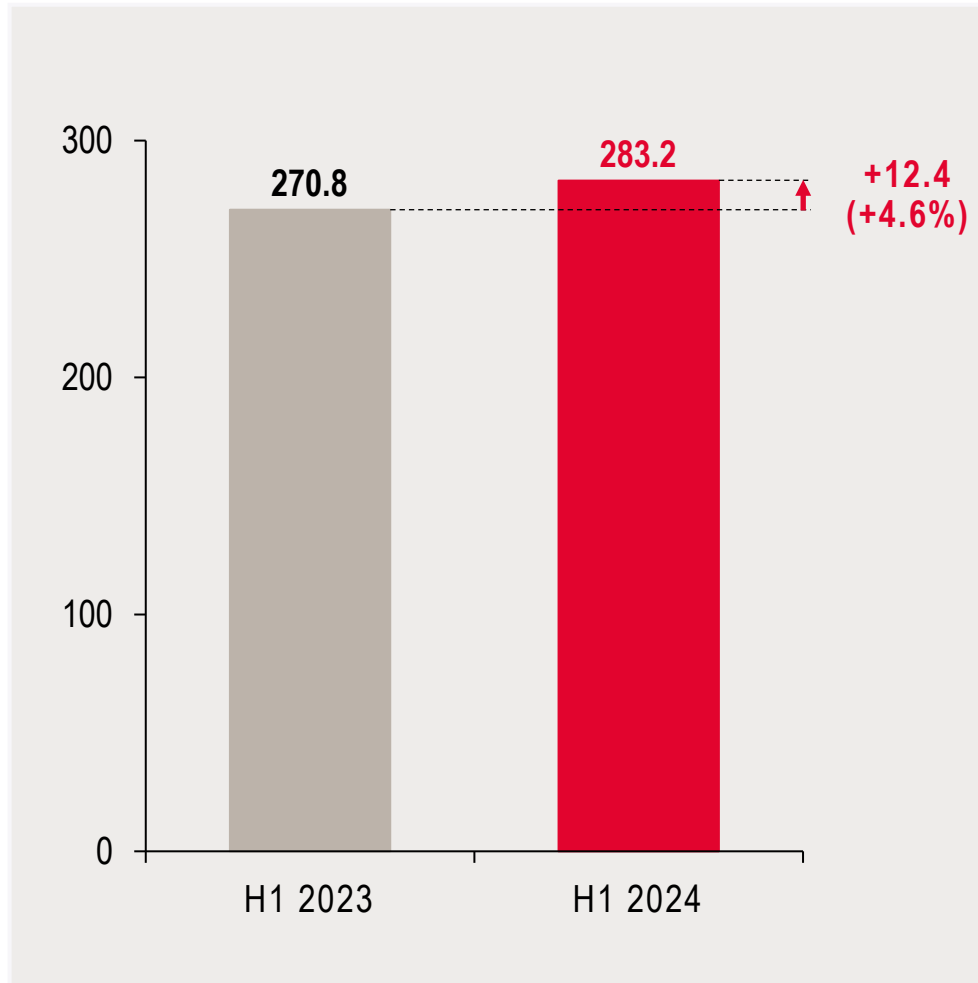
✓ Glasfaser-Anschluss für Firmen!  
✓ Garantierte Gigabit-Bandbreite!  
✓ Keine Baukosten bis zum Gebäude!



- 64,455 km of fiber optic network
- In more than 350 German cities, including the 25 largest cities
- 26,781 directly connected sites

# “BUSINESS ACCESS”: REVENUES

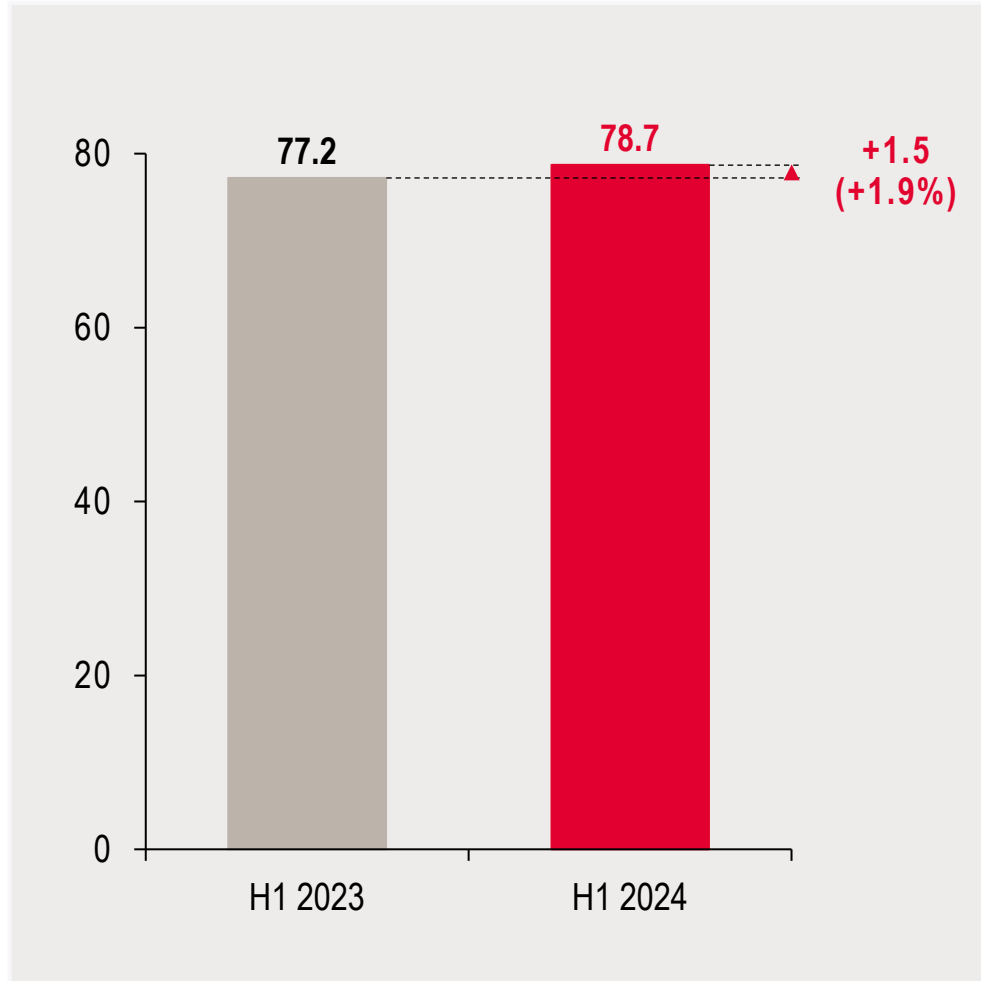
(acc. to IFRS in € millions)



■ +4.6% revenues to € 283.2 million

# “BUSINESS ACCESS”: EBITDA

(acc. to IFRS in € millions)



- +1.9% EBITDA to € 78.7 million, including
  - € -16.4 million start-up costs (prior year: € -11.8 million) in the new business areas “5G” and “expansion of commercial areas”
- 27.8% EBITDA margin (prior year: 28.5%)
- ➔ +6.9% EBITDA growth in basic business

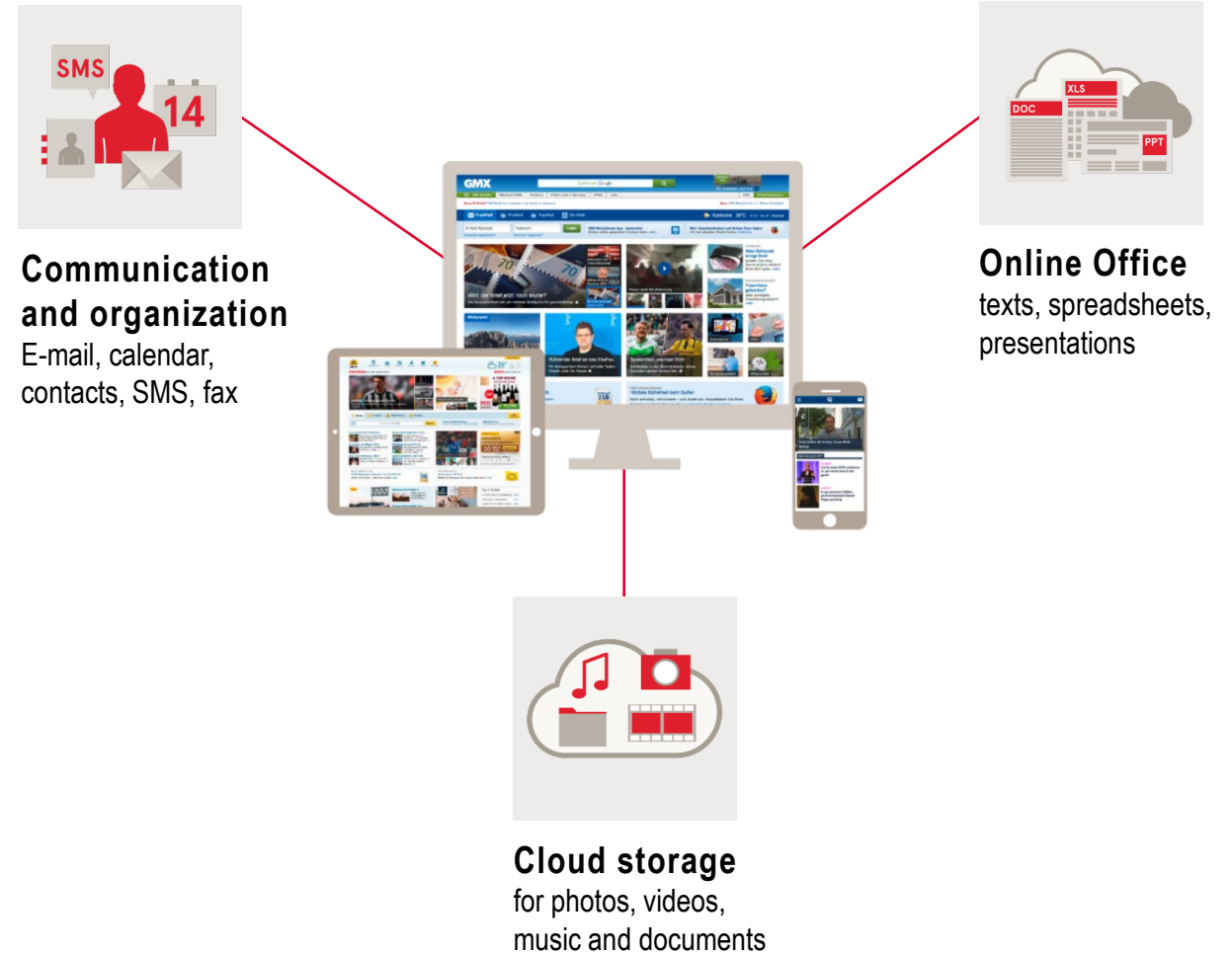
# “APPLICATIONS” IN H1 2024

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

# “CONSUMER APPLICATIONS”

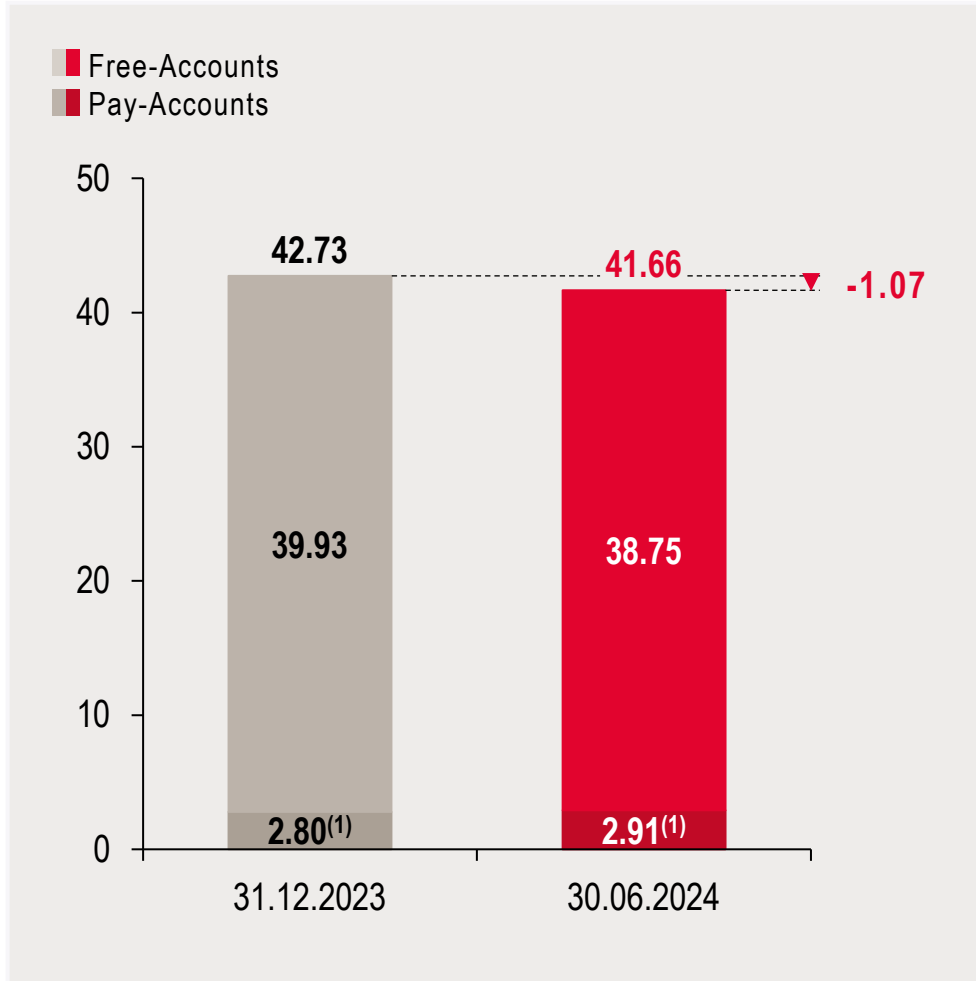
- With GMX, WEB.DE and mail.com, one of the leading providers of consumer applications
- Broad product portfolio for private customers: Personal Information Management (e-mail, tasks, appointments, addresses), cloud storage and office applications
- Differentiation through data protection & data security





# “CONSUMER APPLICATIONS”: ACCOUNTS

(in millions)

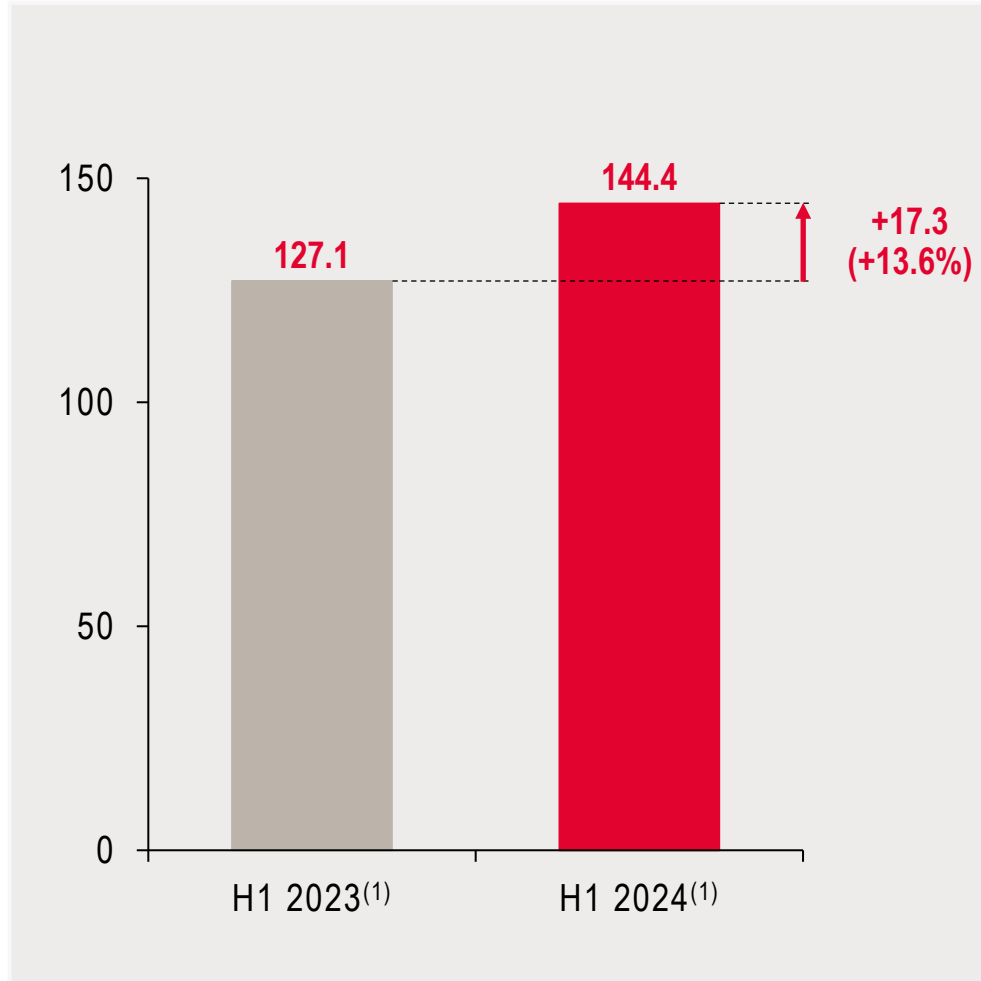


<sup>(1)</sup> Excluding 0.04 million pay accounts each for Energy and De-Mail

- 41.66 million Consumer accounts (-1.07 million)
  - 38.75 million free accounts (-1.18 million) particularly due to seasonal factors and higher security requirements
  - 2.91 million pay accounts (+110,000)

# “CONSUMER APPLICATIONS”: REVENUES

(acc. to IFRS in € millions)

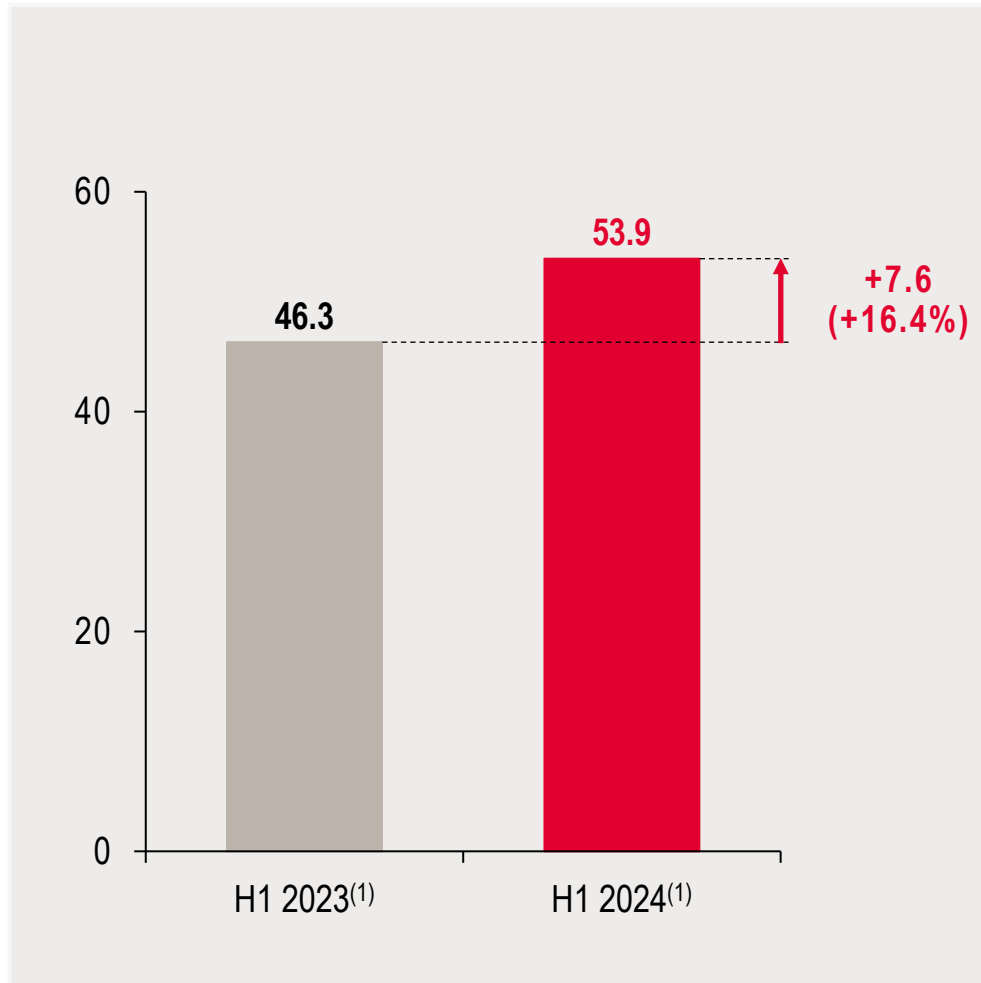


■ +13.6% revenues to € 144.4 million

<sup>(1)</sup> Excluding revenue contributions of € 13.4m (prior year: € 13.9m) from Energy and De-Mail

# “CONSUMER APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



<sup>(1)</sup> Excluding earnings contributions of € -0.7m (prior year: € -3.0m) from Energy and De-Mail

- +16.4% EBITDA to € 53.9 million
  - 37.3% EBITDA margin (prior year: 36.4%)
- ➔ Continued good revenues growth expected; the associated profitability growth is to be invested in future growth in H2 2024

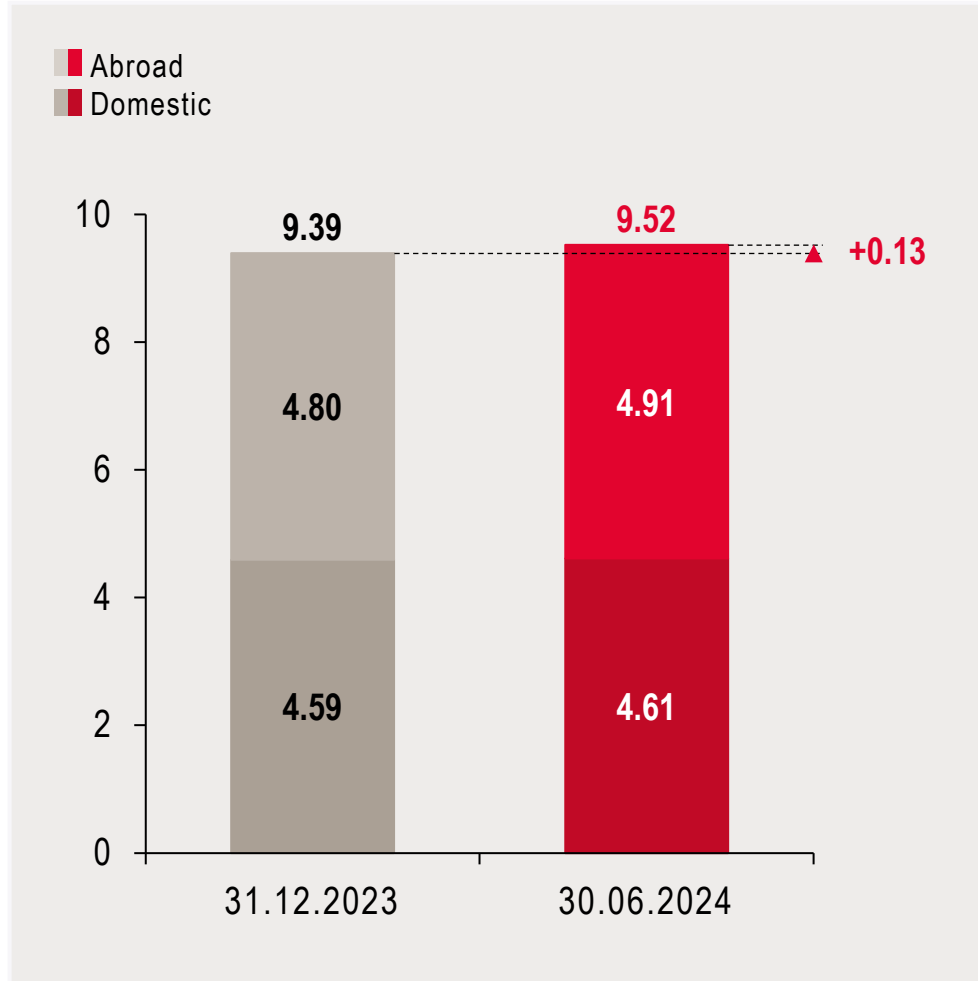
# “BUSINESS APPLICATIONS”

- IONOS as Europe's leading digitization partner for freelancers and small/medium-sized enterprises and reliable cloud enabler
- Active in 15 European countries as well as in the USA, Canada and Mexico
- Broad product portfolio from Web Presence & Productivity to Cloud Solutions



# “BUSINESS APPLICATIONS”: CUSTOMER CONTRACTS

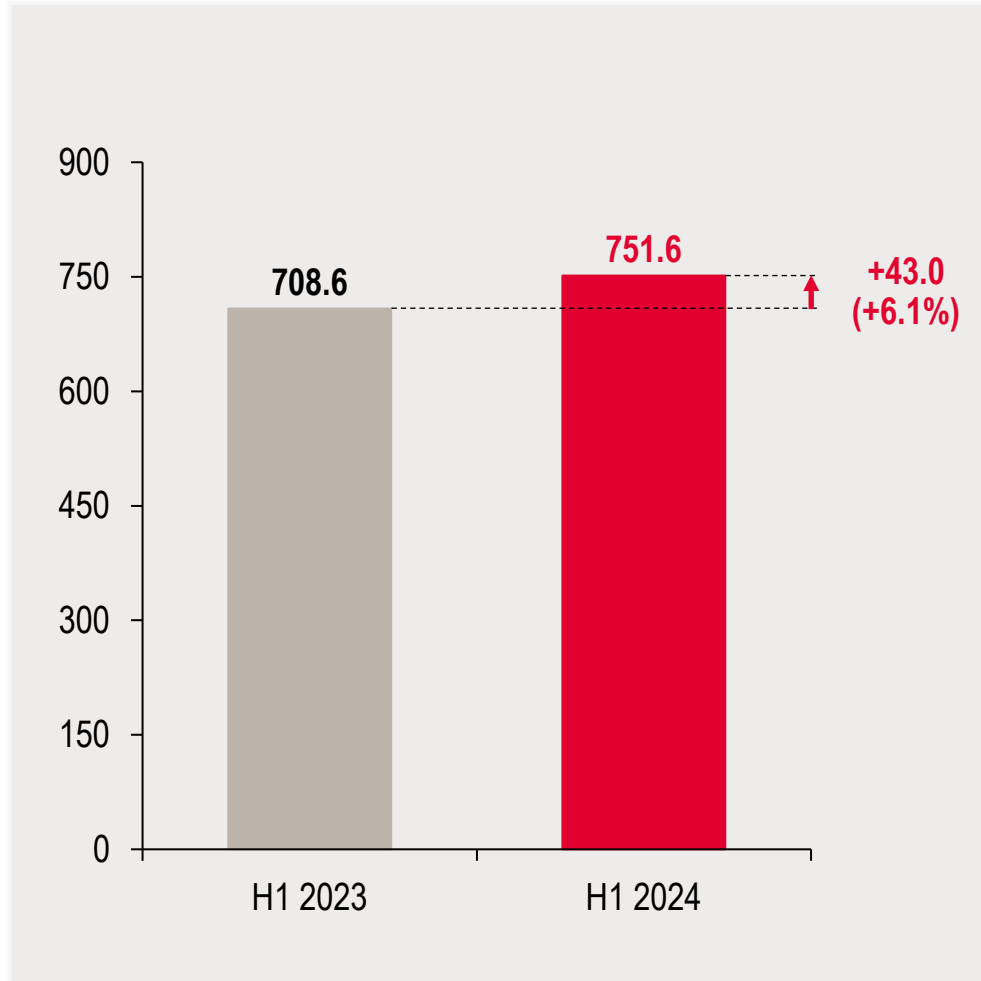
(in millions)



- 9.52 million customer contracts (+130,000)
  - 4.91 million abroad (+110,000)
  - 4.61 million in Germany (+20,000)

# “BUSINESS APPLICATIONS”: REVENUES

(acc. to IFRS in € millions)



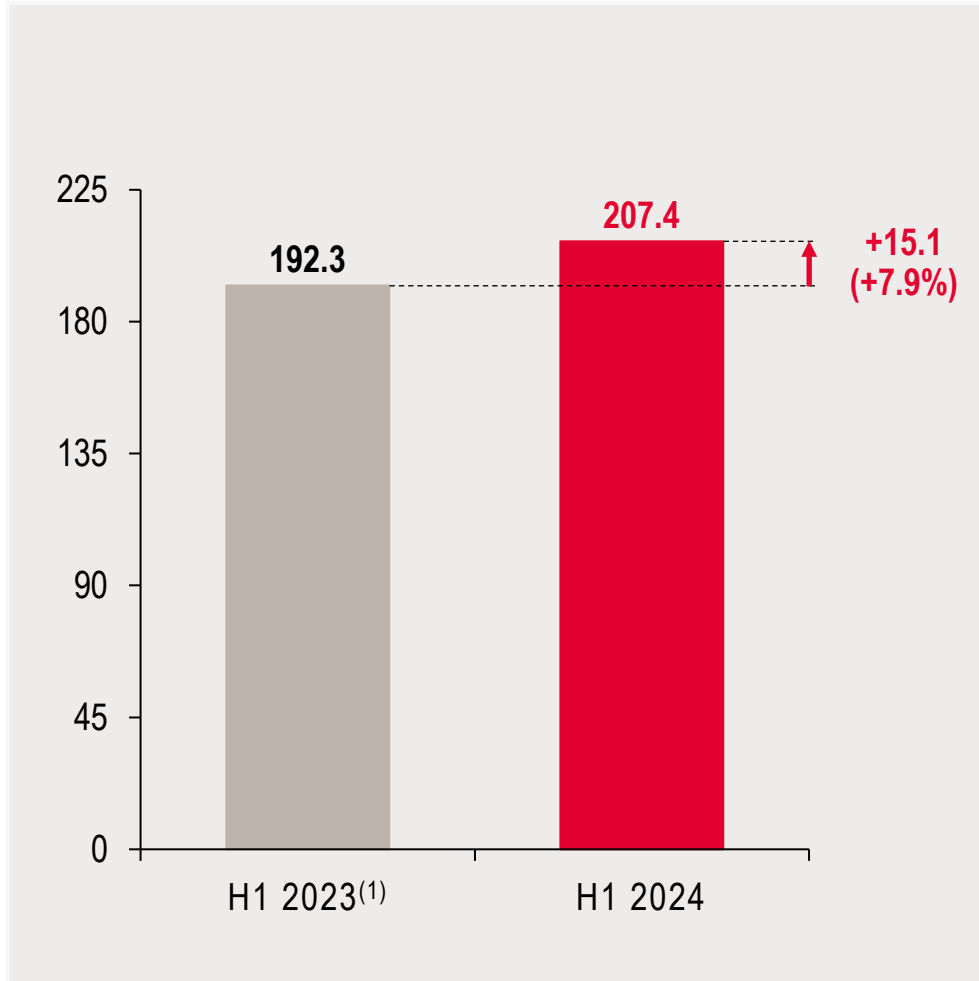
■ +6.1% revenues to € 751.6 million

- Customer growth
- Increased up- and cross-selling
- Lower aftermarket revenues due to temporary phasing effects in connection with a new product launch (€ -18.8 million)

➔ +11.2% revenues growth in core business

# “BUSINESS APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



<sup>(1)</sup> Excluding IPO costs (EBITDA and EBIT effect: € +11.7m net)

- +7.9% EBITDA to € 207.4 million
  - € -8.9 million phasing in marketing expenses
  - € -5.0 million lower EBITDA in the aftermarket business
- 27.6% EBITDA margin (prior year: 27.1%)
- ➔ +12.1% EBITDA growth in core business

## GROUP: KPIs H1 2024

- +330,000 customer contracts to 28.78 million contracts

Revenues and earnings figures (in € million)	H1 2023 <sup>(1)</sup>	H1 2024 <sup>(2)</sup>	Change
Revenues	3,014.2	3,099.9	+2.8%
EBITDA	668.7	662.3	-1.0%
EBIT	407.1	347.4	-14.7%
EPS (in €)	0.83	0.61	-26.5%

- Included in EBITDA 2024:

- € -111.0 million from expenses for the roll-out of the 1&1 mobile network (prior year: € -40.8 million), thereof € -14.3 million out-of-period expenses

- Included in EBIT 2024:

- € -257.9 million from D&A on investments (prior year: € -204.7 million)

- Based on the lower EBIT (EPS effect: € -0.15) additionally included in EPS 2024:

- Lower at-equity result (EPS effect: € -0.04) and financial result affected by higher interest rates (EPS effect: € -0.03)

<sup>(1)</sup> 2023 w/o revenue and earnings contributions from Energy and De-Mail (revenue contribution: € 13.9m; EBITDA and EBIT contribution: € -3.0m; EPS contribution: € -0.01) and w/o IONOS IPO costs (EBITDA and EBIT effect: € -1.6m; EPS contribution: € -0.03)

<sup>(2)</sup> 2024 w/o revenue and earnings contributions from Energy and De-Mail (revenue contribution: € 13.4m; EBITDA and EBIT contribution: € -0.7m; EPS contribution: € -0.01) and w/o impairment on Kublai/Tele Columbus investment (EPS effect: € -0.99)



# OUTLOOK 2024

# OUTLOOK 2024

## Adjustment on August 2, 2024

- Revenues: approx. € 6.4 billion (previously expected: approx. € 6.5 billion; 2023: € 6.213 billion)
  - Lower revenues in “Consumer Access”
  - Lower aftermarket revenues in “Business Applications”
- EBITDA: approx. € 1.38 billion or approx. € 1.39 billion excluding € 14.3 million in out-of-period expenses (previously expected: approx. € 1.42 billion; 2023: € 1.30 billion)
  - Aftermath of the temporary outage of the 1&1 mobile network at the end of May
  - Out-of-period expenses from subsequent invoices for additional services for network expansion 2022 / 2023
- Cash capex: 15-25% above the prior year’s figure (previously expected: 10-20% above the prior year; 2023: € 756 million)
  - Building up an inventory of network components that were previously stocked by expansion partners

# RESULTS H1 2024

# GROUP: KPIs AS OF JUNE 30, 2024

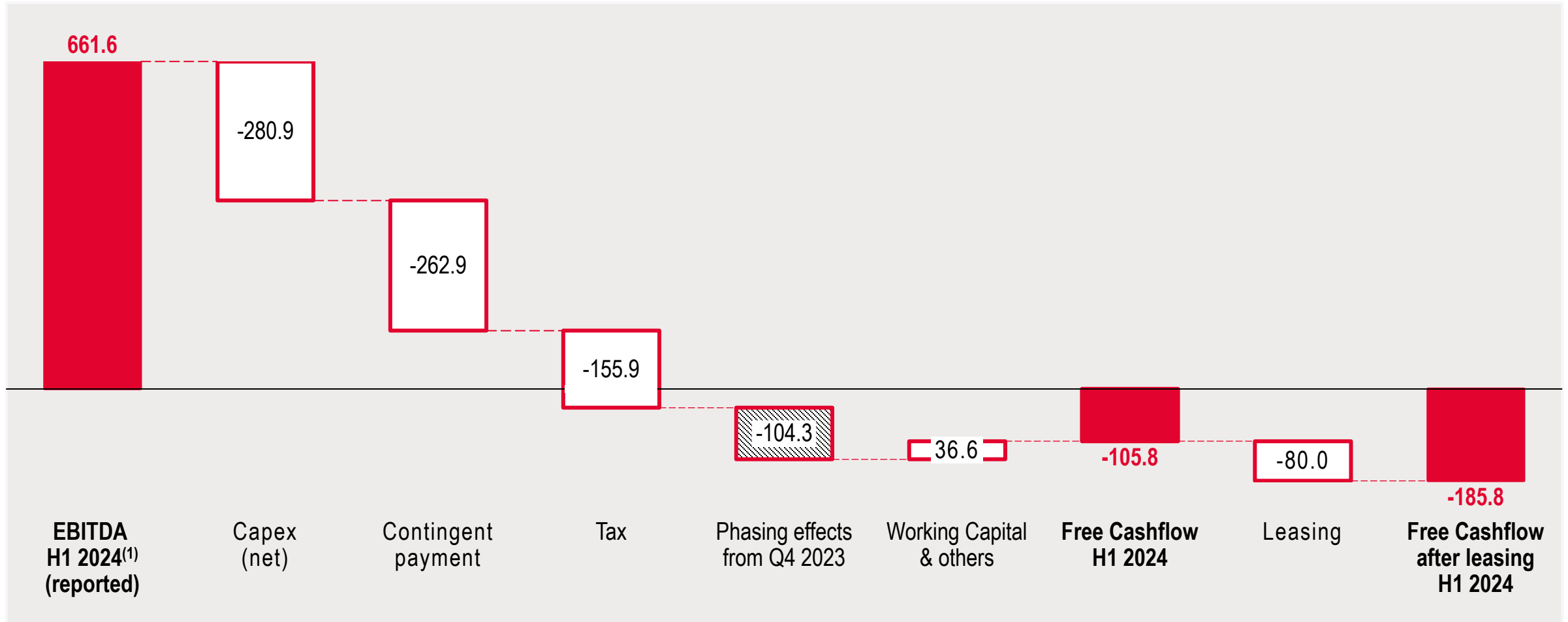
P&L ratios acc. to IFRS in € million	H1 2023 <sup>(1)</sup>	H1 2024 <sup>(2)</sup>	Change
Fee-based customer contracts	27.91	28.78	▪ +0.87 million
Advertising financed free accounts	39.52	38.75	▪ -0.77 million (pay accounts: +0.21 million)
Revenues	3,014.2	3,099.9	▪ +2.8%
EBITDA	668.7	662.3	▪ -1.0% despite € -70.2 million higher expenses for the roll-out of the 1&1 mobile network, € -14.3 m. out-of-period expenses
EBIT	407.1	347.4	▪ -14.7% due to € -53.2 million higher depreciation in connection with the network expansion
Key cash flow figures acc. to IFRS in € million	H1 2023	H1 2024	Comments
Cash flow from operating activities	512.6	557.9	▪ Increase despite lower consolidated earnings
Net cash provided by operating activities	237.2	175.1	▪ Decline due to phasing effects from Q4 2023 (€ -104.3 million)
Cash flow from investing activities	-300.5	-280.9	▪ Decline due to lower capex (€ -284.4 million; prior year € 301.3 million)
Cash flow from financing activities	74.8	115.4	▪ Increase in particular due to higher borrowing

<sup>(1)</sup> 2023 w/o revenue and earnings contributions from Energy and De-Mail (revenue contribution: € 13.9m; EBITDA and EBIT contribution: € -3.0m) and w/o IONOS IPO costs (EBITDA and EBIT effect: € -1.6m)

<sup>(2)</sup> 2024 w/o revenue and earnings contributions from Energy and De-Mail (revenue contribution: € 13.4m; EBITDA and EBIT contribution: € -0.7m)

# GROUP: EBITDA / FREE CASH FLOW BRIDGE AS OF JUNE 30, 2024

(nach IFRS in Mio. €)



<sup>(1)</sup> Including Energy and De-Mail

# GROUP: BALANCE SHEET AS OF JUNE 30, 2024 (I)

(acc. to IFRS in € millions)

Vermögenswerte	31.12.2023	30.06.2024	Erläuterungen
Property, plant and equipment / intangible assets	4,406.9	4,656.7	▪ Increase due to investments made in H1 2024 (primarily in the fiber optic/mobile network)
Goodwill	3,628.8	3,631.0	▪ Mostly unchanged
Financial assets	381.6	184.0	▪ Decline in particular due to impairment (€ -170.5 million) and worse proportionate result at Tele Columbus
Trade receivables	543.7	560.5	▪ Mostly unchanged
Contract assets	882.7	840.2	▪ Update of contract assets (decrease due to lower hardware revenues)
Inventories and deferred expenses	1,161.7	1,356.4	▪ Increase due to line rentals and advance payments to upfront providers (telecom quota agreement)
Income tax assets and other assets	212.5	261.3	▪ Increase due to reporting date
Cash and cash equivalents	27.7	37.5	▪ Increase due to reporting date
<b>Total</b>	<b>11,245.6</b>	<b>11,527.6</b>	

# GROUP: BALANCE SHEET AS OF JUNE 30, 2024 (II)

(acc. to IFRS in € millions)

Liabilities and equity	31.12.2023	30.06.2024	Comments
Equity	5,555.1	5,453.1	▪ Equity ratio: -2.3 PP to 47.3%
Liabilities to banks	2,464.3	2,831.3	▪ Bank liabilities (net): € 2,793.8 million (December 31, 2023: € 2,436.6 million); Increase in particular due to Telekom contingent payment (€ 262.9 million), dividend payment (€ 86.4 million) and capex (net: € 280.9 million)
Trade accounts payable	702.6	623.0	▪ Decline due to phasing effects from Q4 2023 (€ -104.3 million)
Contract liabilities	207.7	215.1	▪ Mostly unchanged
Accrued taxes and deferred tax liabilities	381.0	323.6	▪ Decrease due to reporting date
Other accrued liabilities / other liabilities	1,934.9	2,081.5	▪ Increase due to reporting date
<b>Total</b>	<b>11,245.6</b>	<b>11,527.6</b>	

**UNITED INTERNET AG**

**Our  
success story  
continues!**

