

AD-HOC DISCLOSURE ACC. TO ART. 17 MAR

United Internet with successful fiscal year 2022

- Customer contracts: + 730,000 to 27.46 million contracts
- Sales: + 4.8% to EUR 5.915 billion
- EBITDA: + 0.7% to EUR 1,271.8 million – despite higher investments at 1&1 and IONOS
- EBIT: + 0.3% to EUR 790.7 million
- Dividend proposal: EUR 0.50 per share

Montabaur, March 29, 2023. United Internet AG can look back on a successful fiscal year 2022. In the reporting period, 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 was raised by 730,000 to 27.46 million contracts. Of this amount, 350,000 contracts were added in the Consumer Access segment (+600,000 operating growth less -250,000 contracts due to the German Telecommunications Act effect) and 260,000 contracts in the Business Applications segment. A further 120,000 contracts were gained in the Consumer Applications segment. Ad-financed free accounts rose by 40,000 to 40.31 million.

Consolidated sales grew by 4.8% in the fiscal year 2022, from EUR 5,646.2 million in the previous year to EUR 5,915.1 million.

Prior-year earnings were impacted by a (non-period) positive effect of EUR +39.4 million. Without consideration of this earnings effect and additionally adjusted for preparation costs for the IONOS IPO (EUR -3.0 million in 2021 and EUR -8.8 million in 2022), as well as non-cash valuation effects from derivatives (EUR +4.9 million in 2021 and EUR -0.5 million in 2022), the Group's key earnings figures for 2022 developed as follows: EBITDA rose by 0.7%, from EUR 1,262.4 million in the previous year to EUR 1,271.8 million, and EBIT by 0.3% from EUR 788.6 million to EUR 790.7 million.

These earnings figures include a planned increase in expenses of EUR -13.8 million (EUR -37.9 million in 2021 and EUR -51.7 million in 2022) for the construction of 1&1's mobile network as well as EUR -32.4 million for additional marketing activities of IONOS to raise brand awareness in its most important European markets. Earnings also include increased electricity costs of EUR -22.4 million.

Adjusted earnings per share (EPS) fell from EUR 2.11 in the previous year to EUR 2.00 (adjusted for the non-period positive effect on earnings in 2021, the IPO costs of IONOS, and the valuation effects from derivatives in 2021 and 2022). This decline in EPS was mainly due to a year-on-year decrease in the financial result, which was impacted in part by the subsequent measurement of financial derivatives (EPS effect: EUR -0.03; prior year: EUR +0.02), as well as – with regard to the result from associated companies – the prorated negative result of Kublai GmbH, which was only partially included in the comparative figures for 2021 as the takeover of

Tele Columbus AG was only completed during the course of the previous year (EPS effect: EUR -0.19; prior year: EUR -0.13).

Dividend

On the basis of the figures for 2022, the Management Board and Supervisory Board of United Internet AG will propose to pay a dividend of EUR 0.50 per share for the fiscal year 2022 (prior year: also EUR 0.50) at the Annual Shareholders' Meeting on May 17, 2023. Based on around 172.8 million shares with dividend entitlement at present, the total dividend payment for fiscal year 2022 would amount to approx. EUR 86.4 million. The dividend payout ratio corresponds to approx. 23% of adjusted consolidated net income for 2022 after minority interests (EUR 374.1 million) and thus lies within the range targeted by the Group's dividend policy.

Outlook 2023

For the fiscal year 2023, the company expects sales to increase to approx. EUR 6.2 billion (prior year: EUR 5.915 billion). EBITDA is likely to be on a par with the previous year (prior year: EUR 1.272 billion). This includes approx. EUR -120 million (prior year: EUR -52 million) for the rollout of 1&1's mobile network. Due in particular to the network rollout and the expansion of the fiber-optic network to connect the 5G antennas and provide coverage in additional expansion areas, capital expenditures (excluding possible M&A transactions) are expected to increase to approx. EUR 800 million (prior year: EUR 681 million).

An overview of all key figures and the Annual Financial Statements 2022 (as of March 30, 2023) are available online at www.united-internet.de.

About United Internet

With over 27 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 around 10,500 employees, of which around 3,700 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 over 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 Financial Statements 2022 of United Internet AG on page 27.