

PRESS RELEASE

United Internet with successful first nine months of 2024

- Customer contracts: + 420,000 to 28.87 million contracts
- Sales: + 2.0% to EUR 4.661 billion
- EBITDA: - 1.4% to EUR 978.4 million, including EUR - 93.3 million higher start-up costs for 1&1 mobile network
- Guidance 2024: sales specified; EBITDA and cash capex confirmed

Montabaur, November 12, 2024. In the first nine months of 2024, United Internet AG once again invested in the acquisition of 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 420,000 to 28.87 million contracts. Of this amount, 90,000 contracts were added in the Consumer Access segment and 150,000 contracts in the Business Applications segment. A further 180,000 contracts were gained in the Consumer Applications segment.

Sales grew by 2.0% in the first nine months of 2024, from EUR 4,568.3 million in the previous year to EUR 4,660.7 million. This merely moderate sales growth was mainly due to a decline in hardware revenues (especially smartphones) in the Consumer Access segment (EUR -74.4 million compared to 9M 2023), as well as lower aftermarket sales in the Business Applications segment (EUR -10.6 million compared to 9M 2023). These low-margin hardware and aftermarket revenues only have a very minor impact on earnings.

EBITDA amounted to EUR 978.4 million in the first nine months of 2024 (prior year: EUR 992.7 million). This figure contains an increase in expenses of EUR 93.3 million to EUR -167.1 million for the rollout of 1&1's mobile network (prior-year period: EUR -73.8 million), including out-of-period expenses of EUR -14.3 million.

In addition to network rollout costs and out-of-period expenses, EBIT was additionally burdened by increased depreciation of EUR -363.5 million (9M 2023: EUR -310.9 million) resulting in particular from investments in the expansion of 1&1 Versatel's fiber-optic network and 1&1's mobile network. As a result, it amounted to EUR 529.5 million (9M 2023: EUR 596.3 million).

Adjusted for a non-cash writedown on the investment in Kublai / Tele Columbus (EPS effect: EUR -0.99), EPS declined from EUR 1.22 to EUR 0.82. This was mainly due to the development of EBIT (EPS effect: EUR -0.26), as well as increased interest expenses (EPS effect: EUR -0.14).

Cash capex in the first nine months of 2024 amounted to EUR 441.9 million (prior year: EUR 461.5 million).

Outlook 2024

In the course of today's adjustment to guidance for service revenues 2024 issued by 1&1 AG, United Internet is also specifying its sales guidance for 2024 and now expects an increase to approx. EUR 6.35 billion (previous guidance: approx. EUR 6.4 billion; 2023: EUR 6.213 billion). At the same time, the Company is confirming its earnings guidance for 2024: EBITDA is still expected to amount to approx. EUR 1.38 billion, including out-of-period expenses of EUR -14.3 million, or approx. EUR 1.39 billion without out-of-period expenses (prior year: EUR 1.30 billion).

Cash capex is still likely to be 15-25% above the prior-year figure (2023: EUR 756.0 million).

An overview of all key figures and the Interim Statement Q3 2024 are available online at www.united-internet.de.

About United Internet

With around 29 million fee-based customer contracts and around 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 11,000 employees. 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.

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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 2023 of United Internet AG on page 58.