Motivated team
- 9,400 employees, of which approx. 3,000 in product management, development and data centers

Sales strength
- More than 5 million contracts p. a.
- 50,000 registrations for free services every day

Operational excellence
- 62 million accounts in 12 countries

10 data centers
- 90,000 servers in Europe and USA

Powerful network infrastructure
- 48,500 km of fiber network
- Up to 30 % mobile network capacity of Telefónica
CURRENT GROUP STRUCTURE

1&1 Drillisch AG shareholders

≤25%  ≤25%  ≥75%

Consumer Access  Business Access  Consumer Applications  Business Applications  UI Ventures

100%  100%  100%  66.66%

1&1  1&1 versatel  GMX  IONOS

smartmobil.de  yourfone  WEB.DE  arsys

Additional listed investment: Tele Columbus AG (29.90%)
KPIs FY 2019

- Solid customer growth (24.74 million customer contracts: + 890,000 in FY 2019)
- Revenue and operating earnings per share increase slightly

<table>
<thead>
<tr>
<th>Revenue and earnings figures (in € million)</th>
<th>2018 (IFRS 15)</th>
<th>2019 (IFRS 16)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>5,102.9</td>
<td>5,194.1</td>
<td>+ 1.8 %</td>
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<tr>
<td>EBITDA</td>
<td>1,201.3</td>
<td>1,265.7</td>
<td>+ 5.4 %</td>
</tr>
<tr>
<td>EBIT</td>
<td>811.0</td>
<td>811.1</td>
<td>+ 0.0 %</td>
</tr>
<tr>
<td>EPS in €</td>
<td>0.94</td>
<td>2.13</td>
<td>+ 126.6 %</td>
</tr>
<tr>
<td>EPS before special items (in €)</td>
<td>1.96</td>
<td>1.99</td>
<td>+ 1.5 %</td>
</tr>
</tbody>
</table>

- EBITDA effect from IFRS 16: € + 87.0 million (comparable growth acc. IFRS 15: - 1.9 %)
- Special items
  - Impairment Tele Columbus 2018 : € - 1.02 EPS
  - Reversals of impairment losses Tele Columbus 2019: € + 0.09 EPS
  - Brand value write-up Strato 2019: € + 19.4 million EBIT; € + 0.05 EPS
“ACCESS” IN FISCAL YEAR 2019

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS
## “ACCESS DIVISION”: PORTFOLIO AND TARGET GROUPS

<table>
<thead>
<tr>
<th></th>
<th>Consumer</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target countries</strong></td>
<td>Germany</td>
<td>Germany</td>
</tr>
<tr>
<td><strong>Target groups</strong></td>
<td>Home users, freelancers, small businesses</td>
<td>SMBs, large corporations</td>
</tr>
<tr>
<td><strong>Solutions</strong></td>
<td>Own network and own applications in combination with standardized network solutions and third-party devices</td>
<td>Solutions based on our own 48,500 km fiber network</td>
</tr>
<tr>
<td><strong>Products</strong></td>
<td>Fixed-line and mobile products</td>
<td>Data and network solutions as well as infrastructure</td>
</tr>
</tbody>
</table>
5G RATIONALE – 5G CONNECTS PEOPLE, APPLICATIONS AND MACHINES

- 5G is the basis for a new economic eco-system
- Networks, applications and billions of devices that are not yet internet-enabled are growing together
- In addition to telecommunications know-how, network operators increasingly require online and application know-how with 5G
- As part of the United Internet Group, 1&1 Drillisch has these skills at its disposal

Higher speed: 10 Gbit / s
Higher capacity: 1 million devices / km²
Shorter latency: 1 ms
5G RATIONALE – ADVANTAGES OF OPERATING OUR OWN 5G NETWORK

- “Tailor-made” network with highest quality
- New business fields and customer groups (B2B, FWA)
- Increased vertical integration
- Internalization of network costs (rents)
- Stronger sustainability of our mobile communications business

Today: Mobile communications base stations from third parties (mobile backhaul services)

Tomorrow: Own mobile communications base stations
SUCCESSFUL PARTICIPATION IN THE 5G AUCTION

- Acquisition of frequencies (5x10 MHz in 3.6 GHz), available from 1 January 2021 at the latest
  - €61 million payable annually from 2019 until 2030

- Acquisition of frequencies (2x10 MHz in 2 GHz), available from 1 January 2026
  - €67 million payable annually from 2025 until 2030

- Further: lease of 2x10 MHz in 2.6 GHz until 31 December 2025
  - On the basis of a voluntary commitment of Telefónica Deutschland, which comes along as part of the EU merger release with E-Plus
ROADMAP FOR NETWORK BUILD

- 1st step: Acquisition of spectrum
- 2nd step: Negotiations about national roaming and infrastructure sharing
- 3rd step: Cooperation agreement with one or more technology partner(s) and their respective services
- 4th step: Network build-out based on the 1&1 Versatel network
- 5th step: Further participation in the next spectrum bid (800MHz), expected for 2024

Network build-out 2021 - 2030
USING 1&1 VERSATEL’S FIBER NETWORK

- 1&1 Versatel runs one of the largest fiber networks in Germany, which can be used as 5G backhaul
- In 250 German cities, including 19 of the 25 largest cities
- 48,500 km (previous year: 47,000 km)

Today: Mobile communications base stations from third parties (mobile backhaul services)

Tomorrow: Mobile communications base stations from 1&1 Drillisch
ROLL-OUT OBLIGATIONS

- End of 2022
  - 1,000 active 5G base stations

- End of 2025
  - 25% household coverage – corresponding to up to 40 biggest cities

- End of 2030
  - 50% household coverage – corresponding to up to 390 biggest cities

- End of 2021
  - Further construction of antenna sites in “white spots”, as part of the agreement in regard to the “Mobile Summit 2018”. At the same time, 1&1 Drillisch will benefit from the agreement on installment payments for the costs of the 5G frequencies.
“CONSUMER ACCESS”: FIXED-LINE BUSINESS

- Largest alternative German DSL provider
- Connect fixed-line test: #1 in 2015 (nationwide), #2 in 2016, #1 in 2017, #2 in 2018, #3 in 2019

Last mile:
- VDSL vectoring (FTTC) primarily via Layer 2 infrastructure of Deutsche Telekom, beside Layer 3
- Fiber-optic connections (FTTH) via city carriers
- ADSL via further network operators
“CONSUMER ACCESS”: MOBILE BUSINESS

- Germany’s leading MVNO
- Broad market coverage

<table>
<thead>
<tr>
<th>Main brand</th>
<th>1&amp;1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-brands</td>
<td>GMX</td>
</tr>
<tr>
<td>Discount brands</td>
<td>smartmobile.de</td>
</tr>
</tbody>
</table>

- TEFD remedy partner with long-term guaranteed access to up to 30% of network capacity and all future technologies, incl. 5G
- Additional wholesale contract with Vodafone
“CONSUMER ACCESS”: CUSTOMER CONTRACTS
(in million)

- 14.33 million customer contracts (+ 790,000)
- 9.99 million mobile internet contracts (+ 790,000)
- 4.34 million broadband connections
  ADSL / VDSL / FTTH
"CONSUMER ACCESS": REVENUES
(acc. to IFRS in € million)

- +1.3% revenues to €3,647.5 million
- +3.1% service revenues to €2,943.0 million
- -5.6% (€-41.9 million) low-margin hardware revenue to €704.5 million

* After adjustment of the 2018 revenue statement in the "Consumer Access" segment and thus also in the Group as a whole
“CONSUMER ACCESS”: EBITDA
(acc. to IFRS in € million)

- 4.5 % EBITDA to € 686.6 million
- € - 3.2 million one-offs from Drillisch integration
  (prior year: € - 25.1 million)
- € - 5.7 million initial 5G costs
- € - 8.8 million regul. subs. line costs “TAL” (07/19)
- € - 5.6 million regulation “SMS EU” (05/19)
- € - 83.1 million additional costs from a time-limited
  adjustment mechanism of a wholesale
  contract, which expired at the end of 2018*
- € + 8.2 million IFRS 16 effect
- 18.8 % EBITDA margin (prior year: 20.0 %)

⇒+ 5.4 % comparable EBITDA – like-for-like w/o effects
from IFRS 16

* Contrary to our original expectations, the expired agreement was not compensated by a price reduction in the reporting period
“BUSINESS ACCESS” SEGMENT

- One of the largest German fiber-optic networks

- Project business and plug-and-play solutions for medium-sized companies

- Fiber-optic network with 48,489 km (Prior year: 47,013 km)

- In 250 German cities, including 19 of the 25 largest cities

- 17,145 directly connected locations (Prior year: 13,998)
“BUSINESS ACCESS”: REVENUES
(acc. to IFRS in € million)

- + 2.3 % revenues to € 476.6 million
- Positive development in the core business for both B2B and Wholesale (+ 7.2 %)

* Discontinued services for the broadband customers acquired from Consumer Access (1&1 Drillisch) in 2017
“BUSINESS ACCESS”: EBITDA
(acc. to IFRS in € million)

- + 102.8 % EBITDA to € 147.2 million
- € + 59.6 million IFRS 16 effect
- 30.9 % EBITDA margin (prior year: 15.6 %)

➔ + 20.7 % comparable EBITDA – w/o IFRS 16 effects
“APPLICATIONS” IN FISCAL YEAR 2019

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS
## APPLICATIONS DIVISION: PORTFOLIO AND TARGET GROUPS

<table>
<thead>
<tr>
<th>Target countries</th>
<th>Consumer</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany, Austria, Switzerland, UK, USA, France, Spain, India</td>
<td>Germany, Austria, France, Netherlands, UK, Italy, Poland, Portugal, Spain, Canada, Mexico, USA</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target groups</th>
<th>Consumer</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home users</td>
<td>Freelancers, SMBs, Web Professionals, Enterprises</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Solutions</th>
<th>Consumer</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product development and operation on 90,000 servers at 10 data centers</td>
<td>Product development and operation on 90,000 servers at 10 data centers</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Products</th>
<th>Consumer</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Information Management (email, to-do lists, appointments, addresses), cloud storage and online office</td>
<td>Domains, websites, webhosting, e-business (e-shops, SEM, List Local, Online Office), Dedicated and Cloud Infrastructure</td>
<td></td>
</tr>
</tbody>
</table>
CONSUMER APPLICATIONS: KEY ASSETS

**Assets**
- **Largest ID Network outside Google and Facebook**
  - 90% log in traffic
  - ID platform with over 70 partners (netID)

- **Largest E-Mail Platform in DACH Region, 50% Market Share in Germany**
  - 40 Mio Active User globally
  - 25 Mio Mobile User
  - Large inventory: >100 Billion Page Impressions p.a.
  - Satisfied customer base NPS 27, CSI 80, Trust 87

- **Top 3 Publisher in DACH Region**
  - No 1 in daily use for news
  - No 3 in digital opinion lead
  - Own editorial team and targeting platform (play out and enriching)

**Platform**
- **Top 5 AGOF Marketer, best Data Targeting Platform outside of Google**
  - Unrivalled reach in DACH Region
  - Tailored Solutions for Advertiser Classic and targeted Advertising

- **E-Mail & Cloud**
  - Smart Inbox

- **Content**
  - Top Publisher in DACH Region

**Monetization**
- **Top 5 AGOF Marketer, best Data Targeting Platform outside of Google**
- **Digitizing Value Chains of Industries through own verticals**
  - Leveraging customer engagement, brand trust and digital competences to dig deeper into value chains and handle customers directly
  - Full virtual Energy Provider
  - Mobile Sales Platforms with Price Comparison
  - Building Insurance Platform

- **Upsell Premium Subscription and Partner Products Bundling**
  - Leveraging high customer engagement through premium products
  - Option for users who don't like advertising
“CONSUMER APPLICATIONS”: ASSETS

- One of the leading providers in Consumer Applications
- 32.2 million active user accounts in Germany – more than 50 % market share in private emails

<table>
<thead>
<tr>
<th></th>
<th>email*</th>
<th>eIDAS/De-Mail</th>
<th>Cloud storage*</th>
<th>Content*</th>
<th>ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMX/WEB.DE</td>
<td>#1</td>
<td>#1</td>
<td>#3</td>
<td>#1</td>
<td>#3</td>
</tr>
<tr>
<td>Google</td>
<td>#2</td>
<td>–</td>
<td>#1</td>
<td>–</td>
<td>#1</td>
</tr>
<tr>
<td>Microsoft</td>
<td>#3</td>
<td>–</td>
<td>#5</td>
<td>#4</td>
<td>n.a.</td>
</tr>
<tr>
<td>T.</td>
<td>#4</td>
<td>#2</td>
<td>#7</td>
<td>#2</td>
<td>n.a.</td>
</tr>
<tr>
<td>facebook</td>
<td>n.a.</td>
<td>–</td>
<td>–</td>
<td>n.a.</td>
<td>#2</td>
</tr>
</tbody>
</table>

- Differentiation through data protection and data security
- Advertising marketing via United Internet Media

* Email and Cloud storage: Representative survey of Convios Consulting on behalf of United Internet, 2019 (privately most used e-mail / cloud provider in Germany)

Content: die mediennstalten, MedienVielfaltMonitor 2019-I, market share online media
"CONSUMER APPLICATIONS": ACCOUNTS
(in million)

- 39.85 million consumer accounts (+ 600,000), thereof
  - 37.59 million free accounts (+ 590,000)
  - 2.26 million pay accounts (+ 10,000)
- 24.6 million with mobile usage (+ 1,900,000)
- 19.4 million with cloud storage (+ 900,000)
“CONSUMER APPLICATIONS”: REVENUES
(acc. to IFRS in € million)

- 7.0 % revenues to € 255.0 million
- € - 25.4 million from reduction of advertising space (prior year: € - 17.0 million) in the core business
- € - 10.8 million from low-margin third-party marketing

Stable revenues – w/o effects from increased reduction of advertising space and third-party marketing
“CONSUMER APPLICATIONS”: EBITDA
(acc. to IFRS in € million)

- 8.2 % EBITDA to € 103.6 million
- € - 24.3 million from reduction of advertising space and transition to data-driven business models (prior year: € - 15.9 million)
- € + 4.1 million from IFRS 16
- 40.6 % EBITDA margin (prior year: 41.1 %)

- 3.8 % comparable EBITDA – w/o effects from increased advertising space reduction and IFRS 16
SUMMARY - BIG DATA OPPORTUNITY FOR CONSUMER APPLICATIONS

- Largest customer base in the attractive DACH market, leveraging two of the strongest and most trusted brands in Germany: GMX and WEB.de
- 40m customer accounts, of which 38m free accounts and 2m pay products

- netID is a new open standard for user identification, tracking and targeting, founded as a counterpart to the Single Sign On standards of Google and facebook
- Open eco system for digital players to leverage their existing user accounts under one standard and match user profiles compliant with GDPR / ePR (cookie restriction, cross device tracking)
- European netID Foundation’s uniform login standard for currently 60 digital offerings from netID partners in a range of industries
- More than 50m unique users out of 55m online users in Germany
- 35m active netID capable accounts with access to deep data analysis
- Roll-out started in November 2018
“BUSINESS APPLICATIONS”:
FROM WEB HOST TO E-BUSINESS SOLUTIONS PROVIDER

E-mail marketing
Website design
Mobile apps
Sector content
Business apps

Local listings
Display advertising
E-payment solutions
E-shops
SEO tools
LIFT OFF TO A NEW WORLD OF HOSTING

What’s new?

- 1&1 Internet SE + ProfitBricks = 1&1 IONS → IONOS by 1&1
- Only European web hosting provider that will be able to guide companies through all of the phases and milestones of their development
- Comprehensive range of solutions, from domains to enterprise clouds
- Free personal consultant for every customer
- One-stop-shop provider for SMBs with the ability to grow with SMB customers and cover the needs of professional web users
- Own servers through IONOS’ self-developed enterprise cloud infrastructure

IONOS by 1&1

THE IONOS PROMISE

<table>
<thead>
<tr>
<th>Promise #1</th>
<th>Promise #2</th>
<th>Promise #3</th>
<th>Promise #4</th>
</tr>
</thead>
<tbody>
<tr>
<td>A personal consultant to support you whenever you need them</td>
<td>The best products for beginners so that you can start building your own internet presence</td>
<td>Best-in-class products for professionals, developers and administrators in companies and agencies</td>
<td>Efficient cloud applications to lead your company down the road to success</td>
</tr>
</tbody>
</table>

NEW APPROACH

<table>
<thead>
<tr>
<th>Promise #1</th>
<th>Promise #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct line to your personal consultant</td>
<td>As an exclusive service completely free</td>
</tr>
<tr>
<td>Accessibility by phone, mail and chat</td>
<td>Tailored to the specific needs of the customer</td>
</tr>
</tbody>
</table>
1&1 IONOS IS THE UNDISPUTED #1 WEB HOST IN EUROPE AND ONE OF THE LEADING HOSTING PLAYERS GLOBALLY

We operate in a global, underserved market driving digitalization of small and medium-sized businesses

Largest European web host with more than 8m customers and over 25m domains under management

Over 3m small businesses trust us as their partner-of-choice for online success

Best-known hosting brands in Europe operating in 12 markets

Highly skilled and motivated workforce of 3,400 employees making the difference
DIVERSE CUSTOMER SEGMENTS OFFERING GREAT MARKET POTENTIAL

Prosumers
- Hobbyists
- Private consumers
- Clubs

Small Businesses
- Bricks & mortar businesses
- Craftsmen
- SoHos
- Traditional 0-20 employee companies

Web Professionals
- IT-savvy experts
- Freelance designers
- Web and advertising agencies

Resellers / MSP
- IT system houses
- Managed service providers
- IT professionals

Corporates / Enterprises
- Mid to large size companies
- 50-250 empl.: 172k
- 250+ empl.: ~35k
- With own IT staff

DIY vs. DIFM
- DIY
- DIFM

Core Product
- Web Presence
- E-Mail / Cloud Storage
- Domains

Digital Skills
- Enterprise Cloud
- Simple Cloud
- Web Presence
- E-Mail / Cloud Storage
- Domains

Professional Cloud Services
- Enterprise Cloud
- Simple Cloud
- Web Presence
- E-Mail / Cloud Storage
- Domains
“BUSINESS APPLICATIONS”: CUSTOMER CONTRACTS
(in million)

- 8.15 million customer contracts (+ 90,000)
- 4.25 million abroad (+ 10,000)
- 3.90 million domestic (+ 80,000)
“BUSINESS APPLICATIONS”: REVENUES

(acc. to IFRS in € million)

- + 5.8 % revenues to € 890.6 million
  - Customer growth
  - Up- und Cross-Selling

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (IFRS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 (IFRS 15)</td>
<td>841.8</td>
</tr>
<tr>
<td>2019 (IFRS 16)</td>
<td>890.6 (+48.8 (+5.8%))</td>
</tr>
</tbody>
</table>
“BUSINESS APPLICATIONS”: EBITDA
(acc. to IFRS in € million)

- + 5.4 % EBITDA to € 306.2 million
- € - 26.7 million increased marketing expenses, thereof € - 19.2 million one-offs (prior year: € - 16.6 million)
- € + 13.7 million IFRS 16 effect
- 33.4 % EBITDA margin (prior year: 34.5 %)

⇒ + 4.0 % comparable EBITDA – w/o effects from increased marketing expenses and IFRS 16
FINANCIAL FIGURES FOR THE GROUP AND OUTLOOK 2019
## GROUP: KEY FIGURES 2019

<table>
<thead>
<tr>
<th>Contracts in million / financial KPIs acc. to IFRS in € million</th>
<th>2018 (IFRS 15)</th>
<th>2019 (IFRS 16)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee-based customer contracts</td>
<td>23.85</td>
<td>24.75</td>
<td>+ 0.89m</td>
</tr>
<tr>
<td>Ad-financed free accounts</td>
<td>37.00</td>
<td>37.59</td>
<td>+ 0.59m</td>
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<tr>
<td>Revenue</td>
<td>5,102.9</td>
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<tr>
<td>EPS(^{(1)}) (in €)</td>
<td>1.96</td>
<td>1.99</td>
<td>+ 1.5 %</td>
</tr>
<tr>
<td>Net Debt</td>
<td>- 1,881.1</td>
<td>- 1,620.8</td>
<td>+ 260.3m</td>
</tr>
<tr>
<td>Capex</td>
<td>- 271.8</td>
<td>- 252.8</td>
<td></td>
</tr>
<tr>
<td>Free Cashflow(^{(2)})</td>
<td>254.6</td>
<td>496.0</td>
<td>+ 241.4m</td>
</tr>
</tbody>
</table>

\(^{(1)}\) EPS without special items: impairment losses Tele Columbus 2018 (€ - 1.02); reversal of impairment losses Tele Columbus 2019 (€ + 0.09); brand value write-ups Strato 2019 (€ + 0.05)

\(^{(2)}\) Free cash flow is defined as cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant, and equipment (w/o aperiodic tax payments); Free cash flow 2019 based on IFRS 15, therefore excl. effects from IFRS 16 “leasing” (+ € 111.0 million)
OUTLOOK 2020

- Revenues and EBITDA at previous year's level
SHARE PRICE DEVELOPMENT

- 2002: Dotcom bubble bursts
- 2008: Financial crisis
- € 1.02 (23.3.98)
- € 26.10 (26.03.2020)

Graph showing share price development from 1998 to 2019 with key events and prices marked.
Total dividend payments of approx. € 1,079 million

Dividend proposal per share for fiscal year 2019: € 0.50

2019: New share buyback program, as well as a public share buyback offer, with a total amount of €374m

Total of € 1.4 billion for share buy backs (until December 31, 2019)

Capital reduction to the level before the Versatel acquisition in 2014: Redemption of 11m shares, March 2020
UNITED INTERNET AG

Our success story continues!