

UNITED INTERNET AG

6-Month 2022

Montabaur,

August 4, 2022



AGENDA

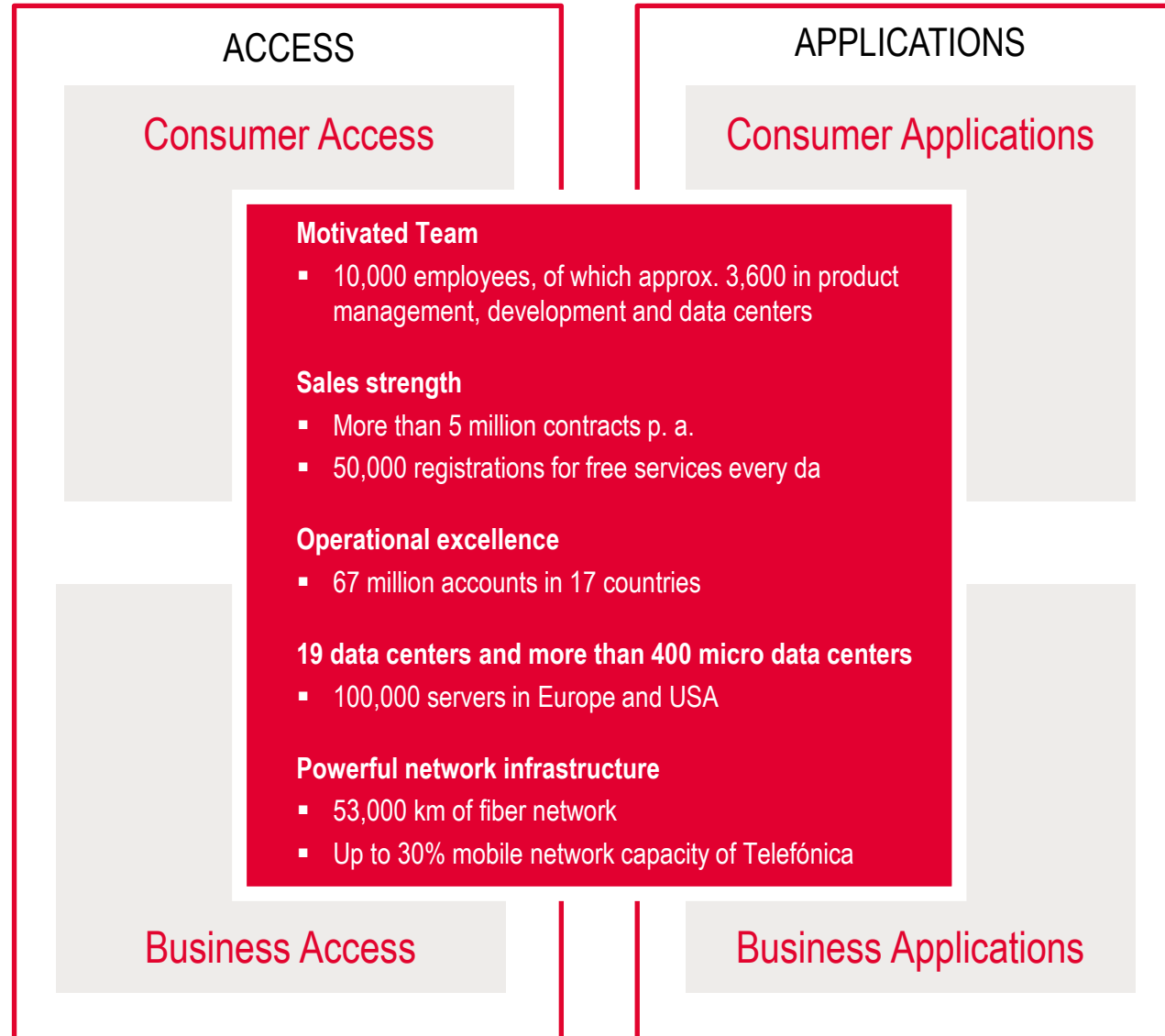
Ralph Dommermuth Company development

Outlook 2022

Martin Mildner Results H1 2022

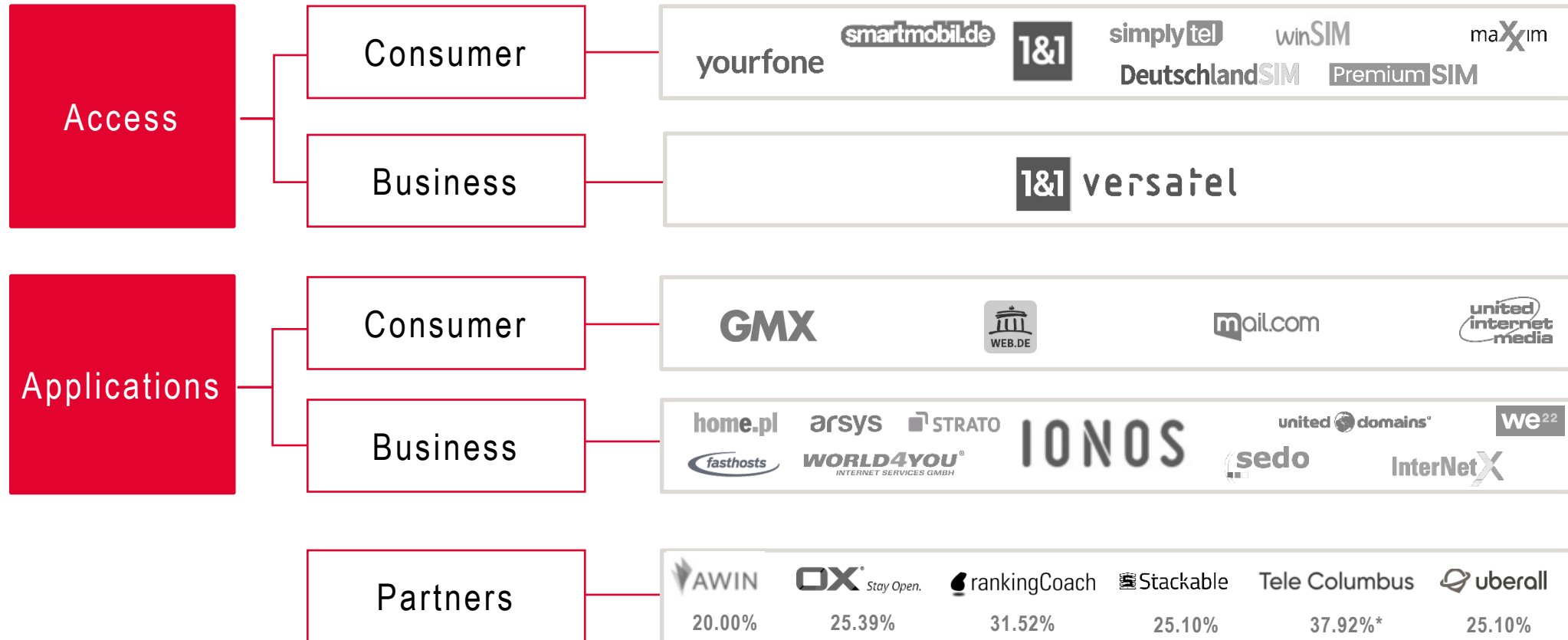
COMPANY DEVELOPMENT

2 BUSINESS AREAS: ACCESS & APPLICATIONS



BRANDS & INVESTMENTS

(as of June 30, 2022)



* Tele Columbus shares held indirectly via 40% investment in Kublai GmbH

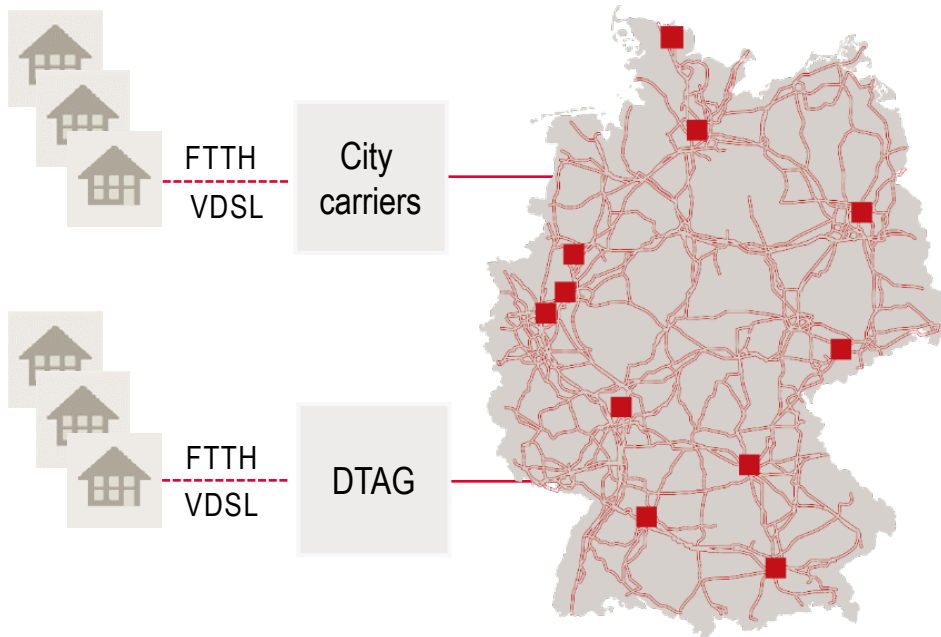
“ACCESS” IN H1 2022

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

“CONSUMER ACCESS”: FIXED-LINE BUSINESS

- 1&1 as the largest alternative DSL provider with 4.17 million broadband connections
- VDSL and FTTH complete packages incl. voice and IP-TV via 1&1 Versatel, with the last mile via Deutsche Telekom and city carriers
- Connect fixed-line network awards: #1 in 2020, 2017 and 2015, #2 in 2022, 2021, 2018 and 2016



“CONSUMER ACCESS”: MOBILE BUSINESS

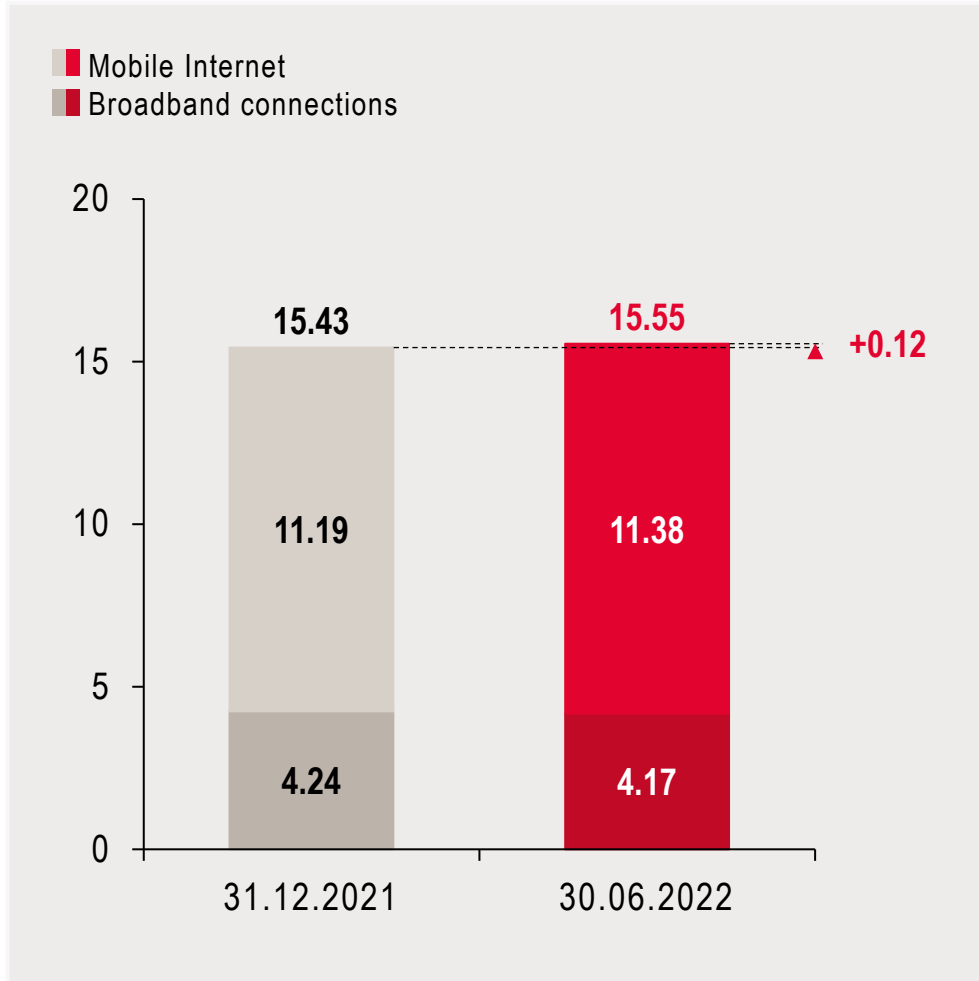
- 1&1 is Germany's leading MVNO with 11.38 million mobile contracts
- Broad market coverage - target group-specific approach to all market segments
- Consistently winning awards in customer satisfaction surveys



- Development of a high-performance 5G network
- Until the start of the network use of MVNO wholesale services from Telefónica and Vodafone

“CONSUMER ACCESS”: CUSTOMER CONTRACTS

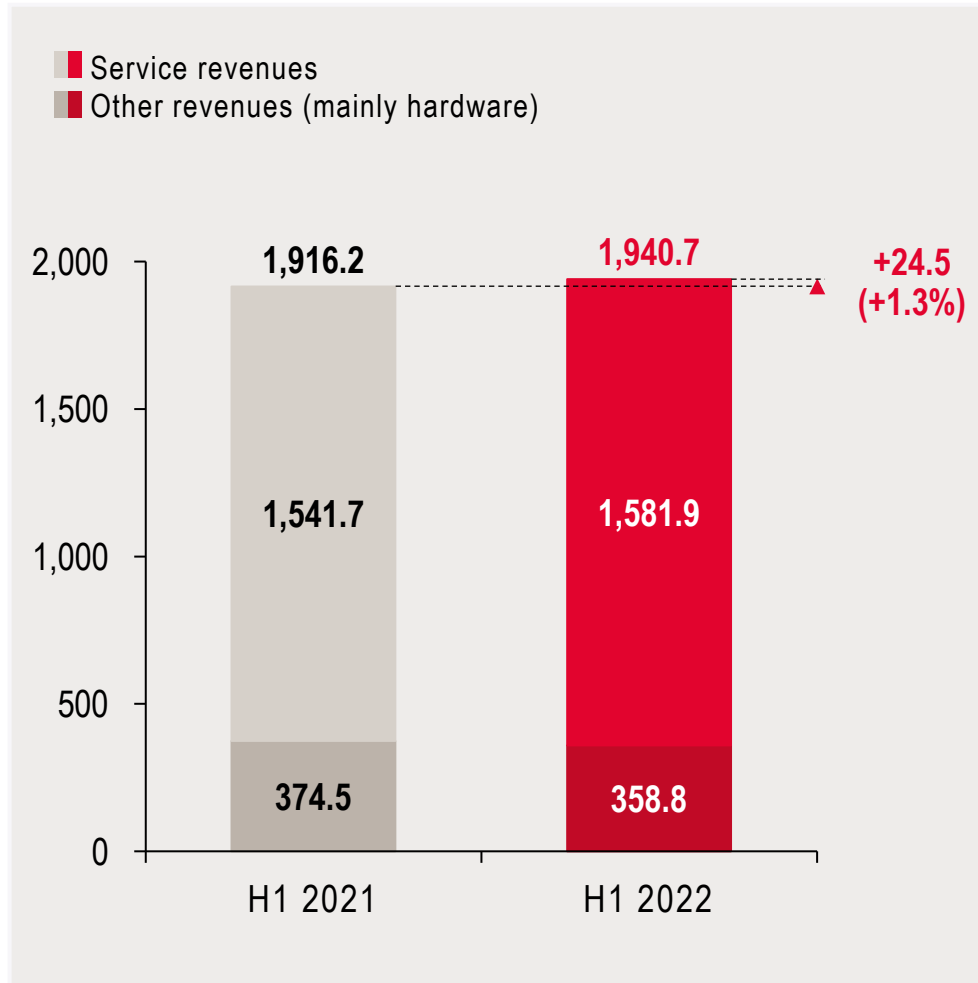
(in millions)



- 15.55 million customer contracts (+ 120,000)
 - 11.38 million mobile internet contracts (+ 190,000 contracts, thereof + 300,000 operative and - 110,000 “TKG effect”)
 - 4.17 million broadband connections ADSL / VDSL / FTTH (- 70,000 contracts, thereof - 10,000 operative and - 60,000 “TKG effect”)

“CONSUMER ACCESS”: REVENUES

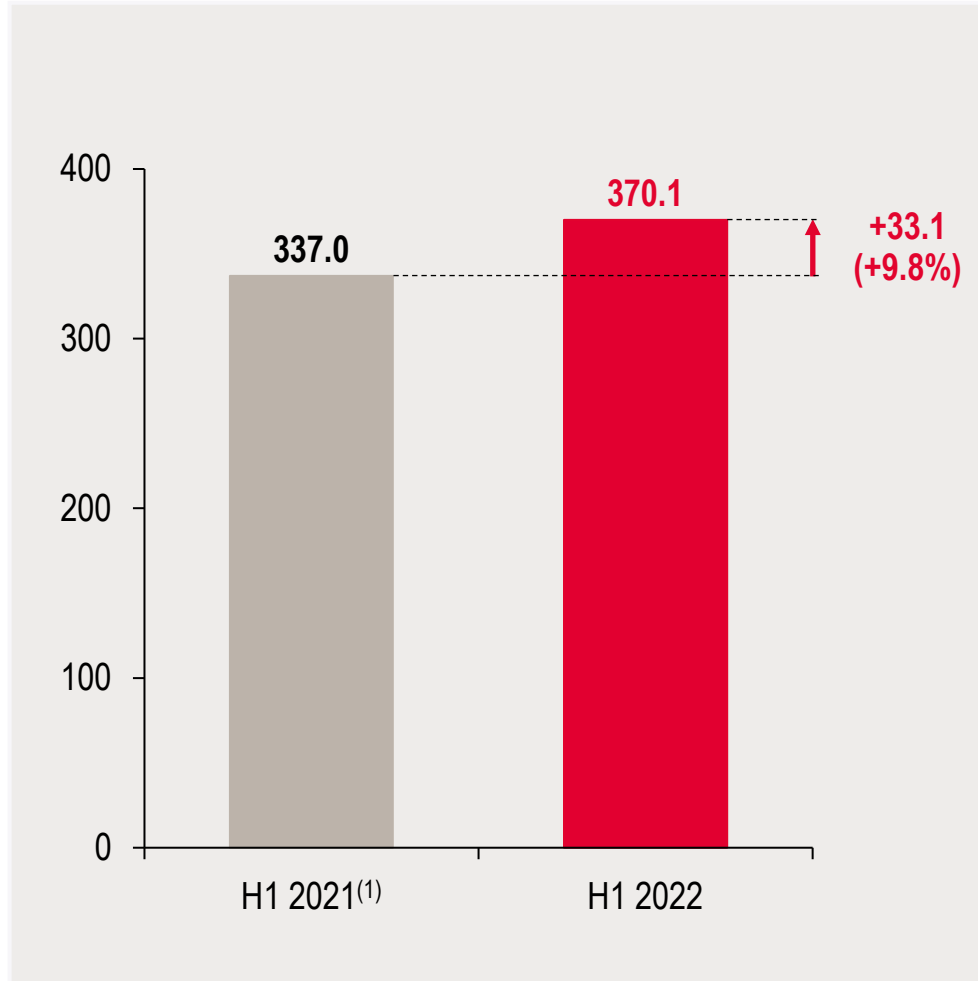
(acc. to IFRS in € millions)



- + 1.3% revenues to € 1.941 billion
 - + 2.6% service revenues to € 1.582 billion
 - - 4.2% other revenues (mainly smartphones) to € 358.8 million

“CONSUMER ACCESS” (I): TOTAL EBITDA

(acc. to IFRS in € millions)

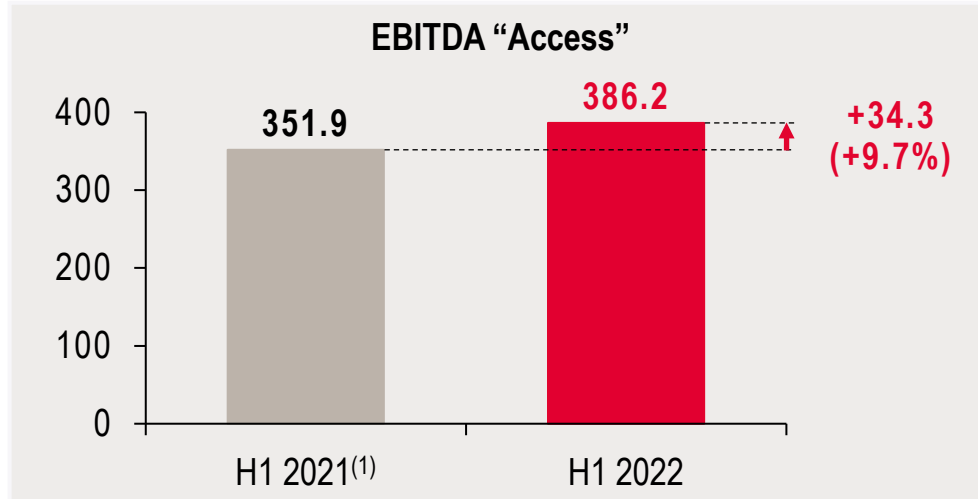


⁽¹⁾ Excluding non-period income of € 39.4 million

- + 9.8% EBITDA to € 370.1 million, including
 - € - 0.4 million higher electricity costs
- 19.1% EBITDA margin (prior year: 17.6%)

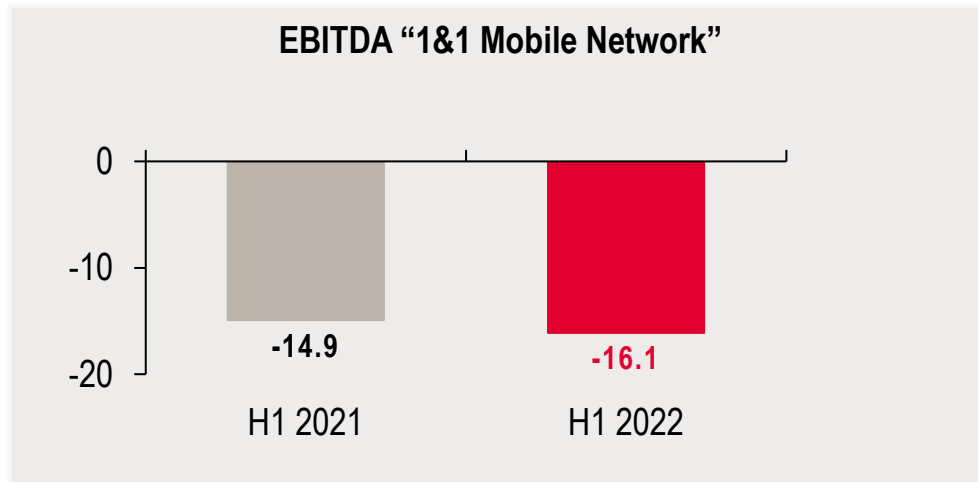
“CONSUMER ACCESS” (II): EBITDA SUBSEGMENTS

(acc. to IFRS in € million)



“Access”

- + 9.7% EBITDA to € 386.2 million
- 19.9% EBITDA margin (prior year: 18.4%)



“1&1 Mobile Network”

- € - 16.1 million EBITDA from the initial cost of the 1&1 mobile network rollout

⁽¹⁾ Excluding non-period income of € 39.4 million

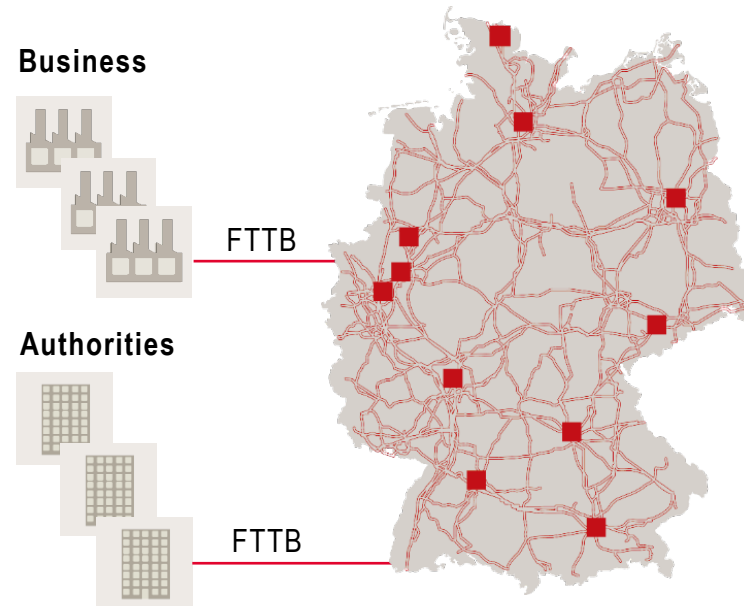
“BUSINESS ACCESS”

- 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**

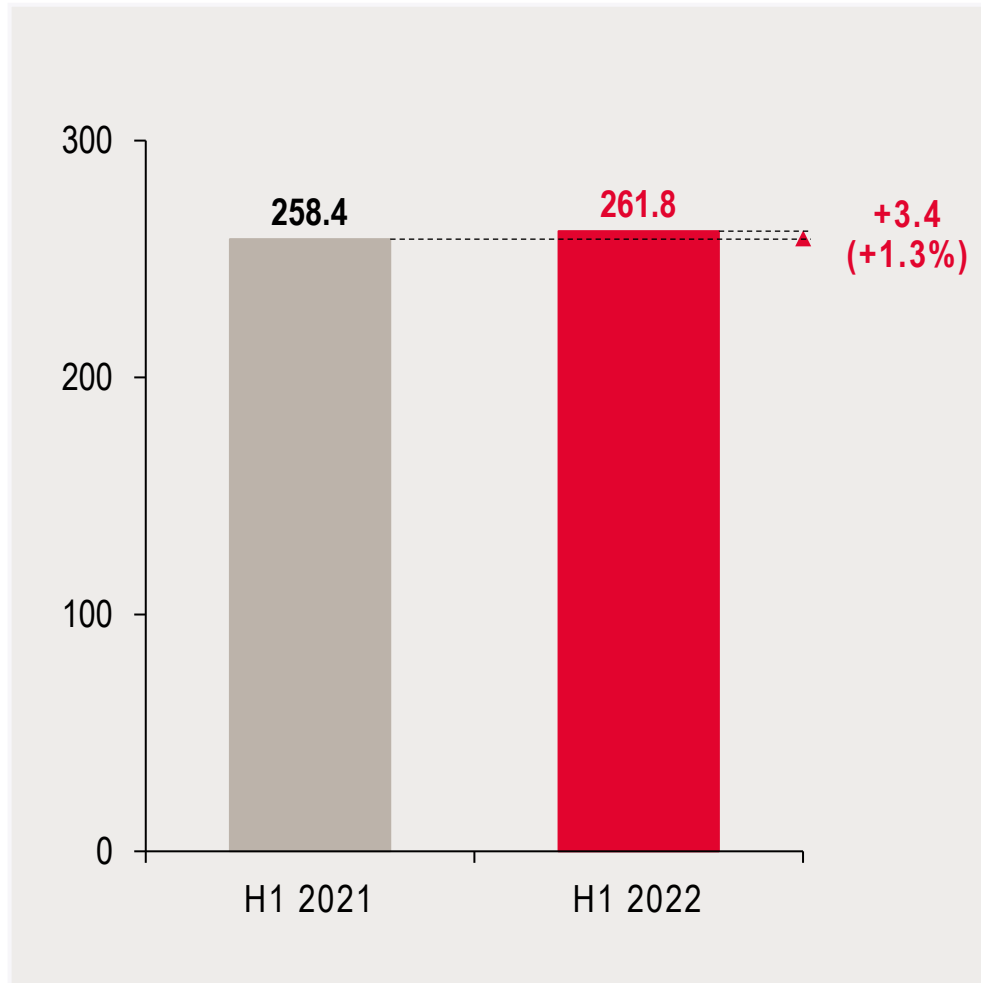
✓ Glasfaser-Anschluss für Firmen!
✓ Garantierte Gigabit-Bandbreite!
✓ Keine Baukosten bis zum Gebäude!



- 53,629 km of fiber optic network
- In 250 German cities, incl. 19 of the 25 largest cities
- 22,631 directly connected locations

“BUSINESS ACCESS”: REVENUES

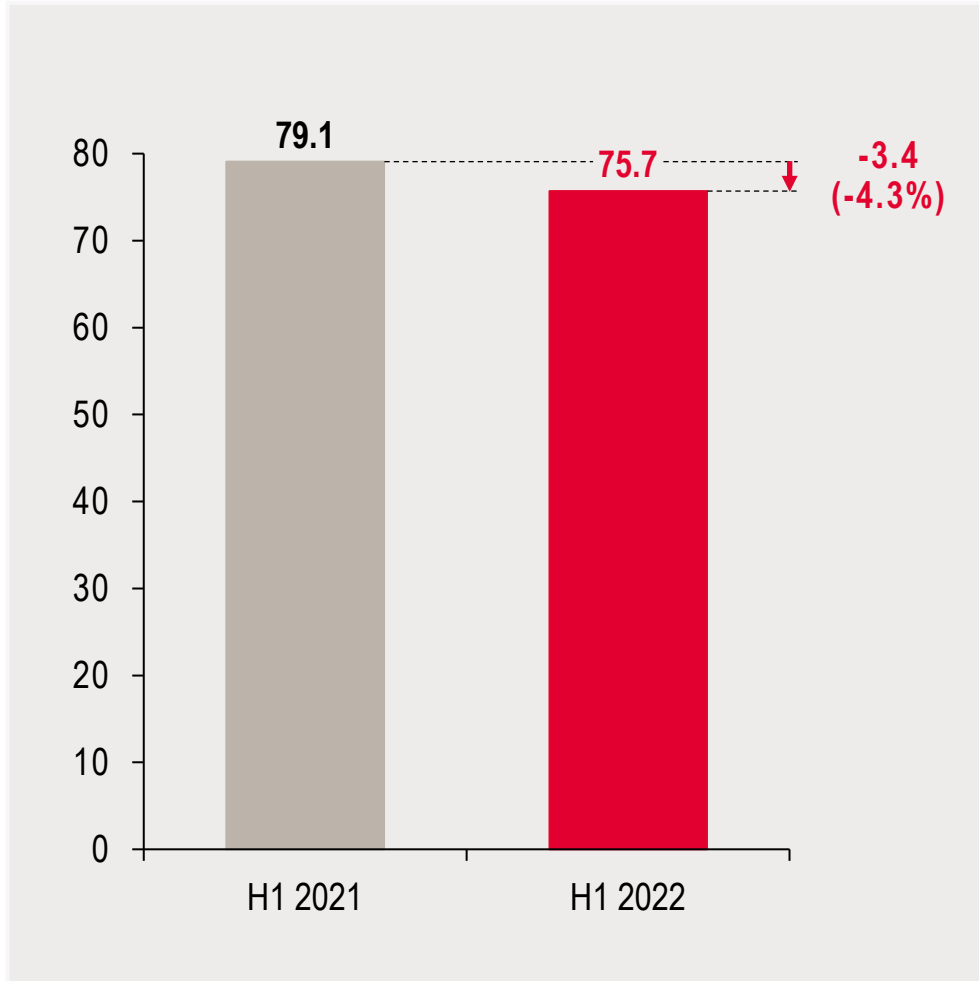
(acc. to IFRS in € millions)



- + 1.3% revenues to € 261.8 million, included therein
 - € - 3.3 million negative regulatory effects
- Expectation for FY 2022: approx. 3.5% growth (approx. 5% without regulatory effects)

“BUSINESS ACCESS”: EBITDA

(acc. to IFRS in € millions)



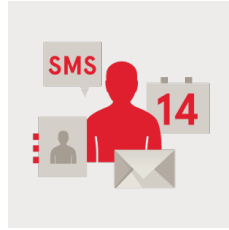
- - 4.3% EBITDA to € 75.7 million, including
 - € - 4.2 million start-up cost for building the infrastructure for the 1&1 Mobile Network
 - € - 0.9 million SDH migration cost (one-off)
 - € - 0.6 million higher electricity cost
- ➔ + 2.9% comparable EBITDA
- 28.9% EBITDA margin (prior year: 30.6%)
- Expectation for FY 2022: EBITDA at prior years level
 - ➔ approx. + 7% comparable EBITDA

“APPLICATIONS” IN H1 2022

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

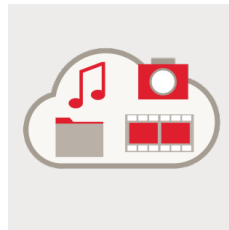
“CONSUMER APPLICATIONS”: FROM E-MAIL SERVICE TO COMMAND CENTER FOR COMMUNICATION, INFORMATION AND IDENTITY MANAGEMENT



Communication and organization
E-mail, calendar, contacts, SMS, fax



Online office
texts, spreadsheets, presentations



Cloud storage
for photos, videos, music und documents








De-mail
legally secure communication and identity management



“CONSUMER APPLICATIONS”: ASSETS

- With GMX, WEB.DE and mail.com one of the leading providers of consumer applications
- 34.8 million active accounts in Germany alone - over 50% market share in private e-mails

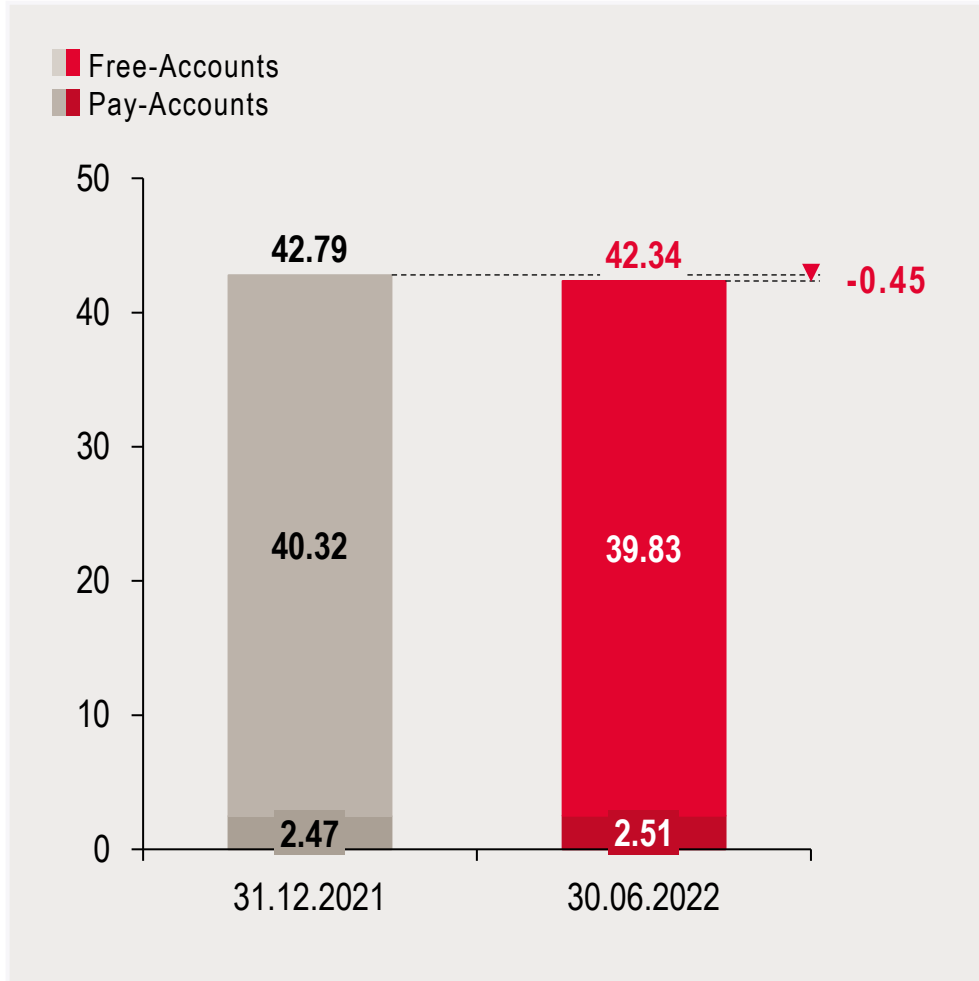
	E-Mail*	eIDAS/ De-Mail	Cloud- Speicher*	Content*	ID
	#1	#1	#2	#1	#3
	#2	–	#1	–	#1
	#3	#2	#7	#3	n.a.
	#4	–	#3	#28	n.a.
	n.a.	–	n.a.	n.a.	#5

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

* E-mail and cloud storage: Convios Consulting, representative survey on behalf of United Internet, 2021 (most privately used e-mail and cloud providers in Germany) Content: die medienanstalten, MedienVielfaltsMonitor 2021-I, online media market shares

“CONSUMER APPLICATIONS”: ACCOUNTS

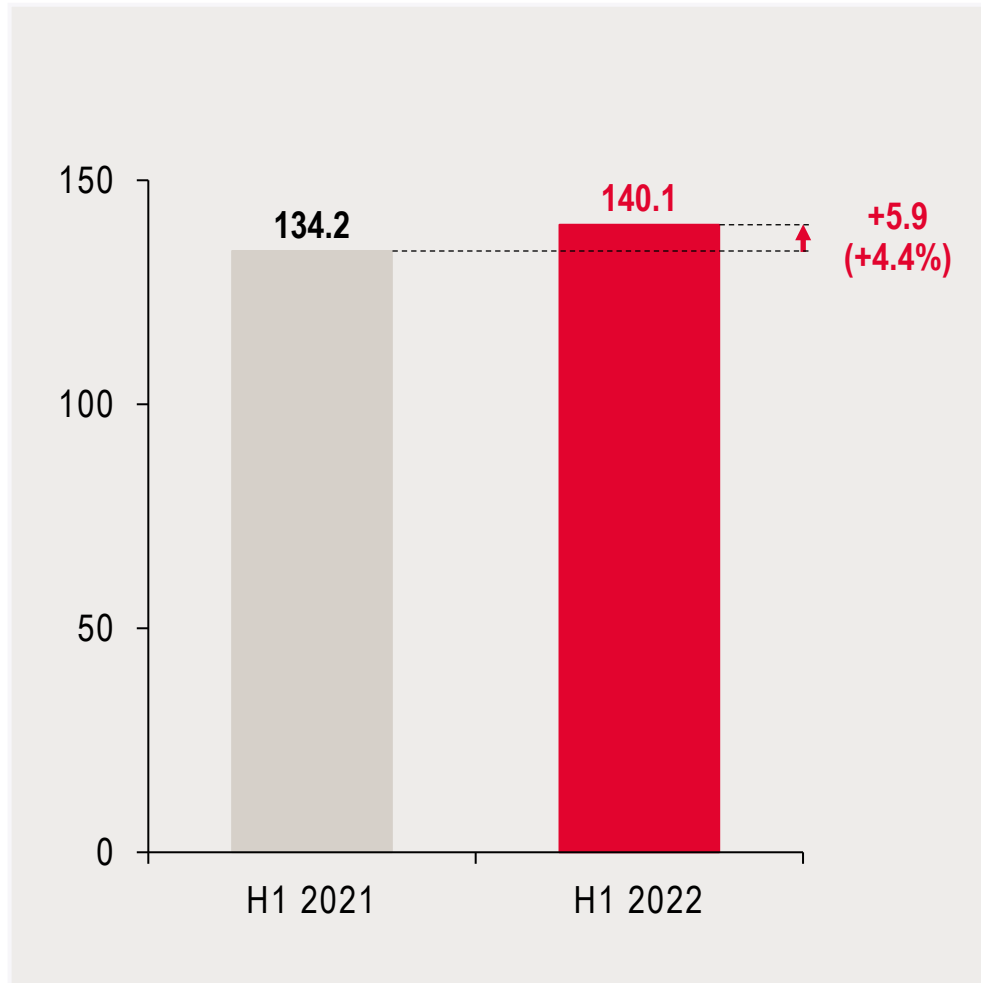
(in millions)



- 42.34 million consumer accounts (- 450,000 seasonal; + 140,000 compared to prior year), thereof
 - 39.83 million free accounts (- 490,000)
 - 2.51 million pay accounts (+ 40,000)
- 27.8 million with mobile use (+ 100,000)
- 22.1 million with cloud storage (+ 300,000)

“CONSUMER APPLICATIONS”: REVENUES

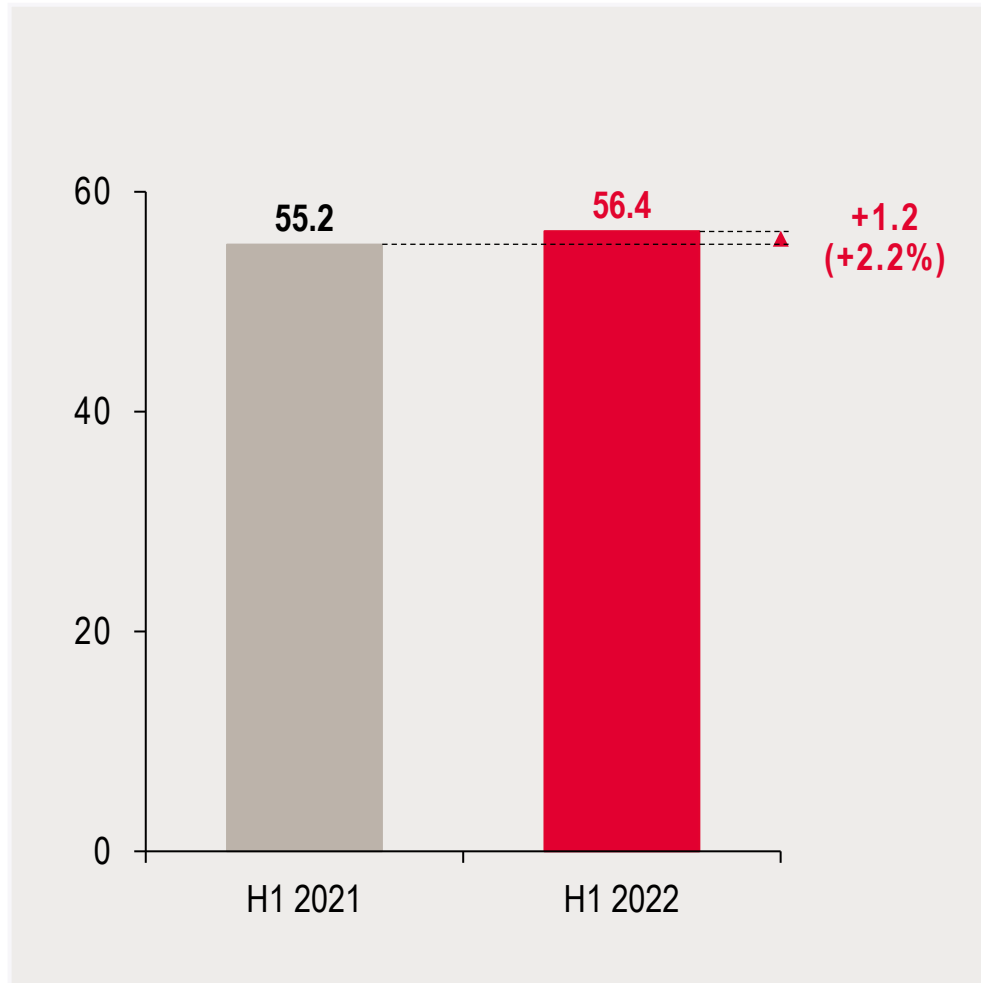
(acc. to IFRS in € millions)



- + 4.4% revenues to € 140.1 million
- + 7.5% in Q1 2022
- + 1.5% in Q2 2022

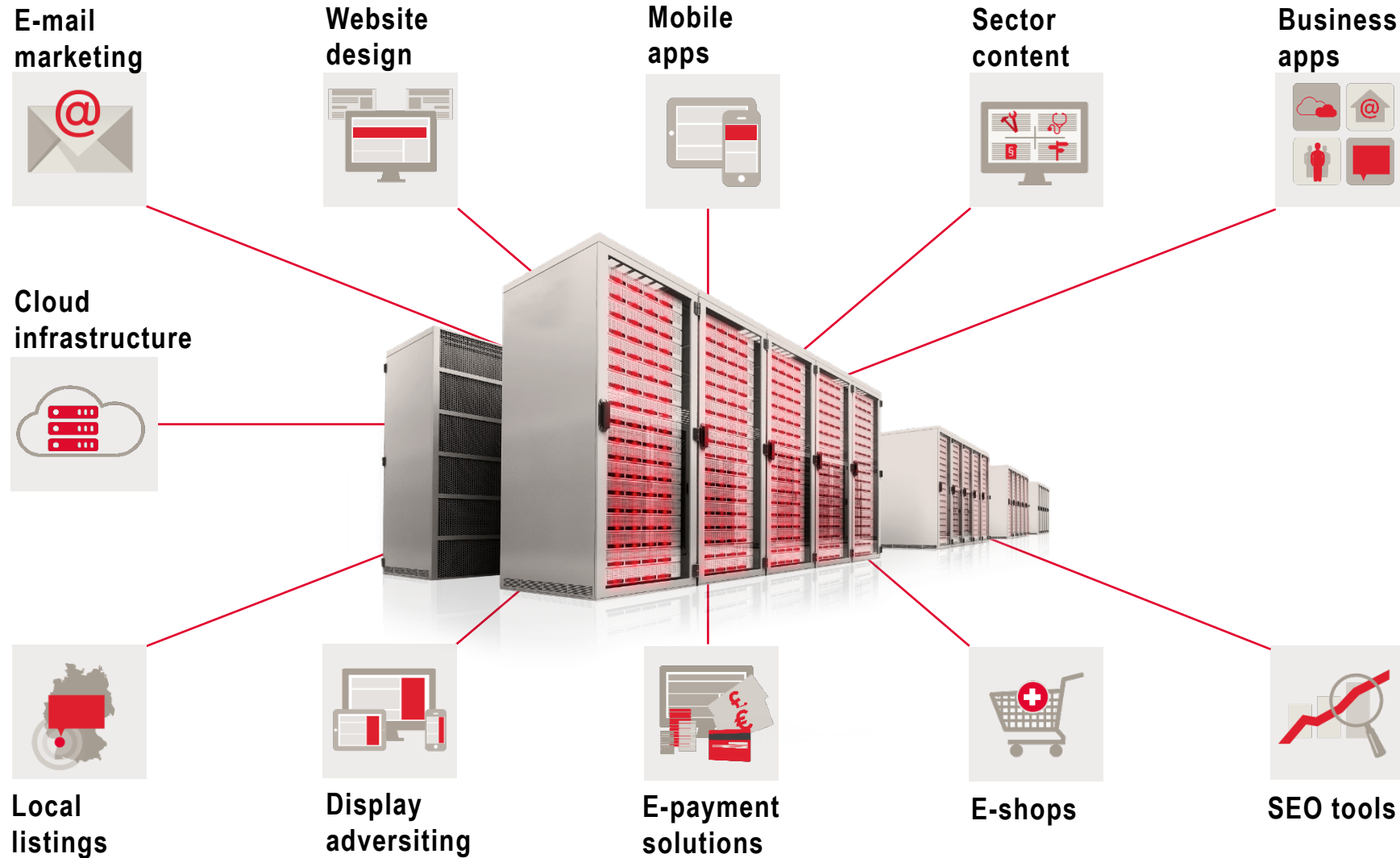
“CONSUMER APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



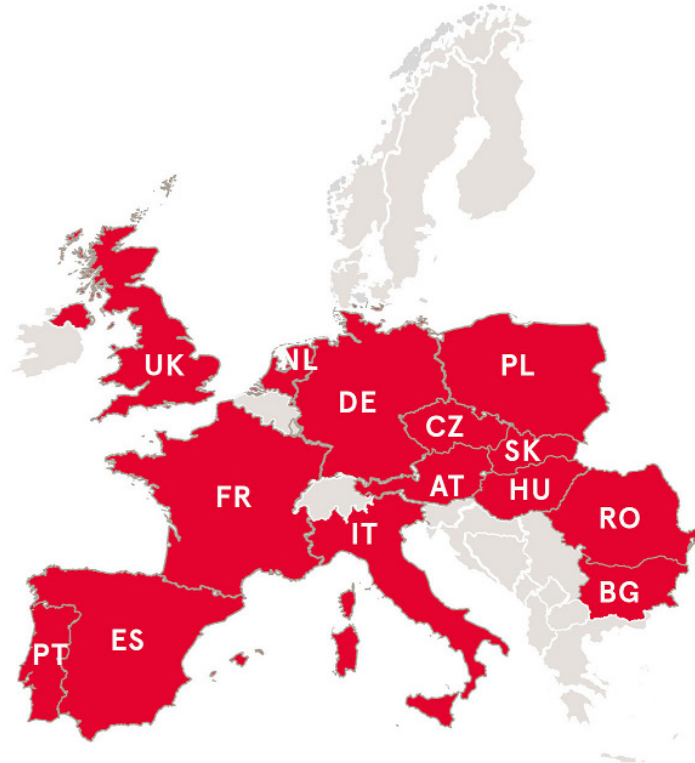
- + 2.2% EBITDA to € 56.4 million, included therein
 - € - 1.2 million higher electricity costs
 - ➔ + 4.3% comparable EBITDA
- 40.3% EBITDA margin (prior year: 41.1%)

“BUSINESS APPLICATIONS”: FROM WEB HOST TO E-BUSINESS SOLUTIONS PROVIDER



“BUSINESS APPLICATIONS”: IONOS MARKET POSITION

- Leading European provider
- Active in 17 countries: #1 in Germany, Spain, Poland and Austria, #2 in UK and France*

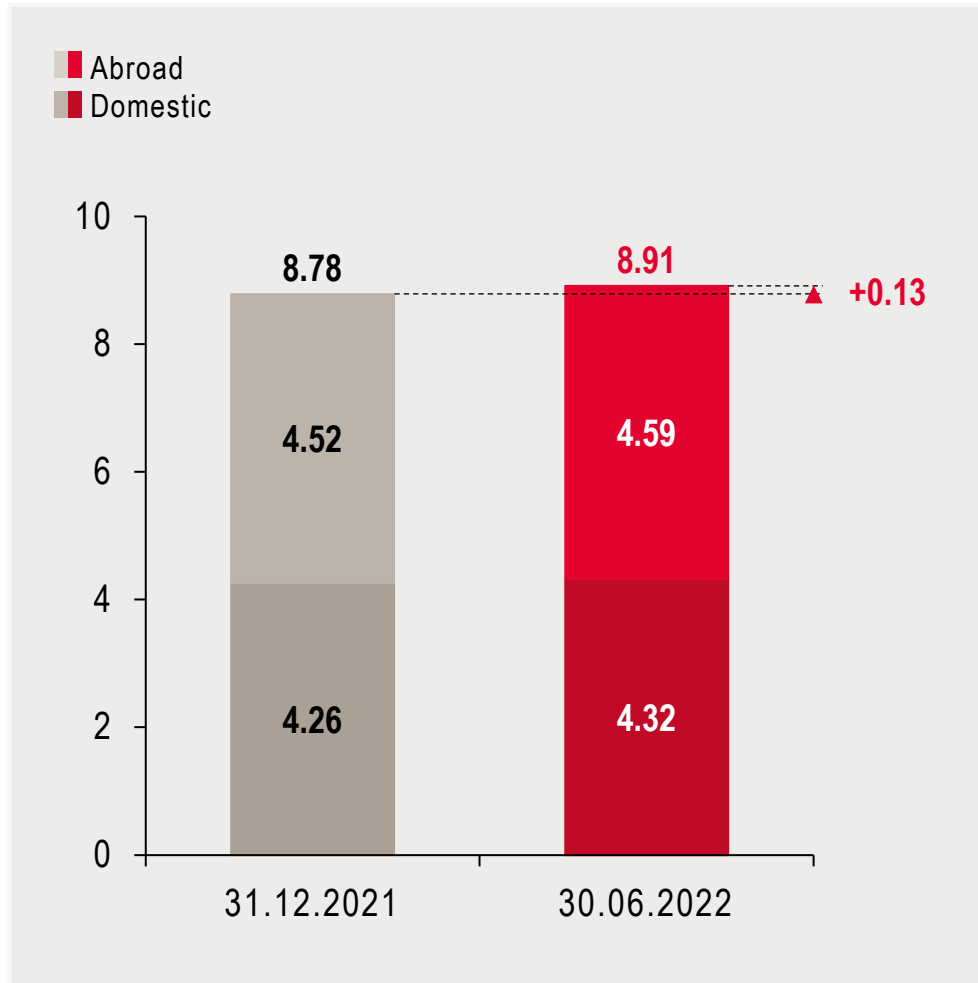


- Broad product portfolio
- In-house developments and cooperations with development partners
- Powerful data centers

* Based on ccTLDs

“BUSINESS APPLICATIONS”: CUSTOMER CONTRACTS

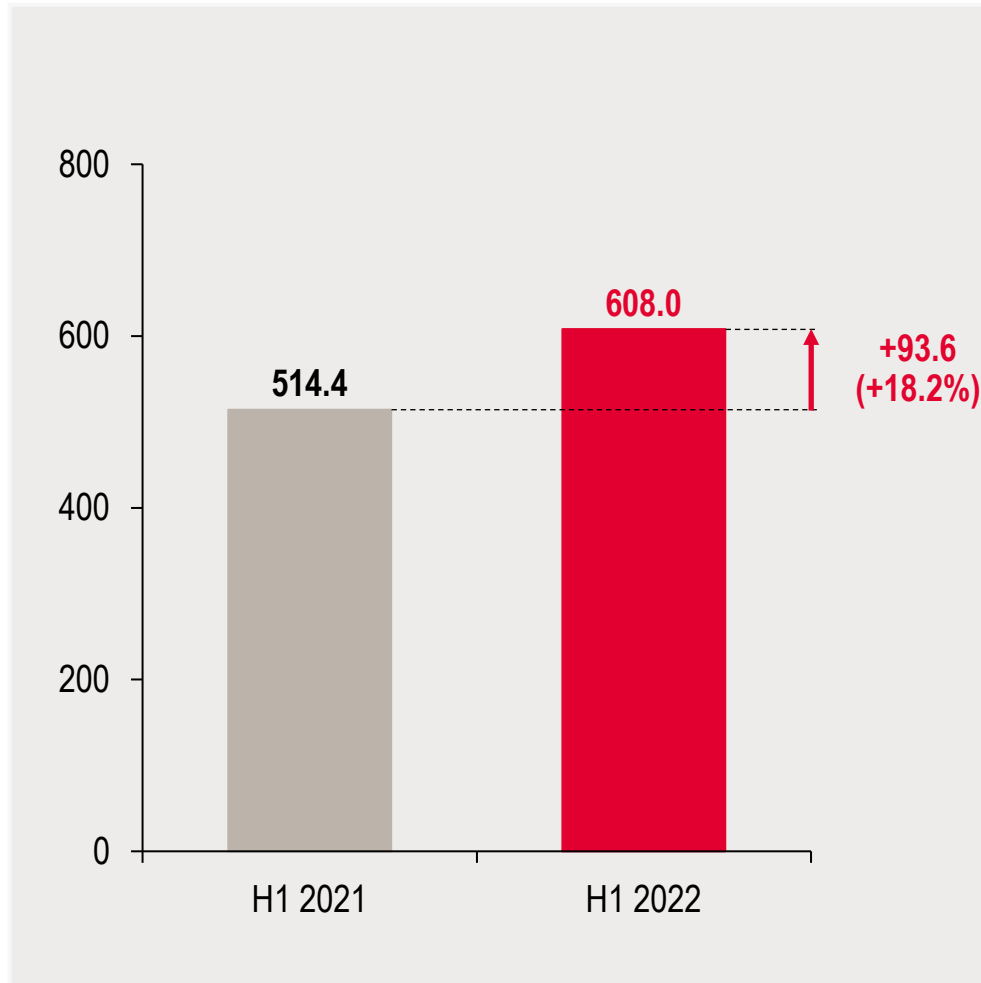
(in millions)



- 8.91 million customer contracts (+ 130,000)
 - 4.59 million abroad (+ 70,000)
 - 4.32 million domestic (+ 60,000)

“BUSINESS APPLICATIONS”: REVENUES

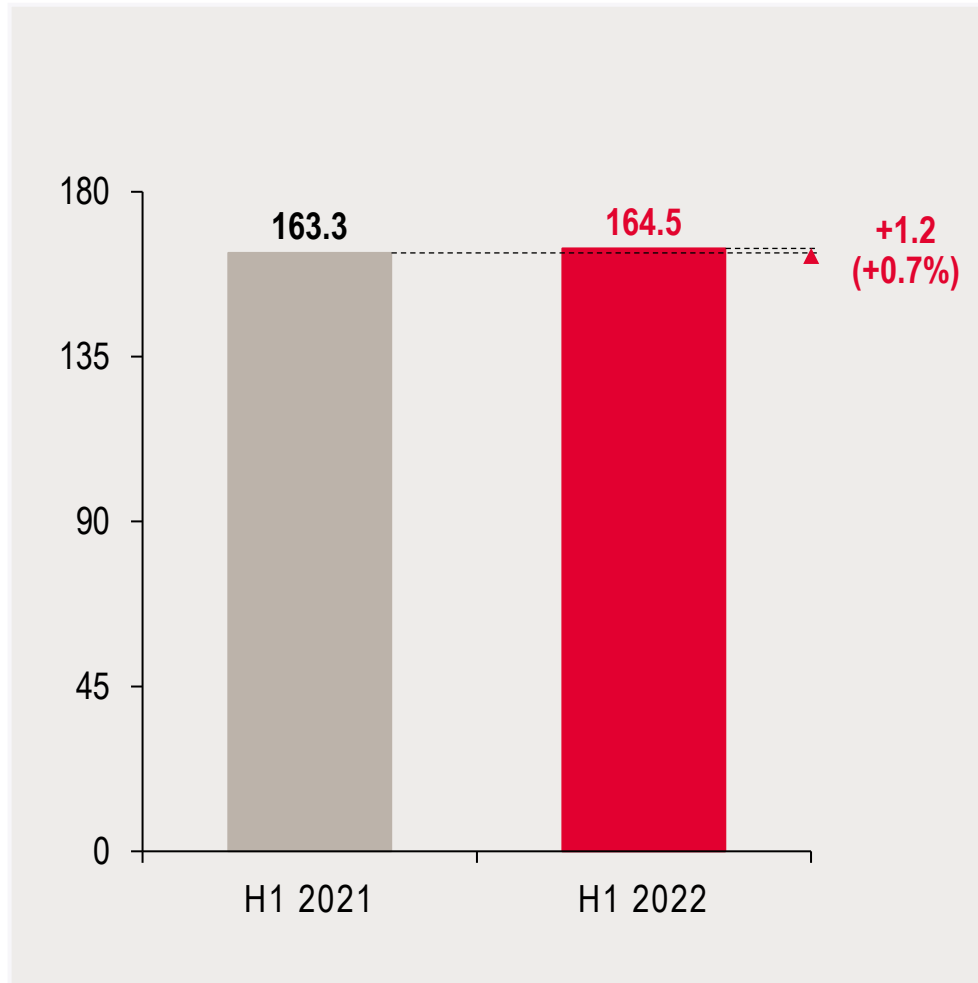
(acc. to IFRS in € millions)



- + 18.2% revenues to € 608.0 million
 - Customer growth
 - Increased up- and cross-selling
 - Strong growth in aftermarket business (domain trading platform and domain parking at Sedo)
 - + 7.9% revenues w/o aftermarket business

“BUSINESS APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



- + 0.7% EBITDA to € 164.5 million, included therein
 - € - 13.2 million additional marketing activities
 - € - 8.9 million higher electricity cost
 - ➔ + 14.3% comparable EBITDA
- 27.1% EBITDA margin (prior year: 31.7%)

GROUP: KPIs H1 2022

- + 290,000 customer contracts to 26.97 million contracts

Revenues and earnings figures (in € millions)	H1 2021 ⁽¹⁾	H1 2022 ⁽²⁾	Change
Revenues	2,775.6	2,901.1	+ 4.5%
EBITDA	632.9	655.1	+ 3.5%
EBIT	401.6	414.9	+ 3.3%
EBT	391.2	379.0	- 3.1%
EPS (in €)	1.15	1.03	- 10.4%
EPS before PPA (in €)	1.35	1.23	- 8.9%

- Included in EBT and EPS for H1 2022
 - Lower financial results, e.g. through subsequent valuation financial derivatives (EBT effect: € - 7.3 million; EPS: € - 0.05)
 - Lower at-equity results, e.g. due to pro-rata negative result of Kublai GmbH / Tele Columbus for 6 months (prior year: 2 months) (EBT effect: € - 13.9 million; EPS: € - 0.07)

⁽¹⁾ H1 of 2021 excl. a positive earnings effect from 2020 relating to other periods (EBITDA, EBIT and EBT effect: €+39.4 million; EPS effect: €0.11) and excl. a non-cash effect valuation effect from derivatives (EBITDA, EBIT and EBT effect: €0.9 million; EPS effect: €0.00)

⁽²⁾ H1 of 2022 excl. a non-cash valuation effect from derivatives (EBITDA, EBIT and EBT effect: €+4.6 million; EPS effect: €0.02)

OUTLOOK 2022

FORECAST 2022

United Internet confirms the guidance for FY 2022

- Revenues: approx. € 5.85 billion (2021: € 5.646 billion)
- EBITDA: at prior years level (2021: € 1.259 billion), included therein
 - Approx. € - 70 million expenses at 1&1 for the development of the mobile network (2021: € - 37.9 million)
 - Approx. € - 30 million for additional marketing activities at IONOS to further increase brand awareness in the most important European markets
 - Approx. € - 20 million for higher electricity costs
- CAPEX: € 800 million to € 1 billion (2021: € 289.8 million), particularly for
 - Construction of the mobile network
 - Expansion of the fiber optic network to supply additional expansion areas and to connect mobile communications antennas

RESULTS H1 2022

GROUP: KEY FIGURES AS OF JUNE 30, 2022

Contracts in million as of June 30 / P&L figures according to IFRS in million €	H1 2021 ⁽¹⁾	H1 2022 ⁽²⁾	Change
Fee-based customer contracts	26.17	26.97	+ 0.80 million
Advertising financed free accounts	39.69	39.3	+ 0.14 million
Revenues	2,775.6	2,901.1	+ 4.5%
EBITDA	632.9	655.1	+ 3.5%
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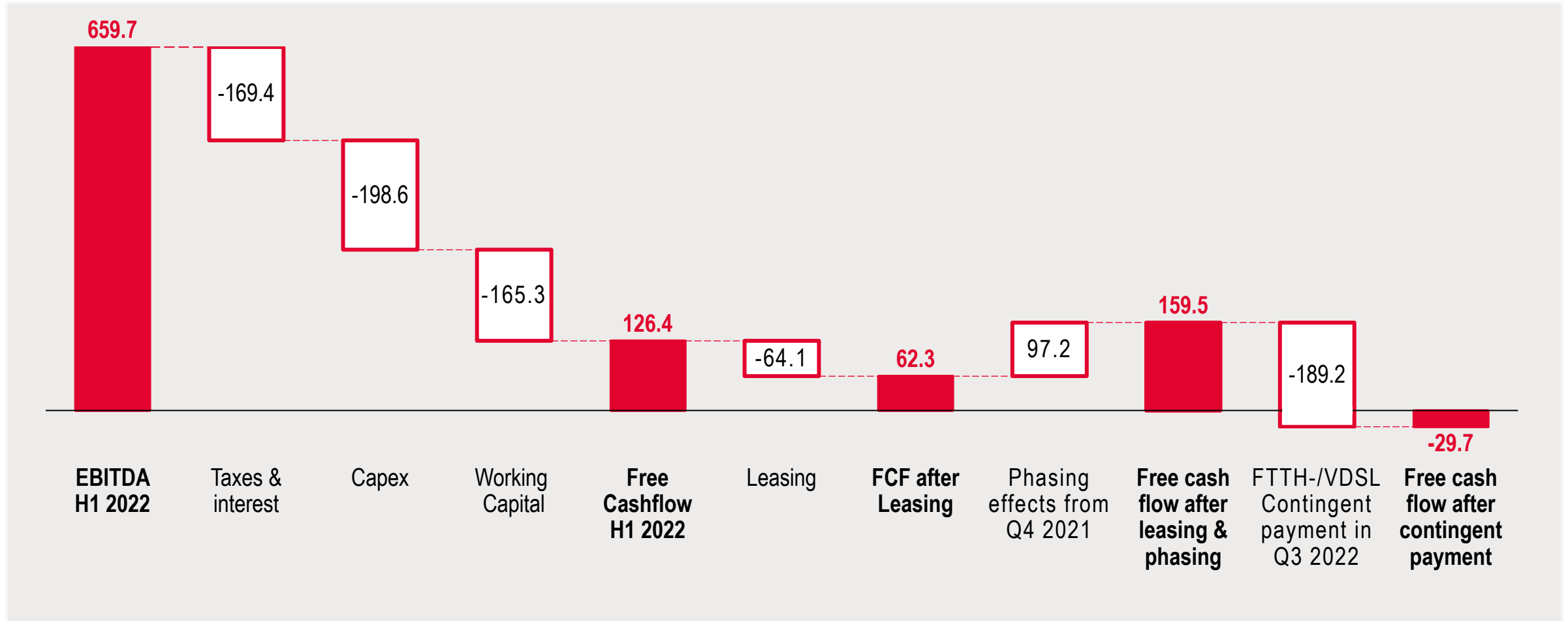
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⁽²⁾ H1 of 2022 excl. a non-cash valuation effect from derivatives (EBITDA, EBIT and EBT effect: €+4.6 million; EPS effect: €0.02)

GROUP: EBITDA / FREE CASH FLOW BRIDGE AS OF JUNE 30, 2022

(acc. to IFRS in € millions)



GROUP: BALANCE SHEET AS OF JUNE 30, 2022 (I)

(acc. to IFRS in € millions)

Assets	31.12.2021	30.06.2022	Comments
Property, plant and equipment / intangible assets	3,439.1	3,520.1	▪ Increase due to investments in the first half of the year
Goodwill	3,627.8	3,625.4	▪ Mostly unchanged
Financial assets	443.2	430.4	▪ Decrease due to inclusion of the pro rata result of Kublai GmbH (Tele Columbus)
Forderungen aus Lieferungen und Leistungen	427.7	451.5	▪ Increase due to reporting date
Contract assets	825.7	828.1	▪ Update of contract assets
Inventories and deferred expenses	598.2	830.0	▪ Increase due to wholesale costs and payments to suppliers
Assets held for sale	197.3	214.0	▪ Mostly unchanged
Cash and cash equivalents	110.1	54.3	▪ Decline due to dividend payment
Total	9,669.1	9,953.8	

GROUP: BALANCE SHEET AS OF JUNE 30, 2022 (II)

(acc. to IFRS in € millions)

Liabilities and equity	31.12.2021	30.06.2022	Comments
Equity	4,923.2	5,087.4	▪ Equity ratio: +0.2 PP to 51.1%
Liabilities to banks	1,822.7	1,813.9	▪ Bank liabilities (net): € 1,759.6 million (31.12.2021: € 1,712.6 million)
Trade accounts payable	585.9	665.4	▪ Increase due to reporting date
Contract liabilities	190.0	193.0	▪ Mostly unchanged
Accrued taxes and deferred tax liabilities	348.9	388.5	▪ Increase due to reporting date
Other accrued liabilities / other liabilities	1,798.4	1,805.6	▪ Mostly unchanged
Total	9,669.1	9,953.8	

UNITED INTERNET AG

Our

success story

continues!

