

**UNITED INTERNET AG**

**Fiscal year 2021  
and outlook 2022**

**Montabaur,  
March 18, 2022**

# AGENDA

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**Ralph Dommermuth**      Company development

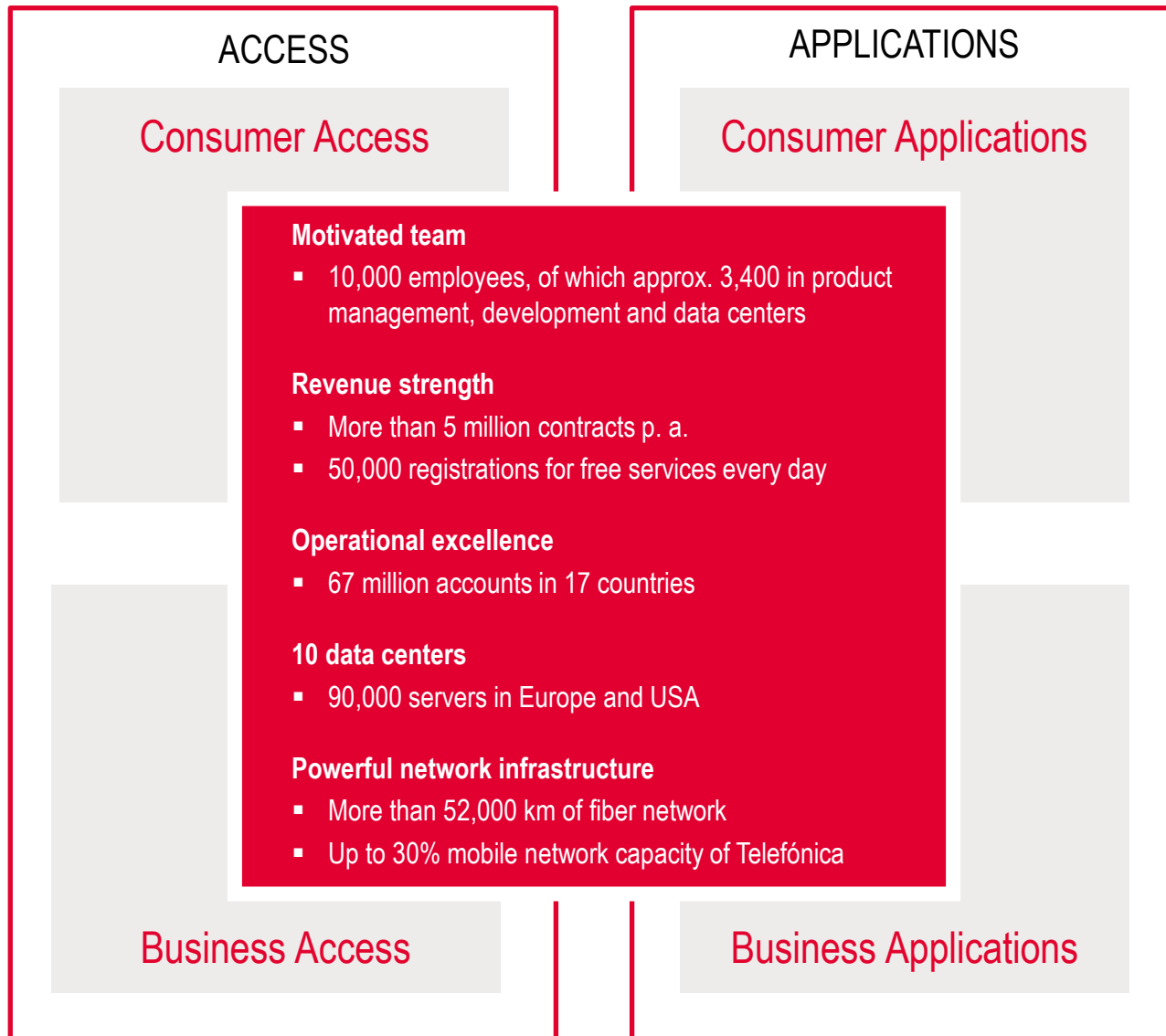
Outlook 2022

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**Martin Mildner**      Results for fiscal year 2021

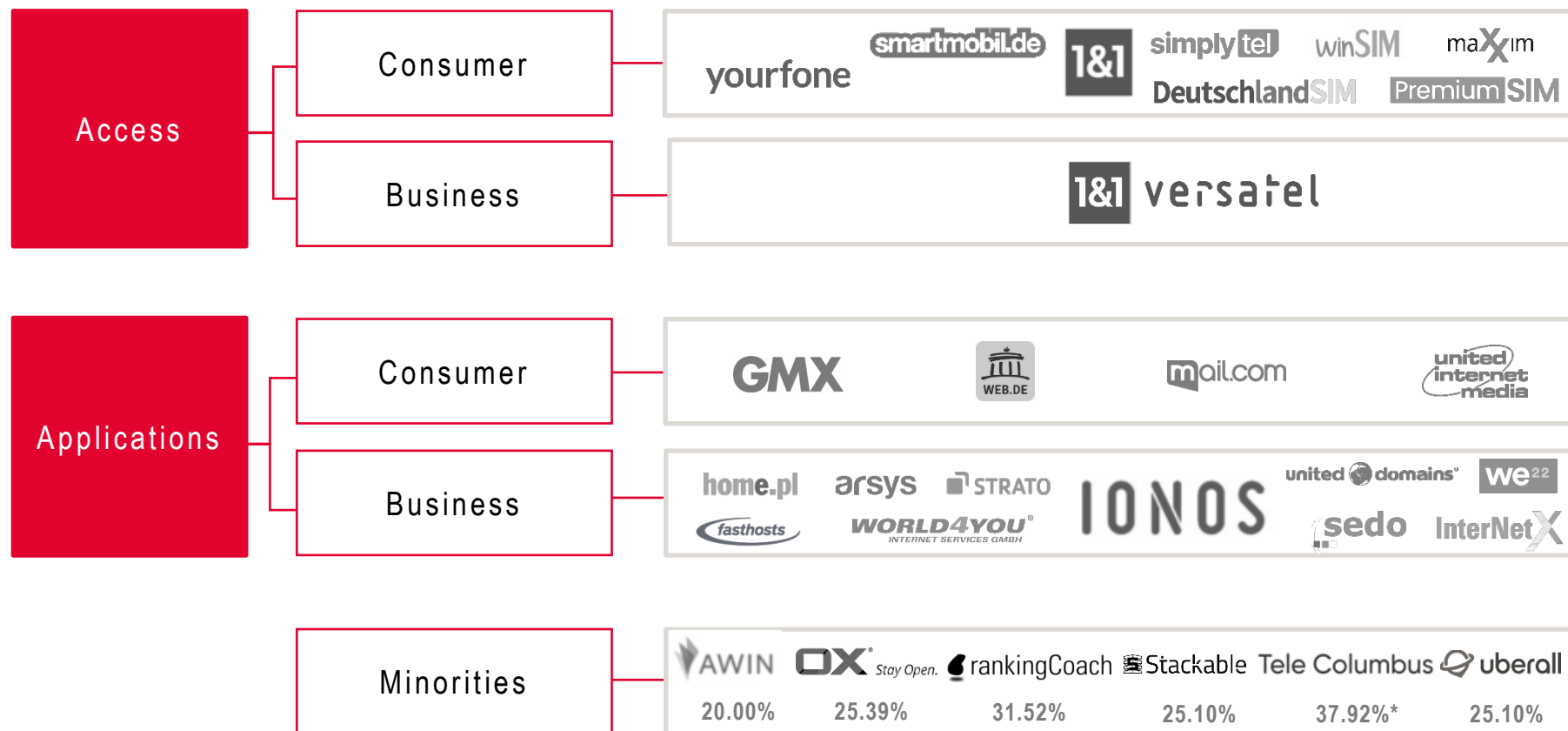
# COMPANY DEVELOPMENT

## 2 BUSINESS AREAS: ACCESS & APPLICATIONS



# BUSINESS AREAS & INVESTMENTS

(as of: December 31, 2021)



\* Held indirectly through a 40% stake in Kublai GmbH

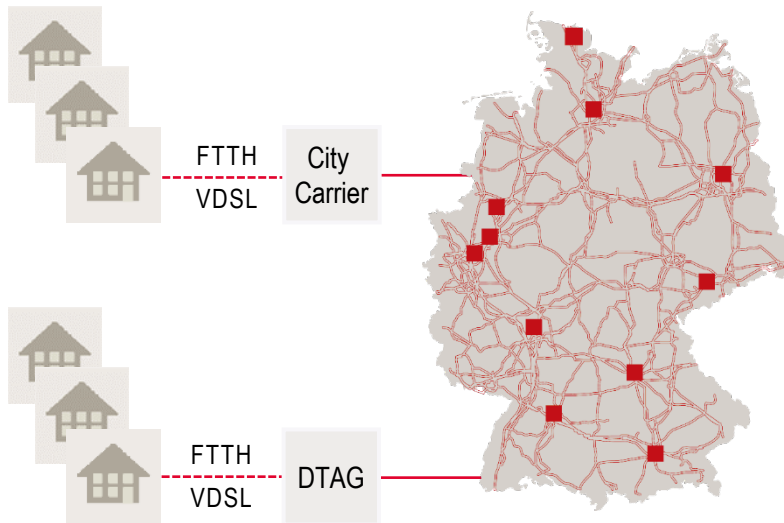
# ACCESS IN FISCAL YEAR 2021

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

# CONSUMER ACCESS: FIXED-LINE BUSINESS

- 1&1 as largest alternative German DSL provider with 4.24 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 Carrier
- Regular awards in the connect fixed network test: 2020, 2017 and 2015 (#2 in 2021, 2018 and 2016)



# CONSUMER ACCESS: MOBILE BUSINESS

- 1&1 is Germany's leading MVNO with 11.19 million mobile internet contracts
- Broad market coverage - target group-specific addressing of all market segments
- Regular awards in the connect customer satisfaction study

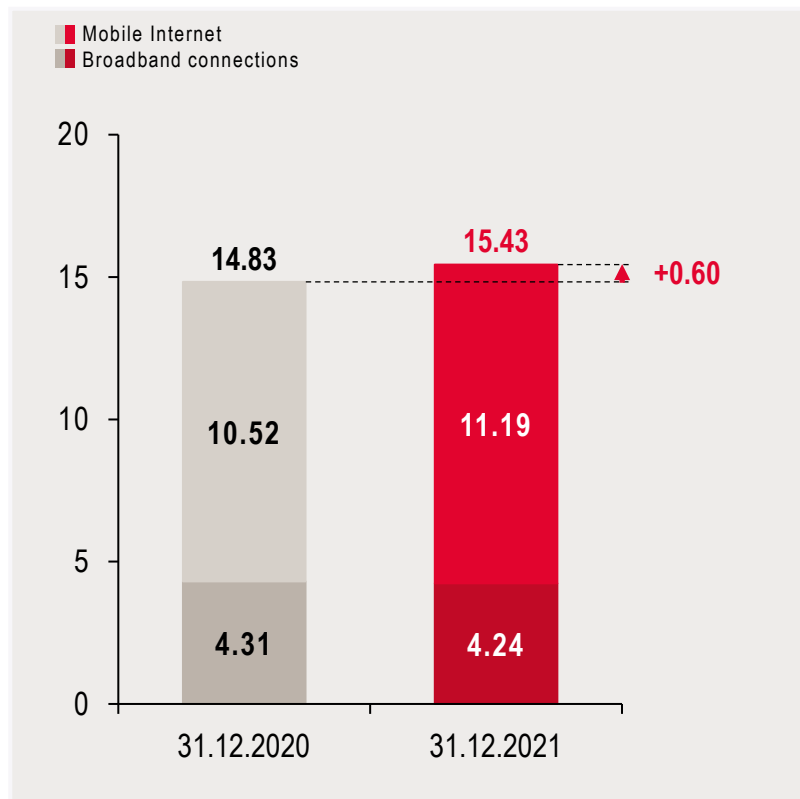


- Development of a powerful 5G network
- MBA MVNO contract with Telefónica until network launch
- In addition: purchase of advance services from Vodafone



# CONSUMER ACCESS: CUSTOMER CONTRACTS

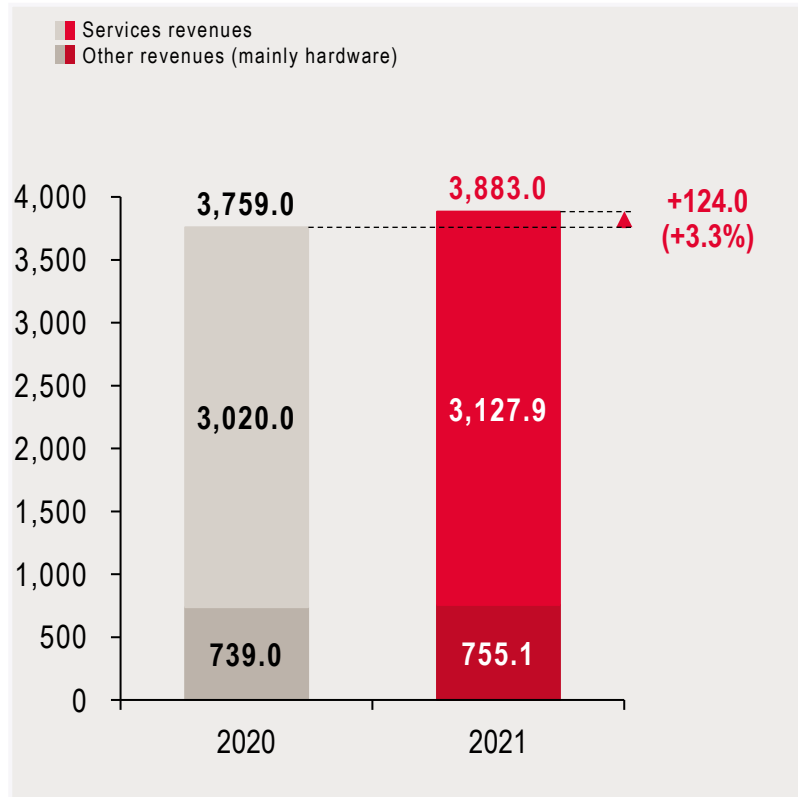
(in million)



- 15.43 million customer contracts (+ 600,000)
  - 11.19 million mobile internet contracts (+ 670,000)
  - 4.24 million broadband connections ADSL / VDSL / FTTH (- 70,000)

# CONSUMER ACCESS: REVENUES

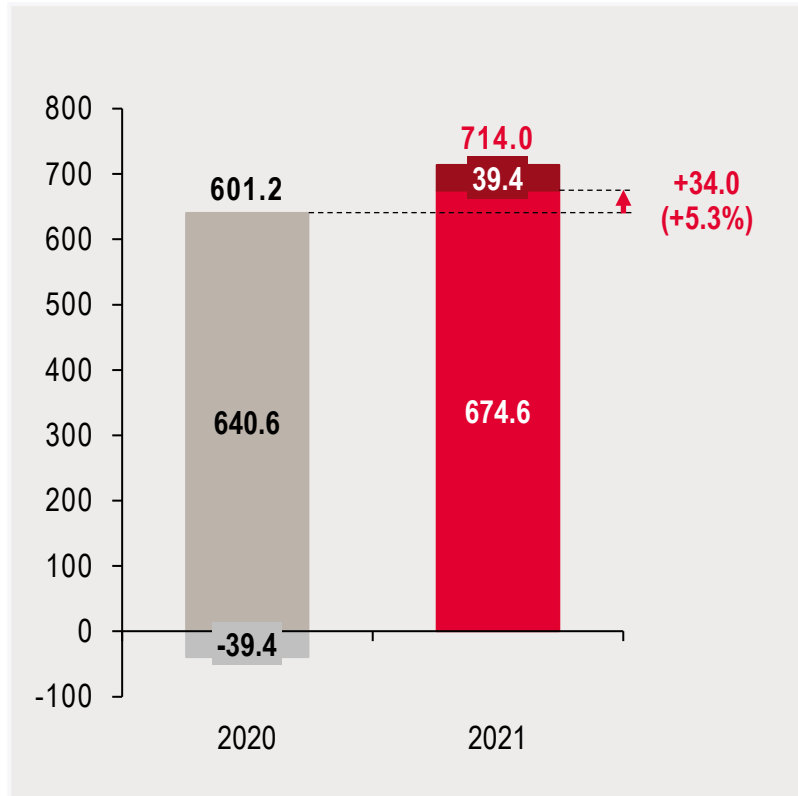
(acc. to IFRS in € million)



- + 3.3% revenues to € 3.883 billion
  - + 3.6% service revenues to € 3.128 billion
  - + 2.2% other revenues (in particular smartphones) to € 755.1 million

# CONSUMER ACCESS (I): TOTAL EBITDA

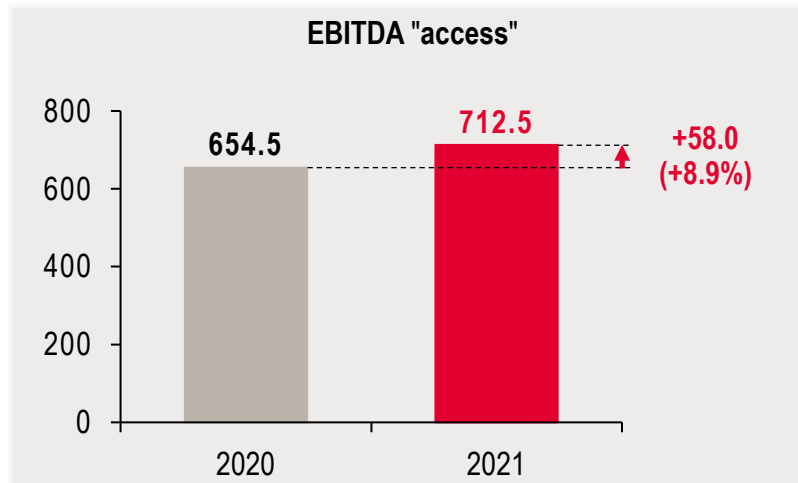
(acc. to IFRS in € million)



- + 18.8% EBITDA to € 714.0 million
- 2021 incl. + € 39.4 million positive earnings effect from retrospective price adjustment of MBA MVNO advance services (non-period) in 2021, which is to be allocated to FY 2020
- 2020 adjusted for - € 129.9 million from derecognition of available VDSL contingents
- + 5.3% operative EBITDA to € 674.6 million
- 17.4% operative EBITDA margin (prior year: 17.0%)

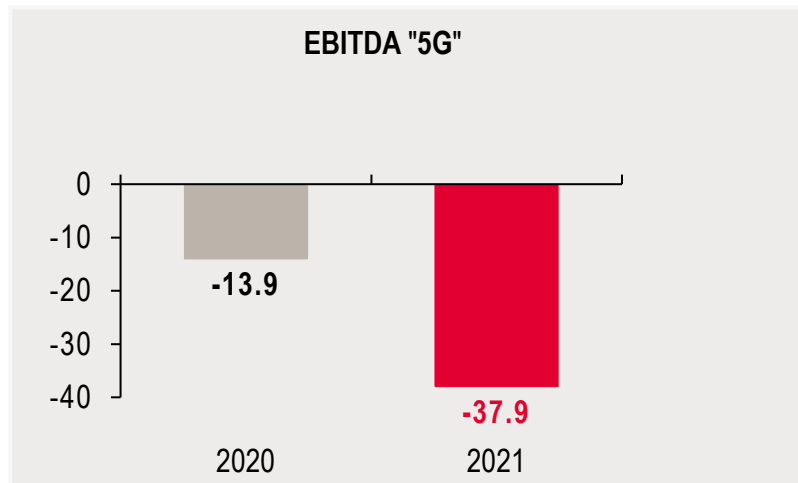
# CONSUMER ACCESS (II): EBITDA BY SUB-SEGMENTS

(acc. to IFRS in € million)



"Access" without non-period effects

- + 8.9% operative EBITDA to € 712.5 million
- 18.3% EBITDA margin (prior year: 17.4%)



"5G"

- - € 37.9 million EBITDA from initial costs of 5G network build-out

# BUSINESS ACCESS

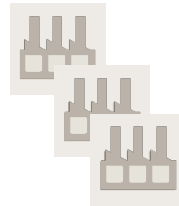
- 1&1 Versatel operates one of the largest German fiber optic networks
- Project business and plug-and-play solutions for medium-sized companies



**GLASFASER  
DIREKT**

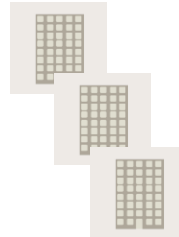
✓ Glasfaser-Anschluss für Firmen!  
✓ Garantierte Gigabit-Bandbreite!  
✓ Keine Baukosten bis zum Gebäude!

## Business

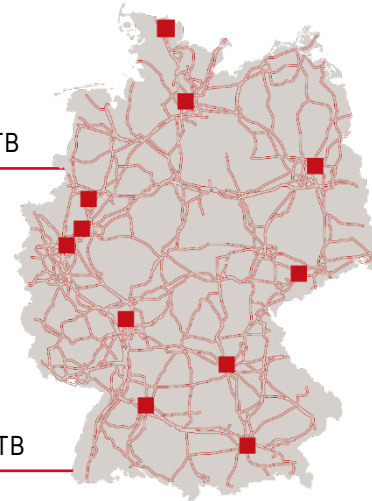


FTTB

## Authorities



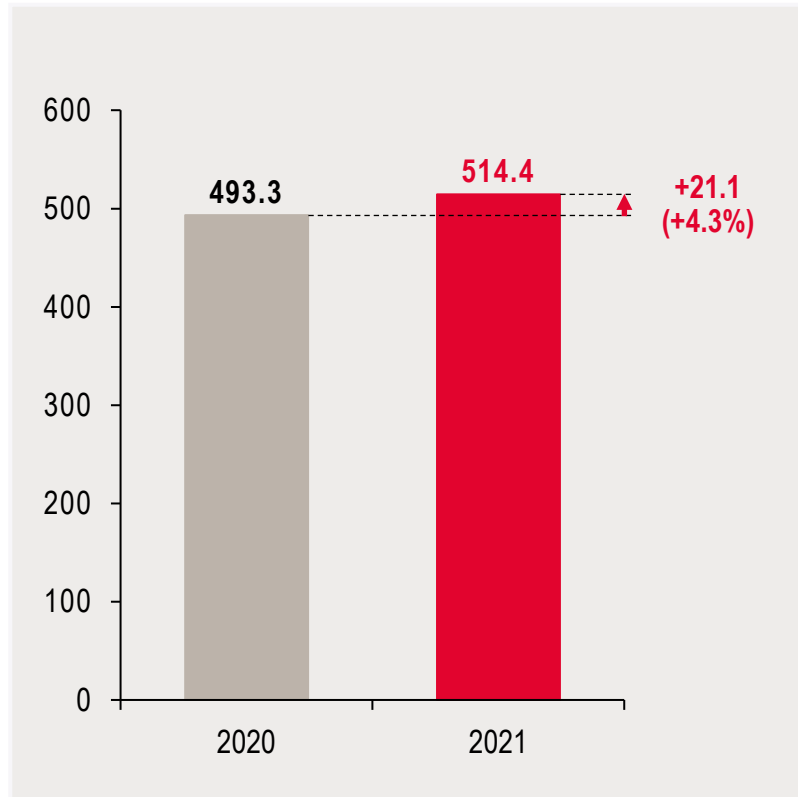
FTTB



- Fiber-optic network with 52,500 km
- In 250 German cities, including 19 of the 25 largest cities
- 21,738 directly connected locations

# BUSINESS ACCESS: REVENUES

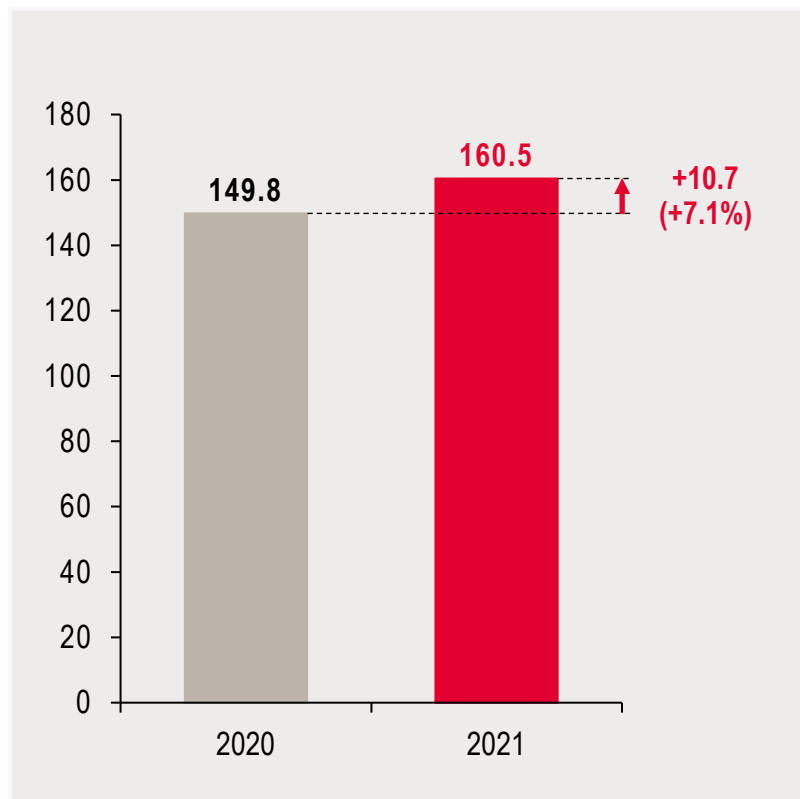
(acc. to IFRS in € million)



- + 4.3% revenues to € 514.4 million despite the almost complete discontinuation of one-off revenues (€ 9.4 million in 2020 vs. € 0.6 million in 2021 in particular for IRUs), otherwise + 6.1% growth

## BUSINESS ACCESS: EBITDA

(acc. to IFRS in € million)



- + 7.1% EBITDA to € 160.5 million
- Incl. - € 1.1 million one-off charge in connection with the new FTTH/VDSL wholesale contract with Deutsche Telekom
- 31.2% EBITDA margin (prior year: 30.4%)

# APPLICATIONS IN FISCAL YEAR 2021

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS



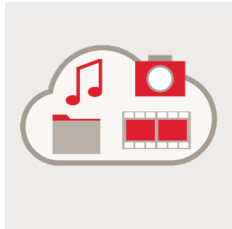
# CONSUMER APPLICATIONS: FROM E-MAIL SERVICE TO COMMAND CENTER FOR COMMUNICATION, INFORMATION AND IDENTITY MANAGEMENT



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



**Online office texts, spreadsheets, presentations**



**Cloud storage**  
for photos, videos, music and documents








**De-Mail**  
legally secure communication and identity management



# CONSUMER APPLICATIONS: ASSETS

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

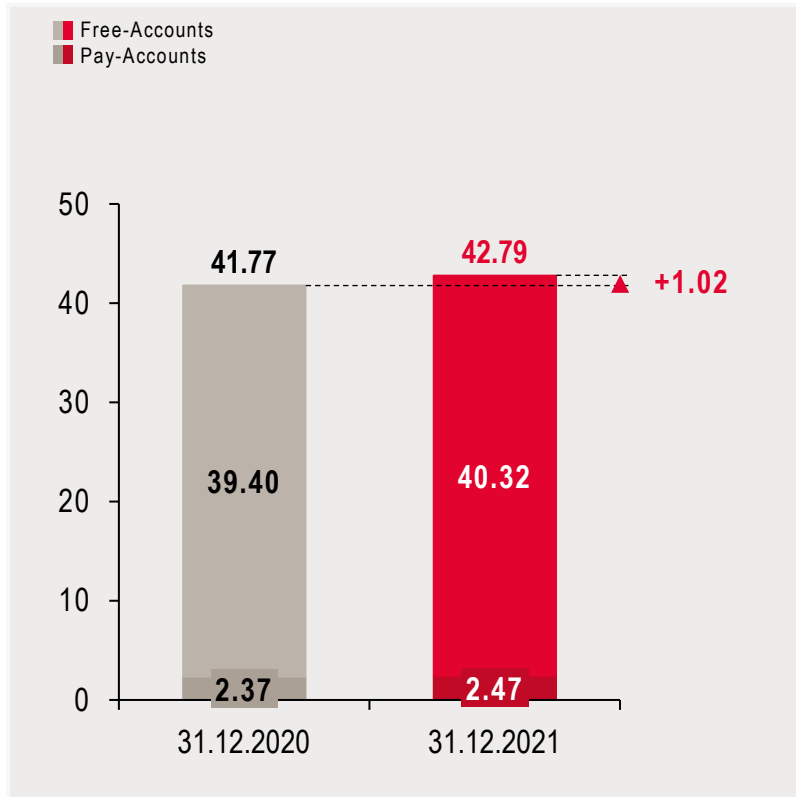
	email*	eIDAS/ De-Mail	Cloud- Storage*	Content*	ID
	#1	#1	#2	#1	#3
	#2	–	#1	–	#1
	#3	#2	#7	#3	n.a.
	#4	–	#3	#28	n.a.
	n.a.	–	n.a.	n.a.	#5

- 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-II, online media market shares

# CONSUMER APPLICATIONS: ACCOUNTS

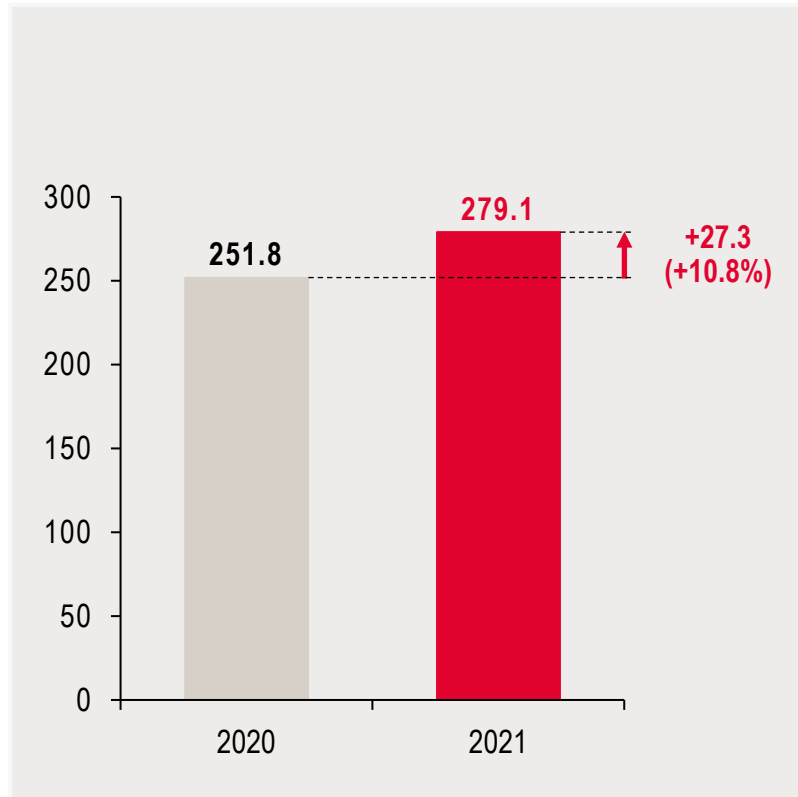
(in million)



- 42.79 million consumer accounts (+ 1,020,000), thereof 40.32 million free accounts (+ 920,000)
  - 2.47 million pay accounts (+ 100,000)
- 27.7 million with mobile usage (+ 1,000,000)
- 21.8 million with cloud storage (+ 1,100,000)

# CONSUMER APPLICATIONS: REVENUES

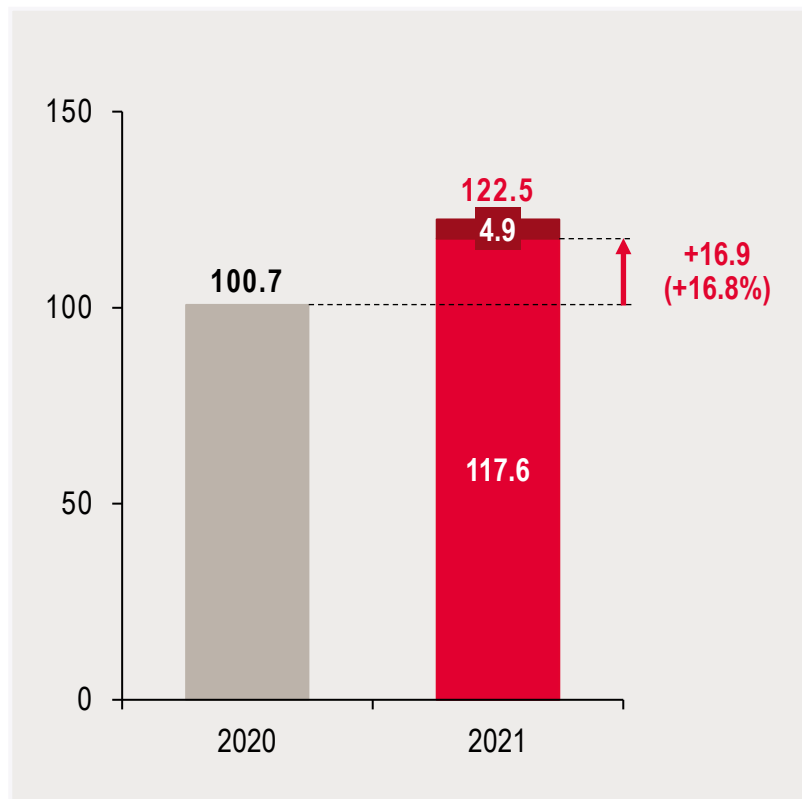
(acc. to IFRS in € million)



■ + 10.8% revenues to € 279.1 million

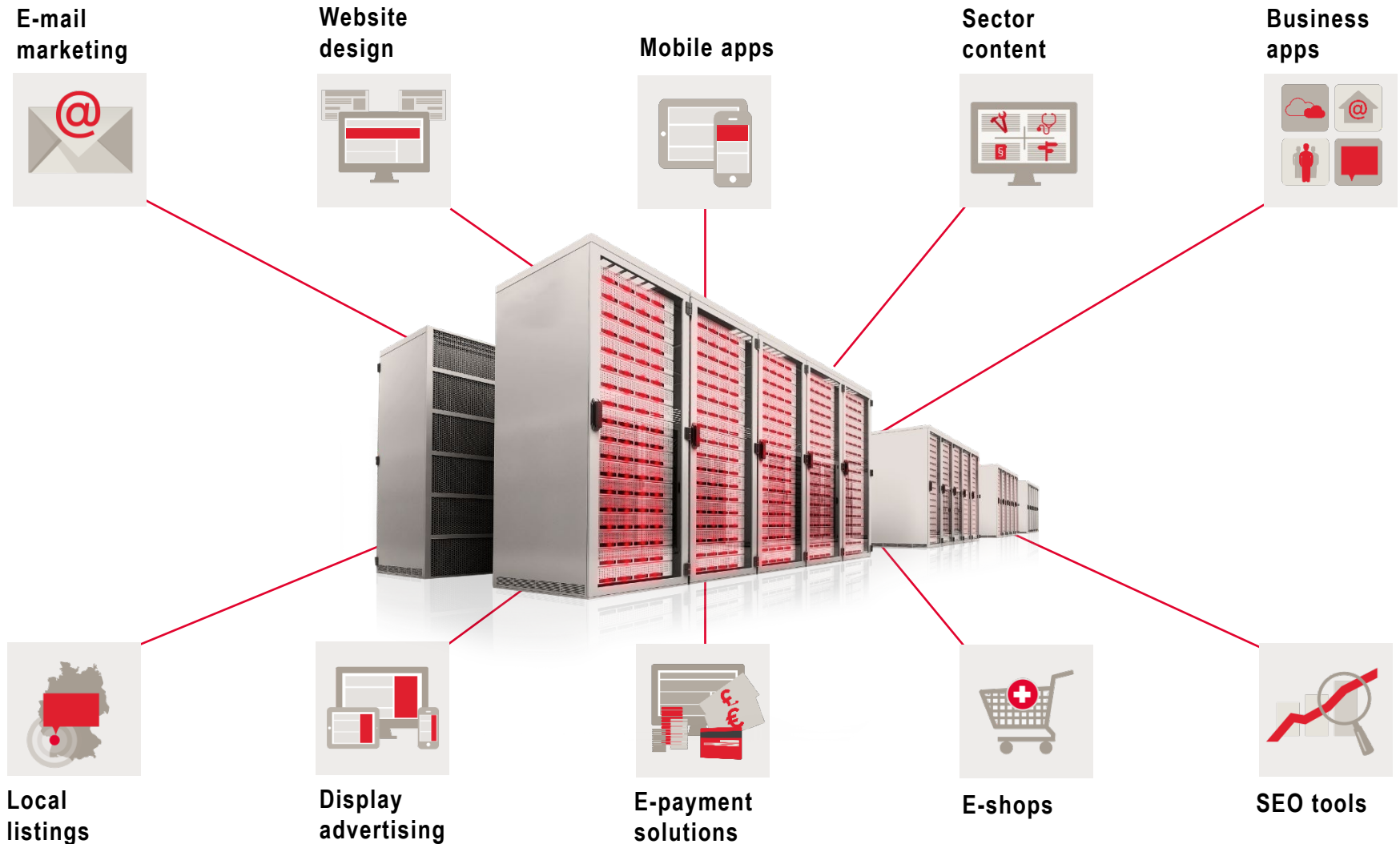
# CONSUMER APPLICATIONS: EBITDA

(acc. to IFRS in € million)



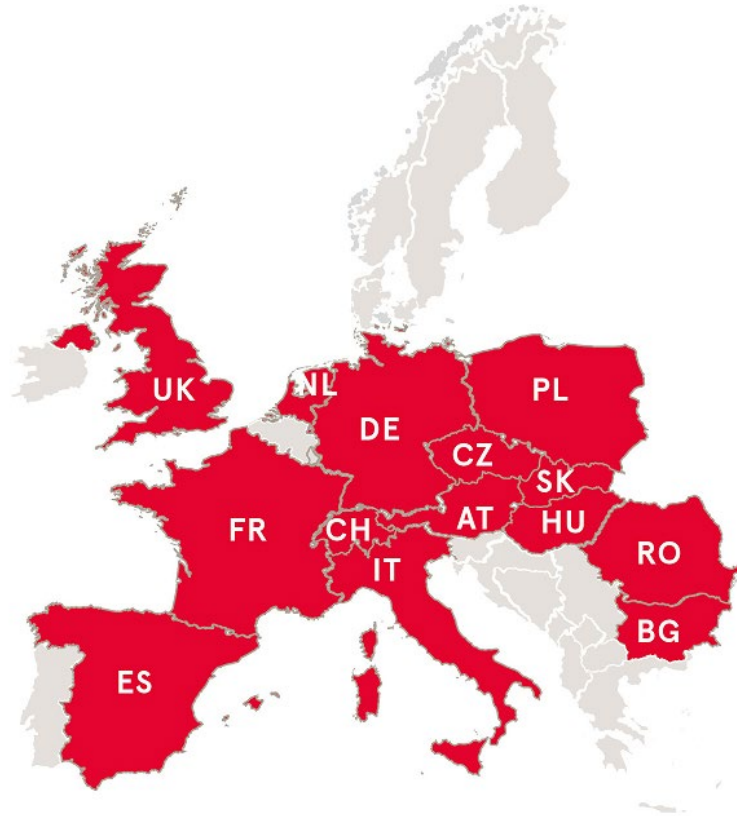
- + 21.6% EBITDA to € 122.5 million
  - Incl. + € 4.9 million non-cash valuation effect from derivatives
  - + 16.8% operative EBITDA to € 117.6 million
- 42.1% operative EBITDA margin (prior year: 40.0%)

# BUSINESS APPLICATIONS: FROM WEB HOST TO E-BUSINESS SOLUTIONS PROVIDER



# BUSINESS APPLICATIONS: ASSETS

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

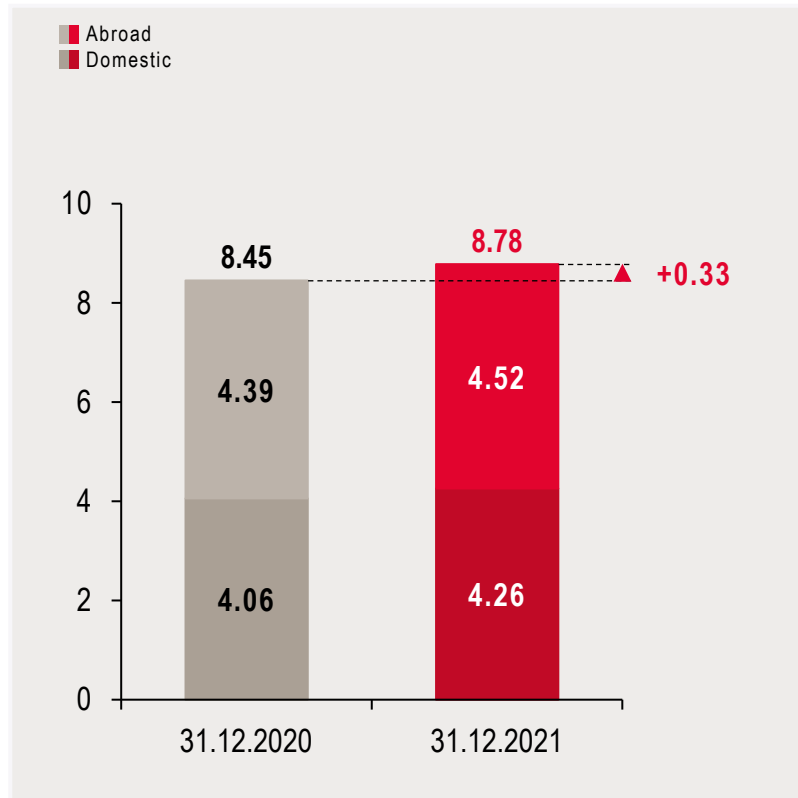


- Broad product portfolio
- In-house developments and cooperation with development partners
- Powerful data centers

\* Based on ccTLDs

# BUSINESS APPLICATIONS: CUSTOMER CONTRACTS

(in million)

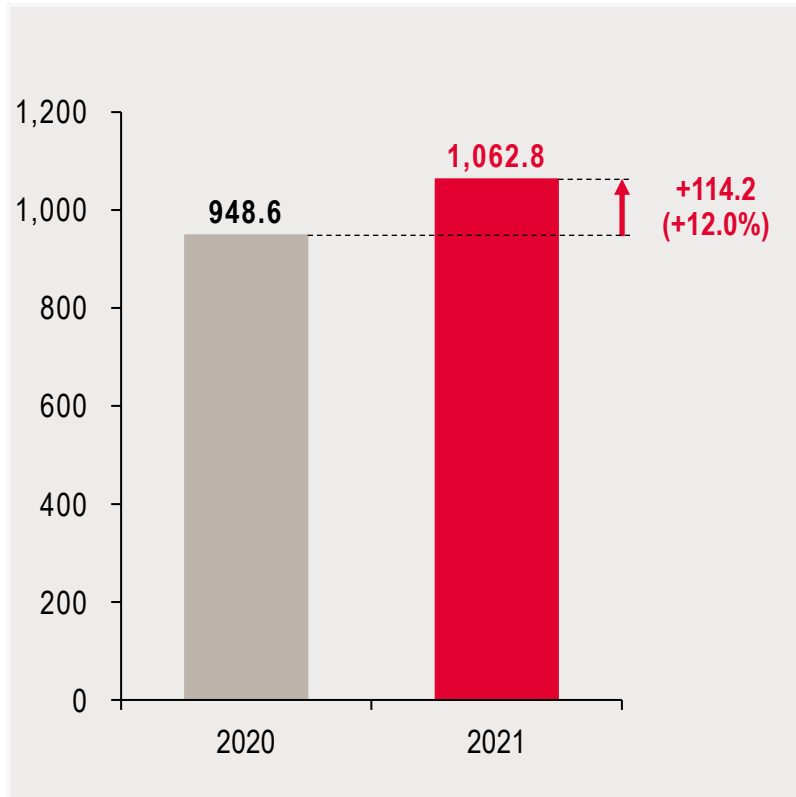


- 8.78 million customer contracts (+ 330,000)
  - 4.52 million abroad (+ 130,000)
  - 4.26 million domestic (+ 200,000)



# BUSINESS APPLICATIONS: REVENUES

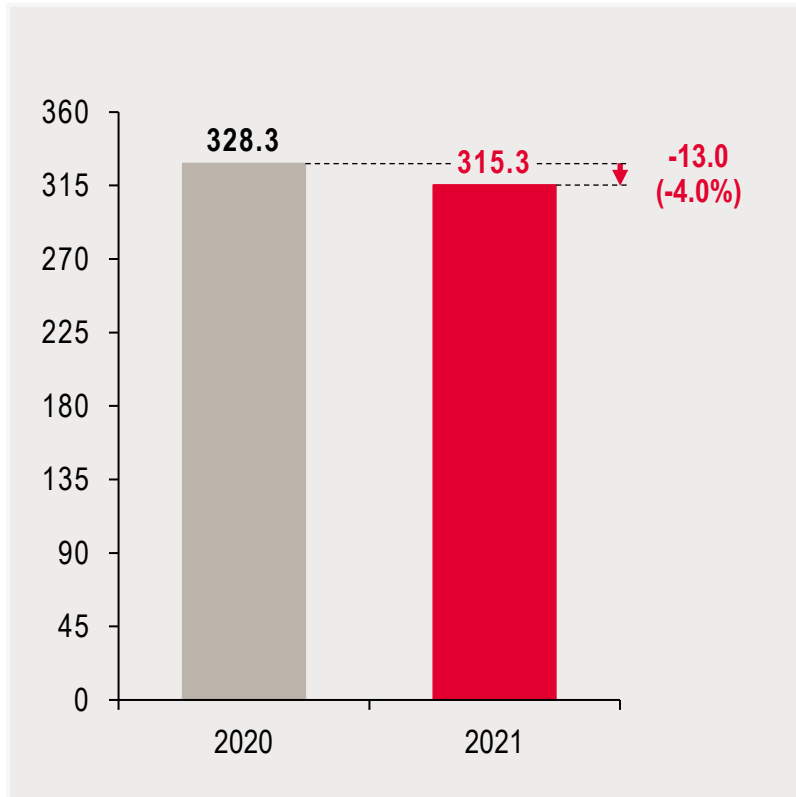
(acc. to IFRS in € million)



- + 12.0% revenues to € 1.063 billion
  - Customer growth
  - Increased up- and cross selling
  - Strong growth at Sedo (domain trading platform/parking)

# BUSINESS APPLICATIONS: EBITDA

(acc. to IFRS in € million)



- - 4.0% EBITDA to € 315.3 million
  - Incl. - € 36.8 million for product/sales offensive in the cloud business and further internationalization
- 29.7% EBITDA margin (prior year: 34.6%)

## GROUP: KPIs 2021

- + 1.03 million customer contracts to 26.68 million contracts

Revenue and earnings figures (in € million)	2020	2021	Change
Revenues	5,367.2	5,646.2	+ 5.2%
EBITDA <sup>(1)</sup>	1,048.9	1,303.7	+ 24.3%
Operative EBITDA <sup>(2)</sup>	1,218.2	1,259.4	+ 3.4%
EBIT <sup>(1)</sup>	574.9	829.9	+ 44.4%
Operative EBIT <sup>(2)</sup>	744.2	785.6	+ 5.6%

- EBITDA and EBIT 2021, including
  - - € 37.9 million initial costs for 1&1 mobile network (prior year: € -13.9 million)
  - - € 36.8 million IONOS product/sales offensive (focus on cloud business and further internationalization)

(1) 2021 including a non-period positive earnings effect (excessive MBA MVNO billing) from 2020 (EBITDA and EBIT effect: € +39.4 million) and including a non-cash valuation effect from derivatives (EBITDA and EBIT effect : +€4.9m); 2020 incl. excessive MBA MVNO billing (EBITDA and EBIT effect: € -39.4 million) and incl. cancellation of available VDSL quotas (EBITDA and EBIT effect: € -129.9 million)

(2) 2021 and 2020 excluding the aforementioned effects

# OUTLOOK 2022

## OUTLOOK 2022

- Revenues: approx. € 5.85 billion, previous guidance approx. € 5.80 billion (2021: € 5.646 billion)
- EBITDA: at prior years level (2021: € 1.259 billion), including
  - approx. - € 70 million start-up costs 1&1 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
- CAPEX: € 800 million – € 1 billion (2021: € 289.8 million), in particular for
  - construction of the 1&1 mobile network
  - expansion of the fiber optic network of 1&1 Versatel to supply additional expansion areas and connect the 5G antennas

# RESULTS 2021

## GROUP: KEY FIGURES AS OF DECEMBER 31, 2021

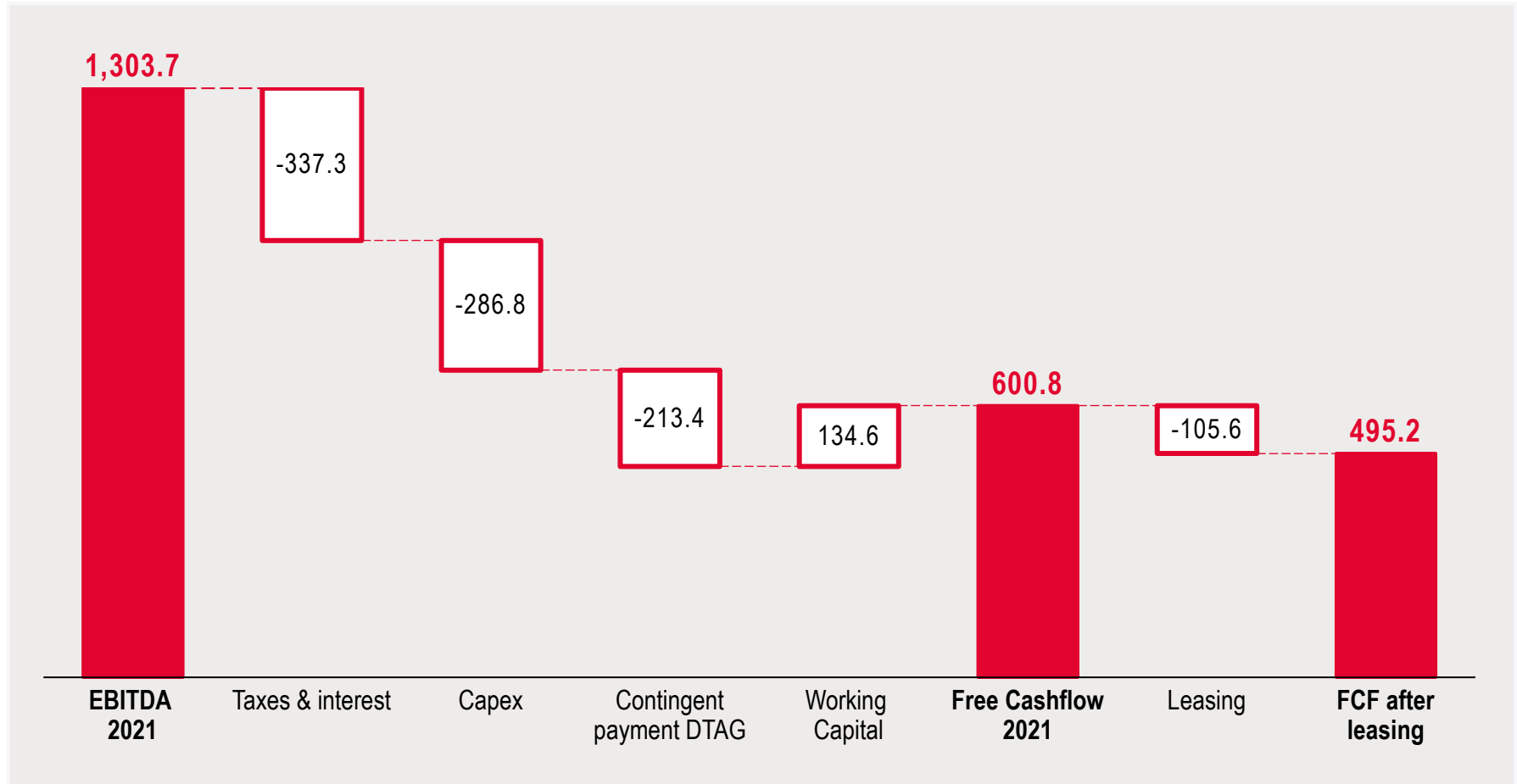
Contracts in million / P&L KPIs acc. to IFRS in € million	31.12.2020	31.12.2021	Change
Fee-based customer contracts	25.65	26.68	+ 1.03 million
Ad-financed free accounts	39.40	40.32	+ 0.92 million
Revenues	5,367.2	5,646.2	+ 5.2%
EBITDA <sup>(1)</sup>	1,048.9	1,303.7	+ 24.3%
Operative EBITDA <sup>(2)</sup>	1,218.2	1,259.4	+ 3.4%
EBIT <sup>(1)</sup>	574.9	829.9	+ 44.4%
Operative EBIT <sup>(2)</sup>	744.2	785.6	+ 5.6%
EPS (in €) <sup>(1)</sup>	1.55	2.23	+ 43.9%
Operative EPS (in €) <sup>(2)</sup>	1.87	2.10	+ 12.3%
Operative EPS before PPA (in €) <sup>(2)</sup>	2.32	2.51	+ 8.2%

(1) 2021 including a non-period positive earnings effect (excessive MBA MVNO billing) from 2020 (EBITDA and EBIT effect: €+39.4 million; EPS effect: €+0.11) and including a non-cash valuation effect derivatives (EBITDA and EBIT effect: €+4.9 million; EPS effect: €+0.02); 2020 incl. excessive MBA MVNO billing (EBITDA and EBIT effect: €-39.4 million; EPS effect: €-0.11), incl. cancellation of available VDSL contingents (EBITDA and EBIT Effect: EUR -129.9 million; EPS effect: EUR -0.37) and including reversals of Tele Columbus (EPS effect: EUR +0.16)

(2) 2021 and 2020 excluding the aforementioned effects

# GROUP: EBITDA / FREE CASHFLOW BRIDGE AS OF DECEMBER 31, 2021

(acc. to IFRS in € million)





## GROUP: BALANCE SHEET AS OF DECEMBER 31, 2021 (I)

(acc. to IFRS in € million)

Assets	31.12.2020	31.12.2021	Explanation
Property, plant and equipment / intangible assets	3,469.4	3,439.1	▪ Mainly unchanged
Goodwill	3,609.4	3,627.8	▪ Increase due to acquisition of we22
Financial assets	99.5	443.2	▪ Increase through stake in Kublai
Accounts receivable	398.8	427.7	▪ Mainly unchanged
Contract assets	774.1	825.7	▪ Update Contract Assets
Inventories and deferred expenses	444.6	598.2	▪ Increase due to line rentals and contingent payments to DTAG
Income tax claims and other assets	179.7	197.3	▪ Mainly unchanged
Assets held for sale	124.0	0	▪ Introduction of Tele Columbus in Kublai
Cash and cash equivalents	131.3	110.1	▪ Mainly unchanged
<b>Total</b>	<b>9,230.8</b>	<b>9,669.1</b>	

# GROUP: BALANCE SHEET AS OF DECEMBER 31, 2021 (II)

(acc. to IFRS in € million)

Debt and Equity	31.12.2020	31.12.2021	Explanations
Equity	4,911.2	4,923.2	▪ Equity ratio: - 2.3 PP to 50.9% by increasing the stake in IONOS (+ 8.43 PP to 75.10%; purchase price: approx. € 310 million) and 1&1 (+ 3.22 PP to 78.32%; purchase price: approx. € 149 million)
Liabilities to banks	1,466.1	1,822.7	▪ Bank debt (net): € 1,712.6 million (31/12/2020: € 1,334.8 million) <sup>(1)</sup>
Trade accounts payable	538.8	585.9	▪ Increase due to reporting date
Contract liabilities	185.7	190.0	▪ Mainly unchanged
Accrued taxes and deferred liabilities	446.3	348.9	
Other accrued liabilities / other liabilities	1,682.7	1,798.4	▪ Increase in other non-financial liabilities (tax) e.g. by changing the law
<b>Total</b>	<b>9,230.8</b>	<b>9,669.1</b>	

<sup>(1)</sup> Issuance of a promissory note loan of € 750 million in July 2021

**UNITED INTERNET AG**

**Our success story  
continues!**