

**UNITED INTERNET AG**

**Fiscal year 2023  
and outlook 2024**

**Frankfurt/Main,  
March 21, 2024**



# AGENDA

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**Ralph Dommermuth**      Company development

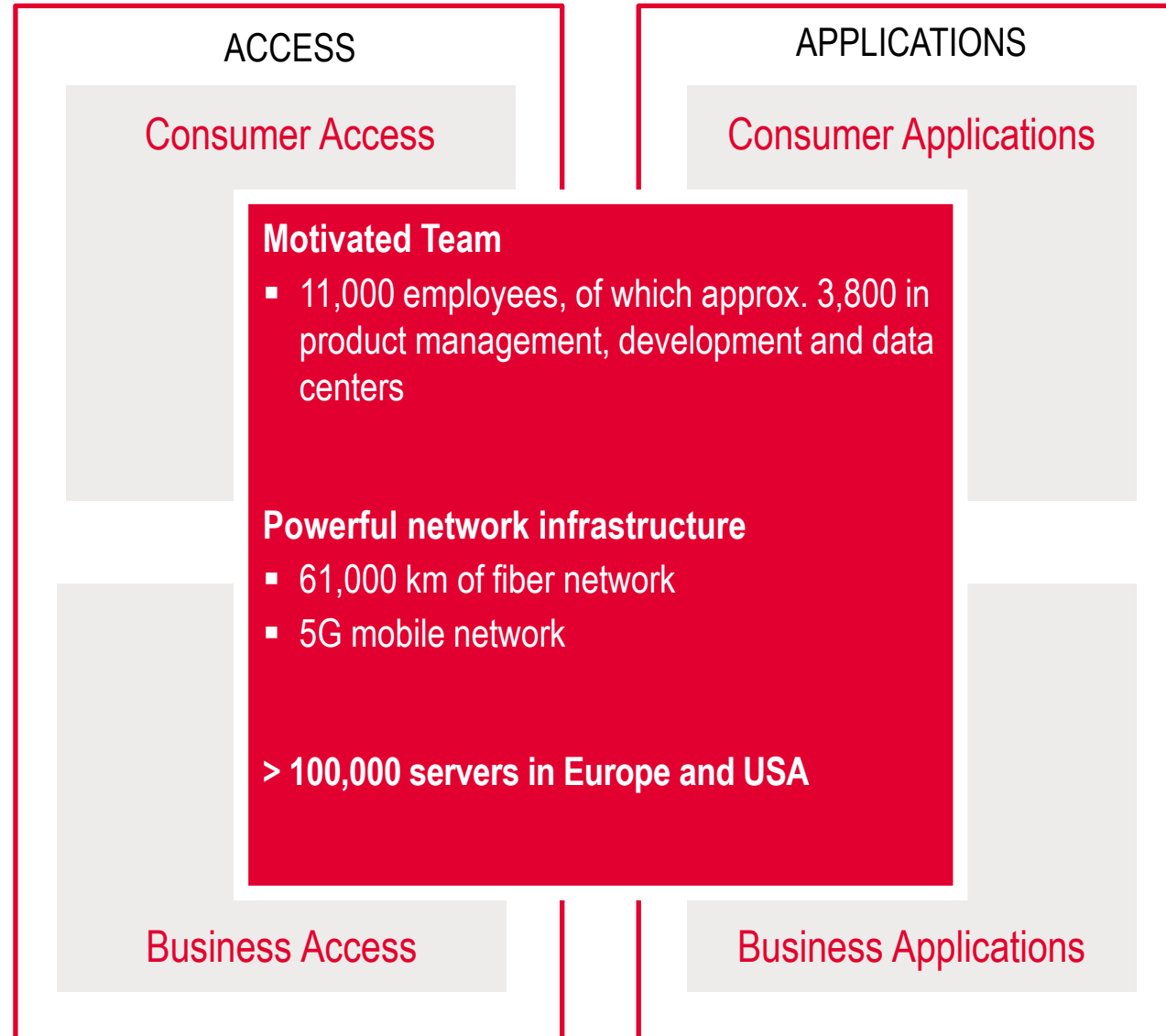
Outlook 2024

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**Ralf Hartings**      FY 2023 results

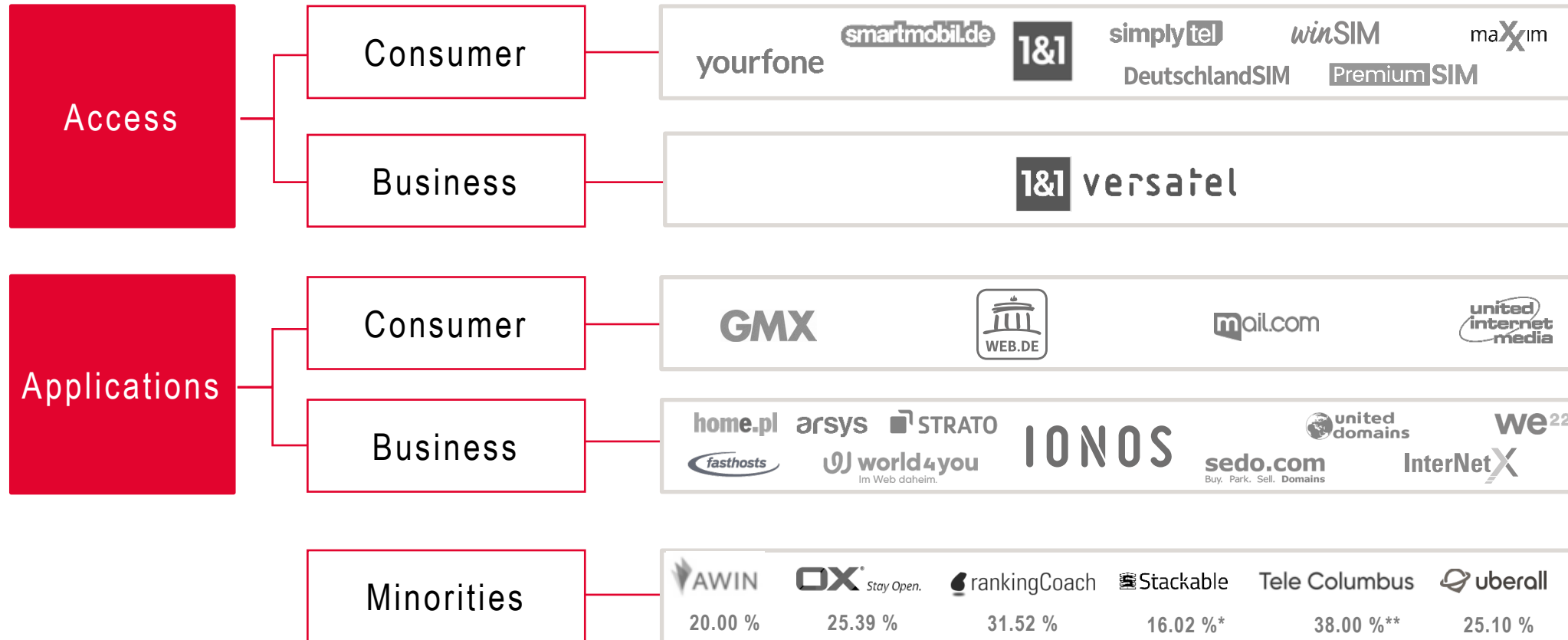
# COMPANY DEVELOPMENT

## 2 BUSINESS AREAS: ACCESS & APPLICATIONS



# BRANDS & INVESTMENTS

(as of December 31, 2023)



\* Held indirectly through a 63.84 % stake in IONOS Group SE

\*\* Held indirectly through a 40.00 % stake in Kublai GmbH

# ACCESS IN FISCAL YEAR 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

# „CONSUMER ACCESS“

## Fixed-line

- 1&1 with 4.01 million broadband connections
- VDSL and FTTH complete packages including voice and IP-TV via 1&1 Versatel, with last mile via Deutsche Telekom and City Carrier

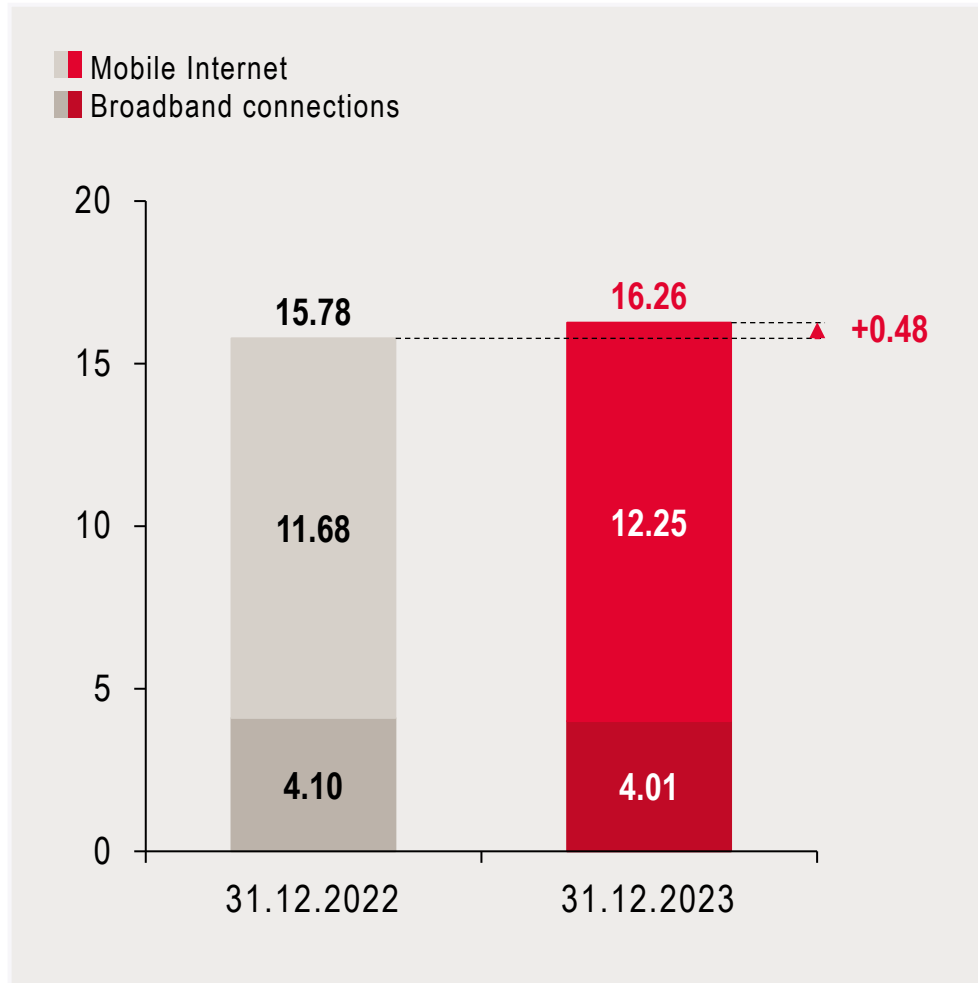
## Mobile

- 12.25 million mobile contracts
- First Open RAN in Europa
- Launch of mobile services in the 1&1 O-RAN on 8 December 2023; migration of existing customers in wholesale contracts has started



# CONSUMER ACCESS SEGMENT: CUSTOMER CONTRACTS

(in million)

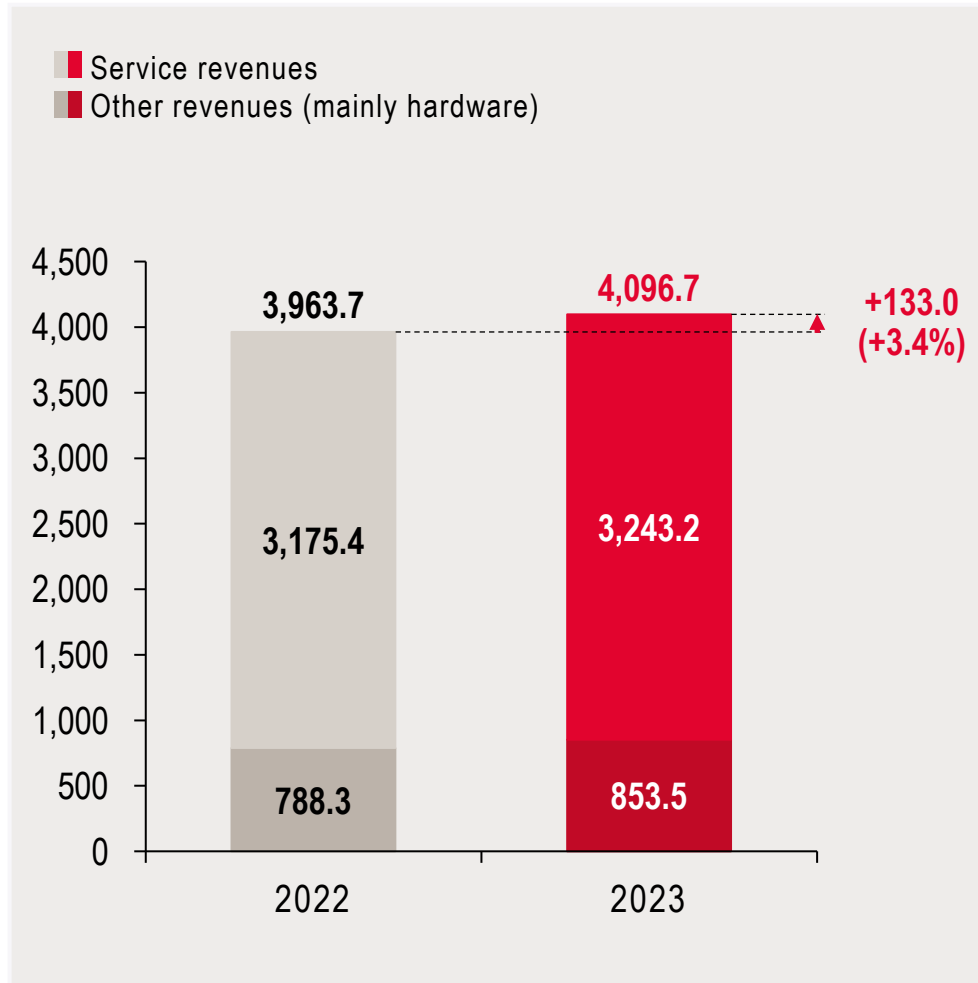


- 16.26 million customer contracts (+ 480,000)
  - 12.25 million mobile internet contracts (+ 570,000)
  - 4.01 million broadband connections  
ADSL / VDSL / FTTH (- 90,000)
- Good progress in the migration from ADSL to VDSL, which has been ongoing since Q1/2023 - stabilization of broadband connections in Q4



# CONSUMER ACCESS SEGMENT: REVENUES

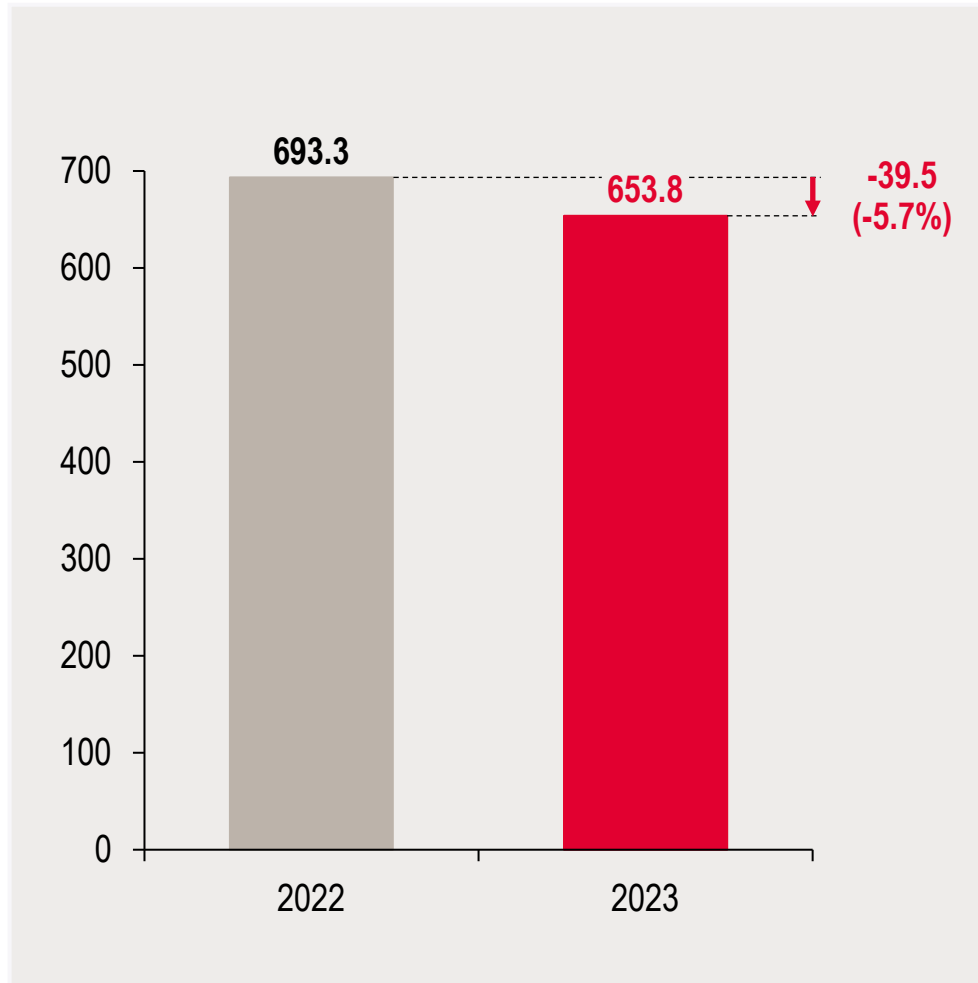
(acc. to IFRS in € million)



- + 3.4 % revenues to € 4.097 billion
- + 2.1 % service revenues to € 3.243 billion
- + 8.3 % other revenues (in particular smartphones) to € 853.5 million

# CONSUMER ACCESS (I): EBITDA TOTAL

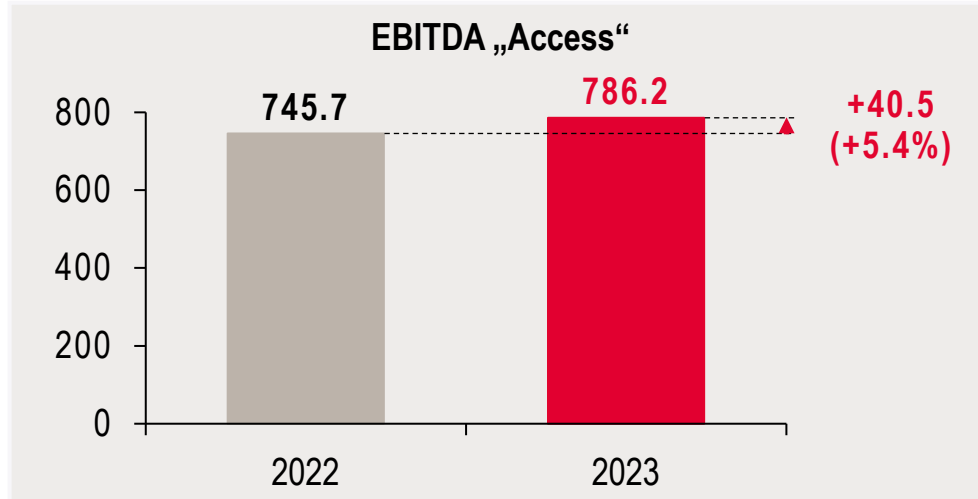
(acc. to IFRS in € million)



- - 5.7 % EBITDA to € 653.8 million, including
  - € - 132.4 million costs for rollout of 1&1 mobile network (prior year: € - 52.4 million)
- 16.0 % EBITDA margin (prior year: 17.5 %)

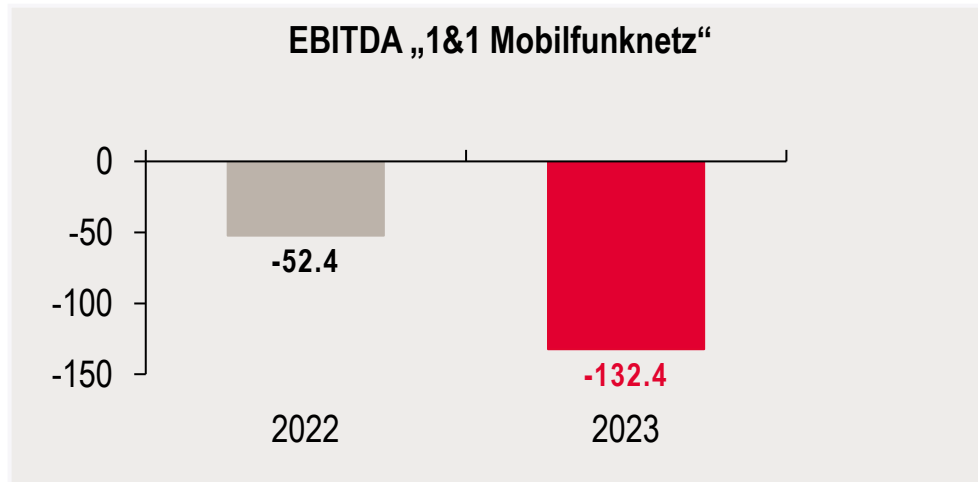
# CONSUMER ACCESS (II): EBITDA OF THE TWO SUBSEGMENTS

(acc. to IFRS in € million)



## „Access“

- + 5.4 % EBITDA to € 786.2 million
- 19.2 % EBITDA margin (prior year: 18.8 %)



## „1&1 Mobilfunknetz“

- € - 132.4 million EBITDA (planned start-up costs)

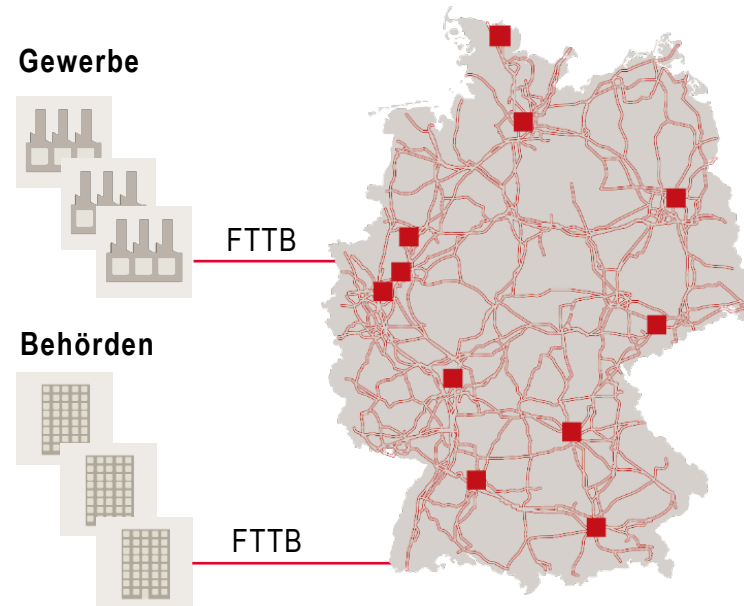
# „BUSINESS ACCESS“

- 1&1 Versatel operates one of the largest German fixed-line infrastructures
- Project business and plug-and-play solutions for SMB's



**GLASFASER  
DIREKT**

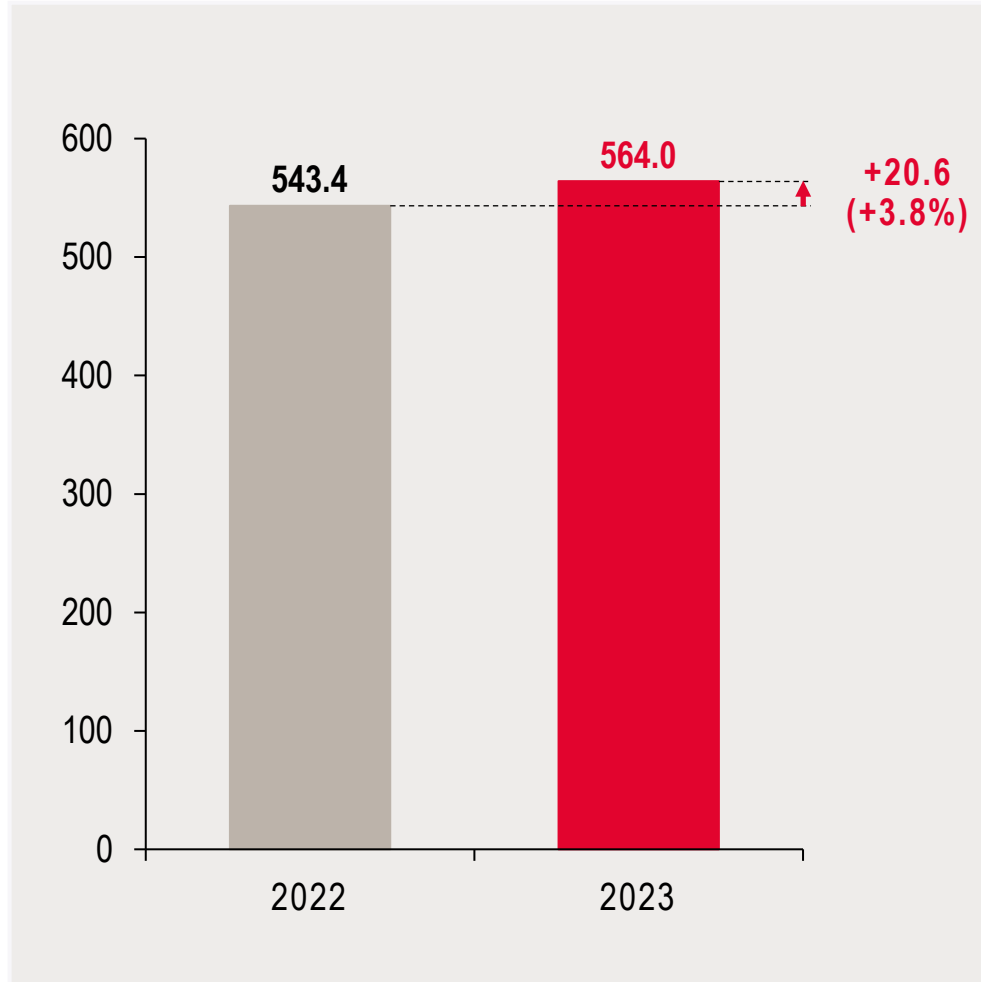
✓ Glasfaser-Anschluss für Firmen!  
✓ Garantierte Gigabit-Bandbreite!  
✓ Keine Baukosten bis zum Gebäude!



- Fiber-optic with 61,566 km
- In over 350 German cities, including the 25 largest cities
- 25.626 directly connected locations

# BUSINESS ACCESS SEGMENT: REVENUES

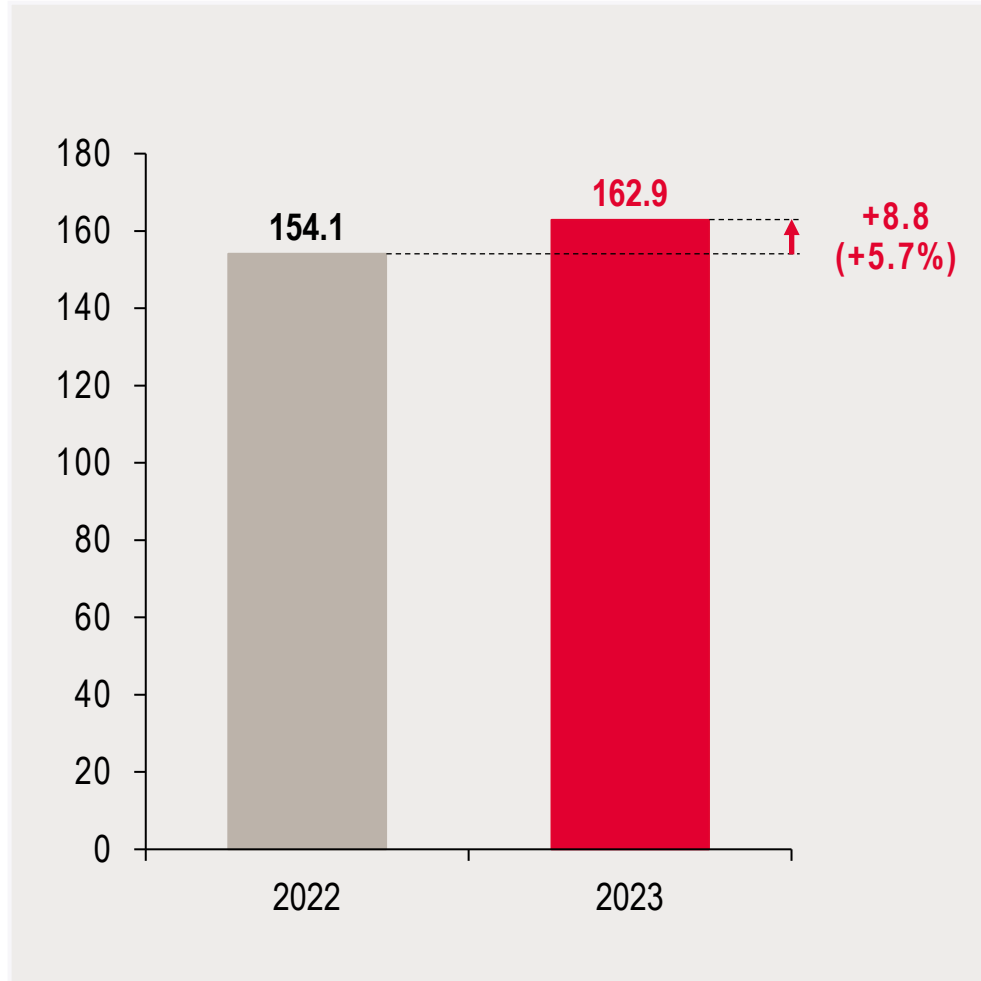
(acc. to IFRS in € million)



■ + 3.8 % revenues to € 564.0 million

# BUSINESS ACCESS SEGMENT: EBITDA

(acc. to IFRS in € million)



- + 5.7 % EBITDA to € 162.9 million
- 28.9 % EBITDA margin (prior year: 28.4 %)

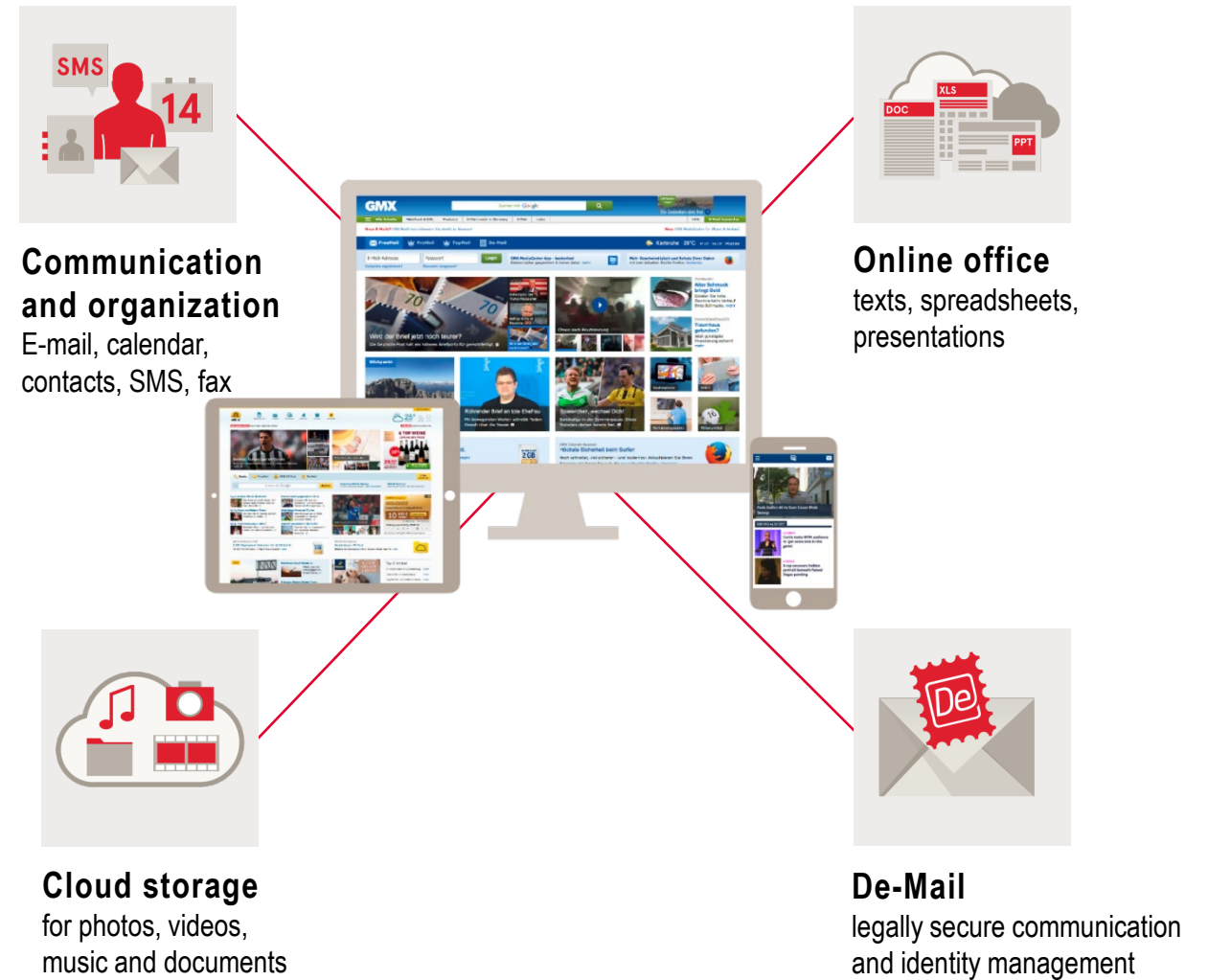
# APPLICATIONS IN FISCAL YEAR 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

# CONSUMER APPLICATIONS

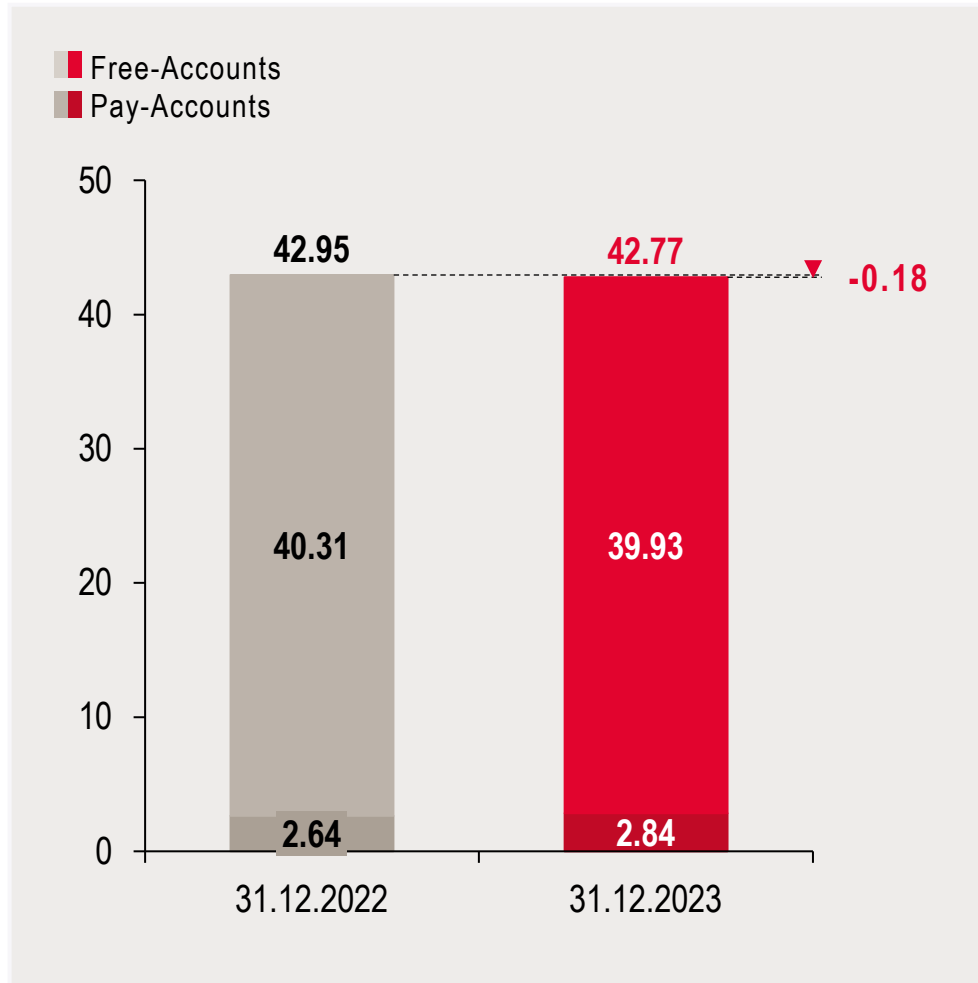
- One of the leading providers of consumer applications with GMX, WEB.DE and mail.com
- Broad product portfolio for private customers: Personal information management (e-mail, tasks, appointments, addresses), cloud storage and online office
- Differentiation through data protection/security





# CONSUMER APPLICATIONS SEGMENT: ACCOUNTS

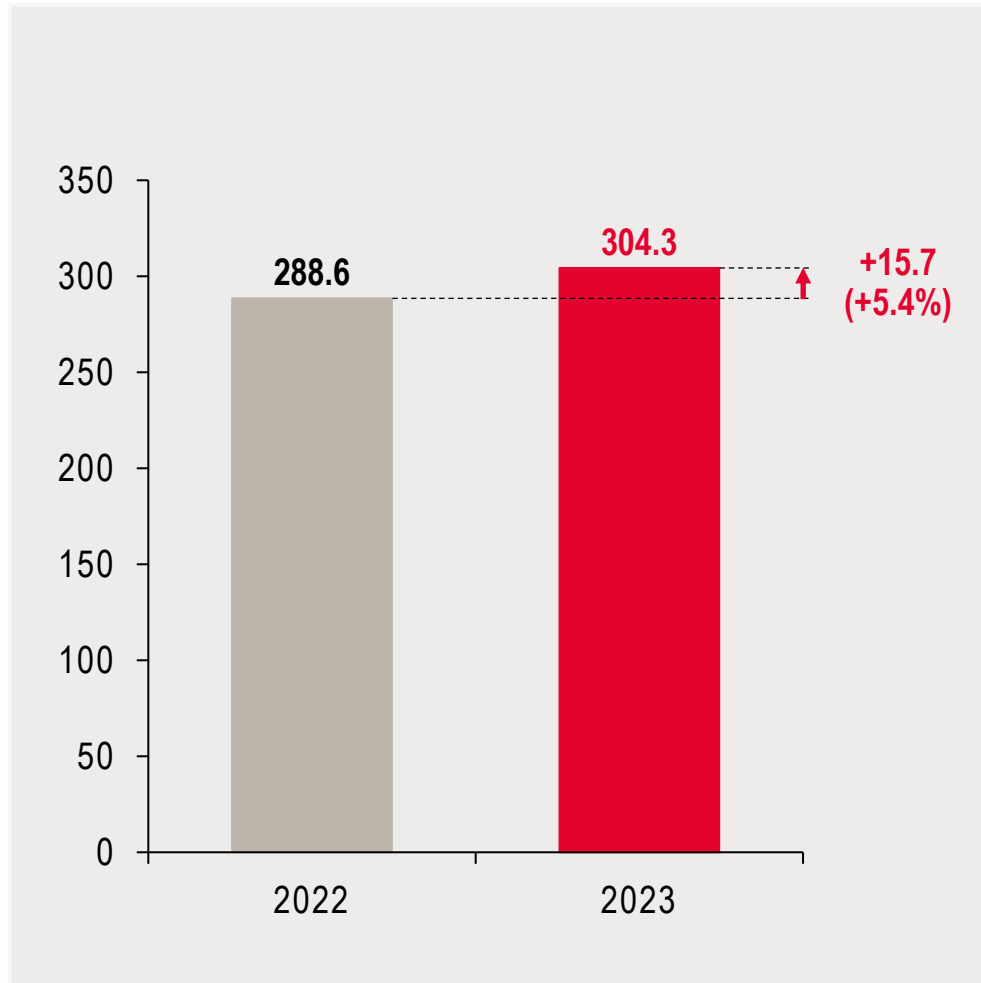
(in million)



- 42.77 million consumer accounts (- 180,000), thereof
  - 39.93 million free accounts (- 380,000)
  - 2.84 million pay accounts (+ 200,000)
- 28.5 million with mobile usage (+ 500,000)
- 23.0 million with cloud storage (+ 600,000)

# CONSUMER APPLICATIONS SEGMENT: REVENUES

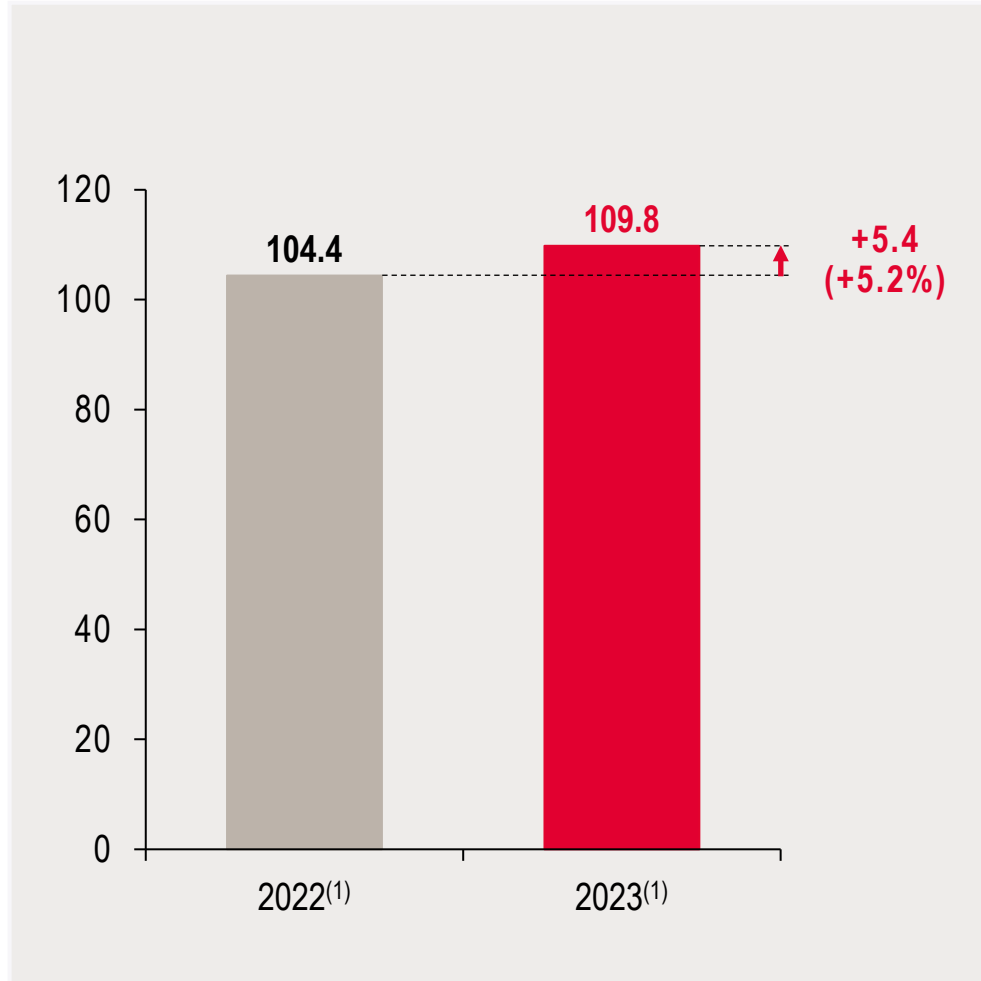
(acc. to IFRS in € million)



■ + 5.4 % revenues to € 304.3 million

# CONSUMER APPLICATIONS SEGMENT: EBITDA

(acc. to IFRS in € million)



- + 5.2 % EBITDA to € 109.8 million
- 36.1 % EBITDA margin (prior year: 36.2 %)

<sup>(1)</sup> excl. a non-cash valuation effect from derivatives EBITDA effect: € -6.3 million (prior year: € -0.5 million)

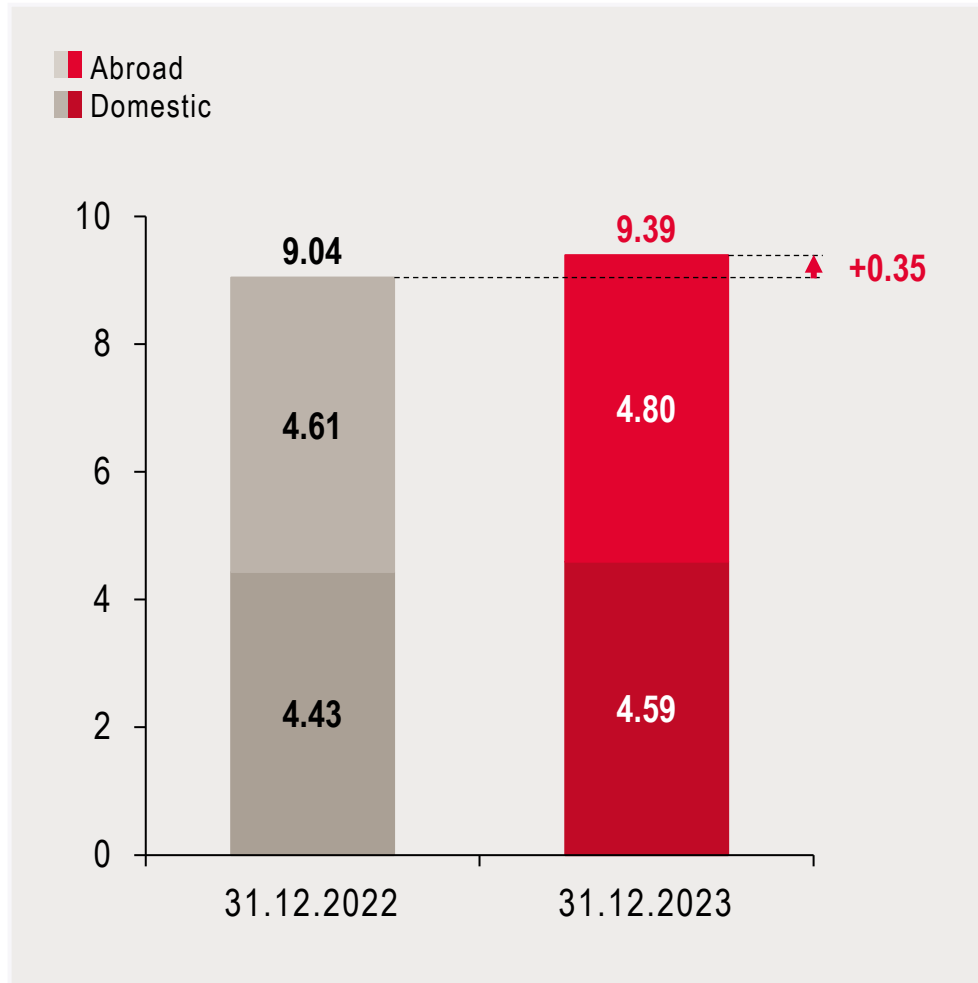
# BUSINESS APPLICATIONS

- IONOS as Europe's leading digitization partner for freelancers, small/medium-sized enterprises and reliable cloud enabler
- Active in 15 European countries as well as in USA, Canada and Mexico
- Broad product portfolio from Web Presence & Productivity to Cloud Solutions



# BUSINESS APPLICATIONS SEGMENT: CUSTOMER CONTRACTS

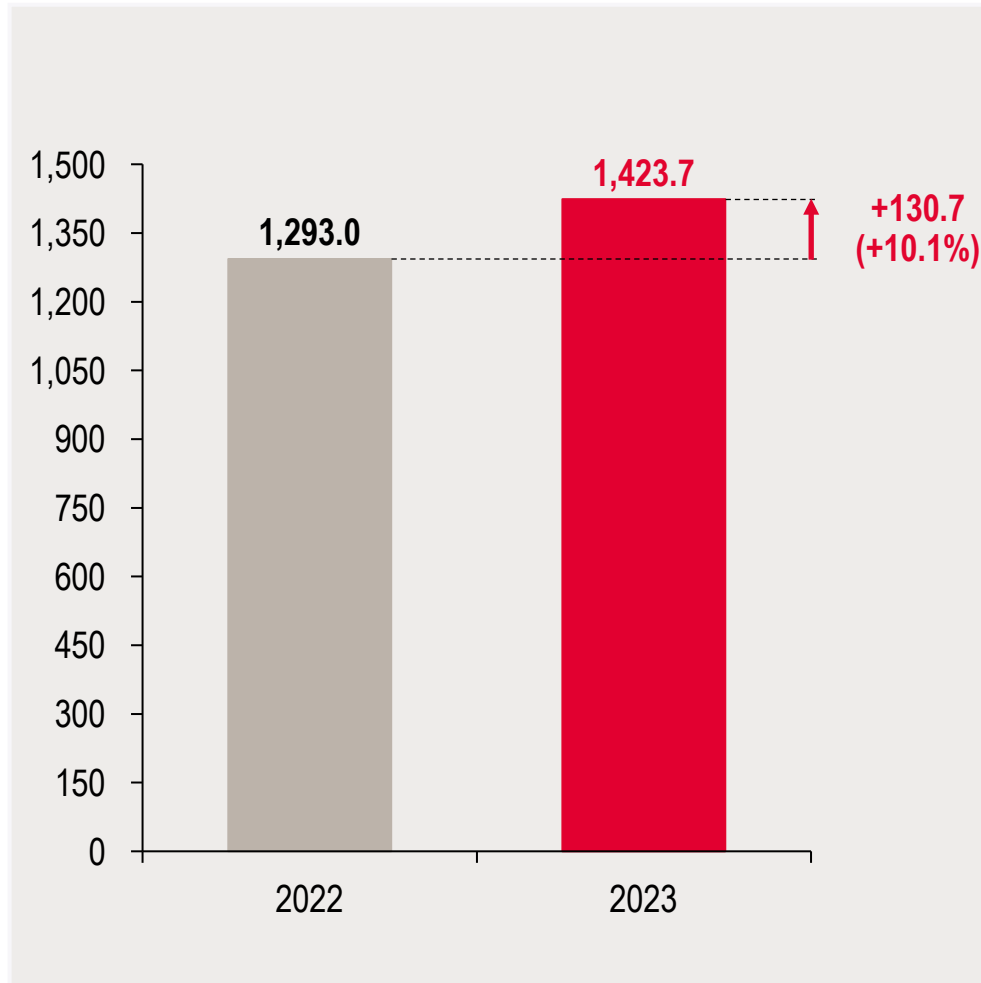
(in million)



- 9.39 million customer contracts (+ 350,000)
  - 4.80 million abroad (+ 190,000)
  - 4.59 million domestic (+ 160,000)

# BUSINESS APPLICATIONS SEGMENT: REVENUES

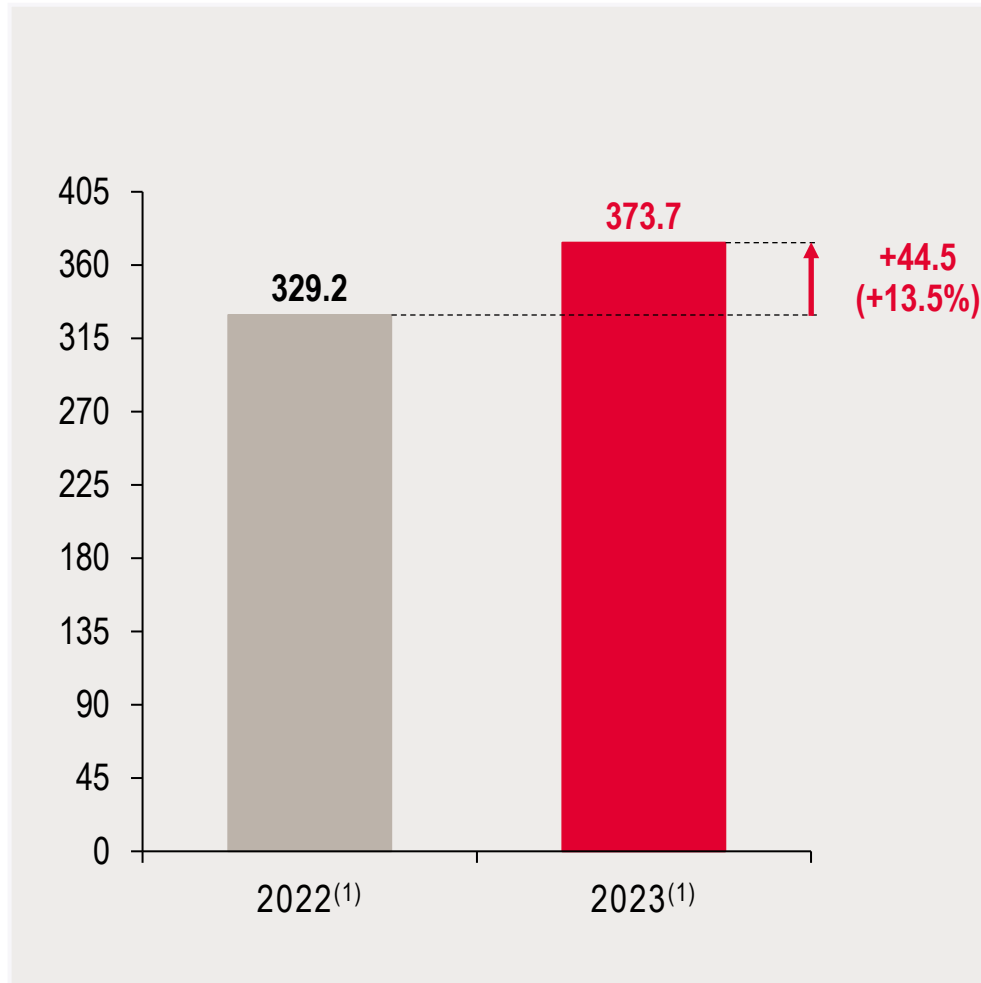
(acc. to IFRS in € million)



- + 10.1 % revenues to € 1.424 billion
  - Customer growth
  - Increased up- and cross-selling
  - Good aftermarket business

# BUSINESS APPLICATIONS SEGMENT: EBITDA

(acc. to IFRS in € million)



- + 13.5 % EBITDA to € 373.7 million
- 26.2 % EBITDA margin (prior year: 25.5 %)

<sup>(1)</sup> Adjusted for IPO costs of € +11.7 million (prior year: € -8.8 million)

# GROUP: KPIs FY 2023

- + 1.03 million customer contracts to 28.49 million contracts

Revenue and earnings figures (in € million)	2022 <sup>(1)</sup>	2023 <sup>(2)</sup>	Change
Revenues	5,915.1	6,213.2	+ 5.0 %
EBITDA	1,271.8	1,300.1	+ 2.2 %
EBIT	790.7	762.0	- 3.6 %
EPS (in €)	2.00	1.41	- 29.5 %

- Included in EBITDA 2023:

- € - 132.4 million start-up costs for the rollout of 1&1 mobile network (prior year: € - 52.4 million)

- Additionally included in EBIT 2023:

- € - 424.1 million depreciation on investments (prior year: € - 352.8 million)

- Included in EPS 2023:

- Lower EBIT (EPS effect: € - 0.13), lower at-equity result (€ - 0.16) and the financial result impacted by higher interest rates (EPS effect: € - 0.30)

<sup>(1)</sup> 2022 excl. a valuation effect from derivatives (EBITDA-, EBIT effect: € -0.5 million; EPS effect: € 0.00) and excl. IPO costs IONOS (EBITDA-, EBIT effect: € -8.8 million; EPS effect: € -0.03)

<sup>(2)</sup> 2023 excl. a valuation effect from derivatives (EBITDA-, EBIT effect: € -6.3 million; EPS effect: € -0.03) and excl. IPO costs IONOS (EBITDA-, EBIT effect: € -1.7 million; EPS effect: € -0.03)



# OUTLOOK 2024

# OUTLOOK 2024

## We confirm our outlook published at the end of 2023:

- Revenues: approx. € 6.5 billion (2023: € 6.213 billion)
- EBITDA (operative): approx. € 1.42 billion (2023: € 1.300 billion)
- Cash-CAPEX: 10 - 20% above the previous year's figure (2023: € 756 million), in particular for
  - building the mobile network and
  - Expansion of the fibre optic network in additional expansion areas and for connecting mobile antennas

# RESULTS FY 2023

# GROUP: KEY FIGURES AS OF DECEMBER 31, 2023

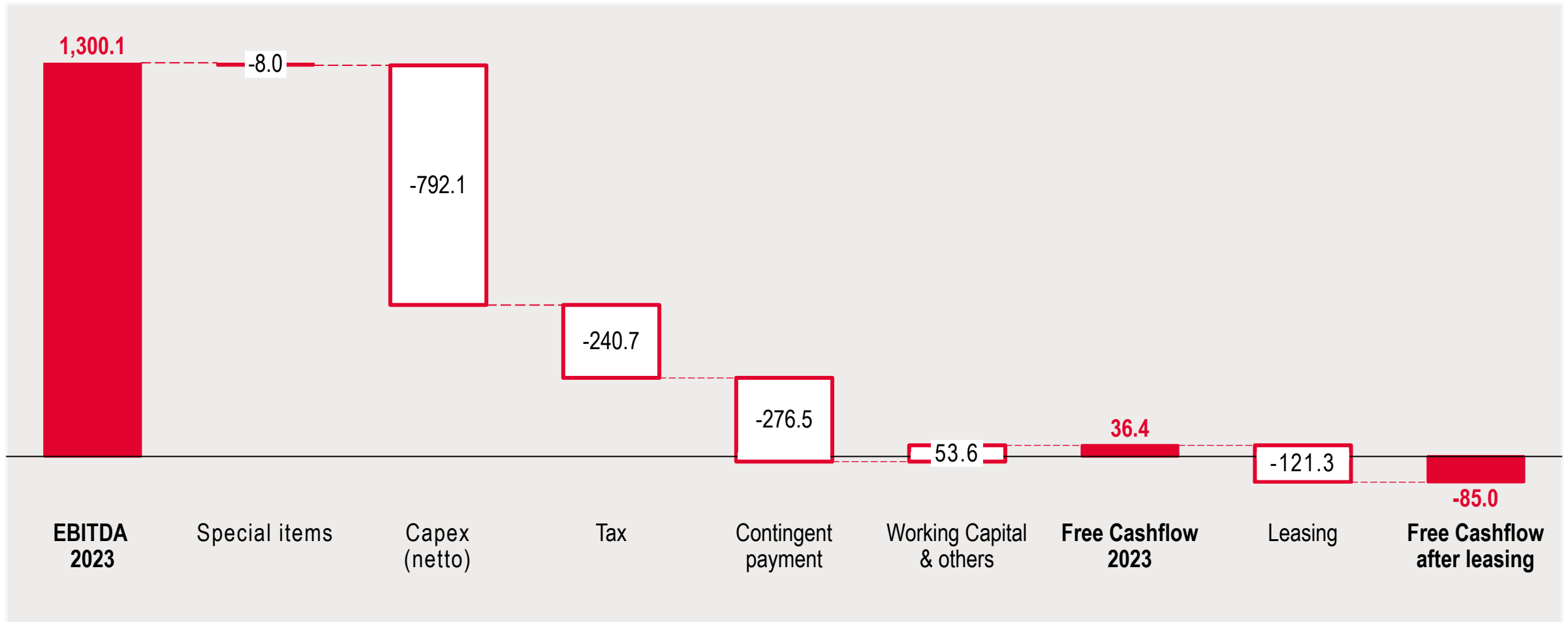
P&L figures according to IFRS in € million	2022 <sup>(1)</sup>	2023 <sup>(2)</sup>	Change
Fee-based customer contracts (in million)	27.46	28.49	▪ + 1.03 million
Ad-financed free accounts (in million)	40.31	39.93	▪ - 0.38 million (pay accounts: +0.20 million)
Revenues	5,915.1	6,213.2	▪ + 5.0 %
EBITDA	1,271.8	1,300.1	▪ + 2.2 % despite € -80.0m higher expenses for the rollout of 1&1 mobile network
EBIT	790.7	762.0	▪ - 3.6 % due to € -71.3 million higher D&A in connection with the network expansion
Cash flow figures according to IFRS in € million	2022	2023	Comments
Cash flow from operating activities	1,010.7	1,018.0	▪ Increase despite lower consolidated net income
Net cash inflows from operating activities	713.6*	828.5	▪ Incl. Telekom contingent payment (€ -276.5m) / * Previous year without phasing effects from Q4 2021 (€ - 97.2 M€)
Cash flow from investing activities	-701.6	-798.2	▪ Decline due to higher capex (€ -797.9m; py: € -681.4m)
Cash flow from financing activities	14.2	-43.6	▪ Decline due in particular to higher interest rates

<sup>(1)</sup> 2022 excl. a valuation effect from derivatives (EBITDA-, EBIT effect: € -0.5 million; EPS effect: € 0.00) and excl. IPO costs IONOS (EBITDA-, EBIT effect: € -8.8 million; EPS effect: € -0.03)

<sup>(2)</sup> 2023 excl. a valuation effect from derivatives (EBITDA-, EBIT effect: € -6.3 million; EPS effect: € -0.03) and excl. IPO costs IONOS (EBITDA-, EBIT effect: € -1.7 million; EPS effect: € -0.03)

# GROUP: EBITDA / FREE CASHFLOW BRIDGE AS OF DEZEMBER 31, 2023

(acc. to IFRS in € million)



# GROUP: BALANCE SHEET AS OF DECEMBER 31, 2023 (I)

(acc. to IFRS in € million)

Assets	31.12.2022	31.12.2023	Comments
Property, plant and equipment / intangible assets	3,880.3	4,406.9	▪ Strong increase due to increased investments in FY 2023 (primarily in the fibre optic/mobile network)
Goodwill	3,623.4	3,628.8	▪ Mainly unchanged
Financial assets	440.0	381.6	▪ Decline due to deterioration in pro rata result from investments (Tele Columbus)
Accounts receivable	460.2	543.7	▪ Increase due to reporting date
Contract assets	865.1	882.7	▪ Update contract assets
Inventories and deferred expenses	831.6	1,161.7	▪ Increase due to rental and pre-service providers payments (Telekom contingent contract)
Income tax claims and other assets	217.4	212.5	▪ Mainly unchanged
Cash and cash equivalents	40.5	27.7	▪ Decrease due to reporting date
<b>Total</b>	<b>10,358.5</b>	<b>11,245.6</b>	

# GROUP: BALANCE SHEET AS OF DECEMBER 31, 2023 (II)

(acc. to IFRS in € million)

Debt and Equity	31.12.2022	31.12.2023	Comments
Equity	5,298.4	5,555.1	▪ Equity ratio: - 1.8 PP to 49.4 %
Liabilities to banks	2,155.5	2,464.3	▪ Bank liabilities (net): € 2,436.6m (31.12.2022: € 2,115.0m); increase in particular due to DT contingent payment (€ 276.5m), dividend payment (€ 86.4 m) and capex (net: € 792.1m)
Trade accounts payable	565.8	702.6	▪ Increase due to reporting date
Contract liabilities	188.4	207.7	▪ Mainly unchanged
Accrued taxes and deferred liabilities	362.4	381.0	▪ Mainly unchanged
Other accrued liabilities / other liabilities	1,788.0	1,934.9	▪ Increase due to reporting date
<b>Total</b>	<b>10,358.5</b>	<b>11,245.6</b>	

**UNITED INTERNET AG**

**Our success story  
continues!**

