

UNITED INTERNET AG

Analyst and Investor

Webcast – 3M Results 2023

**Montabaur,
May 10, 2023**



INTRODUCTION OF RALF HARTINGS, CFO



Ralf Hartings, CFO since April 2023

- Ralf Hartings has been a member of the Management Board of United Internet AG since 2023 and is responsible for Finance and Controlling, Risk Management/Internal Audit, Legal, Tax, M&A and Investment Management



KPIs 3M 2023

- 27.70 million customer contracts: +240.000 in the first 3 months 2023

Revenues and earnings figures (in € million)	3M 2022	3M 2023	Change
Revenues	1,443.7	1,538.3	+6.6%
EBITDA ⁽¹⁾	330.1	319.0	-3.4%
EBIT ⁽¹⁾	210.3	188.9	-10.2%
EPS ⁽¹⁾ (in €)	0.55	0.43	-21.8%

- EBITDA ⁽¹⁾ operative 3M 2023 including:
 - € -19.2 million from 1&1 mobile network rollout expenses (prior year: € -8.3 million)
 - € -9.9 million from differently phased marketing activities in IONOS compared to prior year
- EBIT ⁽¹⁾ operative 3M 2023 impacted additionally by:
 - Higher depreciation of approx. € 13 million related to the fiber-optic network extension to supply additional expansion areas and to connect mobile communications antennas in 1&1 Versatel as well as to the launch of the 1&1 mobile network, where the offsetting savings are expected to start from Q4 2023
- EPS for 3M 2023:
 - EPS decreased from EUR 0.55 to EUR 0.43, mainly through higher depreciation (EPS effect: EUR -0.06) and higher interest rates impacting the financial result (EPS effect: EUR -0.05)

⁽¹⁾ EBITDA / EBIT operative w/o non-cash valuation effect from derivatives € -4.5m (prior year: € +0.8m) and IPO costs for IONOS Group SE of € +0.5m (prior year: € - 0.9m); EPS effect: € -0.02 (prior year: € 0.00)

CHANGE IN SEGMENT REPORTING

- No change on consolidated group level
- Change in segment reporting from the previous “Controlling View” to “Accounting View”:
 - With two companies listed, we have decided to harmonize our reporting and switch to the “Accounting View” in order to ensure the necessary comparability and clarity
 - Reconciliation effects for sales: Certain intercompany sales are no longer consolidated at segment level (as previously in the case of Controlling View), but only at corporate level (Accounting View)
 - Reconciliation effects for EBITDA and EBIT: Allocations of depreciation and amortization and profit margins for intercompany services are no longer “offset” between the segments (as previously in Controlling View), but are reported as “booked” at segment level (Accounting View)
- A reconciliation of the figures from Controlling View to Accounting View can be found in the backup

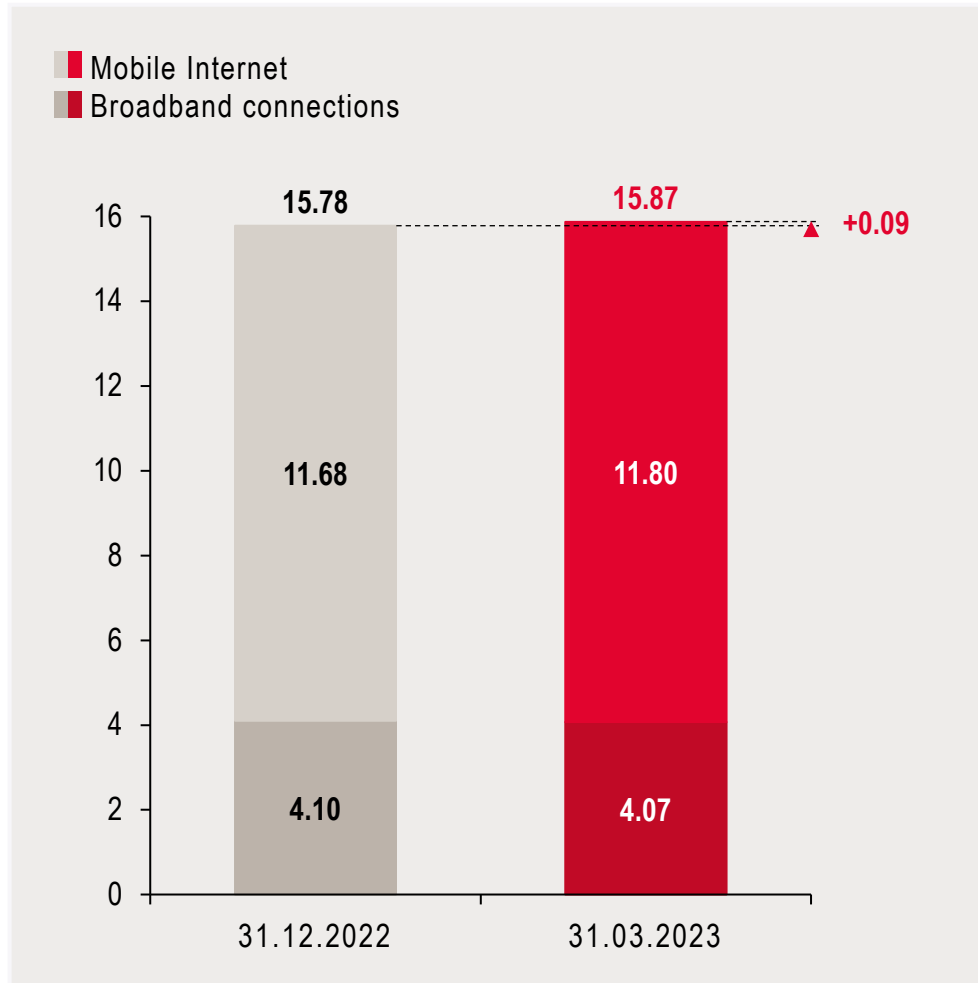
“ACCESS” IN 3M 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

CONSUMER ACCESS SEGMENT: CUSTOMER CONTRACTS

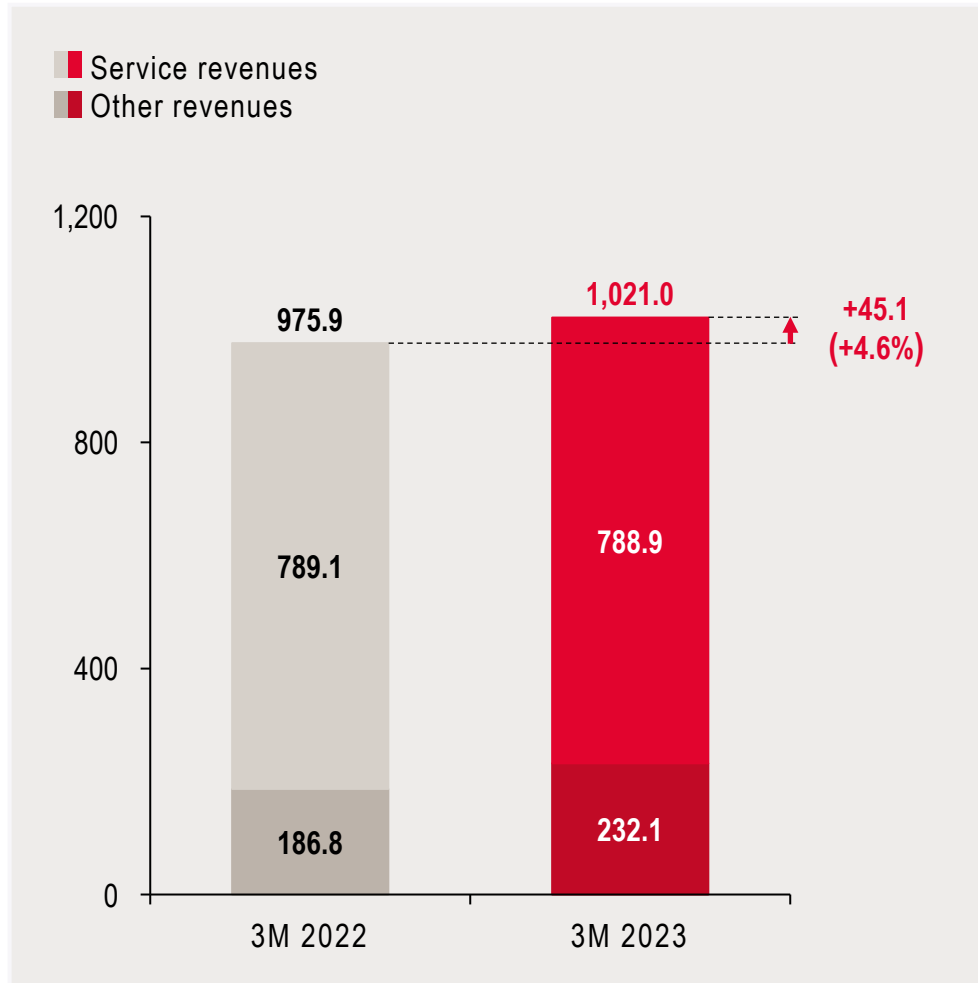
(in million)



- 15.87 million customer contracts (+90.000)
- 11.80 million mobile internet contracts (+120.000)
- 4.07 million broadband connections (-30.000)

CONSUMER ACCESS SEGMENT: REVENUES

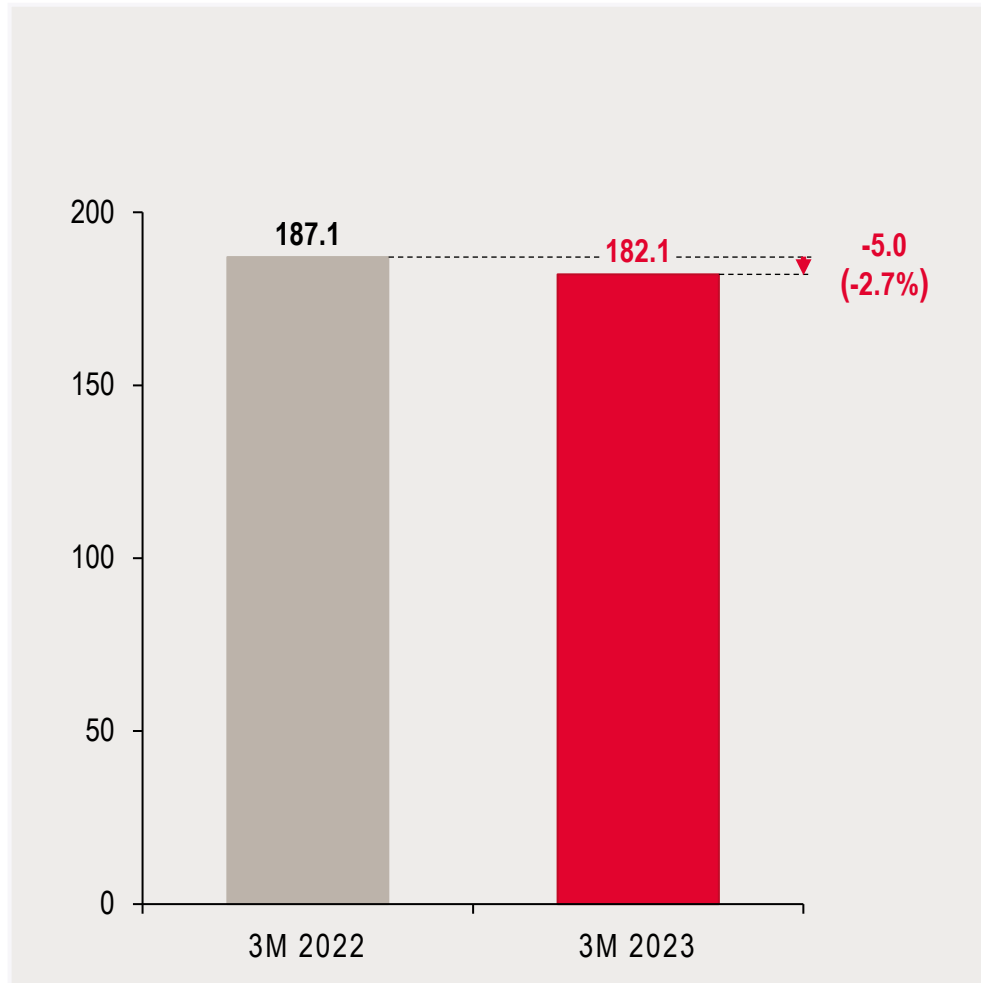
(acc. to IFRS in € million)



- +4.6% revenues to € 1,021.0 million
 - +/-0% service revenues to € 788.9 million
 - +24.3% other revenues (mainly smartphones) to € 232.1 million

CONSUMER ACCESS (I): EBITDA

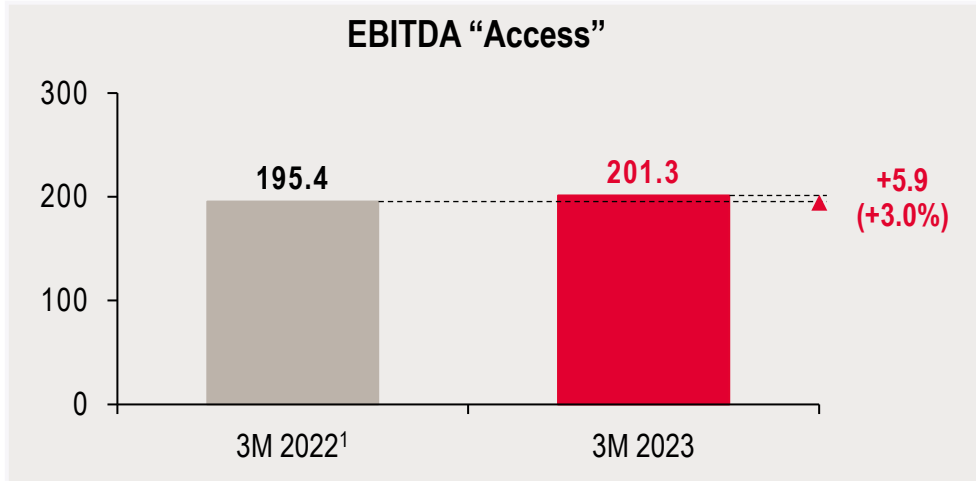
(acc. to IFRS in € million)



- -2.7% EBITDA from € 187.1 million to € 182.1 million
 - € -19.2 million costs for rollout of 1&1 mobile network (prior year: € -8.3 million)
- 17.8% EBITDA margin (prior year: 19.2%)

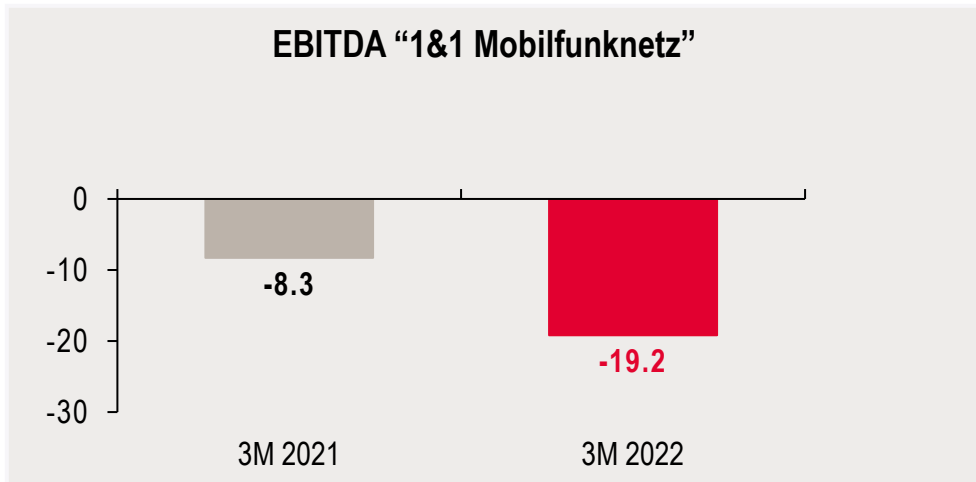
CONSUMER ACCESS (II): EBITDA OF THE TWO SUBSEGMENTS

(acc. to IFRS in € million)



“Access”

- +3.0% EBITDA to € 201.3 million
- 19.7% EBITDA margin (prior year: 20.0%)

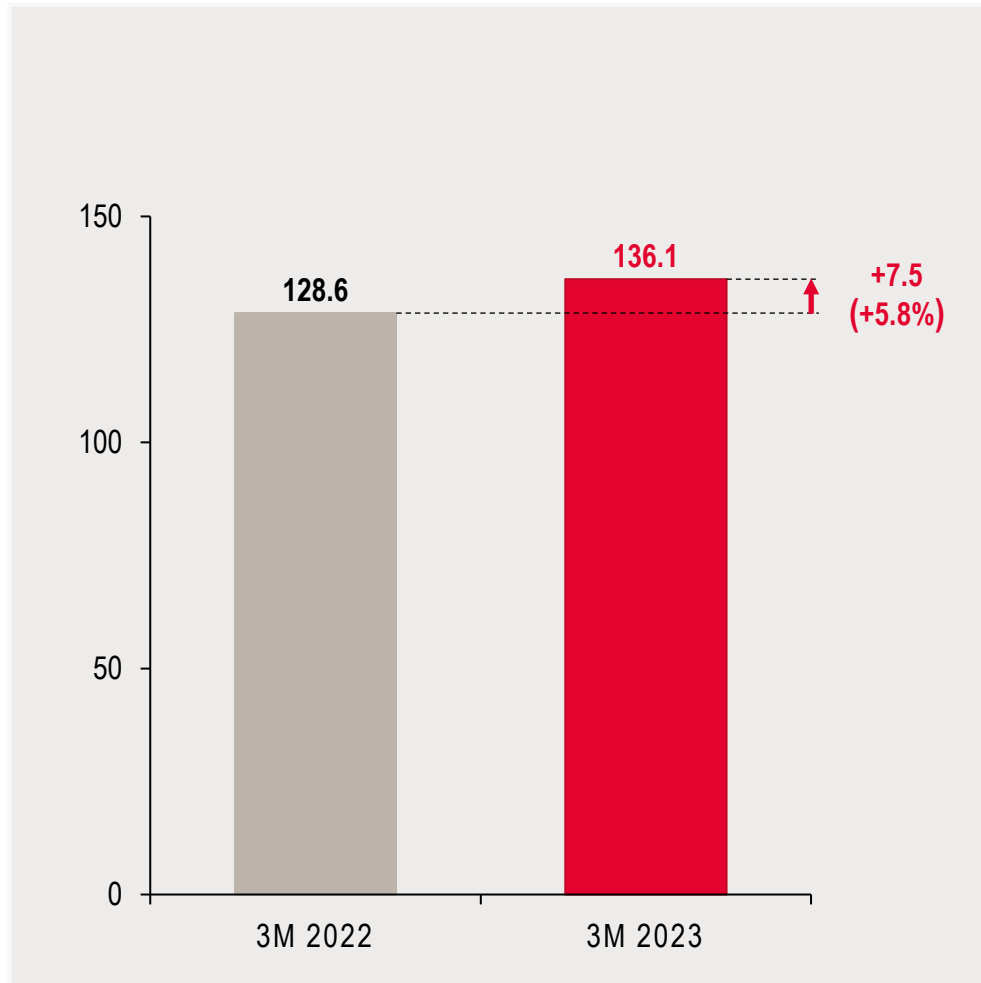


“1&1 Mobilfunknetz”

- € -19.2 million EBITDA from the initial cost of the 1&1 mobile network rollout (prior year: € -8.3 million)

BUSINESS ACCESS SEGMENT: REVENUES

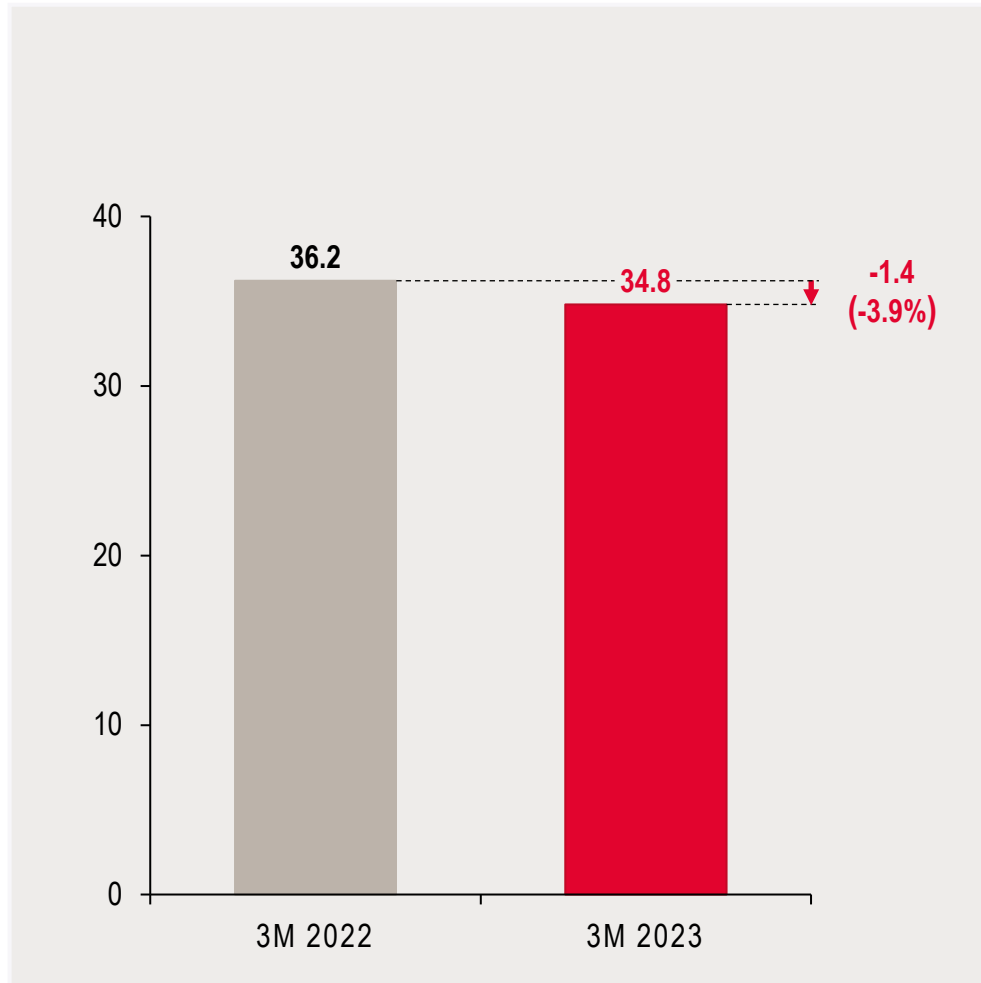
(acc. to IFRS in € million)



■ +5.8% revenues to € 136.1 million

BUSINESS ACCESS SEGMENT: EBITDA

(acc. to IFRS in € million)



- -3.9% EBITDA to € 34.8 million, including
 - € -7.2 million start-up costs (previous year: € -2.2 million) for our fiber-optic network extension to supply additional expansion areas and to connect mobile communications antennas
 - ➡ + 9.4% comparable EBITDA
- 25.6% EBITDA margin (prior year: 28.1%)

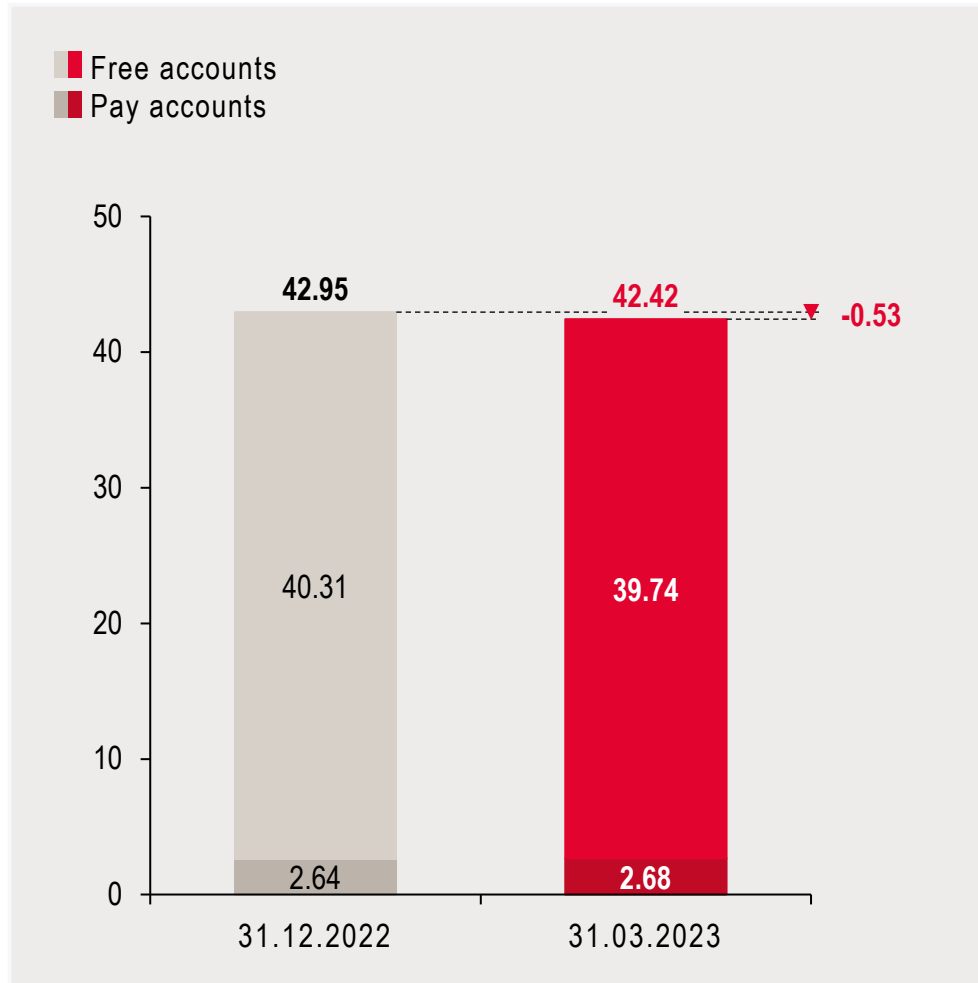
“APPLICATIONS” IN 3M 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

CONSUMER APPLICATIONS SEGMENT: ACCOUNTS

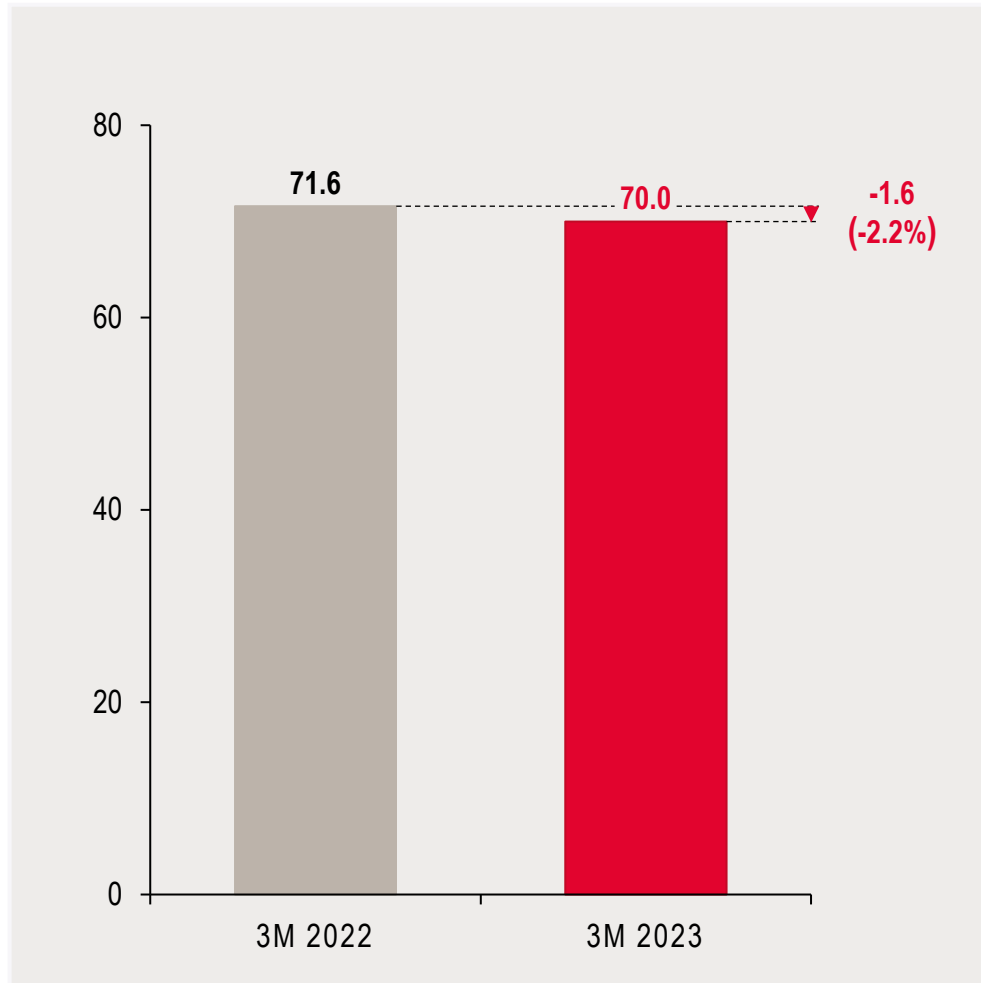
(in million)



- 42.42 million consumer accounts (-530,000), thereof
 - 39.74 million free accounts (-570,000)
 - 2.64 million pay accounts (+40,000)
- In comparison to Q1 2022: 220,000 less active free accounts, mainly due to reduced ecommerce activities
- 27.9 million with mobile use (-100,000); +250,000 compared to prior year
- 22.6 million with cloud storage (+200,000)

CONSUMER APPLICATIONS SEGMENT: REVENUES

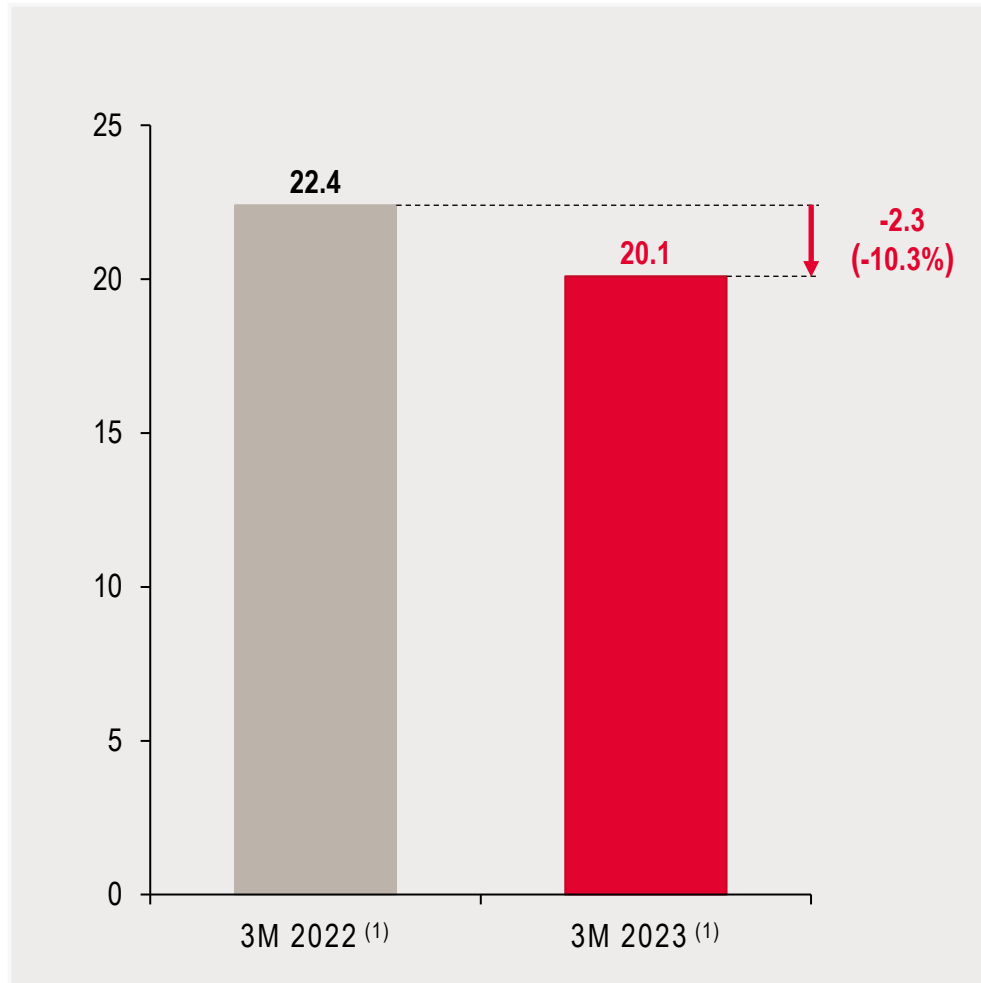
(acc. to IFRS in € million)



- -2.2% revenues to € 70.0 million compared to extraordinary strong Q1 2022, which was mostly before the Ukraine war and higher inflation

CONSUMER APPLICATIONS SEGMENT: EBITDA

(acc. to IFRS in € million)

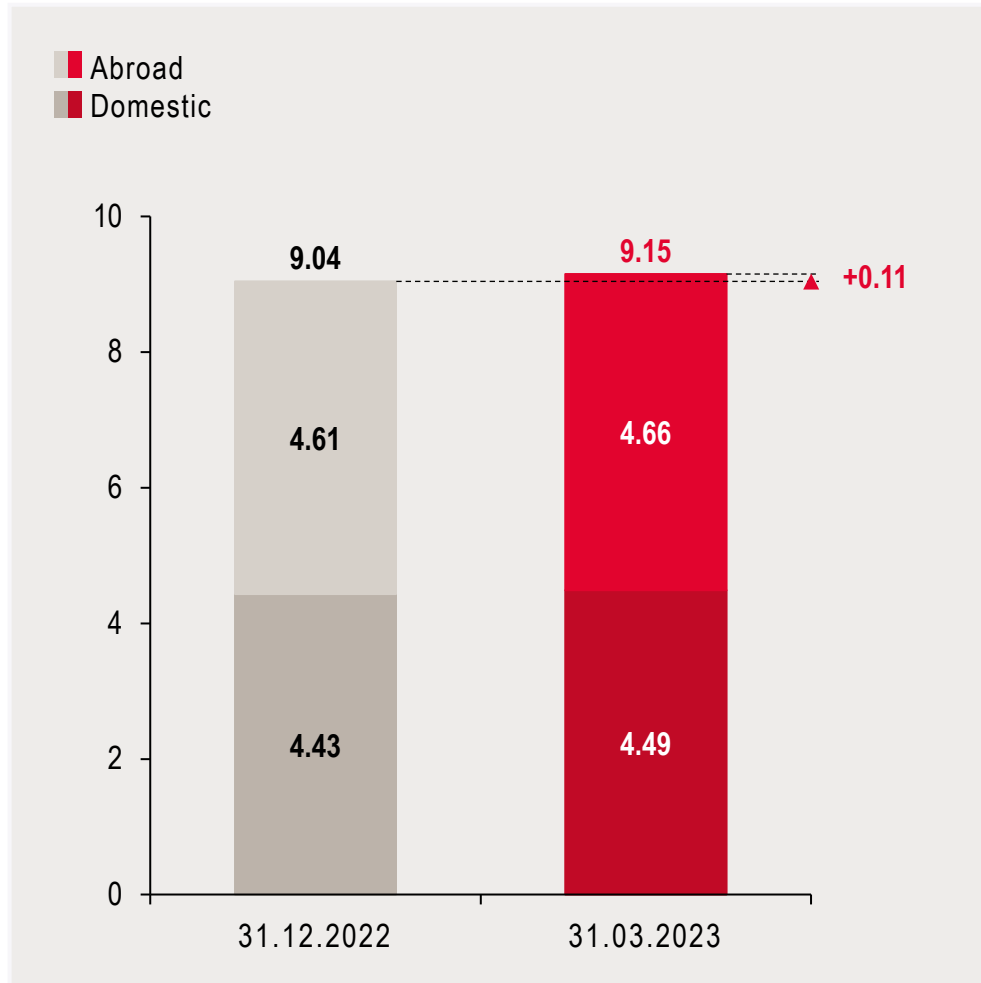


- EBITDA of € 20.1 million was lower by € 2.3 million, mainly as a result of lower revenues
- 28.7% EBITDA margin (prior year: 31.3%)

⁽¹⁾ excl. a non-cash valuation effect from derivatives EBITDA effect: € -4.5 million (prior year: € +0.8 million)

BUSINESS APPLICATIONS SEGMENT: CUSTOMER CONTRACTS

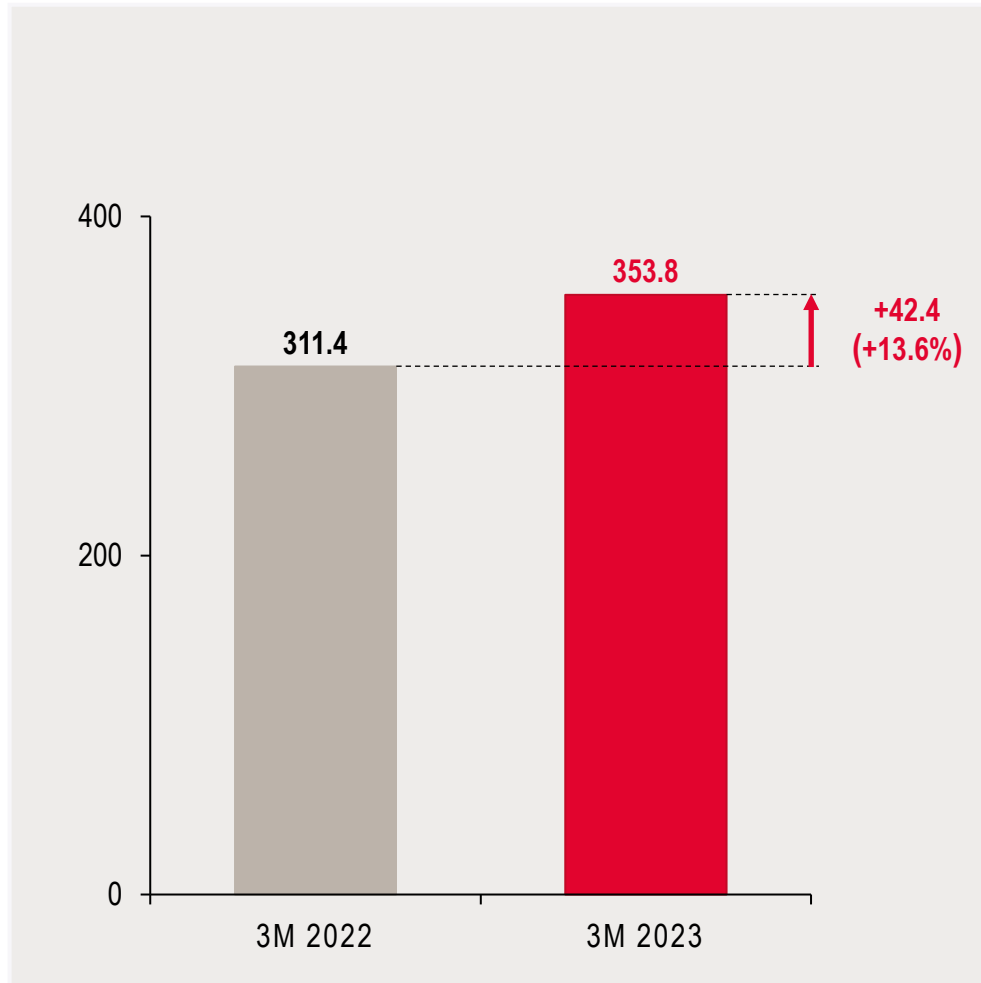
(in million)



- 9.15 million customer contracts (+110.000)
- 4.66 million abroad (+60.000)
- 4.49 million domestic (+50.000)

BUSINESS APPLICATIONS SEGMENT: REVENUES

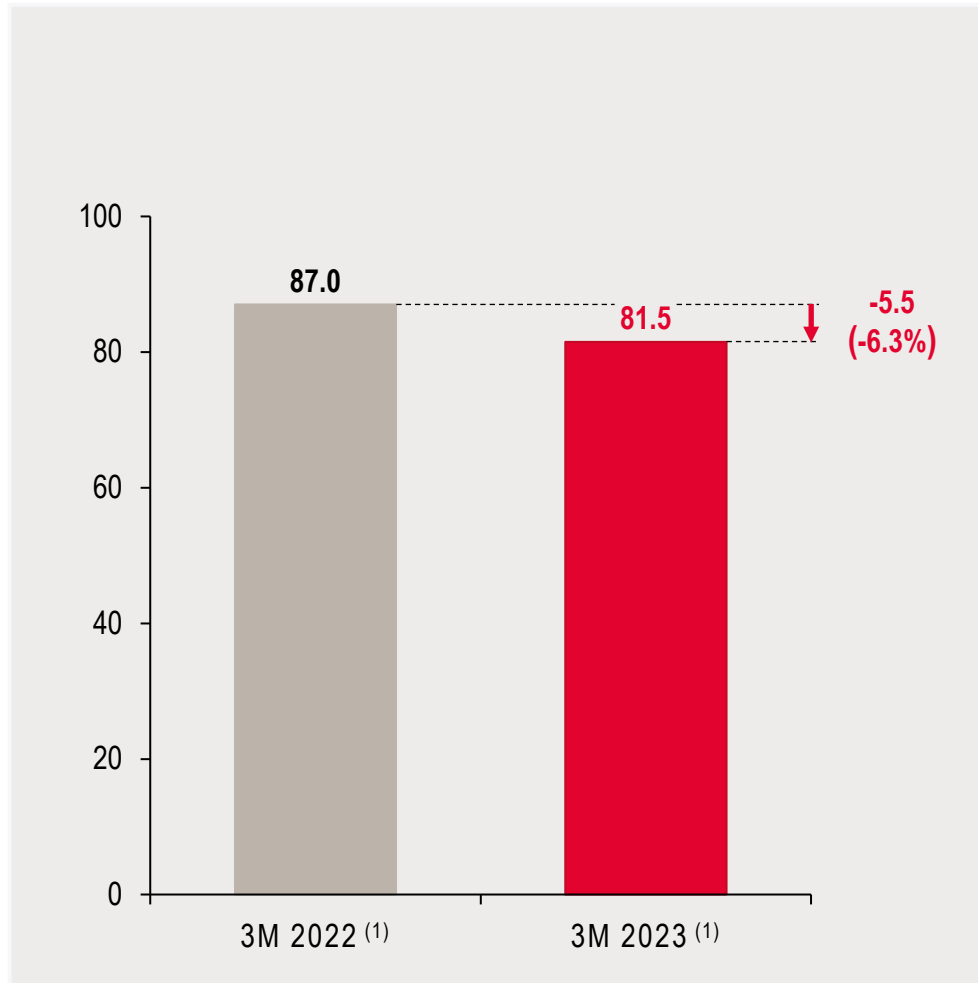
(acc. to IFRS in € million)



- +13.6% revenues to € 353.8 million
 - Customer growth
 - Increased up- and cross-selling
 - Strong growth in aftermarket business (domain trading platform and domain parking at Sedo)
- +4.6% revenues w/o aftermarket business

BUSINESS APPLICATIONS SEGMENT: EBITDA

(acc. to IFRS in € million)



- -6.3% EBITDA to € 81.5 million, included therein
 - € - 9.9 million from differently phased marketing activities compared to prior year
 - ➡ + 5.1% comparable EBITDA
- 23.0% EBITDA margin (prior year: 27.9%)

⁽¹⁾ excl. IPO costs EBITDA effect: € +11.3 million net (prior year: € -0.9 million)

KEY FINANCIAL KPIs 3M 2023

(contracts in million / financial KPIs acc. to IFRS in € million)

	3M 2022	3M 2023	Change
Revenues	1.443.7	1.538.3	+6.6%
EBITDA ⁽¹⁾	330.1	319.0	-3.4%
Capex	80.0	144.5	+80.6%
Free cash flow ⁽²⁾	-49.4	-21.5	-

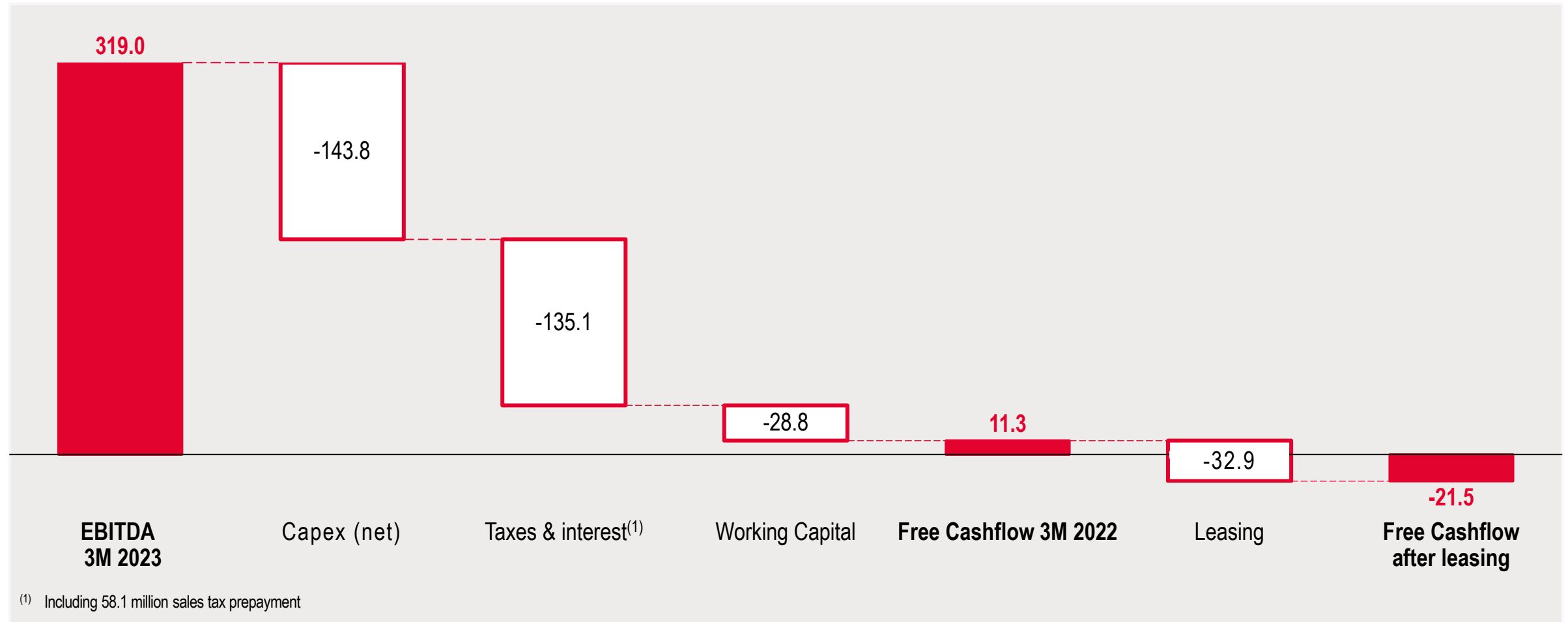
	31.12.2022	31.03.2023	Change
Net bank liabilities	2,115.0	2,123.5	+0.4%
Equity ratio	51.2%	51.5%	+0.3 Ppt.

⁽¹⁾ EBITDA operative w/o non-cash valuation effect from derivatives of € -4.5 million in 3M 2022 (€ +0.8 million in 3M 2022) and IPO costs for IONOS Group SE of € +0.5 million (prior year: € - 0.9 million)

⁽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. Free cash flow including the repayment portion of lease liabilities that have been reported in cash flow from financing activities since FY 2019

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

(acc. to IFRS in € million)



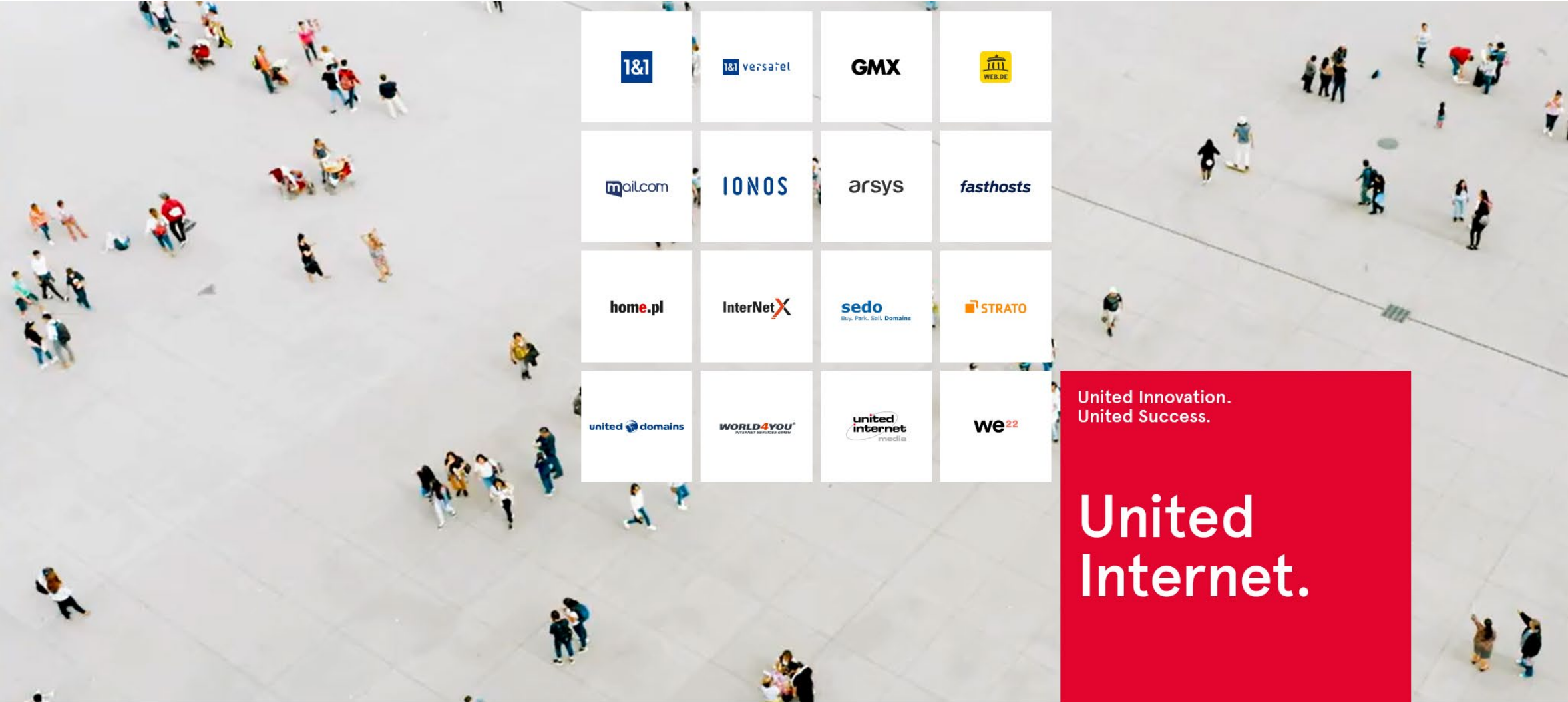
OUTLOOK 2023

OUTLOOK 2023

















Full-year guidance confirmed

- Revenues: approx. € 6.2 billion (2022: € 5.915 billion)
- EBITDA (excluding derivatives and IONOS IPO) at prior years level (2022: € 1.272 billion), including
 - approx. € 120 million (prior year: € 52 million) for network rollout at 1&1
- CAPEX: approx. € 800 million (2022: € 681.4 million), in particular for
 - building the mobile network
 - fiber-optic network extension to supply additional expansion areas and to connect mobile communications antennas

Q&A SESSION



The image features an aerial view of a busy city square with many people walking. Overlaid on the center of the image is a 4x4 grid of logos for various companies. In the bottom right corner, there is a large red banner with white text.

United Innovation.
United Success.

**United
Internet.**

UNITED INTERNET AG

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BACKUP

RECONCILIATION CONTROLLING VIEW TO ACCOUNTING VIEW – REVENUES

Controlling view (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	969.4	971.3	992.9	1,009.4	3,943.0	1,017.9
Business Access	128.4	133.4	136.9	144.1	542.8	135.9
Consumer Applications	70.2	69.9	67.9	75.9	283.9	68.8
Business Applications	300.1	307.9	311.7	328.4	1,248.1	343.3
Corporate & Consolidation	- 24.4	- 25.1	- 26.2	- 27.0	- 102.7	-27.6
United Internet Group	1,443.7	1,457.4	1,483.2	1,530.8	5,915.1	1,538.3
Reconciliation effects (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	6.5	4.8	5.4	4.0	20.7	3.1
Business Access	0.2	0.1	0.2	0.1	0.6	0.2
Consumer Applications	1.4	1.1	1.1	1.1	4.7	1.2
Business Applications	11.3	10.5	12.2	10.9	44.9	10.5
Corporate & Consolidation	- 19.4	- 16.5	- 18.9	- 16.1	- 70.9	-15.0
United Internet Group	0.0	0.0	0.0	0.0	0.0	0.0
Accounting view (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	975.9	976.1	998.3	1,013.4	3,963.7	1,021.0
Business Access	128.6	133.5	137.1	144.2	543.4	136.1
Consumer Applications	71.6	71.0	69.0	77.0	288.6	70.0
Business Applications	311.4	318.4	323.9	339.3	1,293.0	353.8
Corporate & Consolidation	- 43.8	- 41.6	- 45.1	- 43.1	- 173.6	-42.6
United Internet Group	1,443.7	1,457.4	1,483.2	1,530.8	5,915.1	1,538.3

RECONCILIATION CONTROLLING VIEW TO ACCOUNTING VIEW – EBITDA (OPERATIVE)

Controlling view (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	187.9	182.2	181.9	144.5	696.5	183.8
Business Access	36.6	39.1	37.8	42.1	155.6	35.2
Consumer Applications	26.7	29.7	27.2	35.7	119.3	24.1
Business Applications	84.0	82.9	86.1	65.2	318.2	78.8
Corporate & Consolidation	- 5.1	- 6.5	- 4.0	- 2.2	- 17.8	-2.9
United Internet Group	330.1	327.4	329.0	285.3	1,271.8	319.0
Reconciliation effects (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	- 0.8	- 1.1	- 1.1	- 0.2	- 3.2	-1.7
Business Access	- 0.4	- 0.4	- 0.5	- 0.2	- 1.5	-0.4
Consumer Applications	- 4.3	- 3.7	- 5.2	- 1.7	- 14.9	-4.0
Business Applications	3.0	2.6	3.5	1.9	11.0	2.7
Corporate & Consolidation	2.5	2.6	3.3	0.2	8.6	3.4
United Internet Group	0.0	0.0	0.0	0.0	0.0	0.0
Accounting view (in € million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023
Consumer Access	187.1	181.1	180.8	144.3	693.3	182.1
Business Access	36.2	38.7	37.3	41.9	154.1	34.8
Consumer Applications	22.4	26.0	22.0	34.0	104.4	20.1
Business Applications	87.0	85.5	89.6	67.1	329.2	81.5
Corporate & Consolidation	- 2.6	- 3.9	- 0.7	- 2.0	- 9.2	0.5
United Internet Group	330.1	327.4	329.0	285.3	1,271.8	319.0