



**Interim Statement
Q1 2022**

SELECTED KEY FIGURES

	March 31, 2022	March 31, 2021	Change
NET INCOME (in € million)			
Sales	1,443.7	1,392.2	+ 3.7%
EBITDA ⁽¹⁾	329.2	311.9	+ 5.5%
EBIT ⁽¹⁾	209.4	196.0	+ 6.8%
EBT ⁽¹⁾	192.4	195.7	- 1.7%
EPS (in €) ⁽¹⁾	0.55	0.58	- 5.2%
BALANCE SHEET (in € million)			
Current assets	1,578.2	1,614.9	- 2.3%
Non-current assets	8,077.4	7,597.1	+ 6.3%
Equity	5,054.6	5,085.9	- 0.6%
Equity ratio	52.3%	54.5%	
Total assets	9,655.5	9,335.9	+ 3.4%
CASH FLOW (in € million)			
Operative cash flow	256.0	241.9	+ 5.8%
Cash flow from operating activities	68.6	135.7	- 49.4%
Cash flow from investing activities	-80.0	-87.4	
Free cash flow ⁽²⁾	-49.4	43.9	
EMPLOYEES			
Total headcount as of March 31	10,035	9,842	+ 2.0%
thereof in Germany	8,217	8,068	+ 1.8%
thereof abroad	1,818	1,774	+ 2.5%
SHARE (in €)			
Share price as of March 31 (Xetra)	31.18	34.20	- 8.8%
CUSTOMER CONTRACTS (in million)			
Consumer Access, total contracts	15.49	14.97	+ 0.52
thereof Mobile Internet	11.28	10.66	+ 0.62
thereof broadband connections	4.21	4.31	- 0.10
Consumer Applications, total accounts	42.64	41.95	+ 0.69
thereof with Premium Mail subscription (contracts)	1.74	1.66	+ 0.08
thereof with Value-Added subscription (contracts)	0.75	0.74	+ 0.01
thereof free accounts	40.15	39.55	+ 0.60
Business Applications, total contracts	8.87	8.56	+ 0.31
thereof in Germany	4.29	4.13	+ 0.16
thereof abroad	4.58	4.43	+ 0.15
Fee-based customer contracts, total	26.85	25.93	+ 0.92

(1) 2022 without a non-cash valuation effect from derivatives (EBITDA, EBIT and EBT effect: € +0.8 million; EPS effect: € +0.00); 2021 without a non-period positive effect on earnings from 2020 (EBITDA, EBIT and EBT effect: € +34.4 million; EPS effect: € +0.10) and without a non-cash valuation effect from derivatives (EBITDA, EBIT and EBT effect: € +0.2 million; EPS effect: € +0.00)

(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; Reporting including the repayment portion of lease liabilities, which have been reported under cash flow from financing activities; Q1 2022 including phasing effects of € -97.2 million from Q4 2021

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Dear shareholders, employees, and business associates,

United Internet AG got off to a good start in its fiscal year 2022. In the first quarter of 2022, we continued to make investments in new customer contracts and the expansion of existing customer relationships, and thus in sustainable growth. In total, we increased the number of fee-based customer contracts by a further 170,000 contracts to 26.85 million. Despite shift effects due to the recent amendment of the German Telecommunications Act (effect: -90,000 contracts), 60,000 new contracts were added in the Consumer Access segment and 90,000 contracts in the Business Applications segment. We gained a further 20,000 contracts in the Consumer Applications segment. Ad-financed free accounts were 170,000 down on December 31, 2021, but still 600,000 accounts above the comparative prior-year date of March 31, 2021.

Sales grew by 3.7% in the first quarter of 2022, from € 1,392.2 million in the previous year to € 1,443.7 million.

Our quarterly earnings in the previous year were impacted by a (non-period) positive effect of € 34.4 million. Without consideration of this earnings effect and additionally adjusted for positive non-cash valuation effects from derivatives of € 0.2 million in the prior-year quarter and € 0.8 million in the first quarter of 2022, the Group's key earnings figures developed as follows: operating EBITDA rose by 5.5%, from € 311.9 million in the previous year to € 329.2 million, and operating EBIT by 6.8% from € 196.0 million to € 209.4 million. These earnings figures include expenses incurred for the construction of 1&1's mobile communications network of € -8.3 million (prior year: € -7.2 million), as well as costs for the announced additional marketing activities of IONOS to raise brand awareness in its most important European markets of € -6.0 million.

Operating earnings per share (EPS) fell by 5.2%, from € 0.58 in the previous year to € 0.55, and operating EPS before PPA by 4.4% from € 0.68 to € 0.65 (in each case without consideration of the non-period positive effect on earnings in 2021). This decline in operating EPS was due to a year-on-year deterioration in the financial result, which was impacted above all by the subsequent measurement of financial derivatives, as well as – with regard to the result from associated companies – the prorated negative result of Kublai GmbH, which was not included in the comparative figures for the first quarter of 2021 as the takeover of Tele Columbus AG was still ongoing.

Apart from our good operating performance, we also signed further important agreements in the first months of 2022 to ensure the efficient rollout of our mobile communications network. These agreements include the contract signed on April 4, 2022 – via 1&1 Mobilfunk GmbH, a subsidiary of 1&1 AG – with GfTD GmbH regarding the construction of antenna locations. The first order is for 500 new locations. GfTD is one Germany's leading service providers for radio tower infrastructure and will act as general contractor for the nationwide construction of new antenna locations for 1&1's mobile communications network. Particularly noteworthy is also the framework contract for the renting of antenna locations signed on April 21, 2022 between 1&1 Mobilfunk GmbH and ATC Germany Holdings GmbH, a German subsidiary of American Tower Corporation (ATC). As an independent owner of communications sites, ATC is one of the world's leading providers of radio tower infrastructure with around 15,000 antenna locations in Germany. As part of the agreement, ATC will provide 1&1 with antenna masts for the installation of 1&1's high-performance antennas. Both companies will work closely together to assess the availability of co-location sites which can be gradually put into operation in the near future. The individual location agreements have terms of 20 years and can be extended several times by 1&1. In addition, 1&1 already has access to up to 5,000 existing masts for the installation of its high-performance

antennas via a cooperation agreement (signed in December 2021) with Vantage Towers AG, one of Europe's leading companies for radio tower infrastructure.

The contracts with GfTD and ATC complement the partnership agreements already signed in 2021 for the rollout of 1&1's mobile communications network. These include the national roaming agreement between 1&1 and Telefónica concluded on May 21, 2021, which secures nationwide mobile coverage for 1&1 customers during the construction phase of our own network through shared use of the Telefónica network, as well as the partnership announced on August 4, 2021 between 1&1 and Rakuten for the construction of Europe's first fully virtualized mobile network based on the innovative OpenRAN technology. In addition, 1&1 signed an intercompany agreement with its affiliate 1&1 Versatel on December 9, 2021, which in particular provides the access network (especially fiber-optic cables) and data centers for operating 1&1's mobile network on a rental basis.

On completion of the first quarter, we can confirm our guidance for 2022. We continue to expect an increase in consolidated sales for the year as a whole to approx. € 5.85 billion (prior year: € 5.646 billion). Despite additional investments, EBITDA 2022 is likely to be on a par with 2021 (€ 1.259 billion). This EBITDA forecast includes costs for the 1&1 network rollout of approx. € 70 million (prior year: € 38 million), as well as approx. € 30 million for additional marketing activities of IONOS to raise brand awareness in its most important European markets.

We are well prepared for the next steps in our Company's development and upbeat about our prospects for the remaining months of the fiscal year. In view of the successful start to the year, we would like to express our heartfelt gratitude to all employees for their dedicated efforts as well as to our shareholders and business associates for the trust they continue to place in United Internet AG.

Montabaur, May 12, 2022



Ralph Dommermuth

INTERIM STATEMENT ON THE FIRST QUARTER OF 2022

Business development

Development of the Consumer Access segment

The number of **fee-based contracts in the Consumer Access segment** rose by a further 60,000 contracts to 15.49 million in the first quarter of 2022. Broadband connections decreased by 30,000 to 4.21 million, while mobile internet contracts increased by 90,000 to 11.28 million. The decline in contract growth compared to previous quarters results from shift effects caused by the latest amendment of the German Telecommunications Act, which had a negative impact of -90,000 contracts in the first quarter of 2022. The shift effects, which only concern the fiscal year 2022, are expected to have a total impact of approx. -200,000 contracts for the year as a whole.

Development of Consumer Access contracts in the first quarter of 2022

in million	Mar. 31, 2022	Dec. 31, 2021	Change
Consumer Access, total contracts	15.49	15.43	+ 0.06
thereof Mobile Internet	11.28	11.19	+ 0.09
thereof broadband connections	4.21	4.24	- 0.03

Sales of the Consumer Access segment rose by 0.4% in the first quarter of 2022, from € 965.9 million to € 969.4 million.

This at first glance only moderate overall sales growth was due in particular to fluctuations during the year in (low-margin) hardware sales, which fell by 11.5% or € 23.4 million from € 203.7 million to € 180.3 million. Such hardware sales (especially smartphones) are subject to seasonal effects and also depend strongly on the appeal of new devices and the model cycles of hardware manufacturers. Consequently, this effect may be reversed in the coming quarters. If this is not the case, however, it would have no impact on the segment's EBITDA trend. By contrast, high-margin **service revenues** – which represent the core business of the segment – improved by 3.5% from € 762.2 million to € 789.1 million.

The segment's key earnings figures in the previous year were affected by a **(non-period) positive effect on earnings** of € 34.4 million, which was attributable to the second half of 2020. Without consideration of this (non-period) positive earnings effect in the previous year, the segment's key earnings figures developed as follows: **operating segment EBITDA** improved by 11.6%, from € 168.4 million in the prior-year period to 187.9 million, and **operating segment EBIT** by 14.4% from € 128.9 million to € 147.5 million.

The above mentioned operating EBITDA and EBIT figures include expenses for the construction of 1&1's mobile communications network of € -8.3 million (prior year: € -7.2 million).

The **operating EBITDA margin** rose from 17.4% to 19.4% and the **operating EBIT margin** from 13.3% to 15.2%.

Key sales and earnings figures in the Consumer Access segment (in € million)

	Q1 2022	Q1 2021	Change
Sales	969.4	965.9	+ 0.4 %
thereof service sales	789.1	762.2	+ 3.5 %
thereof other sales ⁽¹⁾	180.3	203.7	- 11.5 %
EBITDA	187.9	168.4 ⁽²⁾	+ 11.6 %
EBIT	147.5	128.9 ⁽²⁾	+ 14.4 %

(1) Mainly hardware sales

(2) Excluding a non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +34.4 million)

Quarterly development; change over prior-year quarter

in € million	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q1 2021	Change
Sales	950.3	964.3	1,002.5	969.4	965.9	+ 0.4%
thereof service sales	779.5	794.1	787.6	789.1	762.2	+ 3.5%
thereof other sales ⁽¹⁾	170.8	170.2	214.9	180.3	203.7	- 11.5%
EBITDA	168.6 ⁽²⁾	176.9	160.7	187.9	168.4 ⁽³⁾	+ 11.6%
EBIT	129.3 ⁽²⁾	134.9	117.4	147.5	128.9 ⁽³⁾	+ 14.4%

(1) Mainly hardware sales

(2) Excluding a non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +5.0 million)

(3) Excluding a non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +34.4 million)

Multi-period overview: Development of key sales and earnings figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Sales	893.6	895.4	933.7	965.9	969.4
thereof service sales	700.9	720.8	747.8	762.2	789.1
thereof other sales ⁽¹⁾	192.6	174.6	185.9	203.7	180.3
EBITDA	165.3	168.5	164.8	168.4 ⁽²⁾	187.9
EBITDA margin	18.5%	18.8%	17.7%	17.4%	19.4%
EBIT	124.8	130.6	128.2	128.9 ⁽²⁾	147.5
EBIT margin	14.0%	14.6%	13.7%	13.3%	15.2%

(1) Mainly hardware sales

(2) Excluding a non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +34.4 million)

Apart from these good operating figures, 1&1 signed further important agreements in the first months of 2022 to ensure the efficient rollout of its mobile communications network. These agreements include the contract signed on April 4, 2022 – via 1&1 Mobilfunk GmbH – with GfTD GmbH regarding the construction of antenna locations. The first order is for 500 new locations. GfTD is one Germany's leading service providers for radio tower infrastructure and will act as general contractor for the nationwide construction of new antenna locations for 1&1's mobile communications network. Particularly noteworthy is also the framework contract for the renting of antenna locations signed on April 21, 2022 between 1&1 Mobilfunk GmbH and ATC Germany Holdings GmbH, a German subsidiary of American Tower Corporation (ATC). As an independent owner of communications sites, ATC is one of the world's leading providers of radio tower infrastructure with around 15,000 antenna locations in Germany. As part of the agreement, ATC will provide 1&1 with antenna masts for the installation of 1&1's high-performance antennas. Both companies will work closely together to assess the availability of co-location sites which can be gradually put into operation in the near future. The individual location agreements have terms of 20 years and can

be extended several times by 1&1. In addition, 1&1 already has access to up to 5,000 existing masts for the installation of its high-performance antennas via a cooperation agreement (signed in December 2021) with Vantage Towers AG, one of Europe's leading companies for radio tower infrastructure.

The contracts with GfTD and ATC complement the partnership agreements already signed in 2021 for the rollout of 1&1's mobile communications network. These include above all the national roaming agreement between 1&1 and Telefónica concluded on May 21, 2021, which secures nationwide mobile coverage for 1&1 customers during the construction phase of our own network through shared use of the Telefónica network, as well as the partnership announced on August 4, 2021 between 1&1 and Rakuten for the construction of Europe's first fully virtualized mobile network based on the innovative OpenRAN technology. In addition, 1&1 signed an intercompany agreement with its affiliate 1&1 Versatel on December 9, 2021, which in particular provides the access network (especially fiber-optic cables) and data centers for operating 1&1's mobile network on a rental basis.

Development of the Business Access segment

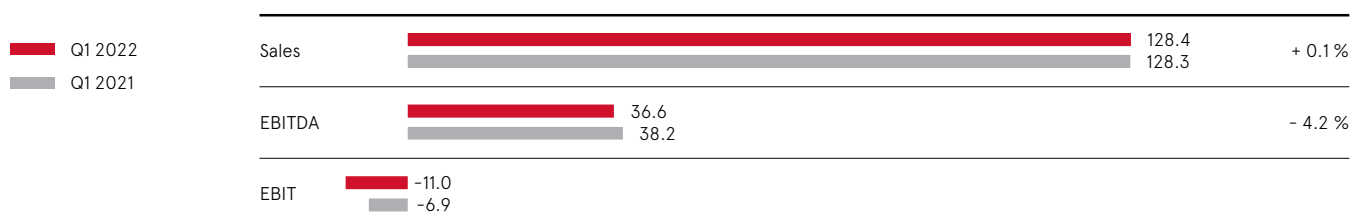
Sales in the Business Access segment developed in line with expectations in the first quarter of 2022. At € 128.4 million, there was only slight year-on-year growth (+0.1%) compared to the strong prior-year figure of € 128.3 million, which was driven by high voice traffic in connection with the coronavirus pandemic.

At € 36.6 million, **segment EBITDA** was 4.2% below the prior-year figure of € 38.2 million. There was a corresponding decline in the **EBITDA margin** from 29.8% to 28.5%. This was mainly due to the above mentioned fall in voice revenue, as well as start-up costs of € -1.8 million for the construction of 1&1's mobile communications infrastructure. In this new business field, 1&1 Versatel will be responsible in particular for setting up data centers and fiber-optic connections for 1&1 Mobilfunk GmbH and providing them to the latter on a rental basis.

Visible growth in segment sales and EBITDA is expected for the full year 2022.

As a result of increased writedowns for network infrastructure, **segment EBIT** decreased from € -6.9 million in the previous year to € -11.0 million in the first quarter of 2022.

Key sales and earnings figures in the Business Access segment (in € million)



Quarterly development; change over prior-year quarter

in € million	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q1 2021	Change
Sales	130.1	124.3	131.7	128.4	128.3	+ 0.1%
EBITDA	40.9	39.7	41.7	36.6	38.2	- 4.2%
EBIT	-4.5	-6.1	-5.3	-11.0	-6.9	

Multi-period overview: Development of key sales and earnings figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Sales	110.1	119.3	118.7	128.3	128.4
EBITDA	12.1	35.7	35.2	38.2	36.6
EBITDA margin	11.0%	29.9%	29.7%	29.8%	28.5%
EBIT	-19.2	-13.5	-14.5	-6.9	-11.0
EBIT margin	-	-	-	-	-

Development of the Consumer Applications segment

The number of **pay accounts** (fee-based contracts) in the Consumer Applications segment rose by 20,000 to 2.49 million in the first quarter of 2022. By contrast, there was a decline in ad-financed **free accounts** of 170,000 compared to December 31, 2021, but at the same time an increase of 600,000 over the comparable prior-year reporting date of March 31, 2021. The total number of Consumer Applications accounts decreased by 150,000 to 42.64 million in the first quarter of 2022.

Development of Consumer Applications accounts in the third quarter of 2022

in million	Mar. 31, 2022	Dec. 31, 2021	Change
Consumer Applications, total accounts	42.64	42.79	- 0.15
thereof with Premium Mail subscription	1.74	1.72	+ 0.02
thereof with Value-Added subscription	0.75	0.75	0.00
thereof free accounts	40.15	40.32	- 0.17

In the first quarter of 2022, activities in the **Consumer Applications** segment continued to focus on the further expansion of data-driven business models. As a result, **segment sales** improved by 7.5% from € 65.3 million in the previous year to € 70.2 million.

There was also growth in the segment's key earnings figures in the first quarter of 2022. Adjusted for positive non-cash valuation effects from derivatives of € 0.2 million in the previous year and € 0.8 million in the first quarter of 2022, **segment EBITDA** rose by 3.9% from € 25.7 million to € 26.7 million and **segment EBIT** by 2.5% from € 20.3 million to € 20.8 million.

Due to even stronger growth in sales, the **EBITDA margin** decreased from 39.7% to 38.0% and the **EBIT margin** from 31.4% to 29.6%.

Key sales and earnings figures in the Consumer Applications segment (in € million)

Sales	70.2	65.3	+ 7.5 %
EBITDA	26.7 ⁽¹⁾	25.7 ⁽²⁾	+ 3.9 %
EBIT	20.8 ⁽¹⁾	20.3 ⁽²⁾	+ 2.5 %

(1) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.8 million)

(2) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)

Quarterly development; change over prior-year quarter

in € million	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q1 2021	Change
Sales	68.9	65.9	79.0	70.2	65.3	+ 7.5%
EBITDA	29.5 ⁽¹⁾	25.3 ⁽¹⁾	37.1 ⁽¹⁾	26.7 ⁽¹⁾	25.7 ⁽¹⁾	+ 3.9%
EBIT	23.7 ⁽¹⁾	19.6 ⁽¹⁾	31.4 ⁽¹⁾	20.8 ⁽¹⁾	20.3 ⁽¹⁾	+ 2.5%

(1) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million in Q1 2021; € +0.7 million in Q2 2021; € +2.1 million in Q3 2021; € +1.9 million in Q4 2021; € +0.8 million in Q1 2022)

Multi-period overview: Development of key sales and earnings figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Sales ⁽¹⁾	72.0	58.5 (60.4)	60.8	65.3	70.2
EBITDA	27.5	21.4	23.3	25.7 ⁽²⁾	26.7 ⁽³⁾
EBITDA margin	38.2%	36.6%	38.3%	39.7%	38.0%
EBIT	24.0	18.3	18.4	20.3 ⁽²⁾	20.8 ⁽³⁾
EBIT margin	33.3%	31.3%	30.3%	31.4%	29.6%

(1) Sales in 2019 after changing from gross to net presentation of third-party marketing revenues in 2020; the gross amount disclosed in 2019 is shown in brackets; 2018 reported unchanged on a gross statement

(2) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)

(3) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.8 million)

Development of the Business Applications segment

The number of **fee-based Business Applications contracts** was increased by 90,000 contracts in the first quarter of 2022. This growth resulted from 30,000 contracts in Germany and 60,000 contracts abroad. As a result, the total number of contracts rose to 8.87 million.

Development of Business Applications contracts in the first quarter of 2022

in million	Mar. 31, 2022	Dec. 31, 2021	Change
Business Applications, total contracts	8.87	8.78	+ 0.09
thereof in Germany	4.29	4.26	+ 0.03
thereof abroad	4.58	4.52	+ 0.06





Sales of the Business Applications segment rose by 17.1% in the first quarter of 2022, from € 256.2 million in the previous year to € 300.1 million. The after-market business of Sedo (domain trading platform and domain parking) contributed 8.9 percentage points to this sales growth.

Segment EBITDA improved by 4.9% from € 79.2 million to € 83.1 million. This figure includes costs for the announced additional marketing activities of IONOS to raise brand awareness in its most important European markets of € -6.0 million in the first quarter of 2022.

Segment EBIT was also burdened by these costs and rose by 6.8% from € 54.1 million to € 57.8 million.

Due to the stronger growth in sales, the **EBITDA margin** and **EBIT margin** decreased from 30.9% to 27.7% and from 21.1% to 19.3%, respectively.

Key sales and earnings figures in the Business Applications segment (in € million)

Sales		300.1	+ 17.1 %	
EBITDA		83.1	+ 4.9 %	
EBIT		57.8	+ 6.8 %	

Quarterly development; change over prior-year quarter

in € million	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q1 2021	Change
Sales	258.2	260.5	287.9	300.1	256.2	+ 17.1%
EBITDA	84.1	78.9	73.1	83.1	79.2	+ 4.9%
EBIT	60.0	53.9	46.2	57.8	54.1	+ 6.8%

Multi-period overview: Development of key sales and earnings figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Sales	209.4	220.2	237.0	256.2	300.1
EBITDA	74.7	73.7	76.9	79.2	83.1
EBITDA margin	35.7%	33.5%	32.4%	30.9%	27.7%
EBIT	54.6	45.7	51.6	54.1	57.8
EBIT margin	26.1%	20.8%	21.8%	21.1%	19.3%

Position of the Group

There were **no significant acquisition or divestment effects** on consolidated and segment sales and EBITDA in the first quarter of 2022. There were also only **minor positive currency effects** at Group and segment level (Business Applications segment) amounting to € 5.4 million for sales and € 1.2 million for EBITDA. The same applies to the Group's asset position, for which there were no significant effects from currency fluctuations.

Earnings position

In the first quarter of 2022, the total number of **fee-based customer contracts** in the United Internet Group was raised by 170,000 contracts to 26.85 million. By contrast, there was a decline in ad-financed free accounts of 170,000 compared to December 31, 2021, but at the same time an increase of 600,000 accounts over the comparative prior-year reporting date of March 31, 2021.

Consolidated sales rose by 3.7% in the first quarter of 2022, from € 1,392.2 million in the previous year to € 1,443.7 million. Due in part to positive currency effects of € 5.4 million, **sales outside Germany** improved by 20.4% from € 122.7 million to € 147.7 million.

The **cost of sales** increased from € 884.9 million in the previous year to € 933.6 million. As a result, the cost of sales ratio rose from 63.6% (of sales) in the previous year to 64.7% (of sales) in the first quarter of 2022. There was a corresponding decline in the **gross margin** from 36.4% to 35.3% and thus the increase in **gross profit** of 0.6% from € 507.3 million to € 510.1 million fell short of sales growth (3.7%). This deterioration was mainly due to a (non-period) positive effect of € +34.4 million in the first quarter of 2021. This (non-period) positive effect was merely offset by lower hardware sales in the first quarter of 2022.

Due in part to increased marketing expenses of IONOS (€ 6.0 million in Q1 2022), **sales and marketing expenses** rose faster than sales, from € 200.8 million (14.4% of sales) in the previous year to € 214.5 million (14.9% of sales). As a result of increased depreciation and amortization, there was also a slightly disproportionate increase in **administrative expenses** from € 60.8 million (4.4% of sales) to € 66.7 million (4.6% of sales).

Multi-period overview: Development of key cost items

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Cost of sales	844.2	841.7	884.9	884.9 ⁽¹⁾	933.6
Cost of sales ratio	66.8%	65.9%	66.6%	63.6%	64.7%
Gross margin	33.2%	34.1%	33.4%	36.4%	35.3%
Selling expenses	170.6	194.7	193.5	200.8	214.5
Selling expenses ratio	13.5%	15.3%	14.6%	14.4%	14.9%
Administrative expenses	55.1	51.3	50.9	60.8	66.7
Administrative expenses ratio	4.4%	4.0%	3.8%	4.4%	4.6%

(1) Including the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +34.4 million)

The Group's key earnings figures in the previous year were impacted by a **(non-period) positive effect on earnings** (Consumer Access segment) of € 34.4 million, attributable to the second half of 2020. Without consideration of this (non-period) positive earnings effect in the previous year and additionally adjusted for positive non-cash valuation effects from derivatives (Consumer Applications segment) of € 0.2 million in the previous year and € 0.8 million in the first quarter of 2022, the Group's key earnings figures developed as follows: **operating EBITDA for the Group** rose by 5.5%, from € 311.9 million in the previous year to € 329.2 million, and **operating EBIT for the Group** by 6.8% from € 196.0 million to € 209.4 million. These earnings figures include expenses incurred for the construction of 1&1's mobile communications network of € -8.3 million (prior year: € -7.2 million), as well as costs for the announced additional marketing activities of IONOS to raise brand awareness in its most important European markets of € -6.0 million.

The **operating EBITDA margin** improved from 22.4% in the previous year to 22.8% and the **operating EBIT margin** from 14.1% to 14.5%.

Key sales and earnings figures of the Group (in € million)

	Q1 2022	Q1 2021	Change
Sales	1,443.7	1,392.2	+ 3.7 %
EBITDA	329.2 ⁽¹⁾	311.9 ⁽²⁾	+ 5.5 %
EBIT	209.4 ⁽¹⁾	196.0 ⁽²⁾	+ 6.8 %

(1) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.8 million)

(2) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +34.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)

Quarterly development; change over prior-year quarter

in € million	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q1 2021	Change
Sales	1,383.4	1,392.3	1,478.3	1,443.7	1,392.2	+ 3.7%
EBITDA	321.0 ⁽¹⁾	319.2 ⁽²⁾	307.3 ⁽³⁾	329.2 ⁽⁴⁾	311.9 ⁽⁵⁾	+ 5.5%
EBIT	205.6 ⁽¹⁾	199.9 ⁽²⁾	184.1 ⁽³⁾	209.4 ⁽⁴⁾	196.0 ⁽⁵⁾	+ 6.8%

(1) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +5.0 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.7 million)

(2) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +2.1 million)

(3) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +1.9 million)

(4) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.8 million)

(5) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +34.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)

Multi-period overview: Development of key sales and earnings figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Sales	1,270.7	1,276.5	1,329.4	1,392.2	1,443.7
EBITDA	278.3	299.7	300.8	311.9 ⁽¹⁾	329.2 ⁽²⁾
EBITDA margin	21.9%	23.5%	22.6%	22.4%	22.8%
EBIT	182.9	181.1	184.2	196.0 ⁽¹⁾	209.4 ⁽²⁾
EBIT margin	14.4%	14.2%	13.9%	14.1%	14.5%

(1) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +34.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)

(2) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.8 million)

Due to the above mentioned (non-period) positive earnings effect of € 34.4 million in the previous year, **earnings before taxes (EBT)** of € 193.2 million were significantly below the prior-year figure (€ 230.3 million). Without consideration of this (non-period) earnings effect and additionally adjusted for positive non-cash valuation effects from derivatives of € 0.2 million in the previous year and € 0.8 million in the first quarter of 2022, **operating EBT** of € 192.4 million was only slightly down on the previous year (€ 195.7 million).

The decline in operating EBT was due to a year-on-year deterioration in the financial result, which was impacted above all by the subsequent measurement of financial derivatives, as well as – with regard to the result from associated companies – the prorated negative result of Kublai GmbH, which was not included in the comparative figures for the first quarter of 2021 as the takeover of Tele Columbus AG was still ongoing.

Against this backdrop, **earnings per share (EPS)** of € 0.55 were well below the prior-year figure (€ 0.68). Without consideration of the (non-period) positive earnings effect (EPS effect: € 0.10), **operating EPS** fell by 5.2%, from € 0.58 to € 0.55, and **operating EPS before PPA** by 4.4% from € 0.68 to € 0.65.

Financial position

Operative cash flow rose from € 241.9 million in the previous year to € 256.0 million in the first quarter of 2022.

At €68.6 million, however, **cash flow from operating activities** was well below the prior-year figure (€ 135.7 million). This was mainly the result of a strong reduction/decline in trade accounts payable due to closing-date effects (phasing effects of € -97.2 million from Q4 2021), increased special advance payments for sales tax, and prepayments made to advance service providers.

Cash flow from investing activities in the reporting period led to a net outflow of € 80.0 million (prior year: € 87.4 million). This resulted mainly from capital expenditures of € 82.3 million (prior year: € 63.7 million).

United Internet's 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. Due to the decrease in cash flow from operating activities (caused by the above mentioned phasing effects of € -97.2 million) and the increase in capital expenditures, **free cash flow** decreased from € 72.7 million to € -11.4 million. Since the initial application of the accounting standard IFRS 16 in fiscal year 2019, the redemption share of lease liabilities is disclosed in cash flow from financing activities. After deducting the cash flow item "Redemption of finance lease liabilities and rights of use", free cash flow fell from € 43.9 million to € -49.4 million. After correctly allocating the phasing effects to their respective periods, free cash flow after leasing of € 47.8 million in the first quarter of 2022 was slightly above the prior-year level (€ 43.9 million).

Cash flow from financing activities in the first quarter of 2022 was dominated by the redemption of lease liabilities of € 38.0 million (prior year: € 28.8 million).

As of March 31, 2022, **cash and cash equivalents** amounted to € 58.0 million – compared to € 72.4 million on the same date last year.

Development of key cash flow figures

in € million	Q1 2022	Q1 2021	Change
Operative cash flow	256.0	241.9	+ 14.1
Cash flow from operating activities	68.6	135.7	- 67.1
Cash flow from investing activities	-80.0	-87.4	+ 7.4
Free cash flow ⁽¹⁾	-49.4 ⁽²⁾	43.9 ⁽³⁾	- 93.3
Cash flow from financing activities	-41.0	-109.5	+ 68.5
Cash and cash equivalents on March 31	58.0	72.4	- 14.4

(1) 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

(2) Q1 2022 including the repayment portion of lease liabilities (€ -38.0 million), which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16), and including phasing effects of € -97.2 million from Q4 2021

(3) Q1 2021 including the repayment portion of lease liabilities (€ -28.8 million), which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16)

Multi-period overview: Development of key cash flow figures

in € million	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2020	Q1 2021	Q1 2022
Operative cash flow	205.8	219.1	231.9	241.9	256.0
Cash flow from operating activities	51.7	144.1	164.9	135.7	68.6
Cash flow from investing activities	-60.3	-43.1	-46.2	-87.4	-80.0
Free cash flow ⁽¹⁾	0.5	78.6 ⁽²⁾	96.3 ⁽²⁾	43.9 ⁽²⁾	-49.4 ⁽²⁾
Cash flow from financing activities	-86.1	-100.4	-173.7	-109.5	-41.0
Cash and cash equivalents on March 31	139.2	58.8	62.2	72.4	58.0

(1) 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

(2) Q1 2019, 2020, 2021 and 2022 including the repayment portion of lease liabilities, which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16); Q1 2022 including phasing effects of € -97.2 million from Q4 2021

Asset position

The **balance sheet total** decreased slightly from € 9.669 billion as of December 31, 2021 to € 9.656 billion on March 31, 2022.

Development of current assets

in € million	Mar. 31, 2022	Dec. 31, 2021	Change
Cash and cash equivalents	58.0	110.1	- 52.1
Trade accounts receivable	391.2	380.5	+ 10.8
Contract assets	616.0	619.7	- 3.8
Inventories	94.7	96.5	- 1.8
Prepaid expenses	225.6	214.0	+ 11.6
Other financial assets	126.2	119.0	+ 7.2
Income tax claims	53.0	46.4	+ 6.6
Other non-financial assets	13.6	8.1	+ 5.5
Total current assets	1,578.2	1,594.2	- 16.0

Current assets declined slightly from € 1,594.2 million as of December 31, 2021 to € 1,578.2 million on March 31, 2022. **Cash and cash equivalents** disclosed under current assets decreased from € 110.1 million to € 58.0 million due to closing-date effects. By contrast, **trade accounts receivable** rose slightly from € 380.5 million to € 391.2 million due to closing-date effects and the expansion of business. Likewise, **current prepaid expenses** increased from € 214.0 million to € 225.6 million due to closing-date effects and mainly comprise the short-term portion of expenses relating to contract acquisition and contract fulfillment according to IFRS 15. The items current **contract assets**, **inventories**, current **other financial assets**, **income tax claims**, and **other non-financial assets** were all largely unchanged.

Development of non-current assets

in € million	Mar. 31, 2022	Dec. 31, 2021	Change
Shares in associated companies	423.1	431.6	- 8.5
Other financial assets	13.1	11.6	+ 1.5
Property, plant and equipment	1,418.8	1,379.6	+ 39.1
Intangible assets	2,023.8	2,059.4	- 35.6
Goodwill	3,626.7	3,627.8	- 1.1
Trade accounts receivable	45.8	47.3	- 1.5
Contract assets	211.0	206.0	+ 5.1
Prepaid expenses	288.7	287.7	+ 1.0
Deferred tax assets	26.3	23.8	+ 2.5
Total non-current assets	8,077.4	8,074.9	+ 2.5

Non-current assets rose marginally from € 8,074.9 million as of December 31, 2021 to € 8,077.4 million on March 31, 2022. Due to capital expenditures, **property, plant and equipment** rose from € 1,379.6 million to € 1,418.8 million in the first quarter of 2022, while **intangible assets** declined from € 2,059.4 million to € 2,023.8 million mainly as a result of amortization. The items **shares in associated companies**, non-current **other financial assets**, **goodwill**, non-current **trade accounts receivable**, non-current **contract assets**, non-current **prepaid expenses**, and **deferred tax assets** were virtually unchanged.

Development of current liabilities

in € million	Mar. 31, 2022	Dec. 31, 2021	Change
Trade accounts payable	442.1	583.4	- 141.3
Liabilities due to banks	522.9	325.4	+ 197.5
Income tax liabilities	74.7	58.4	+ 16.3
Contract liabilities	162.9	157.9	+ 5.0
Other accrued liabilities	16.3	16.2	+ 0.1
Other financial liabilities	345.2	329.2	+ 16.0
Other non-financial liabilities	99.7	135.7	- 36.0
Total current liabilities	1,663.8	1,606.2	+ 57.5

Current liabilities increased from € 1,606.2 million as of December 31, 2021 to € 1,663.8 million on March 31, 2022. Due to closing-date effects (caused in part by payments from Q4 2021 not due until early 2022), current **trade accounts payable** decreased from € 583.4 million to € 442.1 million. There was an increase in current **liabilities due to banks** from € 325.4 million to € 522.9 million following reclassifications from non-current liabilities (in accordance with their maturity). **Income tax liabilities** rose from € 58.4 million to € 74.7 million. There was a slight increase in current **other financial liabilities** from € 329.2 million to € 345.2 million. Current **other non-financial liabilities** fell from € 135.7 million to € 99.7 million and mainly include liabilities due to tax authorities as of the respective balance sheet date. The items current **contract liabilities**, which mainly includes payments received from customer contracts for which the performance has not yet been completely rendered, and current **other accrued liabilities** were virtually unchanged.

Development of non-current liabilities

in € million	Mar. 31, 2022	Dec. 31, 2021	Change
Liabilities due to banks	1,297.6	1,497.4	- 199.8
Deferred tax liabilities	285.3	290.5	- 5.2
Trade accounts payable	2.6	2.5	+ 0.1
Contract liabilities	31.4	32.2	- 0.7
Other accrued liabilities	64.9	66.0	- 1.2
Other financial liabilities	1,255.4	1,251.2	+ 4.2
Total non-current liabilities	2,937.2	3,139.7	- 202.5

Non-current liabilities declined from € 3,139.7 million as of December 31, 2021 to € 2,937.2 million on March 31, 2022. This was mainly due to long-term **liabilities due to banks**, which decreased significantly from € 1,497.4 million to € 1,297.6 million following reclassifications to current liabilities. By contrast, the items **deferred tax liabilities**, non-current **trade accounts payable**, non-current **contract liabilities** (which mainly include payments received from customer contracts for which the performance has not yet been completely rendered), as well as non-current **other accrued liabilities** and **other financial liabilities** were all largely unchanged.

Development of equity

in € million	Mar. 31, 2022	Dec. 31, 2021	Change
Capital stock	194.0	194.0	0.0
Capital reserves	1,957.4	1,954.7	+ 2.7
Accumulated profit	2,664.7	2,562.6	+ 102.1
Treasury shares	-231.5	-231.5	- 0.0
Revaluation reserves	0.7	0.6	+ 0.1
Currency translation adjustment	-13.5	-12.9	- 0.6
Equity attributable to shareholders of the parent company	4,571.8	4,467.4	+ 104.4
Non-controlling interests	482.8	455.7	+ 27.1
Total equity	5,054.6	4,923.2	+ 131.4

As a result of the further increase in the Group's accumulated profit, consolidated **equity capital** rose from € 4,923.2 million as of December 31, 2021 to € 5,054.6 million on March 31, 2022. In the first quarter of 2022, the Group's **accumulated profit** rose from € 2,562.6 million to € 2,664.7 million and contains the past profits of the consolidated companies, insofar as they were not distributed. The consolidated **equity ratio** rose from 50.9% to 52.3%.

Net bank liabilities (i.e., the balance of bank liabilities and cash and cash equivalents) increased from € 1,712.6 million as of December 31, 2021 to € 1,762.5 million on March 31, 2022.

Multi-period overview: Development of key balance sheet items

in € million	Dec. 31, 2018 (IFRS 15)	Dec. 31, 2019 (IFRS 16)	Dec. 31, 2020	Dec. 31, 2021	Mar. 31, 2022
Total assets	8,173.8	9,128.8	9,230.8	9,669.1	9,655.5
Cash and cash equivalents	58.1	117.6	131.3	110.1	58.0
Shares in associated companies	206.9	196.0	89.6 ⁽¹⁾	431.6 ⁽¹⁾	423.1
Other financial assets	348.1	90.4 ⁽²⁾	9.9 ⁽²⁾	11.6	13.1
Property, plant and equipment	818.0	1,160.6 ⁽³⁾	1,271.6	1,379.6	1,418.8
Intangible assets	1,244.6	2,167.4 ⁽⁴⁾	2,197.8	2,059.4	2,023.8
Goodwill	3,612.6	3,616.5	3,609.4	3,627.8	3,626.7
Liabilities due to banks	1,939.1	1,738.4	1,466.1	1,822.7	1,820.5
Capital stock	205.0	205.0	194.0 ⁽⁵⁾	194.0	194.0
Equity	4,521.5	4,614.7	4,911.2	4,923.2	5,054.6
Equity ratio	55.3%	50.6%	53.2%	50.9%	52.3%

(1) Decrease due to reclassification Tele Columbus (2020); increase due to stake in Kublai (2021)

(2) Decrease due to sale of Rocket Internet shares (2019); decrease due to sale of Afiliis shares (2020)

(3) Increase due to initial application of IFRS 16 (2019)

(4) Increase due to initial recognition of acquired 5G frequencies (2019)

(5) Decrease due to withdrawal of treasury shares (2020)

Management Board's overall assessment of the business situation

United Internet got off to a good start in its fiscal year 2022. In the first quarter of 2022, the Company made further investments in new customer contracts and the expansion of existing customer relationships, and thus in sustainable growth. All in all, the number of fee-based customer contracts grew by a further 170,000 contracts to 26.85 million contracts.

Of this total, 60,000 contracts were added in the Consumer Access segment. The Consumer Applications segment grew by 20,000 pay accounts and a further 90,000 contracts resulted from the Business Applications segment.

In view of this strong customer growth, a 3.7 % increase in sales to around € 1.444 billion, and an improvement in operating EBITDA – despite heavy investment in future topics – of 5.5% to around € 329 million, United Internet made good progress in the first quarter of 2022.

This performance once again highlights the benefits of United Internet's business model based predominantly on electronic subscriptions – with fixed monthly payments and contractually fixed terms. This ensures stable and predictable revenues and cash flows, offers protection against cyclical influences, and provides the financial scope to grasp opportunities in new business fields and markets – organically or via investments and acquisitions.

With the sales and earnings figures achieved in the first quarter of 2022, as well as the investments made in sustainable corporate development, the Management Board believes that the Company is well placed for its further development.

Subsequent events

There were no significant events subsequent to the reporting date of March 31, 2022 which had a material effect on the financial position and performance of the Company or the Group nor affected its accounting and reporting.

Agreement with GfTD for the construction of antenna locations

1&1 Mobilfunk GmbH, a subsidiary of 1&1 AG, signed an agreement with GfTD GmbH on April 4, 2022 regarding the construction of antenna locations to ensure the efficient rollout of 1&1's 5G network. The first order is for 500 new locations.

GfTD is one Germany's leading service providers for radio tower infrastructure and will act as general contractor for the nationwide construction of new antenna locations for 1&1's mobile communications network.

Both companies have already been working together successfully since early 2020 as part of the German government's "not-spots program" aimed at closing coverage gaps in rural areas. On behalf of 1&1, GfTD has set up hundreds of new mobile communications sites, which can also be used by Deutsche Telekom, Vodafone and Telefónica.

Agreement with ATC for the renting of antenna locations

On April 21, 2022, 1&1 Mobilfunk GmbH also signed a framework contract for the renting of antenna locations with ATC Germany Holdings GmbH, a German subsidiary of American Tower Corporation (ATC).

As an independent owner of communications sites, ATC is one of the world's leading providers of radio tower infrastructure with around 15,000 antenna locations in Germany. As part of the agreement, ATC will provide 1&1 with antenna masts for the installation of 1&1's high-performance antennas.

Both companies will work closely together to assess the availability of co-location sites which can be gradually put into operation in the near future. The individual location agreements have terms of 20 years and can be extended several times by 1&1.

Risk and opportunity report

The risk and opportunity policy of United Internet AG is based on the objective of maintaining and sustainably enhancing the company's value by utilizing opportunities while at the same time recognizing and managing risks from an early stage in their development. The risk and opportunity management system regulates the responsible handling of those uncertainties which are always involved with economic activity.

Management Board's overall assessment of the Group's risk and opportunity position

The assessment of the overall level of risk is based on a consolidated view of all significant risk fields and individual risks, also taking account of their interdependencies.

- From the current perspective, the main challenges are the risk fields "Legislation & regulation", "Litigation", and "Information security".
- Compared to December 31, 2021, the risk field "Capacity bottlenecks" has been raised from Low to Moderate. The reason for this increase is the current longer delivery times for data center hardware (CPUs, memory, servers, etc.) caused by global supply chain problems and a bottleneck in semiconductors and network components.
- Otherwise, the risk classifications of the risk fields of United Internet AG as at March 31, 2022 were unchanged from December 31, 2021.
- Compared to December 31, 2021, the overall risk has declined. The reasons for this include valuation adjustments made to account for the impact of the coronavirus pandemic (Sars-CoV-2). It is still true that if the virus continues to spread over a longer period, this may also have a negative impact on demand, as well as on the usage and payment behavior of consumers and business owners, the purchase of pre-services (e.g., smartphones, routers, servers or network technology), or the health and fitness of employees, and thus ultimately on the performance of the United Internet Group. However, the related risks have been reduced in part as a result of the current development and the experiences made so far.

In the assessment of the overall risk situation, the opportunities which exist for United Internet were not taken into consideration. There were no risks which directly jeopardized the continued existence of the United Internet Group in the reporting period, nor as of the preparation date for this Management Report, neither from individual risk positions nor from the overall risk situation.

The continuous expansion of its risk management system enables United Internet to limit risks to a minimum, where economically sensible, by implementing specific measures.

Forecast report

Forecast for the fiscal year 2022

On completion of the first quarter, United Internet AG can confirm its guidance for 2022. The company continues to expect an increase in consolidated sales for the year as a whole to approx. € 5.85 billion (prior year: € 5.646 billion). Despite additional investments, EBITDA 2022 is likely to be on a par with 2021 (€ 1.259 billion). This EBITDA forecast includes costs for the 1&1 network rollout of approx. € 70 million (prior year: € 38 million), as well as approx. € 30 million for additional marketing activities of IONOS to raise brand awareness in its most important European markets. United Internet is planning to make significantly higher investments (CapEx) in 2022, especially for the rollout of 1&1's mobile communications network, as well as for the expansion of 1&1 Versatel's fiber-optic network to provide coverage in additional expansion areas and connect the 5G antennas. Capital expenditures are likely to be between € 800 million and € 1 billion (prior year: around € 290 million).

Management Board's overall statement on the anticipated development

The Management Board of United Internet AG remains upbeat about its prospects for the future. Thanks to a business model based predominantly on electronic subscriptions, United Internet believes it is largely stable enough to withstand cyclical influences. With the investments made over the past few years in customer relationships, new business fields, and further internationalization, as well as via acquisitions and investments, the Company has laid a broad foundation for its future growth.

Forward-looking statements

This Interim Statement contains forward-looking statements based on current expectations, assumptions, and projections of the Management Board of United Internet AG and currently available information. These forward-looking statements are subject to various risks and uncertainties and are based upon expectations, assumptions, and projections that may not prove to be accurate. United Internet AG does not guarantee that these forward-looking statements will prove to be accurate and does not accept any obligation, nor have the intention, to adjust or update the forward-looking statements contained in this interim report.

NOTES ON THE INTERIM STATEMENT

Information on the Company

United Internet AG ("United Internet") is a service company operating in the telecommunication and information technology sector with registered offices at Elgendorfer Strasse 57, 56410 Montabaur, Germany. The Company is registered at the district court of Montabaur under HRB 5762.

Significant accounting, measurement and consolidation principles

As was the case with the Consolidated Financial Statements as of December 31, 2021, the Interim Statement of United Internet AG as of March 31, 2022 was prepared in compliance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU).

The Interim Statement does not constitute interim reporting as defined by IAS 34. With the exception of the mandatory new standards, the accounting and valuation principles applied in this Interim Statement comply with the methods applied in the previous year and should be read in conjunction with the Consolidated Financial Statements as of December 31, 2021.

For better comparability, the reclassifications made as of December 31, 2021 were also made accordingly as of March 31, 2022. There are no effects on key earnings figures.

Mandatory adoption of new accounting standards

The following standards are mandatory in the EU for the first time for fiscal years beginning on or after January 1, 2022:

Standard		Mandatory for fiscal years beginning on or after	Endorsed by EU Commission
IFRS 3	Amendment: Reference to the Conceptual Framework	January 1, 2022	yes
IAS 37	Amendment: Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022	yes
IAS 16	Amendment: Property, Plant and Equipment – Proceeds before Intended Use	January 1, 2022	yes
IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual Improvements 2018-2020	January 1, 2022	yes

There were no significant effects on this Interim Statement from the initial application of the new accounting standards.

Use of estimates and assumptions

The preparation of this Interim Statement requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, the uncertainty associated with these assumptions and estimates could lead to results which require material adjustments to the carrying amount of the asset or liability affected in future periods.

Use of business-relevant key financial performance indicators

In order to ensure the clear and transparent presentation of United Internet's business trend, the Company's annual and interim financial statements include key performance indicators (KPIs) – in addition to the disclosures required by International Financial Reporting Standards (IFRS) – such as EBITDA, the EBITDA margin, EBIT, the EBIT margin and free cash flow. Information on the use, definition and calculation of these KPIs is provided in the Company's Annual Report 2021 on page 57.

Insofar as necessary for a clear and transparent presentation, the KPIs used by United Internet are adjusted for special items and disclosed as "key operating figures" (e.g., operating EBITDA, operating EBIT and operating EPS). Such special items usually refer solely to those effects capable of restricting the validity of the key financial performance indicators with regard to the Company's financial and earnings performance – due to their nature, frequency and/or magnitude. All special items are presented and explained for the purpose of reconciliation from the unadjusted key financial figures to the key operating figures in the relevant section of the financial statements.

Miscellaneous

This Interim Statement includes all material subsidiaries and associated companies.

The consolidated group remained largely unchanged from that stated in the Consolidated Financial Statements as at December 31, 2021.

This Interim Statement was not audited according to Sec. 317 HGB nor reviewed by an auditor.

INTERIM STATEMENT

Q1 2022

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INTERIM FINANCIAL STATEMENTS

As of March 31, 2022 in k€

ASSETS	Mar. 31, 2022	Dec. 31, 2021
Current assets		
Cash and cash equivalents	57,968	110,116
Trade accounts receivable	391,214	380,450
Contract assets	615,955	619,722
Inventories	94,651	96,492
Prepaid expenses	225,621	213,974
Other financial assets	126,200	118,992
Income tax claims	52,964	46,354
Other non-financial assets	13,606	8,097
	1,578,179	1,594,198
Non-current assets		
Shares in associated companies	423,135	431,625
Other financial assets	13,093	11,617
Property, plant and equipment	1,418,766	1,379,625
Intangible assets	2,023,798	2,059,426
Goodwill	3,626,739	3,627,831
Trade accounts receivable	45,809	47,269
Contract assets	211,025	205,954
Prepaid expenses	288,706	287,730
Deferred tax assets	26,291	23,810
	8,077,361	8,074,887
Total assets	9,655,540	9,669,084

GROUP INTERIM FINANCIAL STATEMENTS

LIABILITIES	Mar. 31, 2022	Dec. 31, 2021
Current liabilities		
Trade accounts payable	442,065	583,395
Liabilities due to banks	522,896	325,364
Income tax liabilities	74,728	58,430
Contract liabilities	162,887	157,886
Other accrued liabilities	16,298	16,248
Other financial liabilities	345,154	329,177
Other non-financial liabilities	99,744	135,733
	1,663,772	1,606,233
Non-current liabilities		
Liabilities due to banks	1,297,604	1,497,358
Deferred tax liabilities	285,301	290,481
Trade accounts payable	2,575	2,475
Contract liabilities	31,437	32,151
Other accrued liabilities	64,859	66,026
Other financial liabilities	1,255,375	1,251,186
	2,937,152	3,139,676
Total liabilities	4,600,923	4,745,909
EQUITY		
Capital stock	194,000	194,000
Capital reserves	1,957,389	1,954,652
Accumulated profit	2,664,705	2,562,566
Treasury shares	-231,451	-231,451
Revaluation reserves	680	601
Currency translation adjustment	-13,514	-12,938
Equity attributable to shareholders of the parent company	4,571,808	4,467,428
Non-controlling interests	482,809	455,747
Total equity	5,054,617	4,923,175
Total liabilities and equity	9,655,540	9,669,084

GROUP NET INCOME

From January to March 31, 2022 in k€

	2022	2021
	January - March	January - March
Sales	1,443,725	1,392,186
Cost of sales	-933,582	-884,858
Gross profit	510,143	507,328
Selling expenses	-214,534	-200,826
General and administrative expenses	-66,697	-60,838
Sonstige betriebliche Aufwendungen / Erträge	7,540	2,374
Impairment of receivables and contract assets	-26,282	-17,438
Operating result	210,170	230,599
Finanzergebnis	-8,636	-656
Result from associated companies	-8,345	356
Pre-tax result	193,189	230,299
Income taxes	-63,301	-67,582
Net income	129,888	162,717
thereof attributable to		
non-controlling interests	27,748	35,765
Shareholders of United Internet AG	102,140	126,952

GROUP INTERIM FINANCIAL STATEMENTS

	2022	2021
	Januar - März	Januar - März
Result per share of shareholders of United Internet AG (in €)		
basic	0.55	0.68
diluted	0.55	0.67
Weighted average of outstanding shares (in million units)		
basic	186.72	187.23
diluted	186.85	188.37
Reconciliation to total comprehensive income		
Net income	129,888	162,717
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustment - unrealized	-897	6,931
Items that are not reclassified subsequently to profit or loss		
Market value changes of financial assets measured at fair value through other comprehensive income	79	546
Tax effect	0	-8
Share in other comprehensive income of associated companies		
Other comprehensive income	-819	7,468
Total comprehensive income	129,069	170,185
thereof attributable to		
non-controlling interests	27,427	37,710
Shareholders of United Internet AG	101,643	132,476

GROUP CASHFLOW

From January to March 31, 2022 in k€

	2022	2021
	January - March	January - March
Result from operating activities		
Net income	129,888	162,717
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of intangible assets and property, plant and equipment	85,976	80,759
Depreciation and amortization of assets resulting from company acquisitions	33,878	35,136
Employee expenses from employee shareholdings	3,171	5,175
Result from associated companies	8,345	-356
Distributed profits of associated companies	206	151
Other non-cash items from tax adjustments	-7,661	-3,420
Other non-cash items	2,189	-3,840
Operative cash flow	255,992	241,922
Change in assets and liabilities		
Change in receivables and other assets	-21,837	-64,698
Change in inventories	1,841	-7,126
Change in contract assets	-1,304	-34,249
Change in income tax claims	-6,610	1,440
Change in deferred expenses	-12,623	-17,608
Change in trade accounts payable	-141,230	-34,335
Change in other accrued liabilities	-1,116	2,384
Change in income tax liabilities	16,297	-3,678
Change in other liabilities	-24,552	42,460
Change in contract liabilities	3,727	9,211
Change in assets and liabilities, total	-187,407	-106,199
Cash flow from operating activities	68,586	135,724

GROUP INTERIM FINANCIAL STATEMENTS

	2022	2021
	January - March	January - March
Cash flow from investing activities		
Capital expenditure for intangible assets and property, plant and equipment	-82,253	-63,690
Payments from disposals of intangible assets and property, plant and equipment	2,295	674
Payments for company acquisitions less cash received	0	-24,051
Purchase of shares in associated companies	-60	-328
Cash flow from investment activities	-80,017	-87,395
Cash flow from financing activities		
Taking out of loans	-2,221	-80,264
Redemption of lease liabilities	-37,995	-28,845
Dividend payments to non-controlling interests	-799	-386
Cash flow from financing activities	-41,015	-109,495
Net increase in cash and cash equivalents	-52,447	-61,167
Cash and cash equivalents at beginning of fiscal year	110,116	131,270
Currency translation adjustments of cash and cash equivalents	299	2,339
Cash and cash equivalents at end of fiscal year	57,968	72,443

GROUP CHANGES IN SHAREHOLDERS' EQUITY

In 2022 and 2021 in k€

	Capital stock		Capital reserves	Accumulated profit	Treasury shares	
	Share	€k	€k	€k	Share	€k
Balance as of January 1, 2021	194,000,000	194,000	2,322,780	2,240,473	6,769,137	-212,731
Net income				126,952		
Other comprehensive income						
Total comprehensive income				126,952		
Redemption of treasury shares			0			
Employee stock ownership program			3,923			
Balance as of March 31, 2021	194,000,000	194,000	2,326,516	2,367,111	6,769,137	-212,731
Balance as of January 1, 2021	194,000,000	194,000	1,954,651	2,562,566	7,284,109	-231,451
Net income				102,140		
Other comprehensive income						
Total comprehensive income				102,140		
Employee stock ownership program			2,738			
Profit distributions						
Balance as of March 31, 2022	194,000,000	194,000	1,957,389	2,664,706	7,284,109	-231,451

GROUP INTERIM FINANCIAL STATEMENTS

Revaluation reserves	Currency translation difference	Equity attributable to shareholders of United Internet AG	Non-controlling interests	Total equity
€k	€k	€k	€k	€k
-4,372	-21,091	4,519,060	392,151	4,911,210
		126,952	35,765	162,717
549	4,974	5,523	1,945	7,468
549	4,974	132,476	37,710	170,185
		0		0
		3,923	1,252	5,175
-3,823	-16,117	4,654,957	430,942	5,085,899
601	-12,938	4,467,428	455,747	4,923,175
		102,140	27,748	129,888
79	-575	-497	-322	-819
79	-575	101,643	27,427	129,069
		2,738	434	3,171
		0	-799	-799
679	-13,513	4,571,808	482,809	5,054,617

SEGMENT-REPORTING

From January to March 31, 2022

m€	Consumer Access segment	Business Access segment	Consumer Applications segment	Business Applications segment	Corporate	Reconciliation	United Internet Group
January - March 2022	€m	€m	€m	€m	€m	€m	€m
Segment revenue	969.4	128.4	70.2	300.1	0.4	-24.8	1,443.7
- thereof domestic	969.4	128.4	69.7	150.9	0.4	-22.8	1,296.0
- thereof foreign	0	0	0.5	149.2	0	-2.0	147.7
Segment revenue from transactions with other segments	0.8	19.4	4.1	0.5	0		24.8
Segment revenue from contracts with customers	968.6	109.0	66.1	299.6	0.4		1,443.7
- thereof domestic	968.6	109.0	65.6	152.3	0.4		1,296.0
- thereof foreign	0	0	0.5	147.2	0		147.7
EBITDA	187.9	36.6	27.5	83.1	-5.2	0.1	330.0
Financial result							-8.6
Result from associated companies							-8.4
EBT							193.2
Income taxes							-63.3
Net income							129.9
Investments in intangible assets, property, plant and equipment (without goodwill)	21.6	50.3	3.7	47.8	1.0	-0.2	124.2
Amortization/depreciation	40.4	47.6	5.9	25.3	0.6		119.8
- thereof intangible assets, and property, plant and equipment	16.8	44.5	5.9	18.2	0.6		86.0
- thereof assets capitalized during company acquisitions	23.6	3.1	0	7.1	0		33.8
Number of employees	3,155	1,241	1,001	4,062	576		10,035
- thereof domestic	3,155	1,241	998	2,247	576		8,217
- thereof foreign	0	0	3	1,815	0		1,818

GROUP INTERIM FINANCIAL STATEMENTS

From January to March 31, 2021

m€	Consumer Access segment	Business Access segment	Consumer Applications segment	Business Applications segment	Corporate	Reconciliation	United Internet Group
January - March 2021	€m	€m	€m	€m	€m	€m	€m
Segment revenue	965.9	128.3	65.3	256.2	0.5	-24.0	1,392.2
- thereof domestic	965.9	128.3	64.7	132.1	0.5	-22.0	1,269.5
- thereof foreign	0	0	0.6	124.1	0	-2.0	122.7
Segment revenue from transactions with other segments	0.2	19.1	3.7	1.0	0		24.0
Segment revenue from contracts with customers	965.7	109.2	61.6	255.2	0.5		1,392.2
- thereof domestic	965.7	109.2	61.0	133.1	0.5	0	1,269.5
- thereof foreign	0	0	0.6	122.1	0		122.7
EBITDA	202.8	38.2	25.9	79.2	-0.9	1.3	346.5
Financial result							-0.7
Result from associated companies							0.4
EBT							230.3
Income taxes							-67.6
Net income							162.7
Investments in intangible assets, property, plant and equipment (without goodwill)	7.2	54.8	3.1	17.7	2.8	-0.2	85.4
Amortization/depreciation	39.5	45.1	5.4	25.1	0.4	0.4	115.9
- thereof intangible assets, and property, plant and equipment	15.9	41.4	5.4	17.3	0.4		80.8
- thereof assets capitalized during company acquisitions	23.6	3.7	0	7.8	0		35.1
Number of employees	3,183	1,194	986	3,878	601		9,842
- thereof domestic	3,183	1,194	982	2,108	601		8,068
- thereof foreign	0	0	4	1,770	0		1,774

FINANCIAL CALENDAR

March 17, 2022	Annual financial statements for fiscal year 2021 Press and analyst conference
May 12, 2022	Quarterly Statement Q1 2022
May 19, 2022	(Virtual) Annual General Meeting 2022, Alte Oper Frankfurt /Main
August 4, 2022	6-Month Report 2022 Press and Analyst Meeting
November 10, 2022	Quarterly Statement Q3 2022

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May 2022

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Note

Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.).

For reasons of better readability, the additional use of the female form is omitted in this Interim Statement. United Internet would like to stress that the use of the masculine form is to be understood purely as the gender-neutral form.

This Interim Statement is available in German and English. Both versions can also be downloaded from www.united-internet.de. In all cases of doubt, the German version shall prevail

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Disclaimer

This Interim Statement contains certain forward-looking statements which reflect the current views of United Internet AG's management with regard to future events. These forward looking statements are based on our currently valid plans, estimates and expectations. Forward-looking statements are only based on those facts valid at the time when the statements were made. Such statements are subject to certain risks and uncertainties, as well as other factors which United Internet often cannot influence but which might cause our actual results to be materially different from any future results expressed or implied by these statements. Such risks, uncertainties and other factors are described in detail in the Risk Report section of the Annual Reports of United Internet AG. United Internet does not intend to revise or update such forward-looking statements.

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