

PRESS RELEASE

United Internet gets off to successful start in fiscal year 2024

- Customer contracts: + 200,000 to 28.65 million contracts
- Sales: + 2.2% to EUR 1.565 billion
- EBITDA: + 7.3% to EUR 342.1 million
- 2024 guidance confirmed

Montabaur, May 8, 2024. United Internet AG can look back on a successful first quarter of 2024. In the reporting period, the company continued to make investments in new customer contracts and the expansion of existing customer relationships, and thus in sustainable growth. The total number of fee-based customer contracts was raised by 200,000 to 28.65 million contracts. Of this amount, 40,000 contracts were added in the Consumer Access segment and 100,000 contracts in the Business Applications segment. A further 60,000 contracts were gained in the Consumer Applications segment.

Sales grew by 2.2% in the first quarter of 2024, from EUR 1,531.0 million in the previous year to EUR 1,565.0 million. This merely moderate sales growth was due to a year-on-year decline in hardware revenues (especially smartphones) in the Consumer Access segment (EUR -29.6 million in total compared to Q1 2023). These low-margin hardware revenues have little impact on key earnings figures.

EBITDA, for example, rose by 7.3% from EUR 318.7 million in the prior-year period to EUR 342.1 million in the first quarter of 2024. This figure includes a planned increase in expenses for the rollout of 1&1's mobile network (EUR -23.2 million compared to Q1 2023).

EBIT was additionally burdened by increased depreciation, especially for investments in the expansion of 1&1 Versatel's fiber-optic network and the rollout of 1&1's mobile network (EUR -24.9 million in total compared to Q1 2023). As a result, EBIT amounted to EUR 187.0 million (prior year: EUR 188.6 million). Since the beginning of 2024, this increase in depreciation on investments – mainly due to the operational launch of 1&1's mobile network – is being offset by steadily increasing cost savings on advance mobile services.

Earnings per share (EPS) declined from EUR 0.43 to EUR 0.35. In addition to the development of EBIT (EPS effect: EUR -0.01), this was due to a lower result from associated companies (EPS effect: EUR -0.03), as well as increased interest expenses and a higher tax ratio (EPS effect in total: EUR -0.04).

Cash capex in the first quarter of 2024 amounted to EUR 139.7 million (prior year: EUR 144.8 million).

Outlook 2024

After concluding the first quarter of 2024, United Internet can confirm its full-year guidance and expects an increase in consolidated sales to approx. EUR 6.5 billion (2023: EUR 6.213 billion) as well as EBITDA growth to approx. EUR 1.42 billion (2023: EUR 1.30 billion). Cash capex is expected to be 10 – 20% above the prior-year figure (2023: EUR 756 million).

About United Internet

With over 28 million fee-based customer contracts and more than 39 million ad-financed free accounts, United Internet AG is a leading European internet specialist. At the heart of United Internet is a high-performance “Internet Factory” with 11,000 employees. In addition to the high sales strength of its established brands (such as 1&1, GMX, WEB.DE, IONOS, STRATO, and 1&1 Versatel), United Internet stands for outstanding operational excellence.

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Note

In the interests of clear and transparent reporting, the annual financial statements and interim statements of United Internet AG, as well as its ad-hoc announcements pursuant to Art. 17 MAR, contain additional financial performance indicators to those required under International Financial Reporting Standards (IFRS), such as EBITDA, EBITDA margin, EBIT, EBIT margin and free cash flow. Information on the use, definition and calculation of these performance measures is provided in the Annual Report 2023 of United Internet AG on page 58.