Interim Statement
Q1 2019

SELECTED KEY FIGURES

	March 31, 2019 (IFRS 16)	March 31, 2018 (IFRS 15)	Change
NET INCOME (in € million)			
Sales	1,286.1	1,270.7	+ 1.2%
EBITDA	299.7	278.3	+ 7.7%
EBIT	181.1	182.9	- 1.0%
EBT(1)	172.3	172.3	+/- 0.0%
EPS (in €)(1)	0.46	0.42	+ 9.5%
BALANCE SHEET (in € million)			
Current assets	1,444.2	1,033.0	+ 39.8%
Non-current assets	7,022.9	7,104.2	- 1.1%
Equity	4,635.1	4,676.8	- 0.9%
Equity ratio	54.7%	57.5%	
Total assets	8,467.1	8,137.2	+ 4.1%
CASH FLOW (in € million)			
Operative cash flow	219.1	205.8	+ 6.5%
Cash flow from operating activities	144.1	51.7	+ 178.7%
Cash flow from investing activities	-43.1	-60.3	
Free cash flow	101.4	0.5	
EMPLOYEES			
Total headcount as of March 31	9,115	9,081	+ 0.4%
thereof Germany	7,543	7,575	- 0.4%
thereof abroad	1,572	1,506	+ 4.4%
SHARE (in €)			
Share price as of March 31 (Xetra)	32.53	51.10	- 36.3%
CUSTOMER CONTRACTS (in million)			
Access, total contracts	13.72	12.84	+ 0.88
thereof mobile internet	9.37	8.54	+ 0.83
thereof broadband connections	4.35	4.30	+ 0.05
Business Applications, total contracts	8.09	7.79	+ 0.30
thereof Germany	3.85	3.78	+ 0.07
thereof abroad	4.24	4.01	+ 0.23
Consumer Applications, total accounts	39.59	38.51	+ 1.08
thereof with Premium Mail subscription (contracts)	1.54	1.54	+ 0.00
thereof with Value-Added subscription (contracts)	0.71	0.70	+ 0.01
thereof free accounts	37.34	36.27	+ 1.07
Fee-based customer contracts, total	24.06	22.87	+ 1.19

(1) Without Tele Columbus impairment charges (EBT effect: € -43.1 million; EPS effect: € -0.22)

CONTENT

Dear shareholders, employees, and business associates of United Internet,

United Internet AG got off to a good start in fiscal year 2019. In the highly competitive environment of our Consumer Access segment, for example, we once again succeeded in visibly increasing our core business of high-margin service revenues in the first quarter of 2019. The same applies to our Business Access segment, where we were able to achieve strong growth in revenue and earnings and increasingly exploit the potential of our fiber-optic network.

In addition, we continued to drive forward the repositioning of our portals and the establishment of data-driven business models in the Consumer Applications segment and our rebranding program in the Business Applications segment with the new "1&1 IONOS" brand (formerly: "1&1") – thus taking a further step toward the targeted IPO. Following a transition phase, the latter will take place in future under the independent "IONOS" brand.

Moreover, we made further strong investments in new customer contracts and the expansion of our existing customer relationships in the first quarter of 2019. In total, we increased the number of fee-based customer contracts by 210,000 to 24.06 million contracts. Of this total, 180,000 contracts were added in the Consumer Access segment (170,000 mobile internet and 10,000 broadband connections). A further 30,000 contracts resulted from the Business Applications segment. The number of pay accounts in the Consumer Applications segment remained unchanged, while ad-financed free accounts grew by 340,000 accounts.

Consolidated sales grew by 1.2% in the first quarter of 2019, from € 1,270.7 million in the previous year to € 1,286.1 million. This at first glance only moderate growth was due in particular to fluctuations during the year in (low-margin) hardware sales (€ -18.0 million) in the Consumer Access segment and the ad space reduction started in April 2018 (€ -5.1 million) as part of a repositioning in the Consumer Applications segment.

Earnings before interest, taxes, depreciation and amortization (EBITDA) were positively influenced by the initial application of IFRS 16 (€ +22.8 million) in the first quarter of 2019. In addition to one-off expenses already announced (€ -2.1 million), there were opposing effects in the Consumer Access segment from preliminary additional costs of € -17.5 million for our purchase of pre-services after a time-limited adjustment mechanism of a wholesale contract expired at the end of 2018. Contrary to our original expectations, no decision has yet been taken regarding a replacement or compensation for the expired arrangement. However, the corresponding wholesale prices are currently the subject of arbitration proceedings, in the course of which there will be a binding expert decision on the type and amount of a permanent price adjustment within a few months of the end of the 5G spectrum auction. We expect this expert decision to result in lower wholesale prices with a retrospective effect. Furthermore, our investments in the future (implemented as planned), such as the above mentioned repositioning in the Consumer Applications segment (€ -4.1 million) and an increase in marketing expenses in the Business Applications segment (€ -14.6 million) had an initial negative effect on earnings in the first quarter of 2019. A share of € -7.0 million of the increased marketing expenses is related to one-offs from rebranding measures.

All in all, EBITDA rose by 7.7% in the first quarter of 2019, from € 278.3 million to € 299.7 million.

Earnings before interest and taxes (EBIT) were virtually unaffected by IFRS 16 accounting and fell by 1.0%, from € 182.9 million to € 181.1 million. EBIT also includes the above mentioned burdens on earnings and one-offs.

Earnings per share (EPS) fell from € 0.42 to € 0.24. This was due to non-cash impairment charges on shares held in Tele Columbus of € -43.1 million (EPS effect: € -0.22). Without consideration of impairment charges, EPS would amount to € 0.46 – corresponding to year-on-year growth of 9.5%.

We are upholding our full-year guidance for 2019 and continue to expect growth in sales of approx. 4% (2018: € 5.13 billion) with an increase in EBITDA of approx. 8% (2018: € 1.20 billion), or approx. 12% including effects from the initial application of IFRS 16.

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 current year, we would like to express our particular gratitude to all employees for their dedicated efforts as well as to our shareholders, and customers for the trust they continue to place in United Internet AG.

Montabaur, May 15, 2019

Ralph Dommermuth

INTERIM STATEMENT ON THE FIRST QUARTER OF 2019

Initial application of IFRS 16

On January 13, 2016, the International Accounting Standards Board (IASB) published IFRS 16, a new standard for lease accounting. The new standard is to be applied in fiscal years beginning on or after January 1, 2019 – and thus for the first time in the current quarterly statement for the first quarter of 2019.

United Internet is mainly a lessee. The majority of the Group's leases are for renting network infrastructures, buildings, technical equipment and vehicles.

According to IFRS 16, leases are no longer regarded as classic rental agreements but as financing transactions: the lessee acquires a right to use the leased asset and finances it via the lease installments. Consequently, the lessee must recognize an asset for the right to use the leased asset and a liability for the payments due for the leased asset in the balance sheet. In this way, every lease and rental relationship is stated in United Internet`s balance sheet. Only lease or rental agreements with terms of up to twelve months and contracts with low-value assets are excluded.

On initial application of IFRS 16, United Internet opted to recognize the asset for the right of use granted at the value of the related lease liability as of January 1, 2019 and not to apply it retrospectively for each previous reporting period.

Application of the new standard led to an increase in non-current assets (for the right of use) in the consolidated balance sheet of United Internet, and at the same time to an increase in financial liabilities (due to the payment obligation). In the income statement, this resulted in a reduction in rental payments, an increase in depreciation and interest expenses, and thus to a rise in EBITDA. However, other financial performance indicators "below" EBITDA, such as EBIT, EBT or EPS, were either not affected by the new accounting standard, or only to a small extent.

Specifically, the initial application of IFRS 16 in the first quarter of 2019 had a positive impact on consolidated EBITDA of around € 22.8 million. The EBITDA effects were mostly in the Business Access (€ +15.9 million) and Business Applications (€ +5.6 million) segments.

Business development

Development of the Consumer Access segment

The number of **fee-based contracts in the Consumer Access segment** rose organically by 180,000 contracts to 13.72 million in the first quarter of 2019. 170,000 customer contracts were added in the mobile internet business, thus raising the total number of contracts to 9.37 million. The number of broadband connections rose by 10,000 contracts to 4.37 million.

Development of Consumer Access contracts in the first quarter of 2019 (in million)

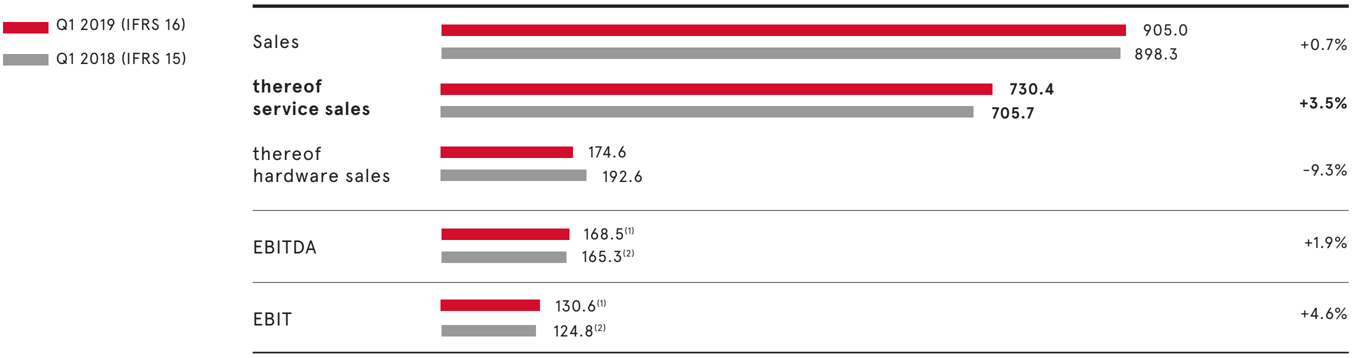
	Mar. 31, 2019	Dec. 31, 2018	Change
Consumer Access, total contracts	13.72	13.54	+ 0.18
thereof mobile internet	9.37	9.20	+ 0.17
thereof broadband connections	4.35	4.34	+ 0.01

Sales of the Consumer Access segment rose by 0.7% in the first quarter of 2019, from € 898.3 million in the previous year to € 905.0 million. Despite a highly competitive environment, high-margin service revenues – which represent the core business of the segment – grew as expected by 3.5% from € 705.7 million to € 730.4 million. Without consideration of sales effects (€ -9.0 million) from a changed scheduling split with a focus on Telefónica wholesale services (decreased revenue due to reduced base prices in the first 12 months) the **adjusted service revenues** increased by 4.8%. This at first glance only moderate overall sales growth was no more than moderate due to fluctuations during the year in (low-margin) hardware sales (€ -18.0 million). Such hardware sales (especially from the use of smartphones which customers acquire for no or only small one-off charges on signing new contracts and which are paid off via higher tariff prices over the contractual term) fluctuate seasonally and depend 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.

Segment EBITDA also rose only moderately by 1.9%, from € 165.3 million to € 168.5 million. This is due to preliminary additional costs of around € -17.5 million for wholesale purchases after a time-limited adjustment mechanism of a wholesale contract expired at the end of 2018. Contrary to original expectations, no decision has yet been taken regarding a replacement or compensation for the expired arrangement. However, the corresponding wholesale prices are currently the subject of arbitration proceedings, in the course of which there will be a binding expert decision on the type and amount of a permanent price adjustment within a few months of the end of the 5G spectrum auction. The company expects that this expert decision will result in lower wholesale prices with a retrospective effect. EBITDA also contains **one-off expenses** of € -2.1 million (prior year: € -5.0 million) for current integration projects. Without consideration of the above mentioned effects and a positive IFRS 16 effect (€ +0.9 million), the **adjusted EBITDA** increased by 9.9%.

Segment EBIT rose by 4.6% from € 124.8 million to € 130.6 million. EBIT also includes the above mentioned burdens on earnings and one-off expenses.

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



(1) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -2.1 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -5.0 million)

Quarterly development (in € million); change over prior-year quarter

	Q2 2018 (IFRS 15)	Q3 2018 (IFRS 15)	Q4 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2018 (IFRS 15)	Change
Sales	907.4	893.2	929.8	905.0	898.3	+ 0.7%
thereof service sales	**717.6**	**728.6**	**730.4**	**730.4**	**705.7**	**+ 3.5%**
thereof hardware sales	189.8	164.6	199.4	174.6	192.6	- 9.3%
EBITDA	174.9[1]	181.6[2]	197.5[3]	168.5[4]	165.3[5]	+ 1.9%
EBIT	134.7[1]	141.6[2]	159.5[3]	130.6[4]	124.8[5]	+ 4.6%

(1) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -2.7 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -4.7 million)
(3) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -12.7 million)
(4) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -2.1 million)
(5) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -5.0 million)

Multi-period overview[1]: Development of key sales and earnings figures (in € million)

	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Sales	583.3	619.4	898.3	905.0
thereof service sales	**560.7**	**596.3**	**705.7**	**730.4**
thereof hardware sales	22.6	23.1	192.6[2]	174.6
EBITDA	96.5	109.0	165.3[3]	168.5[4]
EBITDA margin	16.5%	17.6%	18.4%	18.6%
EBIT	93.9	106.3	124.8[3]	130.6[4]
EBIT margin	16.1%	17.2%	13.9%	14.4%

(1) As the new segmentation was only introduced in the course of preparing the annual financial statements for 2018, the usual 5-year multi-period overview is limited to the financial years 2016-2019
(2) Increase due in particular to conversion effects from initial accounting acc. to IFRS 15
(3) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -5.0 million)
(3) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -2.1 million)

Development of the Business Access segment

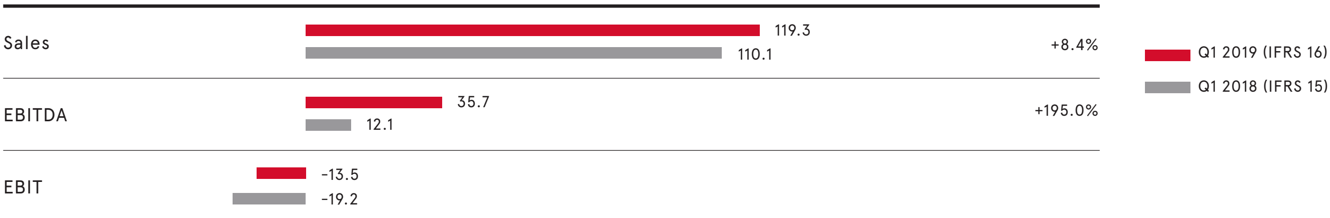
Sales of the Business Access segment rose by 8.4% in the first quarter of 2019, from € 110.1 million to € 119.3 million.

Segment EBITDA improved by 195.0%, from € 12.1 million to € 35.7 million. In addition to the positive business trend also reflected in sales, this increase was also attributable to effects from the initial application of IFRS 16 amounting to € +15.9 million. Without consideration of the IFRS 16 effects, the **adjusted EBITDA** would have risen by 63.6%.

The strong increases in sales and EBITDA demonstrate that 1&1 Versatel GmbH is increasingly succeeding in exploiting the potential of its own fiber-optic network to an ever greater extent.

As a result of high depreciation charges in the field of network infrastructure due to customer growth and further Layer2 connections that are only amortized in subsequent periods, **segment EBIT** amounted to € -13.5 million – compared to € -19.2 million in the previous year – and was virtually unaffected by IFRS 16 accounting.

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



Quarterly development (in € million); change over prior-year quarter

	Q2 2018 (IFRS 15)	Q3 2018 (IFRS 15)	Q4 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2018 (IFRS 15)	Change
Sales	112.1	112.4	131.3	119.3	110.1	8.4%
EBITDA	13.6	17.9	29.0	35.7	12.1	+ 195.0%
EBIT	-18.6	-14.7	-5.6	-13.5	-19.2	

Multi-period overview[(1)]: Development of key sales and earnings figures (in € million)

	Q1 2016[(2)] (IAS 18)	Q1 2017[(2)] (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Sales	128.4	114.9	110.1	119.3
EBITDA	27.8	24.7	12.1	35.7
EBITDA margin	21.7%	21.5%	11.0%	29.9%
EBIT	- 3.4	- 6.4	- 19.2	- 13.5
EBIT margin	-	-	-	-

(1) As the new segmentation was only introduced in the course of preparing the annual financial statements for 2018, the usual 5-year multi-period overview is limited to the financial years 2016-2019

(2) 2016 and 2017 including the mass market business transferred to Consumer Access as of May 1, 2017

Development of the Consumer Applications segment

Ad-financed free accounts rose by 340,000 to 37.34 million in the first quarter of 2019. The number of fee-based pay accounts (contracts) remained constant at 2.25 million. As a result, the total number of **Consumer Accounts** also rose by 340,000 to 39.59 million accounts.

Development of Consumer Applications accounts in the first quarter of 2019 (in million)

	Mar. 31, 2019	Dec. 31, 2018	Change
Consumer Applications, total accounts	39.59	39.25	+ 0.34
thereof with Premium Mail subscription	1.54	1.54	+/- 0.00
thereof with Value-Added subscription	0.71	0.71	+/- 0.00
thereof free accounts	37.34	37.00	+ 0.34

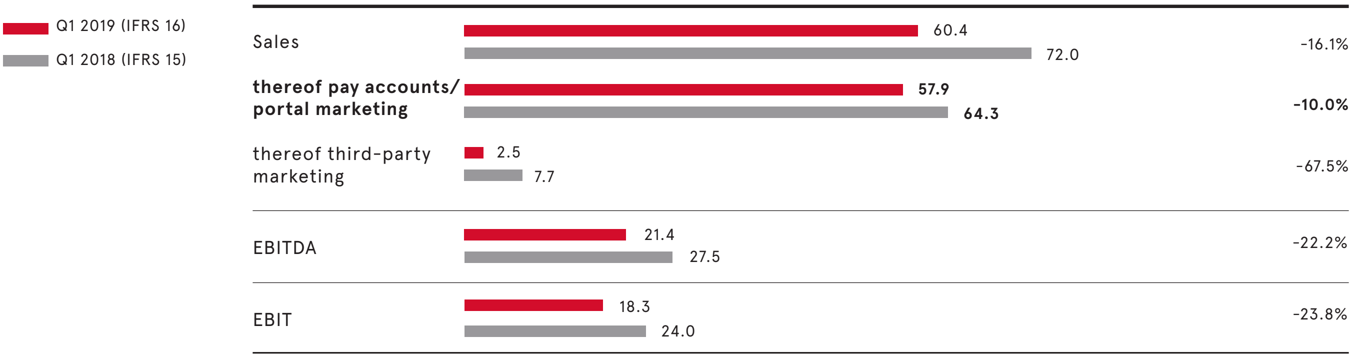
In the Consumer Applications segment, activities in the first quarter of 2019 continued to focus on the repositioning of portals and establishment of data-driven business models.

As expected, **Consumer Applications sales** of € 57.9 million in the segment's core business of pay accounts and marketing ad space on its own portals fell short of the prior-year figure (€ 64.3 million) in the first quarter of 2019. This decline in sales is mainly attributable to the ongoing repositioning of GMX and WEB.DE started in the second quarter of 2018 and the associated reduction in ad space (sales effect: € -5.1 million), which did not affect sales in the first quarter of the previous year.

Sales of € 2.5 million in the field of low-margin third-party marketing were well below the prior-year figure (€ 7.7 million). As a result, there was an overall decline in **segment sales** from € 72.0 million to € 60.4 million. Without consideration of the ad space reduction and the decline in third-party marketing, the **adjusted sales** declined by -1.8%.

Due to the reduction in ad space (EBITDA and EBIT effect: € -4.1 million) and the simultaneous investment in expanding data-driven business models, **segment EBITDA** of € 21.4 million (prior year: € 27.5 million) and **segment EBIT** of € 18.3 million (prior year: € 24.0 million) were also down on the previous year. Without consideration of the ad space reduction and a positive IFRS 16 effect (€ +0.1 million), the **adjusted EBITDA** declined by -7.6%.

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



Quarterly development (in € million); change over prior-year quarter

	Q2 2018 (IFRS 15)	Q3 2018 (IFRS 15)	Q4 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2018 (IFRS 15)	Change
Sales	68.2	63.7	70.3	60.4	72.0	- 16.1%
thereof pay accounts/ portal marketing	**60.1**	**58.5**	**67.8**	**57.9**	**64.3**	**- 10.0%**
thereof third-party marketing	8.1	5.2	2.5	2.5	7.7	- 67.5%
EBITDA	27.0	25.4	32.9	21.4	27.5	- 22.2%
EBIT	24.3	22.5	30.0	18.3	24.0	- 23.8%

Multi-period overview(1): Development of key sales and earnings figures (in € million)

	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Sales	73.6	66.1	72.0	60.4
thereof pay accounts/ portal marketing	**68.9**	**62.6**	**64.3**	**57.9**
thereof third-party marketing	4.7	3.5	7.7	2.5
EBITDA	33.0	28.9	27.5	21.4
EBITDA margin	44.8%	43.7%	38.2%	35.4%
EBIT	30.0	25.9	24.0	18.3
EBIT margin	40.8%	39.2%	33.3%	30.0%

(1) As the new segmentation was only introduced in the course of preparing the annual financial statements for 2018, the usual 5-year multi-period overview is limited to the financial years 2016-2019

Development of the Business Applications segment

The number of **fee-based Business Applications contracts** grew organically by 30,000 contracts in the first quarter of 2019 to a total of 8.09 million.

Development of Business Applications contracts in the first quarter of 2019 (in million)

	Mar. 31, 2019	Dec. 31, 2018	Change
Business Applications, total contracts	8.09	8.06	+ 0.03
thereof in Germany	3.85	3.82	+ 0.03
thereof abroad	4.24	4.24	+/- 0.00

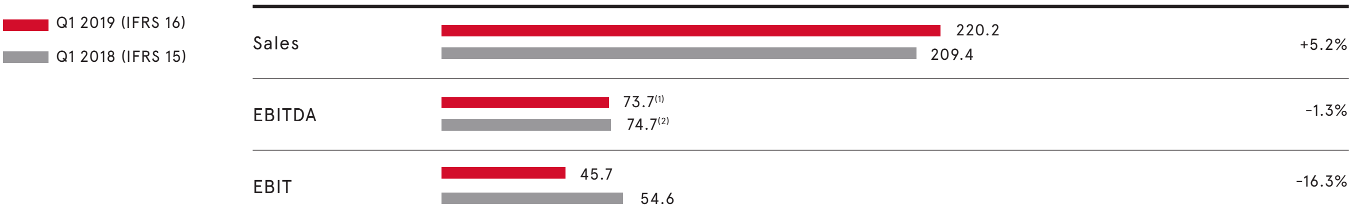
In the Business Applications segment, activities in the first quarter of 2019 focused on rebranding with the new "1&1 IONOS" brand (formerly: "1&1") – thus taking a further step toward the targeted IPO. Following a transition phase, the latter will take place in future under the independent "IONOS" brand.

Sales of the Business Applications segment rose by 5.2% in the first quarter of 2019, from € 209.4 million in the previous year to € 220.2 million.

Despite an increase in marketing expenses (€ -14.6 million including one-offs for rebranding measures of € -7.0 million (prior year: € 3.1 million for integration projects)), **segment EBITDA** of € 73.7 million was only slightly down on the previous year (€ 74.7 million). The strong increase in marketing expenses was opposed by positive effects of € +5.6 million from the initial application of IFRS 16. Without consideration of the above mentioned effects, the **adjusted EBITDA** increased by 6.3%.

EBIT also includes the above mentioned burdens on earnings and one-offs. In addition, there was an increase in depreciation (due in part to World4You and the expansion of the server park). Against this backdrop, **segment EBIT** of € 45.7 million also fell short of the prior-year figure (€ 54.6 million) and was virtually unaffected by IFRS 16 accounting.

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



(1) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -7.0 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -3.1 million)

Quarterly development (in € million); change over prior-year quarter

	Q2 2018 (IFRS 15)	Q3 2018 (IFRS 15)	Q4 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2018 (IFRS 15)	Change
Sales	209.9	215.4	207.1	220.2	209.4	+ 5.2%
EBITDA	74.2[1]	85.0[2]	56.5[3]	73.7[4]	74.7[5]	- 1.3%
EBIT	52.8[1]	61.0[2]	33.7[3]	45.7[4]	54.6[5]	- 16.3%

(1) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -3.1 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -2.6 million)
(3) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -7.8 million)
(4) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -7.0 million)
(5) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -3.1 million)

Multi-period overview[1]: Development of key sales and earnings figures (in € million)

	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Sales	158.8	164.4	209.4	220.2
EBITDA	45.9	52.9	74.7[2]	73.7[3]
EBITDA margin	28.9%	32.2%	35.7%	33.5%
EBIT	34.6	42.6	54.6[2]	45.7[3]
EBIT margin	21.8%	25.9%	26.1%	20.8%

(1) As the new segmentation was only introduced in the course of preparing the annual financial statements for 2018, the usual 5-year multi-period overview is limited to the financial years 2016-2019
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -3.1 million)
(3) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -7.0 million)

Position of the Group

Earnings position

In the first three months of 2019, the total number of the **fee-based customer contracts in the United Internet Group** was raised by 210,000 to 24.06 million contracts in total. Ad-financed free accounts increased by 340,000 to 37.34 million.

Consolidated sales grew by 1.2% in the first quarter of 2019, from € 1,270.7 million in the previous year to € 1,286.1 million. This at first glance only moderate growth was due in particular to fluctuations during the year in (low-margin) hardware sales (€ -18.0 million) in the Consumer Access segment and the ad space reduction (€ -5.1 million) as part of a repositioning in the Consumer Applications segment.

Due to the decreased use of hardware, the **cost of sales** fell from € 850.3 million (66.9% of sales) in the previous year to € 849.6 million (66.1% of sales). There was a corresponding increase in the **gross margin** from 33.1% to 33.9%. This resulted in a 3.8% improvement in **gross profit** from € 420.4 million to € 436.5 million.

Largely as a result of increased marketing expenses in connection with rebranding in the Business Applications segment, there was a disproportionate rise in **sales and marketing expenses** from € 170.6 million (13.4% of sales) in the previous year to € 190.5 million (14.8% of sales). **Administrative expenses** also rose slightly faster than sales from € 55.1 million in the previous year (4.3% of sales) to € 57.2 million (4.4% of sales).

Multi-period overview: Development of key cost items (in € million)

	Q1 2015 (IAS 18)	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Cost of sales	603.0	605.3	611.2	850.3[1]	849.6
Cost of sales ratio	66.6%	64.8%	64.2%	66.9%	66.1%
Gross margin	33.4%	35.2%	35.8%	33.1%	33.9%
Selling expenses	143.2	130.4	135.7	170.6[1]	190.5
Selling expenses ratio	15.8%	14.0%	14.2%	13.4%	14.8%
Administrative expenses	42.4	45.9	42.8	55.1	57.2
Administrative expenses ratio	4.7%	4.9%	4.5%	4.3%	4.4%

(1) Q1 2018 adjusted in connection with a final purchase price allocation (ProfitBricks)

Consolidated EBITDA was positively influenced by the initial application of IFRS 16 (€ +22.8 million) in the first quarter of 2019. In addition to one-off expenses already announced (€ -2.1 million), there were opposing effects in the Consumer Access segment from preliminary additional costs of € -17.5 million for the purchase of pre-services after a time-limited adjustment mechanism for a wholesale contract expired at the end of 2018. Contrary to original expectations, no decision has yet been taken regarding a replacement or compensation for the expired arrangement. However, the corresponding wholesale prices are currently the subject of arbitration proceedings, in the course of which there will be a binding expert decision on the type and amount of price adjustment within a few months of the end of the 5G spectrum auction. The company expects this expert decision to result in lower wholesale prices with a retrospective effect. Furthermore, our investments in the future (implemented as planned), such as the above mentioned repositioning in the Consumer Applications segment (€ -4.1 million) and an increase in marketing expenses in the Business Applications segment (€ -14.6 million) had an initial negative effect on earnings in the first quarter of 2019. A share of € -7.0 million of the increased marketing expenses is related to one-offs from rebranding measures.

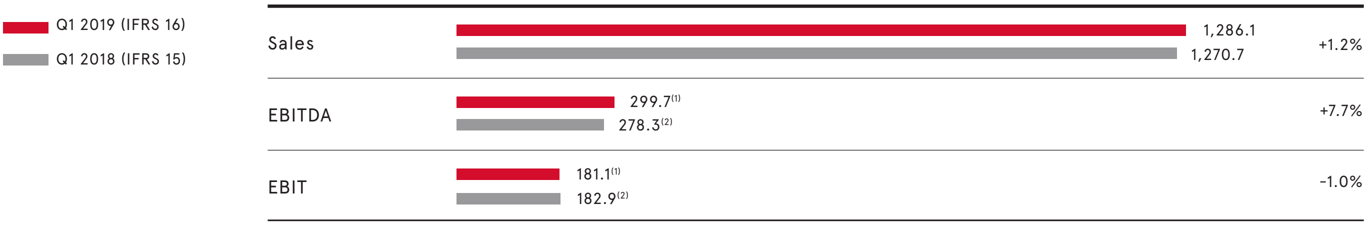
All in all, EBITDA rose by 7.7% in the first quarter of 2019, from € 278.3 million to € 299.7 million. This figure includes **one-off expenses** of € 9.1 million (prior year: € 8.1 million) from the aforementioned integration and rebranding projects.

Consolidated EBIT was virtually unaffected by IFRS 16 accounting and fell by 1.0%, from € 182.9 million to € 181.1 million. EBIT also includes the above mentioned burdens on earnings and one-offs.

As a result of non-cash impairment charges on shares held in Tele Columbus (EBT effect: € -43.1 million), earnings before taxes (EBT) decreased from € 172.3 million to € 129.2 million. Adjusted for these impairment charges, **operating EBT** of € 172.3 million was unchanged from the previous year.

Earnings per share (EPS) fell from € 0.42 to € 0.24. This was also due to the above mentioned non-cash impairment charges (EPS effect: € -0.22). Without consideration of impairment charges, **operating EPS** amounted to € 0.46 – corresponding to year-on-year growth of 9.5%.

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



(1) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -9.1 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -8.1 million)

Quarterly development (in € million); change over prior-year quarter

	Q2 2018 (IFRS 15)	Q3 2018 (IFRS 15)	Q4 2018 (IFRS 15)	Q1 2019 (IFRS 16)	Q1 2018 (IFRS 15)	Change
Sales	1,278.2	1,267.0	1,314.9	1,286.1	1,270.7	+ 1.2%
EBITDA	287.2[1]	309.1[2]	326.7[3]	299.7[4]	278.3[5]	+ 7.7%
EBIT	190.9[1]	209.0[2]	228.2[3]	181.1[4]	182.9[5]	- 1.0%

(1) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -5.8 million)
(2) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -7.3 million)
(3) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -20.5 million)
(4) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -9.1 million)
(5) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -8.1 million)

Multi-period overview: Development of key sales and earnings figures (in € million)

	Q1 2015 (IAS 18)	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Sales	905.1	933.5	952.7	1,270.7	1,286.1
EBITDA	173.5	201.4	213.0	278.3[1]	299.7[2]
EBITDA margin	19.2%	21.6%	22.4%	21.9%	23.3%
EBIT	119.1	152.9	165.9	182.9[1]	181.1[2]
EBIT margin	13.2%	16.4%	17.4%	14.4%	14.1%

(1) Including one-off expenses for integration projects (EBITDA and EBIT effect: € -8.1 million)
(2) Including one-off expenses for integration and rebranding projects (EBITDA and EBIT effect: € -9.1 million)

Financial position

Thanks to the positive trend in operating earnings, **operative cash flow** rose from € 205.8 million in the previous year to € 219.1 million in the first quarter of 2019.

Cash flow from operating activities in the first quarter of 2019 rose strongly from € 51.7 million in the previous year to € 144.1 million. This increase was mainly due to high prepayments to pre-service providers and a simultaneously strong increase in inventories in the previous year.

Cash flow from investing activities amounted to € 43.1 million in the reporting period (prior year: € 60.3 million). This resulted mainly from disbursements of € 44.6 million for capital expenditures (prior year: € 53.8 million). In addition to the aforementioned capital expenditures, cash flow from investing activities in the previous year was also shaped by a subsequent cash outflow from the sale of yourfone Shop GmbH.

As a result of the strong increase in cash flow from operating activities and lower capital expenditures, **free cash flow** (i.e. cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant and equipment) rose from € 0.5 million in the previous year to € 101.4 million.

Cash flow from financing activities in the first three months of 2019 was dominated by the net repayment of loans totaling € 75.8 million (prior year: € 82.1 million), as well as the redemption of lease liabilities of € 22.8 million (prior year: € 4.0 million) which increased as a result of IFRS 16 accounting.

Cash and cash equivalents amounted to € 58.8 million as of March 31, 2019 – compared to € 139.2 million on the same date last year.

Multi-period overview: Development of key cash flow figures (in € million)

	Q1 2015 (IAS 18)	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2019 (IFRS 16)
Operative cash flow	133.1	148.6	157.5	205.8	219.1
Cash flow from operating activities	43.5 (2)	104.0 (3)	113.4 (4)	51.7	144.1
Cash flow from investing activities	-139.1	-294.2	-74.9	-60.3	- 43.1
Free cash flow (1)	17.1 (2)	72.0 (3)	73.2 (4)	0.5	101.4
Cash flow from financing activities	-31.6	277.9	80.2	-86.1	-100.4
Cash and cash equivalents on March 31	251.1	69.9	295.9	139.2	58.8

(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) Without a capital gains tax refund of € 326.0 million
(3) Without an income tax payment of € 100.0 million originally planned for the fourth quarter of 2015
(4) Without a capital gains tax refund of € 70.3 million originally planned for the fourth quarter of 2016

Asset position

In the fiscal year 2018, United Internet carried out a detailed **impact assessment on accounting pursuant to IFRS 16**. In summary, the effects as of January 1, 2019 from the initial application of IFRS 16 with respect to lessee contracts previously accounted for as operating leases are as follows: the Group`s balance sheet total increased by approximately € 275 million as of January 1, 2019. The capitalization of right-of-use assets amounting to approximately € 275 million is opposed by the recognition of lease liabilities in almost the same amount, which were offset against deferred prepayments for leases.

The **balance sheet total** rose in total from € 8.174 billion as of December 31, 2018 to € 8.467 billion on March 31, 2019.

Current assets increased from € 1,364.7 million as of December 31, 2018 to € 1,444.2 million on March 31, 2019. **Cash and cash equivalents** disclosed under current assets remained virtually unchanged at € 58.8 million. Due to closing-date effects, **trade accounts receivable** fell from € 351.4 million to € 345.6 million. **Inventories** were increased from € 89.6 million to € 99.2 million. The item **contract assets** rose from € 427.0 million to € 464.8 million and includes current claims against customers due to accelerated revenue recognition from the application of IFRS 15. **Current prepaid expenses** rose from € 224.8 million to € 253.3 million and mainly comprise the short-term portion of expenses relating to contract acquisition and contract fulfillment according to IFRS 15. **Other financial assets** remained virtually unchanged at € 72.9 million. **Income tax claims** increased from € 129.6 million to € 142.1 million.

Non-current assets increased from € 6,809.2 million as of December 31, 2018 to € 7,022.9 million on March 31, 2019. Due in particular to the Tele Columbus impairment charges, **shares in associated companies** decreased from € 206.9 million to € 159.5 million. The **increase in other financial assets** from € 348.0 million to € 385.9 million resulted mainly from the subsequent valuation of United Internet's investments. Largely as a result of the initial application of IFRS 16, **property, plant and equipment** increased from € 818.0 million to € 1,092.7 million, while **intangible assets** fell from € 1,244.6 million to € 1,197.7 million in line with planning. **Goodwill** remained almost unchanged at € 3,615.4 million. The item **contract assets** was also virtually unchanged at € 170.2 million and includes non-current claims against customers due to accelerated revenue recognition from the application of IFRS 15. **Prepaid expenses** decreased from € 341.2 million to € 334.2 million and mainly include the long-term portion of expenses relating to contract acquisition and contract fulfillment, as well as prepayments in connection with long-term purchasing agreements. **Deferred tax assets** of € 10.6 million were largely unchanged.

Current liabilities rose from € 1,299.7 million as of December 31, 2018 to € 1,449.0 million on March 31, 2019. Due to closing-date effects, current **trade accounts payable** decreased from € 557.7 million to € 511.3 million. Short-term **bank liabilities** rose from € 206.2 million to € 283.0 million. **Income tax liabilities** increased from € 187.9 million to € 219.8 million. The item **current contract liabilities** was almost unchanged at € 157.5 million and mainly includes payments received from customer contracts for which the performance has not yet been completely rendered. The increase in current **other financial liabilities** from € 124.1 million to € 205.9 million results mainly from the initial application of IFRS 16.

Non-current liabilities increased from € 2,352.6 million as of December 31, 2018 to € 2,383.0 million on March 31, 2019. Long-term **bank liabilities** fell from € 1,733.0 million to €1,583.4 million. **Deferred tax liabilities** decreased from € 389.8 million to € 364.9 million. The item non-current **contract liabilities** was virtually unchanged at € 33.3 million and mainly includes payments received from customer contracts for which the performance has not yet been completely rendered. The increase in non-current **other financial liabilities** from € 87.0 million to € 295.2 million resulted mainly from the initial application of IFRS 16.

The Group's **equity capital** rose from € 4,521.5 million as of December 31, 2018 to € 4,635.1 million on March 31, 2019. Due to the even stronger increase in the balance sheet total over the same period, the **equity ratio** fell slightly from 55.3% to 54.7%. At the end of the reporting period on March 31, 2019, United Internet continued to hold 4,702,990 **treasury shares**.

Net bank liabilities (i.e. the balance of bank liabilities and cash and cash equivalents) fell from € 1,881.1 million as of December 31, 2018 to € 1,807.5 million on March 31, 2019.

Multi-period overview: Development of key balance sheet items (in € million)

	31.12.2015 (IAS 18)	31.12.2016 (IAS 18)	31.12.2017 (IAS 18)	31.12.2018 (IFRS 15)	31.03.2019 (IFRS 16)
Total assets	3,885.4	4,073.7	7,605.2	8,173.8	8,467.1
Cash and cash equivalents	84.3	101.7	238.5	58.1	58.8
Shares in associated companies	468.4	755.5(1)	418.0(1)	206.9(1)	159.5(1)
Other financial assets	449.0	287.7(2)	333.7(2)	348.1(2)	385.9(2)
Property, plant and equipment	665.2	655.0	747.4(3)	818.0	1,092.7(3)
Intangible assets	389.5	369.5	1,408.4(3)	1,244.6	1,197.7
Goodwill	1,100.1	1,087.7	3,564.1(4)	3,612.6(4)	3,615.4
Liabilities due to banks	1,536.5	1,760.7(5)	1,955.8(5)	1,939.1	1,866.4
Capital stock	205.0	205.0	205.0	205.0	205.0
Equity	1,149.8	1,197.8	4,048.7(6)	4,521.5(6)	4,635.1
Equity ratio	29.6%	29.4%	53.2%	55.3%	54.7%

(1) Increase due to investment in Tele Columbus (2016); decrease due to takeover and consolidation of ProfitBricks and Drillisch (2017); decrease due to Tele Columbus impairment charges (2018); decrease due to Tele Columbus impairment charges (2019)
(2) Decrease due to subsequent valuation of shares in listed companies (2016); increase due to subsequent valuation of shares in listed companies (2017); increase due to subsequent valuation of shares in listed companies (2018); increase due to subsequent valuation of investments (2019)
(3) Increase due to Strato, ProfitBricks and Drillisch takeovers (2017); increase due to initial application of IFRS 16 (2019)
(4) Increase due to Strato, ProfitBricks and Drillisch takeovers (2017); increase due to World4You takeover (2018)
(5) Increase due to Tele Columbus investment (2016); increase due to Strato takeover and increased stake in Drillisch and Tele Columbus (2017)
(6) Increase due to consolidation effects in connection with the investment of Warburg Pincus in the Business Applications segment and takeover of Strato (2017); transitional effects from initial application of IFRS 15 (2018)

Subsequent events

There were no significant events subsequent to the reporting date of March 31, 2019 which had a material effect on the financial position and performance of the company or the Group nor affected its accounting and reporting.

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.

There were no recognizable risks which directly jeopardized the United Internet Group as a going concern during the reporting period nor at the time of preparing this Interim Statement, neither from individual risk positions nor from the overall risk situation.

The main challenge remains the risk field "information security". The risk assessments for the risk fields "Shareholdings & investments" (especially the risk of non-cash impairment charges) and "Litigation" were raised in the first quarter of 2019. The further expansion of its risk management system enables United Internet to limit such risks to a minimum, where sensible, by implementing specific measures.

Compared with reporting on risks and opportunities in the Annual Financial Statements 2018, the other risk assessments remained unchanged in the first quarter of 2019.

Forecast report

Forecast for fiscal year 2019

United Internet AG can confirm its full-year guidance for 2019 and continues to expect growth in sales of approx. 4% (2018: € 5.13 billion). An increase of approx. 8% is anticipated for EBITDA (2018: € 1.20 billion), or approx. 12% including effects from the initial application of IFRS 16.

At the time of preparing this Interim Statement, the Management Board of United Internet AG believes that the company is still well on track to reach its guidance for the full year 2019.

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.

EXPLANATIONS FOR 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, valuation and consolidation principles

As was the case with the Consolidated Financial Statements as of December 31, 2018, the Interim Statement of United Internet AG as of March 31, 2019 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, 2018.

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, 2019:

Standard		Mandatory for fiscal years beginning on or after	Endorsed by EU Commission
IFRS 3, IFRS 11, IAS 12, IAS 23	Annual Improvements 2015 - 2017	Jan. 1, 2019	Yes
IFRS 16	Leases	Jan. 1, 2019	Yes
IFRS 9	Amendment: Prepayment Features with Negative Compensation	Jan. 1, 2019	Yes
IAS 19	Amendment: Plan Amendment, Curtailment or Settlement	Jan. 1, 2019	Yes
IFRS 28	Clarification on IAS 28 Investments in Associates and Joint Ventures	Jan. 1, 2019	Yes
IFRIC 23	Uncertainty over Income Tax Treatments	Jan. 1, 2019	Yes

This Interim Statement already includes effects from the application of the new standards. The most significant effects result from the initial application of IFRS 16.

According to IFRS 16, leases are no longer regarded as classic rental agreements but as financing transactions: the lessee acquires a right to use the leased asset and finances it via the lease installments. Consequently, the lessee must recognize an asset for the right to use the leased asset and a liability for the payments due for the leased asset in the balance sheet. In this way, every lease and rental relationship is stated in the balance sheet. Only lease or rental agreements with terms of up to twelve months and contracts with low-value assets are excluded.

On initial application of IFRS 16, United Internet opted to recognize the asset for the right of use granted at the value of the related lease liability and not to apply it retrospectively for each previous reporting period.

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 indicator

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 Annual Report 2018 of United Internet AG starting on page 52.

Insofar as required for clear and transparent presentation, the KPIs used by United Internet are adjusted for special items. 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 with the unadjusted financial figures in the relevant section of the financial statements.

Miscellaneous

This Interim Statement includes all subsidiaries and associated companies.

The following companies were renamed in the reporting period:

- 1&1 IONOS UK Holdings Ltd., Gloucester
  (formerly: 1&1 UK Holdings Ltd., Gloucester)
- 1&1 IONOS Ltd., Gloucester
  (formerly: 1&1 Internet Ltd., Gloucester)
- 1&1 IONOS España S.L.U., Madrid
  (formerly: 1&1 Internet España S.L.U., Madrid)

Otherwise, the consolidated group remained largely unchanged from that stated in the Consolidated Financial Statements as at December 31, 2018.

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

INTERIM FINANCIAL STATEMENTS

GROUP BALANCE SHEET

as of March 31, 2019 in €k

	March 31, 2019	December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	58,806	58,066
Trade accounts receivable	345,627	351,427
Inventories	99,241	89,617
Contract assets	464,785	426,992
Prepaid expenses	253,271	224,840
Other financial assets	72,862	72,774
Income tax claims	142,066	129,611
Other non-financial assets	7,566	11,330
	1,444,224	1,364,657
Non-current assets		
Shares in associated companies	159,504	206,856
Other financial assets	385,863	348,046
Property, plant and equipment	1,092,731	818,010
Intangible assets	1,197,690	1,244,578
Goodwill	3,615,399	3,612,634
Trade accounts receivable	56,782	58,229
Contract assets	170,175	168,792
Prepaid expenses	334,180	341,220
Deferred tax assets	10,588	10,797
	7,022,912	6,809,162
Total assets	**8,467,136**	**8,173,819**

	March 31, 2019	December 31, 2018
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade accounts payable	511,256	557,730
Liabilities due to banks	282,964	206,175
Income taxes liabilities	219,758	187,938
Contract liabilities	157,533	154,290
Other accrued liabilities	17,183	24,468
Other financial liabilities	205,854	124,092
Other non-financial liabilities	54,427	45,047
	1,448,975	1,299,740
Non-current liabilities		
Liabilities due to banks	1,583,389	1,732,968
Deferred tax liabilities	364,900	389,829
Trade accounts payable	6,303	9,024
Contract liabilities	33,263	33,838
Other accrued liabilities	99,936	99,972
Other financial liabilities	295,246	86,976
	2,383,037	2,352,607
Total liabilities	**3,832,012**	**3,652,347**
Equity		
Capital stock	205,000	205,000
Capital reserves	2,702,311	2,703,141
Accumulated profit	1,545,155	1,496,154
Treasury stock	-174,858	-174,858
Revaluation reserves	116,924	83,023
Currency translation adjustment	-10,897	-14,314
Equity attributable to shareholders of the parent company	**4,383,635**	**4,298,146**
Non-controlling interests	251,489	223,326
Total equity	**4,635,124**	**4,521,472**
Total liabilities and equity	**8,467,136**	**8,173,819**

GROUP NET INCOME

from January 1 to March 31, 2019 in €k

	2019 January – March	2018[1] January – March
Sales	1,286,115	1,270,708
Cost of sales	-849,641	-850,301
Gross profit	**436,474**	**420,407**
Selling expenses	-190,470	-170,649
General and administrative expenses	-57,217	-55,060
Other operating expenses / income	12,955	9,024
Impairment of receivables and contract assets	-20,671	-20,842
Operating result	**181,070**	**182,880**
Financial result	-3,695	-6,689
Result from associated companies	-48,147	-3,844
Pre-tax result	**129,228**	**172,346**
Income taxes	-52,932	-56,535
Net income	**76,296**	**115,811**
Attributable to		
non-controlling interests	27,294	32,347
shareholders of United Internet AG	49,001	83,464

	2019 January – March	2018[1] January – March
Result per share of shareholders of United Internet AG (in €)		
- basic	0.24	0.42
- diluted	0.24	0.42
Result per share for continuing operations (in €)		
- basic	200.30	199.97
- diluted	200.31	200.43
Statement of comprehensive income		
Net income	76,296	115,811
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustment - unrealized	5,126	1,675
Categories that are not reclassified subsequently to profit or loss		
Market value changes of assets measured at fair value in other comprehensive income	33,203	55,233
Share in other comprehensive income of associated companies	286	-124
Other comprehensive income	38,615	56,784
Total comprehensive income	**114,910**	**172,595**
Attributable to		
non-controlling interests	28,591	33,971
shareholders of United Internet AG	86,320	138,624

(1) Prior-year figures adjusted in connection with a final purchase price allocation

GROUP CASH FLOW

2018 and 2019 in €k

	2019 January – March	2018 January – March
Cash flow from operating activities		
Net income	76,296	115,811
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of intangible assets and property, plant and equipment	72,655	46,941
Amortization of intangible assets resulting from company acquisitions	46,013	48,470
Amortization of financial assets	0	19,768
Share-based payment expense	2,356	2,783
Result from equity accounted investments	48,147	3,844
Change in deferred taxes	-24,720	-12,219
Other non-cash positions	-1,651	203
Operative cash flow	**219,096**	**205,833**
Change in assets and liabilities		
Change in receivables and other assets	10,923	61,199
Change in inventories	-9,624	-48,147
Change in contract assets	-39,176	-61,749
Change in deferred expenses	-12,455	-6,123
Change in trade accounts payable	-31,414	-117,823
Change in advance payments received	-45,109	-14,545
Change in other accrued liabilities	-7,321	-982
Change in liabilities income taxes	31,820	4,476
Change in other liabilities	23,774	16,196
Change in deferred income	3,537	13,368
Change in assets and liabilities, total	**-75,045**	**-154,131**
Cash flow from operating activities	**144,051**	**51,702**

	2019 January – March	2018 January – March
Cash flow from investing activities		
Capital expenditure for intangible assets and property, plant and equipment	-44,617	-53,776
Payments from disposals of intangible assets and property, plant and equipment	2,008	2,604
Purchase of shares in associated companies	-510	-834
Payments in connection with corporate transactions	0	-8,300
Cash flow from investing activities	**-43,119**	**-60,306**
Cash flow from financing activities		
Repayment of loans	-75,753	-82,101
Redemption of finance lease liabilities	-22,841	-3,954
Payments to minority shareholders	-1,848	0
Cash flow from financing activities	**-100,442**	**-86,055**
Net increase in cash and cash equivalents	489	-94,660
Cash and cash equivalents at beginning of fiscal year	58,066	238,522
Currency translation adjustments of cash and cash equivalents	250	-4,643
Cash and cash equivalents at end of reporting period	**58,806**	**139,219**

GROUP CHANGES IN SHAREHOLDERS' EQUITY

from January 1 to March 31, 2019 in €k

	Capital stock		Capital reserves	Accumulated profit	Treasury stock	
	Share	€k	€k	€k	Share	€k
Balance as of January 1, 2018	**205,000,000**	**205,000**	**2,709,203**	**1,491,184**	**5,093,289**	**–189,384**
Net income				83,464		
Other comprehensive income						
Total comprehensive income				**83,464**		
Purchase of treasury shares						
Issue of treasury stock				–3,718	–100,000	3,718
Employee stock ownership program			1,871			
Dividend payments						
Transactions with shareholders						
Balance as of March 31, 2018	**205,000,000**	**205,000**	**2,711,074**	**1,570,930**	**4,993,289**	**–185,666**
Balance as of January 1, 2019	**205,000,000**	**205,000**	**2,703,141**	**1,496,154**	**4,702,990**	**–174,858**
Net income				49,001		
Other comprehensive income						
Total comprehensive income				**49,001**		
Employee stock ownership program			1,848			
Transactions with shareholders			–2,678			
Balance as of March 31, 2019	**205,000,000**	**205,000**	**2,702,311**	**1,545,155**	**4,702,990**	**–174,858**

Revaluation reserves	Currency translation adjustments	Equity attributable to shareholders of United Internet AG	Non-controlling interests	Total equity
€k	€k	€k	€k	€k
97,209	**-13,120**	**4,300,092**	**186,393**	**4,486,485**
		83,464	32,347	115,811
55,233	52	55,285	1,623	56,908
55,233	**52**	**138,749**	**33,970**	**172,719**
		0		0
		0		0
		1,871	912	2,783
		0		0
		0		0
152,441	**-13,068**	**4,440,712**	**221,274**	**4,661,986**
83,023	**-14,314**	**4,298,146**	**223,326**	**4,521,472**
		49,001	27,294	76,296
33,901	3,417	37,318	1,296	38,614
33,901	**3,417**	**86,319**	**28,591**	**114,910**
		1,848	508	2,356
		-2,678	-936	-3,614
116,924	**-10,897**	**4,383,635**	**251,489**	**4,635,124**

SEGMENT REPORTING

from January 1 to March 31, 2019 in €k

January – March 2019	Consumer Access segment €k	Business Access segment €k
Segment revenues	904,998	119,339
Segment revenues from transactions with other segments	411	14,083
Segment revenues from customer contracts	904,587	105,256
EBITDA	168,478	35,732
EBIT	130,635	-13,518
Financial result		
Amortization of financial assets		
Result from at-equity companies		
EBT		
Tax expense		
Net income		
Additions to intangible assets, property, plant and equipment (without goodwill)	2,253	44,380
Amortization/depreciation	37,843	49,250
– thereof intangible assets and property, plant and equipment	6,750	44,317
– thereof assets capitalized during company acquisitions	31,093	4,933
Number of employees	3,123	1,141
- thereof domestic	3,123	1,141
- thereof non-domestic	0	0

Januar – March 2018	Consumer Access segment €k	Business Access segment €k
Segment revenues	898,323	110,102
Segment revenues from transactions with other segments	467	12,477
Segment revenues from customer contracts	897,856	97,625
EBITDA	165,260	12,081
EBIT	124,757	-19,179
Financial result		
Amortization of financial assets		
Result from at-equity companies		
EBT		
Tax expense		
Net income		
Additions to intangible assets, property, plant and equipment (without goodwill)	39,303	2,916
Amortization/depreciation	40,503	31,260
– thereof intangible assets and property, plant and equipment	6,272	25,822
– thereof assets capitalized during company acquisitions	34,231	5,438
Number of employees	3,143	1,082
- thereof domestic	3,143	1,082
- thereof non-domestic	0	0

Consumer Appli-cations segment €k	Business Appli-cations segment €k	Corporate €k	Reconciliation €k	United Internet Group €k
60,444	220,211	235	-19,112	1,286,115
3,813	805	0		19,112
56,631	219,406	235		1,286,115
21,388	73,685	-2,778	3,233	299,738
18,253	45,718	-3,066	3,048	181,070
				-3,695
				0
				-48,147
				129,228
				-52,932
				76,296
1,020	12,680	1,790	–	62,123
3,135	27,967	288	185	118,668
3,135	17,980	288	185	72,655
0	9,987	0		46,013
952	3,356	543	–	9,115
948	1,788	543	–	7,543
4	1,568	0	–	1,572

71,988	209,365	589	-19,659	1,270,708
5,878	837	0		19,659
66,110	208,528	589		1,270,708
27,491	74,710	-1,251	0	278,291
24,021	54,577	-1,296	0	182,880
				-6,689
				0
				-3,844
				172,346
				-56,535
				115,811
347	11,940	1,598	–	56,104
3,470	20,133	45	–	95,411
3,461	11,342	45	–	46,941
9	8,791	0	–	48,470
965	3,422	469	–	9,081
961	1,920	469	–	7,575
4	1,502	0	–	1,506

FINANCIAL CALENDAR

March 28, 2019	Annual financial statements for fiscal year 2018 Press and analyst conference
May 15, 2019	Interim Statement for the first quarter 2019
May 23, 2019	Annual Shareholders' Meeting, Alte Oper, Frankfurt/Main
August 15, 2019	6-Month Report 2019 Press and analyst conference
November 12, 2019	Interim Statement for the first 9 months 2019

IMPRINT

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May 2019
Registry court: Montabaur HRB 5762

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

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.

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. The forward-looking statements made in this Interim Statement 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 any forward-looking statements set out in this Interim Statement.

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