Interim Statement
Q1 2018

SELECTED KEY FIGURES

	March 31, 2018 (IFRS 15)	March 31, 2017[1] (IAS 18)	Change
NET INCOME (IN € MILLION)			
Sales	1,270.7	952.7	+ 33.4%
EBITDA	278.3	213.0	+ 30.7%
EBIT	182.9	165.9	+ 10.2%
EBT[2]	172.3	159.2	+ 8.2%
EPS (in €)[2]	0.42	0.55	- 23.6%
EPS before PPA writedowns (in €)[2]	0.55	0.59	- 6.8%
BALANCE SHEET (IN € MILLION)			
Current assets	1,033.0	823.9	+ 25.4%
Non-current assets	7,104.2	6,781.9	+ 4.8%
Equity	4,676.8	4,050.6	+ 15.5%
Equity ratio	57.5%	53.3%	
Total assets	8,137.2	7,605.8	+ 7.0%
CUSTOMER CONTRACTS IN CURRENT PRODUCT LINES (IN MILLION)			
Access, total contracts	12.91	8.72	+ 4.19
thereof Mobile Internet	8.54	4.45	+ 4.09
thereof DSL complete (ULL)	4.37	4.27	+ 0.10
Business Applications, total contracts	8.05	6.07	+ 1.98
thereof in Germany	4.04	2.34	+ 1.70
thereof abroad	4.01	3.73	+ 0.28
Consumer Applications, total accounts	38.25	36.78	+ 1.47
thereof with Premium Mail subscription (contracts)[3]	1.54	1.60	- 0.06
thereof with Value-Added subscription (contracts)[3]	0.44	0.37	+ 0.07
thereof free accounts	36.27	34.81	+ 1.46
Fee-based customer contracts, total[3]	22.94	16.76	+ 6.18
CASH FLOW (IN € MILLION)			
Operative cash flow	205.8	157.5	+ 30.7%
Cash flow from operating activities[4]	51.7	113.4	- 54.4%
Cash flow from investing activities	- 60.3	- 74.9	
Free cash flow adjusted[4]	0.5	73.2	- 99.3%
EMPLOYEES (HEADCOUNT)			
Total at the end of March	9,081	7,924	+ 14.6%
thereof in Germany	7,575	6,335	+ 19.6%
thereof abroad	1,506	1,589	- 5.2%
SHARE (IN €)			
Share price at end of March (Xetra)	51.10	41.48	+ 23.2%

(1) After deconsolidation of affilinet
(2) EBT, EPS and EPS before PPA Q1 2017 without writedowns on financial assets, especially Rocket impairment (EBT effect = € -19.8 million; EPS effect = € -0.09)
(3) After reclassification of 250,000 customer relationships (110,000 accounts with Premium Mail subscription and 140,000 accounts with Value-Added subscription) from contract inventory to free accounts; prior-year figure adjusted
(4) Cash flow from operating activities and free cash flow Q1 2017 without capital gains tax refund of € 70.3 million originally planned for the fourth quarter of 2016

CONTENT

Dear shareholders, employees and business associates of United Internet,

United Internet AG maintained its growth trajectory in the first quarter of 2018. Once again, we were able to raise the number of customer contracts, sales revenues and key earnings ratios.

In the first quarter of 2018, we made further strong investments in new customer contracts and the expansion of our existing customer relationships and thus in sustainable growth. In our current product lines in the Access segment, we added a total of 270,000 contracts (240,000 mobile internet and 30,000 DSL complete). In the Applications segment, a further 30,000 fee-based contracts and 600,000 ad-financed free accounts were added.

Our sales and earnings figures are shaped by the consolidation of Strato and Drillisch, as well as by positive conversion effects from the initial application of IFRS 15 in the first quarter of 2018 (prior year: IAS 18). There were opposing and expected burdens on earnings from increased contract growth and stronger use of smartphones for new and existing customers (no or only small one-off customer payment for new contracts and refinancing via higher tariff prices over the contractual term). The IFRS 15 effects had a positive impact on sales (€ 85.7 million), while their impact on earnings was almost fully offset by expenses for the increased use of smartphones.

Specifically, consolidated sales grew by 33.4%, from € 952.7 million (acc. to IAS 18) in the previous year to € 1,270.7 million (acc. to IFRS 15) in the first quarter of 2018. On a pro forma basis (including Strato and Drillisch in the previous year), sales rose by 11.6% from € 1,138.4 million (acc. to IAS 18) to € 1,270.7 million (acc. to IFRS 15).

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by 30.7%, from € 213.0 million (acc. to IAS 18) to € 278.3 million (acc. to IFRS 15). On a pro forma basis (including Strato and Drillisch in the previous year), EBITDA improved by 8.7% from € 256.1 million (acc. to IAS 18) to € 278.3 million (acc. to IFRS 15). EBITDA for the first quarter of 2018 includes one-off expenses for current integration projects of € 8.1 million.

Earnings before interest and taxes (EBIT) increased by 10.2%, from € 165.9 million (acc. to IAS 18) to € 182.9 million (acc. to IFRS 15). EBIT also includes the above mentioned one-off expenses. The lower percentage growth compared to EBITDA is due to increased amortization of purchase price allocations (PPA) from the Strato and Drillisch takeovers completed in 2017.

Earnings per share (EPS) fell from € 0.46 to € 0.42. This was due to the strong increase in minority interests as a result of the 33% stake of Warburg Pincus in the Business Applications division and the 27% stake of minority shareholders in 1&1 Drillisch AG, and thus in our Consumer Access business. In addition, there were increased PPA writedowns relating to the acquisition of Versatel and in particular to the Strato and Drillisch takeovers in 2017. Without consideration of these PPA writedowns, EPS amounted to € 0.55 (prior year: € 0.50 or € 0.59 excluding Rocket impairments).

Following the successful first quarter of 2018, we can confirm our full-year guidance for 2018 and continue to expect growth in sales to approx. € 5.2 billion (prior year acc. to IAS 18: € 4.21 billion). We continue to anticipate consolidated EBITDA of approx. € 1.2 billion in 2018 (prior year acc. to IAS 18: € 980 million). The EBITDA forecast for 2018 includes approx. € 50 million one-off expenses for integration projects.

We are very 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 9, 2018

Ralph Dommermuth

INTERIM STATEMENT ON THE FIRST QUARTER OF 2018

Initial application of IFRS 15

In May 2014, the International Accounting Standards Board (IASB) published the standard IFRS 15 "Revenue from Contracts with Customers". Application is mandatory in reporting periods beginning on or after January 1, 2018 – and thus for the first time in the current quarterly statement for the first quarter of 2018. The new standard provides a single, principles-based, five-step model for the determination and recognition of revenue to be applied to all contracts with customers. In particular, it replaces the previous standards IAS 18 "Revenue" and IAS 11 "Construction Contracts".

United Internet has exercised its right to use the modified retrospective transitional method, i.e. in the current quarterly statement, the prior-year figures have not been adjusted. The conversion effects were recognized directly in equity as of January 1, 2018.

The application of IFRS 15 has a significant impact on the financial position and performance of United Internet. The new regulations mainly concern the following aspects:

- Whereas under the previous regulations, revenue from sales of hardware (e.g. cellphones) as part of a multiple-element arrangement (e.g. mobile contract and cellphone) was only recognized in the amount billed to the customer, IFRS 15 requires a separation of the total price for the customer contract based on the relative standalone selling prices of the individual elements. The resulting revenue share allocated to hardware is recognized in total on delivery to the customer. As the allocated revenue share generally exceeds the amount charged to the customer in the first month, the new regulations lead to accelerated revenue recognition and the corresponding recognition of a contract asset.

- Moreover, IFRS 15 requires the capitalization of contract costs. Provided that certain conditions are met, the costs of contract acquisition (e.g. sales commissions) and the costs of contract completion (e.g. provision fees) must be capitalized and amortized over the estimated period of use.

In addition to conversion effects from the first-time application of IFRS 15, sales and earnings figures were impacted by the increased use of smartphones to attract new and retain existing customers (no or only small one-off customer payment for new contracts and refinancing via higher tariff prices over the contractual term). In order to provide comparability between sales and earnings figures according to IFRS 15 in the first quarter of 2018 and sales and earnings figures according to IAS 18 in the first quarter of the previous year, the most important effects are reported in the form of additional comments on the development of business and the Group's position.

Business development

Development of the Access segment

Following the initial consolidation of Drillisch (since September 2017), United Internet's reporting of fee-based contracts is based on the current product lines with basic monthly fees. These include the mobile internet contracts and the DSL / VDSL contracts (complete DSL contracts).

The number of **fee-based contracts** for current product lines of the Access segment rose organically by 270,000 contracts to 12.91 million in the first quarter of 2018. A total of 240,000 customer contracts were added in the company's mobile internet business, thus raising the total number of contracts to 8.45 million. The number of complete DSL contracts (ULL = Unbundled Local Loop) was increased by 30,000 to a total of 4.37 million customer contracts.

Development of Access contracts in the first quarter of 2018 (in million)

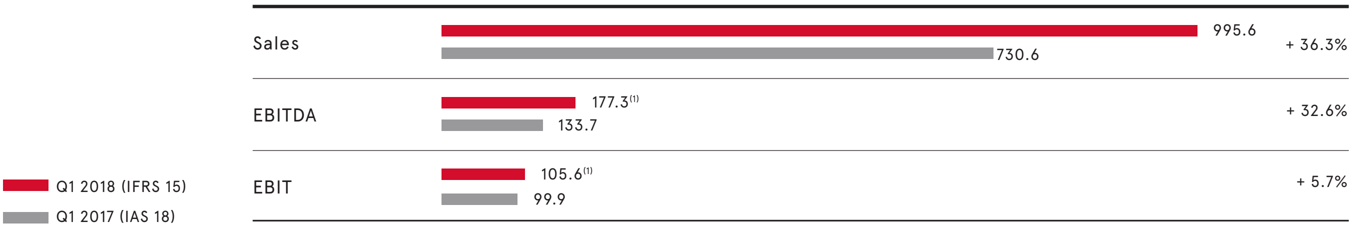
	Mar. 31, 2018	Dec. 31, 2017	Change
Access, total contracts	12.91	12.64	+ 0.27
thereof Mobile Internet	8.54	8.30	+ 0.24
thereof DSL complete (ULL)	4.37	4.34	+ 0.03

Due in part to the merger with Drillisch in September 2017, **sales of the Access segment** rose by 36.3% in the first quarter of 2018, from € 730.6 million in the previous year to € 995.6 million (sales effect from IFRS 15: € +79.8 million). Sales in the Consumer Access business increased by 45.0%, from € 619.4 million to € 898.3 million (sales effect from IFRS 15: € +79.8 million). Business Access sales of € 110.1 million were below the prior-year figure (€ 114.9 million). The decline was due to mass market sales of 1&1 Versatel (€ 23.6 million) which were still disclosed under Business Access in the first quarter of 2017 (as of May 1, 2017 under Consumer Access). On a pro forma basis (including Drillisch in the previous year), sales of the Access segment rose by 12.7% from € 883.5 million to € 995.6 million (sales effect from IFRS 15: € +79.8 million).

Due in part to the merger with Drillisch in September 2017, **segment EBITDA** for the first quarter of 2018 improved by 32.6%, from € 133.7 million in the previous year to € 177.3 million (earnings effect from IFRS 15: € +90.4 million; earnings effect from increased smartphone use: € -89.8 million). EBITDA in the Consumer Access business increased by 51.7%, from € 109.0 million to € 165.3 million (earnings effect from IFRS 15: € +89.8 million; earnings effect from increased smartphone use: € -89.8 million). EBITDA for the Business Access division of € 12.1 million (earnings effect from IFRS 15: € +0.6 million) was below the prior-year figure (€ 24.7 million). This decline was also due to mass market sales of 1&1 Versatel (€ 13.7 million) which were still disclosed under Business Access in the first quarter of 2017 (as of May 1, 2017 under Consumer Access). On a pro forma basis (including Drillisch in the previous year), segment EBITDA improved by 5.0% from € 168.8 million to € 177.3 million (earnings effect from IFRS 15: € +90.4 million; earnings effect from increased smartphone use: € -89.8 million). EBITDA includes **one-off expenses** for current integration projects of € 5.0 million.

Segment EBIT grew by 5.7% in the first quarter of 2018, from € 99.9 million in the previous year to € 105.6 million (earnings effect from IFRS 15: € +90.4 million; earnings effect from increased smartphone use: € -89.8 million). EBIT also includes the above mentioned one-off expenses. The lower percentage growth compared to EBITDA is due to increased amortization of purchase price allocations (PPA) from the Drillisch takeover.

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



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

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

	Q2 2017 (IAS 18)	Q3 2017 (IAS 18)	Q4 2017 (IAS 18)	Q1 2018 (IFRS 15)	Q1 2017 (IAS 18)	Change
Sales	743.8	798.8	919.4	995.6	730.6	+ 36.3%
EBITDA	126.3	164.0(1)	198.7(2)	177.3(3)	133.7	+ 32.6%
EBIT	91.7	118.5(1)	121.1(2)	105.6(3)	99.9	+ 5.7%

(1) Without extraordinary income from revaluation of Drillisch shares (EBITDA and EBIT effect: € +303.0 million)
(2) Without restructuring charges in offline sales (EBITDA and EBIT effect: € -28.3 million)
(3) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -5.0 million)

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

	Q1 2014 (IAS 18)	Q1 2015 (IAS 18)	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)
Sales	477.2	662.2	709.7	730.6	995.6
EBITDA	55.3	109.2	124.3	133.7	177.3(1)
EBITDA margin	11.6%	16.5%	17.5%	18.3%	17.8%
EBIT	47.6	69.9	90.5	99.9	105.6(1)
EBIT margin	10.0%	10.6%	12.8%	13.7%	10.6%

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

Development of the Applications segment

Apart from the technical integration projects and rebranding of the division announced in the Annual Financial Statements 2017, the main focus for the **Business Applications** division in fiscal year 2018 is still on the sale of additional features to existing customers (e.g. further domains, e-shops and business apps), as well as the acquisition of high-value customer relationships. Nevertheless, the number of fee-based Business Applications contracts was raised organically by 30,000 contracts to 8.05 million in the first quarter of 2018.

Development of Business Applications contracts in the first quarter of 2018 (in million)

	Mar. 31, 2018	Dec. 31, 2017	Change
Business Applications, total contracts	8.05	8.02	+ 0.03
thereof in Germany	4.04	4.01	+ 0.03
thereof abroad	4.01	4.01	+/- 0.00

Also as announced in the Annual Financial Statements 2017, the key topic in the **Consumer Applications** division for fiscal year 2018 is the repositioning of GMX and WEB.DE. As part of this repositioning, the division will reduce total advertising space while at the same time driving the expansion of data-driven business models for monetizing advertising. There will also be a stronger focus on gaining high-quality and long-lasting customer and contractual relationships and reducing less lucrative customer contracts. Following contract stock-taking conducted as part of the repositioning process, the company's Management Board decided to reclassify around 250,000 customer relationships from the pay contract inventory as free accounts as of March 31, 2018. The prior-year figures were adjusted accordingly. The number of fee-based Consumer Application accounts (contracts) remained constant during the reporting period and totaled 1.98 million as of March 31, 2018 after the above mentioned reclassification (before reclassification: 2.23 million). Free accounts rose by 0.60 million to 36.27 million in the reporting period (before reclassification: 36.02 million). As a result, Consumer Accounts rose in total by 0.60 million to 38.25 million accounts.

Development of Consumer Applications accounts in the first quarter of 2018 (in million)

	Mar. 31, 2018	Dec. 31, 2017	Change
Consumer Applications, total accounts	38.25	37.65	+ 0.60
thereof with Premium Mail subscription	1.54(1)	1.56(1)	- 0.02
thereof with Value-Added subscription	0.44(1)	0.42(1)	+ 0.02
thereof free accounts	36.27(1)	35.67(1)	+ 0.60

(1) After reclassification of 250,000 customer relationships (110,000 accounts with Premium Mail subscription and 140,000 accounts with Value-Added subscription) from contract inventory to free accounts; prior-year figure adjusted

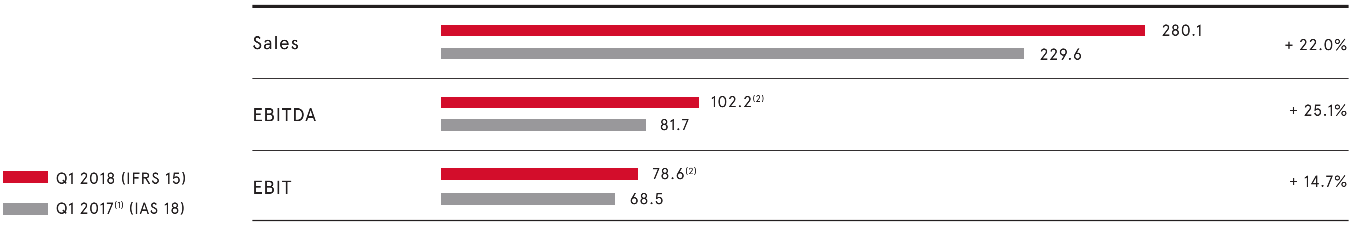
Due in part to the consolidation of Strato acquired on April 1, 2017, **sales of the Applications** segment increased by 22.0% in the first quarter of 2018, from € 229.6 million to € 280.1 million (sales effect from IFRS 15: € +5.9 million). Sales of Consumer Applications rose by 8.9% from € 66.1 million to € 72.0 million (sales effect from IFRS 15: € +0.5 million), while Business Applications sales grew by 27.4% from € 164.4 million to € 209.4 million (sales effect from IFRS 15: € +5.4 million). On a pro forma basis (including Strato in the previous year), sales of the Applications segment rose by 6.7% from € 262.4 million to € 280.1 million (sales effect from IFRS 15: € +5.9 million).

Influenced in particular by the year-on-year devaluation of the British pound, **sales of the Applications segment generated abroad** increased only moderately by 2.9% in the first quarter of 2018, from € 95.1 million to € 97.9 million. Adjusted for currency effects, sales generated abroad were up 4.7%.

Also due to the consolidation of Strato acquired on April 1, 2017, **segment EBITDA** improved by 25.1% in the first quarter of 2018, from € 81.7 million to € 102.2 million (earnings effect from IFRS 15: € +6.5 million). EBITDA for Consumer Applications of € 27.5 million (earnings effect from IFRS 15: € +0.5 million) was below the prior-year figure (€ 28.9 million). At the same time, EBITDA for Business Applications increased by 41.2%, from € 52.9 million to € 74.7 million (earnings effect from IFRS 15: € +6.0 million). On a pro forma basis (including Strato in the previous year), segment EBITDA rose by 13.9% from € 89.7 million to € 102.2 million (earnings effect from IFRS 15: € +6.5 million). EBITDA includes **one-off expenses** for current integration projects of € 3.1 million.

Segment EBIT rose by 14.7% from € 68.5 million to € 78.6 million (earnings effect from IFRS 15: € 6.5 million). EBIT also includes the above mentioned one-off expenses. The lower percentage growth compared to EBITDA results from increased PPA amortization from the Strato takeover.

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



(1) After deconsolidation of affilinet in 2017
(2) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -3.1 million)

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

	Q2 2017(1) (IAS 18)	Q3 2017(1) (IAS 18)	Q4 2017(1) (IAS 18)	Q1 2018 (IFRS 15)	Q1 2017(1) (IAS 18)	Change
Sales	264.2	261.7	286.3	280.1	229.6	+ 22.0%
EBITDA	94.3	95.2(2)	100.1	102.2(4)	81.7	+ 25.1%
EBIT	71.5	72.3(2)	77.2(3)	78.6(4)	68.5	+ 14.7%

(1) After deconsolidation of affilinet in 2017
(2) Without extraordinary income from revaluation of ProfitBricks shares (EBITDA and EBIT effect: € +16.1 million) and without internally allocated M&A costs (EBITDA and EBIT effect: € -8.7 million)
(3) Without trademark writedowns Strato (EBIT effect: € -20.7 million)
(4) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -3.1 million)

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

	Q1 2014 (IAS 18)	Q1 2015 (IAS 18)	Q1 2016(1) (IAS 18)	Q1 2017(1) (IAS 18)	Q1 2018 (IFRS 15)
Sales	232.6	247.5	232.4	229.6	280.1
EBITDA	58.6	68.2	79.0	81.7	102.2(2)
EBITDA margin	25.2%	27.6%	34.0%	35.6%	36.5%
EBIT	43.9	53.3	64.6	68.5	78.6(2)
EBIT margin	18.9%	21.5%	27.8%	29.8%	28.1%

(1) After deconsolidation of affilinet in 2017; Q1 2016 adjusted
(2) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -3.1 million)

Position of the Group

Earnings position

In the first quarter of 2018, the number of **fee-based customer contracts** in current product lines rose organically by 300,000 to a total of 22.94 million contracts. Ad-financed free accounts increased by 600,000 to 36.27 million.

Sales and earnings figures are shaped by the first-time consolidation of Strato and Drillisch, as well as by positive conversion effects from the initial application of IFRS 15 accounting in the first quarter of 2018 (prior year: IAS 18). There were opposing and expected burdens on earnings from increased contract growth and stronger use of smartphones for new and existing customers (no or only small one-off customer payment for new contracts and refinancing via higher tariff prices over the contractual term).

Due in part to the consolidation of Strato and Drillisch, **consolidated sales** grew by 33.4% from € 952.7 million in the previous year to € 1,270.7 million in the first quarter of 2018 (sales effect from IFRS 15: € +85.7 million). On a pro forma basis (including Strato and Drillisch in the previous year), sales rose by 11.6% from € 1,138.4 million to € 1,270.7 million (sales effect from IFRS 15: € +85.7 million). Influenced mainly by the year-on-year decline in the value of the British pound, there was only a modest 2.9% increase in **sales outside Germany**, from € 95.1 million to € 97.9 million. Adjusted for currency effects, foreign sales rose by 4.7%.

Due to the increased use of smartphones for new and existing customers, the **cost of sales** increased faster than revenues from € 611.2 million (64.2% of sales) in the previous year to € 851.2 million (67.0% of sales). There was a corresponding decline in the **gross margin** from 35.8% in the previous year to 33.0%. **Gross profit** rose by 22.9% from € 341.5 million in the previous year to € 419.6 million.

Sales and marketing expenses increased more slowly than sales from € 135.7 million (14.2% of sales) in the previous year to € 169.8 million (13.4% of sales). **Administrative expenses** also rose more slowly than sales from € 42.8 million in the previous year (4.5% of sales) to € 55.1 million (4.3% of sales).

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

	Q1 2014 (IAS 18)	Q1 2015 (IAS 18)	Q1 2016[1] (IAS 18)	Q1 2017[1] (IAS 18)	Q1 2018 (IFRS 15)
Cost of sales	464.5	603.0	605.3	611.2	851.2
Cost of sales ratio	65.4 %	66.6 %	64.8 %	64.2 %	67.0 %
Gross margin	34.6 %	33.4 %	35.2 %	35.8 %	33.0 %
Selling expenses	126.2	143.2	130.4	135.7	169.8
Selling expenses ratio	17.8 %	15.8 %	14.0 %	14.2 %	13.4 %
Administrative expenses	31.9	42.4	45.9	42.8	55.1
Administrative expenses ratio	4.5%	4.7%	4.9%	4.5%	4.3%

(1) After deconsolidation of affilinet in 2017; Q1 2016 adjusted

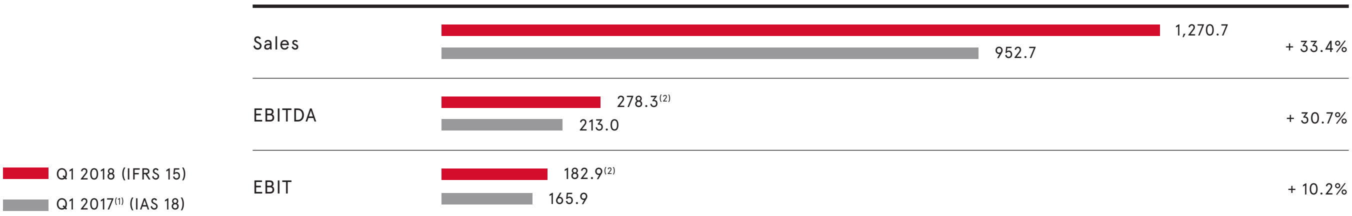
EBITDA rose by 30.7% from € 213.0 million to € 278.3 million (earnings effect from IFRS 15: € +98.7 million; earnings effect from increased smartphone use: € -89.8 million). On a pro forma basis (including Strato and Drillisch in the previous year), EBITDA improved by 8.7% from € 256.1 million to € 278.3 million (earnings effect from IFRS 15: € +98.7 million; earnings effect from increased smartphone use: € -89.8 million). EBITDA for the first quarter of 2018 includes one-off expenses for current integration projects of € 8.1 million.

EBIT increased by 10.2% from € 165.9 million to € 182.9 million (earnings effect from IFRS 15: € +98.7 million; earnings effect from increased smartphone use: € -89.8 million). EBIT also includes the above mentioned one-off expenses. The lower percentage growth compared to EBITDA is due to increased amortization of purchase price allocations (PPA) from the Strato and Drillisch takeovers.

Earnings before taxes (EBT) rose by 23.6% from € 139.4 million to € 172.3 million, or by 8.2% from € 159.2 million to € 172.3 million without consideration of impairment charges in the first quarter of 2017 on Rocket Internet shares held by United Internet (EBT effect: € -19.8 million; EPS effect: € -0.09).

Despite the increase in pre-tax earnings, **EPS** fell from € 0.46 to € 0.42. This was due to the strong increase in minority interests as a result of the 33% stake of Warburg Pincus in the Business Applications division and the 27% stake of minority shareholders in 1&1 Drillisch AG (and thus in the Consumer Access division). In addition, there were increased PPA writedowns resulting from the acquisition of Versatel and in particular from the Strato and Drillisch takeovers completed in 2017. Without consideration of PPA writedowns, EPS amounted to € 0.55 (prior year: € 0.50 or € 0.59 excluding Rocket impairments).

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



(1) After deconsolidation of affilinet in 2017
(2) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -8.1 million)

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

	Q2 2017[1] (IAS 18)	Q3 2017[1] (IAS 18)	Q4 2017[1] (IAS 18)	Q1 2018 (IFRS 15)	Q1 2017[1] (IAS 18)	Veränderung
Sales	1,001.4	1,054.1	1,198.1	1,270.7	952.7	+ 33.4%
EBITDA	216.9	254.2[2]	295.5[3]	278.3[4]	213.0	+ 30.7%
EBIT	159.4	185.9[2]	194.7[3]	182.9[4]	165.9	+ 10.2%

(1) After deconsolidation of affilinet in 2017
(2) Without extraordinary income from revaluation of Drillisch shares (EBITDA and EBIT effect: € +303.0 million) and revaluation of ProfitBricks shares (EBITDA and EBIT effect: € +16.1 million) and without M&A transaction costs (EBITDA and EBIT effect: € -15.2 million)
(3) Without M&A transaction costs (EBITDA and EBIT effect: € -1.9 million), without restructuring costs for offline sales (EBITDA and EBIT effect: € -28.3 million), and without trademark writedowns Strato (EBIT effect: € -20.7 million)
(4) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -8.1 million)

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

	Q1 2014 (IAS 18)	Q1 2015 (IAS 18)	Q1 2016[1] (IAS 18)	Q1 2017[1] (IAS 18)	Q1 2018 (IFRS 15)
Sales	709.9	905.1	933.5	952.7	1,270.7
EBITDA	112.1	173.5	201.4	213.0	278.3[2]
EBITDA margin	15.8%	19.2%	21.6%	22.4%	21.9%
EBIT	89.7	119.1	152.9	165.9	182.9[2]
EBIT margin	12.6%	13.2%	16.4%	17.4%	14.4%

(1) After deconsolidation of affilinet in 2017; Q1 2016 adjusted
(2) Including one-off expenses for current integration projects (EBITDA and EBIT effect: € -8.1 million)

Financial position

Thanks to the positive earnings trend, operative cash flow rose from € 157.5 million in the previous year to € 205.8 million in the first quarter of 2018.

Cash flow from operating activities in the first quarter of 2018 decreased from € 113.4 million in the previous year (without consideration of a capital gains tax refund of € 70.3 million) to € 51.7 million. This was mainly due to prepayments for services received which will not be recognized until the following periods, as well as to the short-term increase in inventories, which led to corresponding cash outflows.

Cash flow from investing activities amounted to € 60.3 million in the reporting period (prior year: € 74.9 million). This resulted mainly from disbursements of € 53.8 million for capital expenditures (prior year: € 41.9 million) and a subsequent cash outflow from the sale of yourfone Shop GmbH at the end of 2017. In addition to the aforementioned capital expenditures, cash flow from investing activities in the previous year was dominated by payments of € 34.9 million for the purchase of shares in associated companies (increased stake in Tele Columbus).

As a result of the investments made in operating activities (increased use of smartphones for new and existing customers) which will not be amortized until subsequent periods, and closing-date effects from the short-term increase in inventories (use of favorable purchasing conditions), 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) fell from € 73.2 million (comparable prior-year figure without above mentioned capital gains tax refund) to € 0.5 million in the first quarter of 2018.

Cash flow from financing activities in the first three months of 2018 was dominated by the net repayment of loans totaling € 82.1 million (prior year: assumption of loans totaling € 103.9 million). Apart from the assumption of loans, cash flow from financing activities in the previous year was dominated by the purchase of treasury shares (€ 77.2 million), and contributions from minority shareholders (€ 57.9 million from the investment of Warburg Pincus in the Business Applications division).

Cash and cash equivalents amounted to € 139.2 million as of March 31, 2018 – compared to € 295.9 million on the same date last year.

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

	Q1 2014 (IAS 18)	Q1 2015 (IAS 18)	Q1 2016 (IAS 18)	Q1 2017 (IAS 18)	Q1 2018 (IFRS 15)
Operative cash flow	79,7	133,1	148,6	157,5	205,8
Cash flow from operating activities	125,6	43,5[2]	104,0[3]	113,4[4]	51,7
Cash flow from investing activities	-22,2	-139,1	-294,2	- 74,9	- 60,3
Free cash flow[1]	115,9	17,1[2]	72,0[3]	73,2[4]	0,5
Cash flow from financing activities	-88,5	-31,6	277,9	80,2	- 86,1
Cash and cash equivalents on March 31	57,6	251,1	69,9	295,9	139,2

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

Asset position

The **balance sheet total** rose from € 7.606 billion as of December 31, 2017 to € 8.137 billion on March 31, 2018.

The initial application of IFRS 15 in the first quarter of 2018 resulted in current and non-current assets, as well as current and non-current liabilities, which comprise items from previous periods recognized directly in equity as of January 1, 2018 and adjustments of the current reporting period carried in profit or loss.

Current assets increased from € 823.9 million as of December 31, 2017 to € 1,033.0 million on March 31, 2018. **Cash and cash equivalents** disclosed under current assets decreased from € 238.5 million to € 139.2 million due to the redemption of loans and investments made in connection with the increased use of smartphones for new and existing customers. **Trade accounts receivable** fell from € 290.0 million to € 236.9 million. There was a short-term increase in **inventories** from € 44.7 million to € 92.8 million resulting from closing-date effects. The item **contract assets** amounting to € 369.1 million (December 31, 2017: € 0) includes claims against customers due to accelerated revenue recognition from the application of IFRS 15 in the first quarter of 2018, which were recognized directly in equity at the beginning of the year and are since amortized at cost. Due to closing-date effects, **current prepaid expenses** increased from € 92.3 million to € 98.6 million. This item also includes contract acquisition costs and contract completion costs. These comprise the current expenses for contract acquisition and contract completion during the contractual term which were recognized in equity at the beginning of the year and are since amortized at cost. **Other financial assets** fell from € 100.3 million (including a refund claim against a pre-service provider) to € 39.8 million. **Other non-financial assets** decreased from € 58.2 million to € 56.5 million and mainly comprise receivables from the tax authorities.

Non-current assets increased from € 6,781.9 million as of December 31, 2017 to € 7,104.2 million on March 31, 2018. **Shares in associated companies** decreased slightly from € 418.0 million to € 414.9 million. Due in particular to the subsequent valuation of United Internet's listed investments and the revaluation of Afilias (according to IFRS 9) as of March 31, 2018, **other financial assets** rose from € 333.7 million to € 424.5 million. **Property, plant and equipment** increased from € 747.4 million to € 753.3 million, while **intangible assets** fell from € 1,393.3 million to € 1,329.4 million. **Goodwill** was virtually unchanged at € 3,579.7 million. The item **contract assets** amounting to € 118.2 million (December 31, 2017: € 0) includes claims against customers due to accelerated revenue recognition from the application of IFRS 15 in the first quarter of 2018. **Prepaid expenses** increased from € 100.9 million to € 411.1 million and mainly include the long-term portion of expenses relating to contract acquisition and contract completion, as well as prepayments in connection with long-term purchasing agreements. As a result of IFRS 15 accounting, deferred tax assets fell from € 155.2 million to € 20.9 million.

Current liabilities fell from € 1,284.5 million as of December 31, 2017 to € 1,137.1 million on March 31, 2018. Due to closing-date effects, current **trade accounts payable** decreased from € 399.9 million to € 386.1 million. Short-term **bank liabilities** decreased from € 248.2 million to € 204.6 million. Income tax liabilities fell from € 130.2 million to € 126.4 million. **Contract liabilities** of € 171.5 million include current liabilities from the reimbursement of one-off fees for canceled contracts, income to be deferred from one-off fees and prepayments received which were recognized in the first quarter of 2018 on initial application of IFRS 15 directly in equity at the beginning of the year and are since amortized at cost.

Non-current liabilities increased from € 2,270.8 million as of December 31, 2017 to € 2,323.3 million on March 31, 2018. At the same time, long-term **bank liabilities** fell from € 1,707.6 million to € 1,669.1 million. The increase in **deferred tax liabilities** from € 390.7 million to € 416.0 million resulted mainly from the first-time application of IFRS 15. **Contract liabilities** of € 37.2 million include non-current liabilities from reimbursement claims for one-off fees resulting from canceled contracts, as well as income to be deferred from one-off fees on application of IFRS 15. The increase in **other accrued liabilities** from € 33.5 million to € 96.9 million resulted in particular from initial recognition of accruals for termination fees as part of IFRS 15 accounting.

The Group's **equity capital** rose from € 4,050.6 million as of December 31, 2017 to € 4,676.8 million on March 31, 2018. The change also reflects the adjustments recognized directly in equity from using the modified retrospective transition method on initial application of IFRS 15 as of January 31, 2018. There was a corresponding rise in the **equity ratio** from 53.3% to 57.5%. At the end of the reporting period on March 31, 2018, United Internet held 4,993,289 **treasury shares** (December 31, 2017: 5,093,289).

Net bank liabilities (i.e. the balance of bank liabilities and cash and cash equivalents) increased slightly from € 1,717.3 million as of December 31, 2017 to € 1,734.5 million on March 31, 2018.

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

	31.12.2014 (IAS 18)	31.12.2015 (IAS 18)	31.12.2016 (IAS 18)	31.12.2017 (IAS 18)	31.03.2018 (IFRS 15)
Total assets	3,673.4	3,885.4	4,073.7	7,605.8	8,137.2
Cash and cash equivalents	50.8	84.3	101.7	238.5	139.2
Shares in associated companies	34.9(1)	468.4(1)	755.5(1)	418.0	414.9
Other financial assets	695.3(2)	449.0(2)	287.7(2)	333.7(2)	424.5
Property, plant and equipment	689.3(3)	665.2	655.0	747.4(3)	753.3
Intangible assets	385.5(3)	389.5	369.5	1,393.3(3)	1,329.4
Goodwill	977.0(4)	1,100.1(4)	1,087.7	3,579.8(4)	3,579.7
Liabilities due to banks	1,374.0(5)	1,536.5(5)	1,760.7(5)	1,955.8(5)	1,873.7
Capital stock	205.0(6)	205.0	205.0	205.0	205.0
Treasury stock	35.3	26.3	122.5	189.4	185.7
Equity	1,204.7(6)	1,149.8	1,197.8	4,050.6(6)	4,676.8
Equity ratio	32.8%	29.6%	29.4%	53.3%	57.5%

(1) Decrease due to contribution of the GFC and EFF funds to Rocket and complete takeover of Versatel (2014); increase due to investment in Drillisch (2015); increase due to investment in Tele Columbus (2016); decrease due to takeover and consolidation of ProfitBricks and Drillisch
(2) Increase due to investment in Rocket (2014), decrease due to sale of Goldbach shares and subsequent valuation of shares in listed companies (2015); decrease due to subsequent valuation of shares in listed companies (2016); increase due to subsequent valuation of shares in listed companies (2017)
(3) Increase due to complete takeover of Versatel (2014); increase due to Strato, ProfitBricks and Drillisch takeovers (2017)
(4) Increase due to complete takeover of Versatel (2014); increase due to acquisition of home.pl (2015); increase due to Strato, ProfitBricks and Drillisch takeovers (2017)
(5) Increase due to Rocket investment and takeover of Versatel (2014); increase due to increased stake in Rocket, Drillisch investment, and acquisition of home.pl (2015); 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 capital increase (2014); increase due to consolidation effects in connection with the investment of Warburg Pincus in the Business Applications division and Strato takeover (2017)

Subsequent events

There were no significant events subsequent to the reporting date of March 31, 2018 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.

Compared with reporting on risks and opportunities in the Annual Financial Statements 2017, the overall risk and opportunity position has remained largely stable. 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.

From the current perspective, the main challenges focus on the areas of "potential threats via the internet", as well as risks from the fields of "political and legal", "market", and "personnel".

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

Forecast report

Forecast for fiscal year 2018

Following the successful first quarter of 2018, United Internet AG can confirm its full-year guidance for 2018 and continues to expect growth in sales to approx. € 5.2 billion (prior year acc. to IAS 18: € 4.21 billion). This figure includes an effect of approx. € 200 million from the initial application of IFRS 15. Consolidated EBITDA of approx. € 1.2 billion is still anticipated for 2018 as a whole (prior year acc. to IAS 18: € 980 million). This figure includes a burden on earnings of approx. € 300 million from the increased use of smartphones to attract new and retain existing customers (no or only small one-off customer payment for new contracts and refinancing via higher tariff prices over the contractual term) as well as – with an opposing positive effect – approx. € 300 million from first-time accounting according to IFRS 15. In addition, the EBITDA forecast for 2018 includes approx. € 50 million one-off expenses for integration projects.

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 updated guidance for the full year 2018.

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 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, 2017, the Interim Statement of United Internet AG as of March 31, 2018 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 the 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, 2017.

Mandatory adoption of new accounting standards

The following standards were mandatory in the EU for the first time for fiscal years beginning on or after January 1, 2018:

Standard		Mandatory for fiscal years beginning on or after	Endorsed by EU Commission
IFRS 1, IAS 28	Annual Improvements 2014 - 2016	Jan. 1, 2018	Yes
IFRS 2	Amendments Concerning the Classification and Measurement of Share-based Payment Transactions	Jan. 1, 2018	Yes
IFRS 9	Financial Instruments	Jan. 1, 2018	Yes
IFRS 15	Revenue from Contracts with Customers	Jan. 1, 2018	Yes
IFRIC 22	Foreign Currency Transactions and Advance Consideration	Jan. 1, 2018	Yes

This quarterly statement already includes effects from the new standards. The main impact is from the first-time application of IFRS 9 and IFRS 15.

The most important effects from the first-time application of IFRS 9 result from the classification and measurement of assets previously classified as "available-for-sale". In the case of investments in Rocket Internet SE, Berlin, AdUX S.A., Paris / France, and Afilias Ltd., Dublin / Ireland, it was decided to recognize changes in fair value resulting from subsequent valuations in other comprehensive income.

On first-time application of IFRS 15, United Internet exercised its right to use the modified retrospective transitional method. The prior-year figures of this quarterly statement were not therefore adjusted. As of January 1, 2018, the conversion effects were recognized in equity.

Use of estimates and assumptions

The preparation of this quarterly 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 Annual Report 2017 of United Internet AG starting on page 53.

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 quarterly statement includes all subsidiaries and associated companies.

The following company was acquired in Q1 2018:
- CA BG AlphaRho AG, Vienna / Austria

The following companies were renamed in the reporting period Q1 2018:
- 1&1 Drillisch AG, Maintal (formerly: Drillisch AG, Maintal)
- United Internet Corporate Holding SE, Montabaur (formerly: Atrium 121. Europäische VV SE, Berlin)
- United Internet Management Holding SE, Düsseldorf (formerly: Atrium 113. Europäische VV SE, Düsseldorf)

Otherwise, the consolidated group remained largely unchanged from that stated in the Consolidated Financial Statements as at December 31, 2017.

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, 2018 in €k

	March 31, 2018	December 31, 2017
ASSETS		
Current assets		
Cash and cash equivalents	139,219	238,522
Accounts receivable from minority shareholders	236,874	289,995
Trade accounts receivable	92,819	44,672
Inventories	369,100	0
Prepaid expenses	98,623	92,291
Other financial assets	39,843	100,270
Other non-financial assets	56,521	58,166
	1,032,999	**823,916**
Non-current assets		
Shares in associated companies	414,873	418,048
Other financial assets	424,513	333,699
Property, plant and equipment	753,269	747,423
Intangible assets	1,329,435	1,393,339
Goodwill	3,579,702	3,579,780
Trade accounts receivable	52,444	53,576
Contract assets	118,244	0
Prepaid expenses	411,124	100,880
Deferred tax assets	20,603	155,151
	7,104,207	6,781,896
Total assets	**8,137,207**	**7,605,812**

	March 31, 2018	December 31, 2017
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade accounts payable	386,057	399,898
Liabilities due to banks	204,560	248,185
Advance payments received	0(1)	10,901
Income taxes liabilities	126,372	130,195
Deferred revenue	160,943	262,480(2)
Other accrued liabilities	48,125	49,412
Other financial liabilities	149,596	135,658
Other non-financial liabilities	50,798	47,753
	1,137,056	1,284,482
Non-current liabilities		
Liabilities due to banks	1,669,120	1,707,596
Deferred tax liabilities	416,008	390,734
Trade accounts payable	8,318	9,023
Deferred revenue	37,162	32,397(2)
Other accrued liabilities	96,883	33,485
Other financial liabilities	95,850	97,537
	2,323,340	2,270,772
Total liabilities	**3,460,396**	**3,555,254**
Equity		
Capital stock	205,000	205,000
Capital reserves	3,010,089	2,709,203
Accumulated profit	1,284,349	1,204,603
Treasury stock	-185,666	-189,384
Revaluation reserves	152,477	74,923
Currency translation adjustment	-13,068	-13,120
Equity attributable to shareholders of the parent company	**4,453,181**	**3,991,226**
Non-controlling interests	223,629	59,332
Total equity	**4,676,810**	**4,050,559**
Total liabilities and equity	**8,137,207**	**7,605,812**

(1) Due to the initial application of IFRS 15, the item "Advance payments received" is included in contract liabilities.
(2) The item "Deferred revenue" in the previous year is disclosed in contract liabilities.

GROUP NET INCOME

from January 1 to March 31, 2018 in €k

	2018 January – March	2017[1] January – March
Sales	1,270,708	952,685
Cost of sales	-851,164	-611,235
Gross profit	**419,544**	**341,450**
Selling expenses	-169,787	-135,669
General and administrative expenses	-55,060	-42,780
Other operating expenses / income	-11,818	2,870
Operating result	**182,880**	**165,871**
Financial result	-6,689	-7,380
Amortization of financial assets	0	-19,757
Result from associated companies	-3,844	663
Pre-tax result	**172,346**	**139,397**
Income taxes	-56,535	-48,474
Net income from continuing operations	**115,811**	**90,923**
Net income from discountinued operations	0	1,800
Net income before non-controlling Interests	**115,811**	**92,723**
Attributable to		
non-controlling interests	32,347	1,553
shareholders of United Internet AG	83,464	91,170

	2018 January – March	2017[1] January – March
Result per share of shareholders of United Internet AG (in €)		
– basic	0.42	0.46
– diluted	0.42	0.45
Thereof result per share for continuing operations		
– basic	0.42	0.45
– diluted	0.42	0.45
Thereof result per share for discontinued operations		
– basic	0.00	0.01
– diluted	0.00	0.01
Weighted average shares (in million units)		
– basic	199.97	200.20
– diluted	200.43	200.80
Statement of comprehensive income		
Net income	115,811	92,723
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustment - unrealized	1,675	2,928
Items that will not be reclassified subsequently to profit or loss		
Market value changes of assets measured at fair-value in other income	55,233	-21,722
Tax effect	0	0
Share in other comprehensive income of associated companies	-124	-62
Other comprehensive income	55,109	-18,856
Total comprehensive income	**170,920**	**73,867**
Attributable to		
non-controlling interests	33,971	2,185
shareholders of United Internet AG	136,949	71,682

(1) Adjustment of prior-year figures due to discontinued operations

GROUP CASH FLOW

from January 1 to March 31, 2018 in €k

	2018 January – March	2017 January – March
Cash flow from operating activities		
Net income	115,811	92,723
Net income (from discountinued operations)	0	1,800
Net income (from continuing operations)	115,811	90,923
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of intangible assets and property, plant and equipment	46,941	35,430
Amortization of intangible assets resulting from company acquisitions	48,470	11,643
Amortization of financial assets	0	19,757
Share-based payment expense	2,783	1,047
Result from equity accounted investments	3,844	-663
Change in deferred taxes	-12,219	-668
Other non-cash positions	203	0
Operative cash flow	**205,833**	**157,469**
Change in assets and liabilities		
Change in receivables and other assets	55,076	34,727
Change in inventories	-48,147	-2,318
Change in contract assets	-61,749	0
Change in deferred expenses	-117,823	-24,335
Change in trade accounts payable	-14,545	-53,569
Change in advance payments received	0	-531
Change in other accrued liabilities	-982	217
Change in liabilities income taxes	4,476	-3,279
Change in other liabilities	16,196	-1,238
Change in deferred income	13,368	6,228
Change in assets and liabilities, total	**-154,131**	**-44,098**
Cash flow from operating activities (before capital gains tax refund)	**51,702**	**113,371**
Capital gains tax refund	0	70,293
Cash flow from operating activities for continuing operations	**51,702**	**183,664**
Cash flow from operating activities for discontinued operations	**0**	**5,445**
Cash flow from operating activities	**51,702**	**189,109**

	2018 January – March	2017 January – March
Cash flow from investing activities		
Capital expenditure for intangible assets and property, plant and equipment	-53,776	-41,920
Payments from disposals of intangible assets and property, plant and equipment	2,604	1,763
Purchase of shares in associated companies	-834	-34,870
Payments in connection with corporate transactions	-8,300	0
Refunding from other financial assets	0	137
Cash flow from investing activities for continuing operations	**-60,306**	**-74,890**
Cash flow from investing activities for discontinued operations	**0**	**-334**
Cash flow from investing activities	**-60,306**	**-75,224**
Cash flow from financing activities		
Purchase of treasury shares	0	-77,214
Taking out of loans	-82,101	103,927
Redemption of finance lease liabilities	-3,954	-4,453
Payments from minority shareholders	0	57,914
Cash flow from financial activities for continuing operations	**-86,055**	**80,174**
Cash flow from financial activities for discontinued operations	**0**	**34**
Cash flow from financing activities	**-86,055**	**80,208**
Net increase in cash and cash equivalents	-94,660	194,093
Cash and cash equivalents at beginning of fiscal year	238,522	101,743
Currency translation adjustments of cash and cash equivalents	-4,643	101
Cash and cash equivalents at end of reporting period	**139,219**	**295,937**
Cash and cash equivalents at end of reporting period associated with discontinued operations	0	3,414
Cash and cash equivalents at end of reporting period	**139,219**	**292,523**

GROUP CHANGES IN SHAREHOLDERS' EQUITY

from January 1 to March 31, 2018 in €k

	Capital stock		Capital reserves	Accumulated profit	Treasury stock	
	Share	€k	€k	€k	Share	€k
Balance as of January 1, 2017	**205,000,000**	**205,000**	**377,550**	**724,213**	**3,370,943**	**-122,493**
Net income				91,170		
Other comprehensive income						
Total comprehensive income				**91,170**		
Issue of treasury stock					2,000,000	-77,214
Employee stock ownership program			1,047			
Transactions with shareholders			627,261			
Balance as of March 31, 2017	**205,000,000**	**205,000**	**1,005,858**	**815,383**	**5,370,943**	**-199,707**
Balance as of December 31, 2017	**205,000,000**	**205,000**	**2,709,203**	**1,204,603**	**5,093,289**	**-189,384**
Effects of new IFRS standards			299,015			
Balance as of January 1, 2018	**205,000,000**	**205,000**	**3,008,218**	**1,204,603**	**5,093,289**	**-189,384**
Net income				83,464		
Other comprehensive income						
Total comprehensive income				**83,464**		
Purchase of treasury shares				-3,718	-100,000	3,718
Employee stock ownership program			1,871			
Balance as of March 31, 2018	**205,000,000**	**205,000**	**3,010,089**	**1,284,348**	**4,993,289**	**-185,665**

Revaluation reserves	Currency translation adjustments	Equity attributable to shareholders of United Internet AG	Non-controlling interests	Total equity
€k	€k	€k	€k	€k
30,988	**-17,794**	**1,197,464**	**348**	**1,197,812**
		91,170	1,553	92,723
-21,784	2,296	-19,488	632	-18,856
-21,784	**2,296**	**71,682**	**2,185**	**73,867**
		-77,214		-77,214
		1,047		1,047
-2,750	5,421	629,932	-202,545	427,387
6,454	**-10,077**	**1,822,911**	**-200,012**	**1,622,899**
74,923	**-13,120**	**3,991,226**	**59,332**	**4,050,559**
22,321		321,336	129,414	450,750
97,244	**-13,120**	**4,312,562**	**188,747**	**4,501,308**
		83,464	32,347	115,811
55,233	52	55,285	1,623	56,908
55,233	**52**	**138,749**	**33,971**	**172,719**
		0		0
		1,871	912	2,783
152,477	**-13,068**	**4,453,182**	**223,629**	**4,676,810**

SEGMENT REPORTING

from January 1 to March 31, 2018 in €k

January - March 2018	Access segment €k	Applications segment €k	Corporate €k	Reconciliation €k	United Internet Group €k
Segment revenues	995,558	280,117	45	-5,012	1,270,708
- thereof domestic	995,558	182,217	45	-	1,177,820
- thereof non-domestic	0	97,900	0	-	97,900
EBITDA	177,341	102,201	-1,251	0	278,291
EBIT	105,578	78,598	-1,296	0	182,880
Financial result					-6,689
Writedowns on investments					0
Result from at-equity companies					-3,844
EBT					172,346
Tax expense					-60,035
Net income (from continued operations					**112,311**
Net income from discountinued operations					-
Net income before non-controlling Interests					**112,311**
Investments in intangible assets, property, plant and equipment (without goodwill)	42,219	12,287	1,598	-	56,104
Amortization/depreciation from continuing operations	71,763	23,603	45	-	95,411
- thereof intangible assets and property, plant and equipment	32,094	14,802	45	-	46,941
- thereof assets capitalized during company acquisitions	39,669	8,801	0	-	48,470
Number of employees from continuing operations	4,225	4,387	469	-	9,081
- thereof domestic	4,225	2,881	469	-	7,575
- thereof non-domestic	0	1,506	0	-	1,506

January - March 2017	Access segment €k	Applications segment €k	Corporate €k	Reconciliation €k	United Internet Group €k
Segment revenues	730.556	229.572	49	-7.492	952.685
- thereof domestic	730.556	134.500	49	-	865.105
- thereof non-domestic	0	95.072	0	-	95.072
EBITDA	133.723	81.757	-2.536	0	212.944
EBIT	99.909	68.581	-2.619	0	165.871
Financial result					-7.380
Writedowns on investments					-19.757
Result from at-equity companies					663
EBT					139.397
Tax expense					-48.474
Net income (from continued operations					**90.923**
Net income from discountinued operations					1.800
Net income before non-controlling Interests					**92.723**
Investments in intangible assets, property, plant and equipment (without goodwill)	34.223	10.517	75	-	44.815
Amortization/depreciation from continuing operations	33.814	13.176	83	-	47.073
- thereof intangible assets and property, plant and equipment	24.670	10.677	83	-	35.430
- thereof assets capitalized during company acquisitions	9.144	2.499	0	-	11.643
Number of employees from continuing operations	3.523	4.064	337	-	7.924
- thereof domestic	3.523	2.475	337	-	6.335
- thereof non-domestic	0	1.589	0	-	1.589

FINANCIAL CALENDAR

March 22, 2018	Annual financial statements for fiscal year 2017 press and analyst conference
May 9, 2018	Interim Statement for the first quarter 2018
May 24, 2018	Annual Shareholders' Meeting, Alte Oper, Frankfurt/Main
August 9, 2018	6-Month Report 2017 press and analyst conference
November 13, 2018	Interim Statement for the first 9 months 2017

IMPRINT

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May 2018
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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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