

PRESS RELEASE

United Internet welcomes decision by Drillisch shareholders

Montabaur, July 25, 2017. As part of the step-by-step acquisition of 1&1 Telecommunication SE by Drillisch AG under the umbrella of United Internet AG, 97.85 percent of the represented share capital at today's extraordinary General Meeting of Drillisch voted in favor of the proposed capital increase by way of a contribution-in-kind. The majority of 75 percent required for approval was therefore achieved.

Ralph Dommermuth, Chairman of the Management Board of United Internet, states: "We're delighted of the clear approval which the Drillisch shareholders have given to the capital increase. It allows us to create a strong fourth player in the German telecommunications market. Under the umbrella of United Internet a new full-service telecommunications provider that has a strong brand, an enormous customer base and immense distribution capability can be established now. Together, we can offer our customers the complete range of products with full access to the network technologies of today and tomorrow from a single source: high-speed DSL, mobile internet and the associated services. The shareholders of United Internet and Drillisch will benefit from the significant growth potential and synergies offered by the merger in the form of value increases and dividends."

On May 12, 2017, United Internet and Drillisch had announced a business combination agreement. This agreement stipulated the step-by-step integration of 1&1 Telecommunication into Drillisch via two capital increases. The first capital increase by way of a contribution-in-kind has already been completed. As a result, Drillisch acquired around 7.75 percent of the shares in 1&1 Telecommunication and, in return, issued around nine million new Drillisch shares to United Internet. The second capital increase was subject to the approval of today's extraordinary general meeting. The overall transaction was accompanied by a voluntary public tender offer submitted by United Internet to the Drillisch shareholders. In this context, approximately 1.78 percent of Drillisch shares were tendered.

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The capital increase approved today will take effect after registration in the Commercial Register, which is expected by the end of the year. Once this has been completed, Drillisch will hold all shares in 1&1 Telecommunication. In return, United Internet's interest in Drillisch will increase to over 73 percent.

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About United Internet

With 17.16 million fee-based customer contracts and 34.56 million ad-financed free accounts (as of March 31, 2017), United Internet AG is Europe's leading Internet specialist. At the heart of United Internet is a high-performance "Internet Factory" with approx. 8,100 employees, of which around 2,600 are engaged in product management, development and data centers. In addition to the high sales strength of its established brands 1&1, GMX, WEB.DE, Strato, united-domains, Fasthosts, Arsys, home.pl, InterNetX, Sedo, affilinet and 1&1 Versatel, United Internet stands for outstanding operational excellence with around 51 million customer accounts worldwide.

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