**Disclosure Pursuant to Article 2 Sec. 1 of Commission Delegated Regulation (EU) No 2016/1052 supplementing Regulation (EU) No 596/2014 (MAR)**

**Purchase of Treasury Shares**

Maintal, 23 October 2018

The share buyback program announced by 1&1 Drillisch AG by means of an ad hoc notification on 22 October 2018 will be conducted in a first tranche starting on 24 October 2018. Treasury shares of the company with an aggregate acquisition cost of up to € 80,000,000 (excluding incidental purchasing costs), however, in total no more than 2,000,000 shares, shall be repurchased exclusively via the stock exchange over a period of time not to extend beyond March 31, 2019. The company may use the repurchased shares for all purposes admissible under the authorization granted on January 12, 2018 by the extraordinary shareholders' meeting. The shares may also be canceled.

The company has assigned a bank to carry out the buyback of the several tranches or parts thereof. The bank makes its decisions regarding the share buyback date independently of and uninfluenced by the company. The company's right to early termination of the mandate for the bank in accordance with the applicable statutory provisions and/or to transfer the mandate to another bank or several other banks shall remain unaffected.

The share buyback program may be suspended, discontinued and resumed at any time in compliance with all applicable statutory provisions.

The share buyback shall be carried out exclusively via the stock exchange in electronic trading through the Frankfurt Stock Exchange (Xetra).

The price per repurchased share (excluding incidental purchasing costs) must not be more than 10 % higher or more than 20 % lower than the average stock exchange price for the 1&1 Drillisch AG share of the electronic trading system on the Frankfurt Stock Exchange as established during the three trading days preceding the specific date of the repurchase obligation.

Moreover, the bank has committed itself to conduct the buyback program in accordance with both the authorization granted on January 12, 2018 by the extraordinary shareholders' meeting and the trading restrictions of Article 3 of the Commission Delegated Regulation (EU) No 2016/1052 of March 8, 2016 ("**Del.-Reg.**"). In accordance with the Del.-Reg., inter alia, no purchase price may be paid which exceeds the price of the last independent trade or the highest independent bid placed at the time of the purchase on the stock exchange on which the purchase is carried out, whichever value is the highest. Pursuant to the Del.-Reg., no more than 25 % of the average daily volume of shares on the stock exchange on which the purchase is carried out may be acquired. The average volume of shares is based on the average daily trade volume of the 20 trading days preceding the specific date of purchase.

The transactions will be announced pursuant to the requirements of Article 2 Sec. 3 Del.-Reg. in a detailed and an aggregated form no later than on the seventh trading day after their execution. Furthermore, 1&1 Drillisch AG will publish the transactions on its website www.1und1-drillisch.de and ensure that the information will be publicly accessible for a period of at least five years from the day of disclosure.

Maintal, 23 October 2018

1&1 Drillisch AG

The Executive Board