

freenet AG

Büdelndorf

ISIN: DE000A0Z2ZZ5

WKN: A0Z2ZZ

Invitation to the Annual General Meeting 2017

Our Company's shareholders are hereby invited to attend the **annual general meeting**, which will be held on Thursday, **01 June 2017**, at **10:00 a.m.** (doors open 9:00 a.m.), at **Messe Hamburg, Hall A4, Chicago Room**, Messeplatz 1, 20357 Hamburg, Germany.

Agenda

- 1. Presentation of the adopted annual financial statements, the approved consolidated financial statements as well as the management reports for freenet AG and the Group, the report of the Supervisory Board and the explanatory report of the Executive Board regarding the information in accordance with sections 289 (4), 315 (4) German Commercial Code (Handelsgesetzbuch) for the financial year 2016**

The Supervisory Board has approved the annual financial statements and consolidated financial statements prepared by the Executive Board; the annual financial statements have thus been adopted. A resolution by the annual general meeting is thus not necessary.

2. Resolution regarding the appropriation of the net profit

The Executive Board and Supervisory Board propose that the cumulative profit of 319,228,096.69 euros disclosed in the adopted annual financial statements of freenet AG for the period ending 31 December 2016 be appropriated as follows:

Payment of a dividend of 1.60 euros per dividend-bearing no-par-value share, i.e. 204,817,625.60 euros as the total amount of the dividend, and the remaining amount of 114,410,471.09 euros to be carried forward to the new account. The dividend is payable on 06 June 2017.

Total amount of the dividend	204,817,625.60 euros
Carried forward to new account	114,410,471.09 euros
Net profit	319,228,096.69 euros

At the time at which the annual general meeting was convened, the Company indirectly held 50,000 treasury shares which are not entitled to a dividend payment. Up to the point at which the annual general meeting is held, the number of dividend-bearing shares may change as a result of the acquisition, retirement or disposal of treasury shares or as a result of issuing new shares. In this case, and if no change is made to the dividend payment of 1.60 euros per dividend-bearing share, an amended proposed resolution regarding the appropriation of profits will be submitted to the annual general meeting, proposing a corresponding adjustment to the total amount of the dividend to be paid out to the shareholders and a corresponding adjustment of the amount to be carried forward to the new account.

3. Resolution regarding ratification of the actions of the members of the Executive Board of the Company for the financial year 2016

The Executive Board and the Supervisory Board propose that the actions of the members of the Executive Board of the Company who were in office in the financial year 2016 be ratified for this period.

4. Resolution regarding ratification of the actions of the members of the Supervisory Board of the Company for the financial year 2016

The Executive Board and the Supervisory Board propose that the actions of the members of the Supervisory Board of the Company who were in office in the financial year 2016 be ratified for this period.

5. Resolution regarding the appointment of the auditor for the annual financial statements and the auditor for the consolidated financial statements for the financial year 2017 as well as the auditor for any audit review of the 6-month financial report and other interim financial statements during financial year 2017 as well as financial year 2018 prior to the annual general meeting 2018

Based on the recommendation of the audit committee, the Supervisory Board proposed that the following resolution be adopted:

- a) PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, is appointed as the auditor of the annual financial statements and the auditor of the consolidated financial statements for the financial year 2017.
- b) PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, is appointed as the auditor of any audit review of interim (6-months and quarterly reports) financial statements for financial year 2017 and for the first quarter of the financial year 2018, if and to the extent that such interim financial statements are prepared prior to the annual general meeting 2018 and should undergo an audit review.

The audit committee has declared that its recommendation is free from any undue third-party influence pursuant to Art. 16 (2) sub. 3 APVO and that it is not subject to any clause of the kind set forth in Art. 16 (6) APVO.

6. Supervisory Board elections

The term in office of the shareholder representatives on the Supervisory Board will end upon close of the annual general meeting 2017.

Pursuant to sections 96 (1) and (2), 101 (1) AktG (German Stock Corporation Law), sections 1 (1), 5 (1) clause 1, 7 (1) no. 1 MitbestG (German Co-Determination Act) 1976 and Sec. 7 of the Articles of Association, the Supervisory Board is comprised of six members to be elected by the general meeting and six members to be elected by the employees.

The following nominations are based on the recommendations by the Supervisory Board's Nominations Committee. The recommendations are made in compliance with statutory requirements and taking into account the objectives adopted by the Supervisory Board regarding its composition. Since 01 January 2016, pursuant to the [German] Law on equality for women and men in managerial positions, both in the private and public sectors (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst), a minimum of 30 percent each of men and women must be complied with when electing Supervisory Board members. The Supervisory Board therefore must include at least 30 percent women and at least 30 percent men (Sec. 96 (2) clause 1 AktG). Based on a resolution adopted with a majority, the employee representatives have used statutory option and have objected to the overall compliance with minimum representation by shareholder representatives and employee representatives for election in the annual general meeting on 01 June 2017, with the effect that the minimum of 30 percent women and 30 percent men must be calculated separately for each the shareholder representatives and employee representatives. Accordingly, of the six shareholder seats on the Supervisory Board, at least two must be occupied by women, and two by men.

The Supervisory Board proposes electing

- a) Sabine Christiansen, Berlin
Managing Shareholder of TV21 GmbH, Berlin

- b) Fränzi Kühne, Berlin
Managing Director of Torben, Lucie und die gelbe Gefahr GmbH, Berlin

- c) Thorsten Kraemer, Zug (Switzerland)
Managing Shareholder of Crocodile Capital GmbH, Vaduz (Liechtenstein)

- d) Prof Dr Helmut Thoma, Strassen (Luxembourg)
Independent Media Consultant, Strassen (Luxembourg)
- e) Marc Tüngler, Düsseldorf
Attorney and CEO of Deutsche Schutzvereinigung für Wertpapierbesitz e.V.,
Düsseldorf
- f) Robert Weidinger, Valley
Independent Chartered Accountant, Tax Counsel, and Corporate Finance
Consultant, Valley

as Supervisory Board members for the period of time until the close of the general meeting, which gives discharge for the fourth financial year following the start of the term of office. The financial year, in which the term of office commences, shall not be included in the calculation.

Elections for the Supervisory Board should be held on an individual basis.

Having questioned the proposed candidates, the Supervisory Board additionally notifies the following with regard to the election proposals: In its assessment, none of the proposed candidates has any personal or business links to the Company, its affiliates, or the Company's bodies, which would have to be disclosed pursuant to section 5.4.1 of the German Corporate Governance Code. The Company has no knowledge of any major shareholders of the Company in terms of section 5.4.1 of the German Corporate Governance Code, where any personal or business link might exist. The current appointments of the shareholders' proposed Supervisory Board members in terms of section 125 (1) clause 5 AktG are set forth below in the information regarding the agenda.

The Supervisory Board has ascertained that the proposed candidates are able to commit the required time.

Prof. Dr. Helmut Thoma has declared that if elected, he will be available for the position as Chairman of the Company's Supervisory Board.

INFORMATION ABOUT AGENDA ITEM 6

The persons proposed under agenda item 6 for election as the shareholders' Supervisory Board members are members of a statutory Supervisory Board or of a similar domestic or foreign supervisory body (information pursuant to section 125 (1) clause 5 AktG):

a) Sabine Christiansen

- Appointments to other statutory Supervisory Boards:

Hermes Europe GmbH, Hamburg, member of the Supervisory Board

- Memberships with similar domestic or foreign supervisory bodies:

None

b) Fränzi Kühne

- Appointments to other statutory Supervisory Boards:

None

- Memberships with similar domestic or foreign supervisory bodies:

None

c) Thorsten Kraemer

- Appointments to other statutory Supervisory Boards:

None

- Memberships with similar domestic or foreign supervisory bodies:
amaysim Australia Ltd, Sydney (Australia), member of the board of directors
SYSTRADE AG, Vaduz, Liechtenstein, member of the management board
- d) Prof. Dr. Helmut Thoma
- Appointments to other statutory Supervisory Boards:
DAF Deutsches Anleger Fernsehen AG, Kulmbach, member of the Supervisory Board
 - Memberships with similar domestic or foreign supervisory bodies:
3 Plus TV Network AG, Zurich (Switzerland), member of the management board
Doğan Yayın Holding, Istanbul (Turkey), member of the management board
- e) Marc Tüngler
- Appointments to other statutory Supervisory Boards:
InnoTec TSS AG, Düsseldorf, member of the Supervisory Board
Innogy SE, Essen, member of the Supervisory Board
 - Memberships with similar domestic or foreign supervisory bodies:
None
- f) Robert Weidinger
- Appointments to other statutory Supervisory Boards:
mobilcom-debitel GmbH, Büdelsdorf, member of the Supervisory Board
 - Memberships with similar domestic or foreign supervisory bodies:
None

A short resume of the candidates as well as a summary of their main activities other than their appointment to the Supervisory Board are available on the Company's website: <http://www.freenet-group.de/investor-relations/hauptversammlung/>.

DOCUMENTS FOR THE ANNUAL GENERAL MEETING, PUBLICATIONS ON THE WEBSITE OF THE COMPANY

The approved consolidated financial statements and the group management report, the adopted annual financial statements and the management report of freenet AG for the financial year 2016, the explanatory report of the Executive Board regarding the disclosures in accordance with sections 289 (4), 315 (4) HGB, the report of the Supervisory Board for the financial year 2016 and the proposal of the Executive Board regarding the appropriation of the cumulative profit are available for inspection via the website of our Company at <http://www.freenet-group.de/investorrelations/hauptversammlung/> from the point at which the annual general meeting is convened up to the point at which the annual general meeting is concluded. The documents will also be made available in the annual general meeting of freenet AG.

All above-mentioned documents are also available for inspection in the business premises of the Company (Hollerstraße 126, 24782 Büdelsdorf; Deelbögenkamp 4c, 22297 Hamburg, Germany) from the time at which the annual general meeting is convened. Upon request, a copy of the documents will be sent immediately and free-of-charge to each shareholder.

The information and documents additionally specified in section 124a AktG will also be available on the website of the Company at <http://www.freenet-group.de/investorrelations/hauptversammlung> from the day on which the annual general meeting is convened.

TOTAL NUMBER OF SHARES AND VOTING RIGHTS

At the time at which the annual general meeting is convened, the share capital of the Company amounts to 128,061,016 euros, comprising 128,061,016 registered no-par-value shares (shares), each of which confer one vote. The total number of shares with voting rights of freenet AG in accordance with the terms of section 30b (1) no.1 WpHG (Wertpapierhandelsgesetz; Securities Trading Act) amounts to 128,061,016 at the time at which the annual general meeting is convened. The above total number comprises 50,000 own shares currently held, which do not confer any rights to the Company.

CRITERIA FOR ATTENDING THE ANNUAL GENERAL MEETING AND EXERCISING THE VOTING RIGHTS*Entry in the share register and registration*

In relation to the Company, a person is deemed to be a shareholder only if he/she is entered in the share register. Accordingly, only the shareholders who are entered in the share register on the day of the annual general meeting and who have also registered in due time are authorised to attend the annual general meeting and exercise their voting rights. Regarding the transfer of shares in the share register, refer to the section "Free disposal and technical record date" below. Shareholders are able to register with the Company at the following address by no later than the end of 25 May 2017, 24:00 hours (CEST):

Hauptversammlung freenet AG
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg

Fax: +49 (0)69/256 270 49

Email: hv@freenet.ag

If the registration is received in due time, admission tickets for the annual general meeting are sent to the shareholders. Unlike the registration, the admission ticket is not a criterion for participating in the annual general meeting; its purpose is merely to simplify the procedure for the admission checks to the annual general meeting.

Free disposal and technical record date

The shares are not blocked as a result of registration for the annual general meeting. The shareholders can therefore still freely dispose of their shares even after they have registered. Only the number of shares recorded in the share register on the day of the annual general meeting is relevant for the attendance and voting rights. This will be equivalent to the number resulting from the transfer applications which have been received by the Company by the final

day of registration. Applications for transfers in the share register which are received during the period between 26 May 2017 and 01 June 2017 (both dates inclusive) will only be processed and recognised after the annual general meeting of 02 June 2017. The technical record date is therefore 25 May 2017, 24:00 hours (CEST).

PROCEDURE FOR VOTING VIA PROXIES

Shareholders are able to appoint a credit institution, a shareholder association or another person of their choice as proxies for exercising voting rights. Text form is sufficient for granting the power of attorney to a proxy, and also for any revocation and as supporting evidence unless a stricter form is required by law; section 135 AktG is not affected. If the proxy powers are granted to a credit institution, a shareholder association or equivalent persons in terms of the exercising of voting rights in accordance with section 135 (8) AktG or sections 135 (10), 125 (5) AktG, institutions or companies, the requirements regarding the proxy powers, in the absence of special regulations in the articles of association, are based on the statutory regulations in section 135 AktG, i.e., the proxy must be recorded in a verifiable manner, and must reflect the special aspects of the respective authorised proxy, which have to be requested from the party to be authorised.

Credit institutions, shareholder associations and equivalent persons as specified in section 135 (8) AktG or sections 135 (10), 125 (5) AktG, institutions or companies may exercise voting rights for shares which are not owned by them but for which they have been registered as the owner in the share register of the Company, only on the basis of an authorisation of the shareholder for which the regulations regarding proxy powers are applicable accordingly.

As a service for our shareholders who are authorised to attend the annual general meeting, we have previously offered an arrangement whereby such shareholders can be represented in the annual general meeting by a proxy designated by the Company. Proxy powers and instructions for exercising the voting rights must be granted to this proxy; however, the proxy is not permitted to exercise other shareholder rights. The proxy is obliged to vote as instructed. However, it must be borne in mind that the proxy is not able to receive instructions, in advance of the annual general meeting or during the annual general meeting, regarding procedure

applications or applications or nominations submitted for the first time in the annual general meeting. He is permitted to exercise the voting right only in relation to those agenda items for which he has received instructions from the shareholders.

Proxy powers and instructions to the proxy designated by the Company must have been notified by 31 May 2017, 24:00 hours (CEST) – with the name of the person submitting the declaration – by writing, by facsimile, by email or otherwise in text form at the following address:

Hauptversammlung freenet AG
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg

Fax: +49 (0)69/256 270 49

Email: hv@freenet.ag

Proxy powers and instructions can also be revoked or modified in the above-mentioned form if received by 31 May 2017, 24:00 hours (CEST).

The granting of proxy powers, the revocation of such powers and evidence of the authorisation can be provided in the form specified above. The evidence of authorisation can also be provided by way of the proxy powers which designate the name of the person granting the powers being presented when the proxy appears in person.

The shareholders who wish to grant proxy powers to a person of their choice, a credit institution, a shareholders association or other equivalent persons as detailed in section 135 (8) AktG or sections 135 (10), 125 (5) AktG, institutions or companies or proxies designated by the Company must themselves be authorised to attend the annual general meeting. They must therefore be entered in the share register on the day of the annual general meeting and must have registered in due time to attend the annual general meeting. The admission ticket contains a form which can be used for granting the proxy powers.

Shareholders can also exercise their rights in the annual general meeting in person even after they have awarded proxy powers. Personal appearance is deemed to be revocation of previously granted proxy powers.

If a shareholder authorises more than one person, the Company may reject one or more of such persons.

The shareholders also receive details regarding attendance at the annual general meeting as well as for granting proxy powers and instructions together with the admission ticket.

PROCEDURE FOR POSTAL VOTING

Subject to the following conditions, shareholders may also cast their votes in writing or by way of electronic communication without attending the annual general meeting (postal vote).

In order to be able to exercise their voting rights by way of postal voting, section 13 (1) of the articles of association of the Company specify that only those shareholders are authorised who are recorded in the share register and who have registered in due time with the Company for attending the annual general meeting (see above, section “Entry in share register and registration”).

Postal votes can be sent to the Company, and can also be revoked, in writing by facsimile or by email at the address

Hauptversammlung freenet AG
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg

Fax: +49 (0)69/256 270 49

Email: hv@freenet.ag

until 31 May 2017, 24:00 hours (CEST).

If a shareholder who has already submitted a postal vote wishes to attend the annual general meeting in person or wishes to be represented by a proxy and represents corresponding shares, this is possible, but is deemed to be revocation of the votes cast by postal voting for the respective shares.

APPLICATIONS, NOMINATIONS, INFORMATION RIGHTS

Additional applications for the agenda (in accordance with section 122 (2) AktG)

Shareholders who are recorded in the share register and whose shares together account for a proportionate amount of 500,000 euros can demand that items be placed on the agenda and published in the Federal Gazette and in the internet at <http://www.freenet-group.de/investor-relations/hauptversammlung/>. Each new item must be accompanied by justification or a proposed resolution. Such a demand must have been received by the Company by the end of 01 May 2017, 24:00 hours (CEST) in writing at the address:

freenet AG
Vorstand
HV-Management
Hollerstraße 126
24782 Büdelsdorf

or by email with the addition of the name of the applicant with a qualified electronic signature at: hv@freenet.ag. Applicants are required to provide evidence that they are holders of an adequate number of shares for the legally required minimum ownership period of 90 days (sections 122 (2), 122 (1) clause 3 AktG as well as section 70 AktG) and that they will hold these shares up to the point at which the decision regarding the application is taken.

Counterapplications and nominations of shareholders (sections 126 (1), 127 AktG)

Counterapplications of shareholders recorded in the share register regarding certain items of the agenda and nominations of such shareholders regarding the election of the auditor or of the Supervisory Board members are published in the internet at <http://www.freenet-group.de/investor-relations/hauptversammlung/>, together with the name of the shareholder, the justification and any comment of the administration, if the following criteria are satisfied:

Any counterapplications regarding a proposal of the Executive Board and/or Supervisory Board in relation to a specific item of the agenda as well as any nominations must have been received by the Company by 17 May 2017, 24:00 hours (CEST). They must be sent exclusively to:

freenet AG
Vorstand
HV-Management
Hollerstraße 126
24782 Büdelsdorf

Fax: +49 (0)4331/8373100

Email: hv@freenet.ag

Applications which are addressed differently or which are not received by the specified deadline will not be taken into consideration.

Counterapplications must be justified. A counterapplication must not be made accessible by the Company if one of the exclusion criteria as specified in section 126 (2) clause 1 AktG is satisfied. The justification also does not have to be made accessible if in total it has more than 5,000 characters.

Nominations regarding the election of the auditor or of the Supervisory Board members do not need to be justified. However, a nomination does not have to be made accessible by the Company if one of the exclusion criteria as specified in sections 127 clause 1, 126 (2) clause 1 AktG are satisfied. Nominations for the election of the auditor or of the Supervisory Board members are also not made accessible if they do not contain the name, exercised profession and place of residence or – for nominations for the election of the Supervisory Board members – information about memberships of the nominated person in other statutory Supervisory BoardSupervisory Boards (section 127 clause 3 in conjunction with section 124 (3) clause 4 AktG). The criteria applicable for making counterapplications accessible are otherwise applicable accordingly.

The right of every shareholder to submit counterapplications regarding the various agenda items or to propose nominations during the annual general meeting even without having provided the Company with prior notification is not affected. We wish to point out that counterapplications

and nominations, even if they have been published before the annual general meeting at the request of shareholders, can only be taken into consideration in the annual general meeting if they are presented verbally.

Information right of shareholders (in accordance with section 131 (1) AktG)

In the annual general meeting, every shareholder and shareholder representative can demand information concerning affairs of the Company from the Executive Board if the information is necessary for reaching a proper assessment of the subject of the agenda. The information right also covers the legal and business relations of the Company with regard to an affiliated Company and also the situation of the Group and the companies included in the consolidated financial statements (section 131 (1) AktG). Under certain conditions, the Executive Board may refuse to provide the information (section 131 (3) AktG).

According to section 15 (4) of the Articles of Association, the chair of the meeting can impose a reasonable time restriction on the right to pose questions and speak in the annual general meeting.

Further explanations regarding shareholders' rights

Further explanations regarding the rights of shareholders in accordance with sections 122 (2), 126, 127, 131 AktG as well as restrictions of these rights can be found in the internet at <http://www.freenet-group.de/investor-relations/hauptversammlung/>

Büdelsdorf, April 2017

freenet AG
Management Board