

Federal Cartel Office blocks the sale of
Deutsche Telekom's cable network to Liberty Media



Investor Relations

Ad hoc Mitteilung

Ad hoc notification in accordance with Paragraph 15 Security Trading Act (WpHG)

February 25, 2002

Deutsche Telekom has today been informed by the Federal Cartel Office in Bonn of its final decision not to grant approval for the announced sale of Deutsche Telekom's cable TV businesses to the Liberty Media Corporation. The sale covered the regional cable TV companies in Hamburg/Schleswig-Holstein/Mecklenburg-Western Pomerania, Bremen/Lower Saxony, Rhineland-Palatinate/Saarland, Berlin/Brandenburg, Saxony/Saxony-Anhalt/Thuringia and Bavaria, including the Level 4 operator Deutsche Telekom Kabel Services GmbH (DeTeKS) and MediaServices GmbH (MSG). The Federal Cartel Office had already issued a warning in its preliminary assessment on 31 January 2002.

Deutsche Telekom, which has always considered that the sale of its cable TV network to Liberty Media would act as a clear stimulus to competition, regrets the decision of the Federal Cartel Office. The emergence of a new infrastructure provider in the local network would have been a particular benefit. Leading competition experts had also spoken out in public calling for the project to be approved.

Deutsche Telekom is open to new negotiations with interested parties. The program of systematic debt reduction shall continue.