

Deutsche Telekom increases EBITDA in the first half of 2002



Investor Relations

Ad hoc notification

Ad hoc notification by Deutsche Telekom AG in accordance with Section 15 of the Security Trading Act (WpHG)

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T-Mobile has its best quarter ever with EBITDA more than EUR 1 billion higher than in the first half of 2001

VoiceStream increases number of customers to over 8 million at June 30, 2002

T-Com EBITDA stabilized compared with previous year

Deutsche Telekom expects a further increase in EBITDA for the first six months of the 2002 financial year compared with the same period last year.

According to information available so far, T-Mobile increased its EBITDA in the second quarter once more compared with the first quarter and thus recorded the best half-year in terms of EBITDA in the history of the company. In comparison with the EBITDA of the first half year 2001 of approximately EUR 1.4 billion, the EBITDA in the first six months of 2002 improved by well over EUR 1 billion. T-Mobile's US operations made a particular contribution to this development, improving its EBITDA by well over 50 percent in the second quarter of 2002 compared with the figure of EUR 106 million in the first quarter.

VoiceStream recorded a net increase of more than 525,000 customers in the USA in the second quarter of 2002 to more than 8 million at June 30, 2002. According to current expectations for the U.S. mobile communications market, this growth in the absolute number of customers puts VoiceStream among the top 3 mobile communications providers in the USA in terms of net additions in the quarter. VoiceStream's net contract additions of 700,000 was offset by a corresponding reduction in the number of pre-pay customers.

In the same period, T-Mobile further extended its market leadership with a net growth of 200,000 customers in the second quarter of the year.

T-Com stabilized its EBITDA relative to the first half of 2001 (EUR 5 billion). T-Com recorded an increase of almost 2 percent in its revenues over the first six months of 2001 of EUR 14.7 billion.

The price adjustments implemented on May 1, 2002 will have a positive impact on the results in the second half of the year. The considerable reduction in capital expenditure in the fully built-out fixed network will lead to a major increase in the free cash flow of the T-Com division in the course of this year, thus increasing the financial means available to reduce the debts of the Group.