



## Reconciliation to pro forma figures

- EBITDA
- EBITDA adjusted for special influences
- Free cash flow
- Gross and net debt



## Reconciliation to pro forma figures

### ***EBITDA and EBITDA adjusted for special influences.***

EBITDA and EBITDA adjusted for special influences are pro forma figures that are not covered by the provisions of the German or U.S. GAAP.

**EBITDA.** EBITDA is the abbreviation for “earnings before interest, taxes, depreciation and amortization”. Deutsche Telekom defines EBITDA as the results from ordinary business activities excluding net financial income (expense), amortization of intangible assets and depreciation of property, plant and equipment.

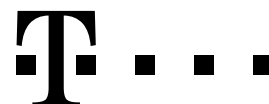
Deutsche Telekom considers EBITDA to be a measure of the development of its operating activities before the effect of start-up costs for the development of new business areas and markets that are not matched by any relevant income. Furthermore, EBITDA is also an indicator to demonstrate to what extent operational business activities can generate cash flows to reduce net debt or to finance investments. As such, EBITDA is an important indicator used by Deutsche Telekom’s leading decision-makers in order to measure Deutsche Telekom’s operating activities and the performance of the individual units. EBITDA provides investors with the exactly the same figure used by Deutsche Telekom’s management, allowing them to assess the results of each unit, as well as those of the Deutsche Telekom Group as a whole.

**EBITDA adjusted for special influences.** Deutsche Telekom defines EBITDA adjusted for special influences as the results from ordinary business activities excluding net financial income (expense), amortization of intangible assets and depreciation of property, plant and equipment, before the effects of any special influences. Deutsche Telekom discloses EBITDA adjusted for special influences as an indicator of the development of its operating activities before the effect of the special influences listed below and those special influences resulting from the measures taken in the third quarter of the 2002 financial year as part of the strategic review.

EBITDA and EBITDA adjusted for special influences should not be viewed in isolation or as an alternative to net income/(loss), income/(loss) before taxes, operating income, net cash provided by operating activities or other Deutsche Telekom financial measures prepared in accordance with German or U.S. GAAP. EBITDA also includes noncash transactions and does not take account of either changes in the balance sheet or interest and tax payments. However, given that these factors affect cash flow, EBITDA and EBITDA adjusted for special influences should not be used as a substitute for the cash flow measures recorded by Deutsche Telekom.

Since other companies may not calculate EBITDA, or EBITDA adjusted for special influences, and similar pro forma financial figures in the same way, Deutsche Telekom's pro forma figures are not necessarily comparable with similarly titled figures of other companies.

**EBITDA margin and EBITDA margin adjusted for special influences.** In order to compare the EBITDA earnings power of profit-based units of different sizes, the EBITDA margin is provided in addition to EBITDA. The EBITDA margin represents the ratio of EBITDA to net revenue (EBITDA divided by net revenue).



**Special influences.** In both the year under review and in previous years, the Group's result was influenced by a number of unusual or infrequent factors (special influences).

The following tables show how Deutsche Telekom derives EBITDA adjusted for special influences for the Group and for its four divisions from the consolidated statement of income prepared in accordance with German GAAP. The special influences have been defined and quantified both for the year under review and for the previous year. At Group level, we have provided a multi-year review for the period 1996 to 2002.

## Reconciliation of Group EBITDA, 1996 to 2002

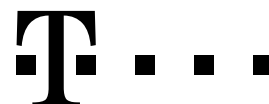
billions of €	2002	2001	Change	% <sup>1)</sup>	2000	1999	1998	1997	1996
<b>Net revenue</b>	<b>53.7</b>	<b>48.3</b>	<b>5.4</b>	<b>11.1</b>	<b>40.9</b>	<b>35.5</b>	<b>35.1</b>	<b>34.5</b>	<b>32.3</b>
Results from ordinary business activities	(26.8)	(2.5)	(24.3)	n.a.	6.5	3.2	5.1	3.7	3.4
Financial income (expense), net	(6.0)	(5.3)	(0.7)	-12.6	(1.2)	(2.9)	(3.3)	(4.0)	(3.9)
Depreciation and amortization	(36.9)	(15.2)	21.7	142.3	(13.0)	(8.4)	(9.0)	(9.5)	(9.0)
<b>EBITDA <sup>1)</sup></b>	<b>16.1</b>	<b>18.1</b>	<b>(2.0)</b>	<b>-10.8</b>	<b>20.7</b>	<b>14.5</b>	<b>17.4</b>	<b>17.2</b>	<b>16.3</b>
<b>EBITDA margin (%) <sup>1)</sup></b>	<b>30.0</b>	<b>37.4</b>			<b>50.6</b>	<b>41.0</b>	<b>49.6</b>	<b>49.8</b>	<b>50.7</b>
<b>Special influences affecting EBITDA</b>	<b>(0.2)</b>	<b>3.0</b>	<b>(3.2)</b>	<b>-106.8</b>	<b>7.8</b>	<b>-</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>
<b>EBITDA adjusted for special influences <sup>1)</sup></b>	<b>16.3</b>	<b>15.1</b>	<b>1.2</b>	<b>7.8</b>	<b>12.9</b>	<b>14.5</b>	<b>17.3</b>	<b>17.0</b>	<b>16.0</b>
<b>EBITDA margin adjusted for special influences (%) <sup>1)</sup></b>	<b>30.4</b>	<b>31.3</b>			<b>31.6</b>	<b>41.0</b>	<b>49.2</b>	<b>49.3</b>	<b>49.6</b>

<sup>1)</sup> Calculated and rounded off on the basis of millions for the sake of greater precision

Special influences to affect EBITDA positively in the year under review mainly included the book profit (including foreign currency transaction losses) of EUR 0.2 billion from the sale of the shares in PT Satelindo, as well as proceeds from the sale of shares in T-Online in the fourth quarter, which amounted to EUR 0.3 billion. The expenses relating to the restructuring measures in the T-Com and T-Systems divisions (EUR 0.4 billion) as well as selling costs and an additional minimum liability adjustment (totaling EUR 0.3 billion) had the effect of reducing EBITDA in the fourth quarter.

Group EBITDA including special influences amounts to around EUR 16.1 billion, compared with EUR 18.1 billion in the previous year. This corresponds to a decrease of EUR 2.0 billion, or 10.8 percent. Adjusted for special influences, EBITDA increased by EUR 1.2 billion or 7.8 percent year-on-year, from EUR 15.1 billion to EUR 16.3 billion.

The following special influences affected EBITDA in the 2001 financial year: proceeds from the sale of the interests in Sprint-FON and Sprint-PCS (including selling costs) in the total amount of EUR 1.9 billion in the second and third quarters, the book profit from the sale of the Baden-Württemberg cable TV company (EUR 0.9 billion) in the third quarter, and proceeds from the sale of regional cable service companies (EUR 0.1 billion) and from the reversal of accruals (EUR 0.3 billion), both in the fourth quarter. The disclosure of an additional minimum liability of EUR 0.2 billion under personnel costs had the effect of reducing EBITDA.



In the previous years (**1996 to 2000**), the following special influences impacted EBITDA:

**2000:** The sale of Atlas/Global One (EUR 2.8 billion) and of the North Rhine-Westphalia and Hesse cable TV companies (EUR 3.0 billion), as well as the IPO of T-Online (EUR 2.7 billion) and the dilutive effect of the IPOs of the Russian MTS (Mobile TeleSystems) and of comdirect bank AG (EUR 0.2 billion), in which T-Online International AG holds an interest. Furthermore, additions to accruals, losses from dispositions and losses on receivables had an effect totaling EUR 0.9 billion.

**1998:** Income from assets disposals following the sale of SES (SES Société Européene des Satellites) shares in the amount of EUR 0.1 billion.

**1997:** Income from the reversal of accruals in the amount EUR 0.2 billion).

**1996:** One-time input tax refunds in the amount of EUR 0.3 billion.

## Reconciliation of EBITDA in the divisions in 2002 and 2001

billions of €	T-Com		T-Systems		T-Mobile		T-Online		Other	
	2002	2001 <sup>2)</sup>	2002	2001 <sup>2)</sup>	2002	2001	2002	2001	2002	2001 <sup>2)</sup>
<b>Net revenue</b>	<b>30.2</b>	<b>29.4</b>	<b>11.3</b>	<b>11.9</b>	<b>19.7</b>	<b>14.6</b>	<b>1.8</b>	<b>1.4</b>	<b>4.4</b>	<b>5.1</b>
<b>Results from ordinary business activities</b>	<b>3.5</b>	<b>4.6</b>	<b>(2.0)</b>	<b>(0.4)</b>	<b>(23.7)</b>	<b>(6.4)</b>	<b>0</b>	<b>(0.2)</b>	<b>(4.5)</b>	<b>0.4</b>
Financial income (expense), net	(0.9)	(0.9)	(0.1)	0.1	(1.4)	(3.2)	0	0	(3.6)	(1.5)
Depreciation and amortization	(5.5)	(5.4)	(2.6)	(1.4)	(27.3)	(6.3)	(0.2)	(0.2)	(1.3)	(1.4)
<b>EBITDA<sup>1)</sup></b>	<b>9.9</b>	<b>10.9</b>	<b>0.8</b>	<b>0.9</b>	<b>5.0</b>	<b>3.1</b>	<b>0.2</b>	<b>(0.1)</b>	<b>0.4</b>	<b>3.3</b>
<b>EBITDA margin (%)<sup>1)</sup></b>	<b>32.9</b>	<b>37.1</b>	<b>6.7</b>	<b>7.4</b>	<b>25.5</b>	<b>21.4</b>	<b>11.3</b>	<b>-5.4</b>	<b>10.1</b>	<b>64.1</b>
<b>Special influences affecting EBITDA</b>	<b>(0.2)<sup>a</sup></b>	<b>0.8<sup>b)</sup></b>	<b>0.4<sup>c)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.4<sup>d)</sup></b>	<b>2.2<sup>e)</sup></b>
<b>EBITDA adjusted for special influences<sup>1)</sup></b>	<b>10.2</b>	<b>10.1</b>	<b>1.2</b>	<b>0.9</b>	<b>5.0</b>	<b>3.1</b>	<b>0.2</b>	<b>(0.1)</b>	<b>0</b>	<b>1.1</b>
<b>EBITDA margin adjusted for special influences<sup>1)</sup></b>	<b>33.7</b>	<b>34.4</b>	<b>10.2</b>	<b>7.4</b>	<b>25.5</b>	<b>21.4</b>	<b>11.3</b>	<b>-5.4</b>	<b>0.7</b>	<b>21.9</b>

<sup>1)</sup> Calculated and rounded off on the basis of millions for the sake of greater precision

<sup>2)</sup> For T-Com, T-Systems and Other, the figures for the previous year were adjusted to the new allocation to segments.

### T-Com

- a) Restructuring expenses for personnel reduction at the European subsidiaries, associated and related companies and disclosure of an additional minimum liability.
- b) Proceeds from the sale of the Baden-Württemberg cable TV company (EUR 0.9 billion) and of regional cable service companies (EUR 0.1 billion); additional minimum liability (EUR -0.2 billion).

### T-Systems

- c) Restructuring expenses and disclosure of an additional minimum liability.

### Other

- d) Book profit from the sale of shares in PT Satelindo (EUR 0.2 billion) and from the sale of T-Online shares (EUR 0.3 billion) as well as selling costs and the disclosure of an additional minimum liability totaling EUR -0.1 billion.
- e) Book profit (including selling costs) from the sale of Sprint-FON and Sprint-PCS (EUR 1.9 billion); and income from the reversal of accruals (EUR 0.3 billion)

### **Special influences.**

In addition to the special influences affecting EBITDA mentioned above, the special influences not affecting EBITDA, including the special influences which resulted from the strategic review implemented in the third quarter of 2002, are set out below.

In the 2002 financial year, special influences totaling EUR 19.8 million had a negative impact on the Group's result. The vast majority of this amount (EUR 19.6 billion) is the result of special influences which have no effect on EBITDA.

When analyzing the special influences which do not affect EBITDA, it should be remembered that the acquisition of the UMTS licenses and the acquisition of T-Mobile USA in the period under review had an impact on depreciation and amortization as well as on interest expense and will continue to do so in the future, whereas the corresponding positive effects on results are only expected to be recorded in future financial statements.

The following special influences did not affect EBITDA but impacted the Group's result:

<b>Nonscheduled write-downs on property, plant and equipment and intangible assets</b>			<b>Mrd. Euro</b>
<b>2002</b>		<b>Total</b>	<b>-21.5</b>
	Goodwill T-Mobile USA		-8.3
	Goodwill Ben Nederland B. V.		-1.0
	Goodwill SIRIS (T-Systems)		-0.5
	Mobile communications licenses at T-Mobile USA		-9.4
	UMTS license at T-Mobile UK		-2.2
	Property, plant and equipment at T-Systems		-0.1
<b>2001</b>		<b>Total</b>	<b>-1.8</b>
	Land and buildings		-0.8
	Write-downs of goodwill on brand names as part of the rebranding of mobile communications majority shareholdings		-1.0
<b>2000</b>		<b>Total</b>	<b>-3.0</b>
	Land		-2.0
	Parts of the long-distance copper cable network and telecommunications equipment		-1.0

<b>Financial income (expense), net</b>			
<b>2002</b>		<b>Total</b>	<b>-1.6</b>
	Valuation adjustment for the net carrying amount of the shareholding in France Telecom		-0.6
	Valuation adjustments for loans to associated companies of Kabel Deutschland GmbH		-0.3
	Nonscheduled write-down of the net carrying amount of the shareholding in comdirect bank AG		-0.1
	Nonscheduled write-down of the UMTS license held by Ben Nederland B. V. as part of its inclusion as an associated company		-0.2
	Other write-downs of financial investments		-0.4
<b>2001</b>		<b>Total</b>	<b>-0.9</b>
	Nonscheduled write-down of the net carrying amount of the shareholding in France Telecom as a result of the decrease in its share price		-0.3
	Other write-downs of financial investments		-0.6
<b>2000</b>	Proceeds from the sale of WIND		2.3
<b>1998</b>	Nonscheduled write-downs of East Asian shareholdings		-0.1
<b>1997</b>	Nonscheduled write-downs of East Asian shareholdings		-0.2

<b>Extraordinary income/loss (German GAAP):</b>			
<b>1996</b>	Expense recognized in respect of staff restructuring measures		-0.9



The tax effects on the various special influences were determined on the basis of the corporation tax rate. In the period under review, tax income of EUR 3.0 billion was generated, in particular in relation to the nonscheduled write-downs of mobile communications licenses held by T-Mobile USA. Furthermore, backdated amortization of goodwill to be recognized in Deutsche Telekom AG's tax accounts in accordance with a Federal Fiscal Court ruling resulted in positive tax effects for financial year 2002 which was in turn a separate special influence impacting the Group's result. In the previous year, the offsetting of a loss from the write-down on the book value of the investment in NAB/Sprint was a separate special factor.

In addition, we have provided a separate overview of the effects of both the special influences and the measures taken in connection with the strategic review on the overall statement of income in the 2002 financial year.

In the 2002 financial year, special influences totaling EUR 19.8 million had a negative impact on the Group's result. EUR 19.0 billion of this relates to special influences resulting from the measures taken in connection with the strategic review which was implemented in the third quarter of 2002. These mainly comprise nonscheduled write-downs of intangible assets totaling EUR 21.3 billion, and positive tax income of EUR 3.0 billion relating to nonscheduled write-downs on mobile communications licenses of T-Mobile USA.

In 2002, EUR 23.6 billion of the total special influences had a negative impact on the Group result, and EUR 3.8 billion had a positive impact.

Net loss including special influences in 2002 was EUR 24.6 billion, EUR 21.1 billion more than in the previous year (2001: EUR 3.5 billion). After adjustment for special influences, the net loss increased by EUR 0.1 billion and thus remained almost constant in comparison with the same period last year (2002: EUR 4.8 billion; 2001: EUR 4.7 billion).

The strategic review in the third quarter of the 2002 financial year was based on impairment testing on Deutsche Telekom's shareholdings and assets. This involved assessing the plausibility of the assumptions upon which the company's plans are based against a large amount of information, such as the market capitalization of companies which are comparable with Deutsche Telekom's subsidiaries and affiliates, and analysts' current estimates. Independent experts were called in to value individual assets. Cash flow-based calculations were then performed on the corrected assumptions. These calculations now form the basis for Deutsche Telekom's current corporate plans. This process therefore takes account of the dramatic change in the market environment which has taken place since the assets concerned were acquired.

## Reconciliation of the statement of income for the financial year from January 1, 2002 to December 31, 2002:

billions of €	2002	Special influences	2002 (excluding special influences)	Special influences resulting from measures under the strategic review	2002 (excluding special influences and strategic review)
Net revenue	53.7		53.7		53.7
Change in inventories and other own capitalized costs	0.5		0.5		0.5
Total operating performance	54.2		54.2		54.2
Other operating income	3.9	0.5 <sup>1</sup>	3.4		3.4
Goods and services purchased	(14.4)		(14.4)		(14.4)
Personnel costs	(13.5)	(0.3) <sup>2</sup>	(13.2)	(0.3) <sup>5</sup>	(12.9)
Depreciation and amortization	(36.9)		(36.9)	(21.4) <sup>6</sup>	(15.5)
Other operating expenses	(14.1)		(14.1)	(0.1) <sup>7</sup>	(14.0)
Financial income (expense), net	(6.0)	(1.3) <sup>3</sup>	(4.7)	(0.3) <sup>8</sup>	(4.4)
<b>Results from ordinary business activities<sup>10</sup></b>	<b>(26.8)</b>	<b>(1.1)</b>	<b>(25.7)</b>	<b>(22.0)</b>	<b>(3.6)</b>
Taxes	2.5	0.3 <sup>4</sup>	2.2	3.0 <sup>9</sup>	(0.9)
Income/(losses) applicable to minority shareholders	(0.3)		(0.3)		(0.3)
<b>Net loss<sup>10</sup></b>	<b>(24.6)</b>	<b>(0.8)</b>	<b>(23.8)</b>	<b>(19.0)</b>	<b>(4.8)</b>

**Special influences**

1 Book profit from the sale of shares in PT Satelindo (EUR 0.2 billion) and proceeds from the sale of shares in T-Online (EUR 0.3 billion).

2 Disclosure of an additional minimum liability and restructuring expenses for personnel reduction at the European subsidiaries, associated and related companies of the T-Com division.

3 Nonscheduled write-downs of financial assets:

*of which: EUR 0.6 billion from valuation adjustment of the net carrying amount of the shares in France Telecom  
of which: EUR 0.3 billion from valuation adjustment of loans to associated companies of Kabel Deutschland GmbH,  
and EUR 0.4 billion from valuation adjustments for other investments in noncurrent securities*

4 Tax effects from the additional minimum liability and from valuation adjustments of loans to associated companies of Kabel Deutschland GmbH, as well as positive tax effects resulting from backdated amortization of goodwill to be recognized in Deutsche Telekom AG's tax accounts.

**Special influences resulting from measures under the strategic review**

5 Restructuring expenses at the T-Systems division.

6 Nonscheduled write-downs:

*of which: goodwill relating to T-Mobile USA (EUR 8.3 billion)  
of which: goodwill relating to Ben Nederland B. V. (EUR 1.0 billion)  
of which: goodwill relating to SIRIS (T-Systems) (EUR 0.5 billion)  
of which: mobile communications licenses at T-Mobile USA (EUR 9.4 billion)  
of which: UMTS license held by T-Mobile UK (EUR 2.2 billion)  
of which: property, plant and equipment at the T-Systems division (EUR 0.1 billion)*

7 Expenses for additions to accruals for restructuring measures at the T-Systems division.



8 Nonscheduled write-downs of financial assets:

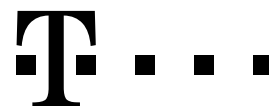
*of which: EUR 0.1 billion on the net carrying amount of the investment in comdirect bank AG*

*of which: EUR 0.2 billion on the UMTS license of Ben Nederland B. V. as part of its inclusion as an associated company*

9. Tax effect from the reversal of deferred tax liabilities as a result of the nonscheduled write-down of mobile communications licenses at T-Mobile USA.

<sup>10)</sup> Calculated and rounded off on the basis of millions for the sake of greater precision.





### **Free cash flow.**

Free cash flow is a figure which is not subject to the regulations under German or U.S. GAAP regulations. Deutsche Telekom defines free cash flow as cash generated from operations minus interest payments and cash outflows for investments in intangible assets and property, plant and equipment. Free cash flow should not be regarded in isolation as an alternative to cash generated from operations, net cash provided by operating activities or other cash flow figures recorded by Deutsche Telekom.

Deutsche Telekom believes that free cash flow is used by investors as a benchmark to enable them to assess the Group's cash generated from operations (after deductions for interest paid and cash outflows for intangible assets and property, plant and equipment), in particular with regards to investments in associated and related companies and the repayment of liabilities. However, free cash flow should not be used to determine the financial situation of the Group.

### **Reconciliation of free cash flow in the Group for 2002 and 2001**

billions of €	2002	2001	Change	% <sup>1)</sup>
<b>Cash generated from operations</b>	<b>16.7</b>	<b>16.3</b>	<b>0.4</b>	<b>2.4</b>
Interest received / (paid)	(4.2)	(4.3)	0.1	3.1
<b>Net cash provided by operating activities<sup>1)</sup></b>	<b>12.5</b>	<b>11.9</b>	<b>0.6</b>	<b>4.4</b>
Cash outflows from investments in intangible assets and property, plant and equipment	(7.6)	(10.9)	3.3	29.8
<b>Free cash flow before payment of dividends</b>	<b>4.8</b>	<b>1.1</b>	<b>3.7</b>	<b>n.a.</b>
Dividend	(1.6)	(1.9)	0.3	17.0
<b>Free cash flow after payment of dividends</b>	<b>3.3</b>	<b>-0.8</b>	<b>4.1</b>	<b>n.a.</b>

<sup>1)</sup> Calculated and rounded off on the basis of millions for the sake of greater precision.

Since other companies may not calculate free cash flow and similar pro forma financial figures in the same way, Deutsche Telekom's free cash flow is not necessarily comparable with similarly titled figures of other companies.



## ***Gross and net debt***

The figures for gross and net debt are not subject to the regulations under German or U.S. GAAP.

Gross debt is the basis for total net interest expense incurred. In addition to this key figure, Deutsche Telekom shows "net debt", i.e. the Group's actual net financial position at the balance sheet date. Net debt therefore should in principle include all interest-bearing items on the assets and liabilities side of the balance sheet. This requirement called for an addition to the balance sheet items included in "net debt" as at December 31, 2002. The "new" definition of net debt is as follows:

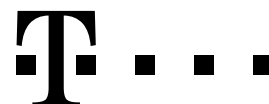
Deutsche Telekom used to define gross debt as the total of the balance sheet items "bonds and debentures" and "liabilities to banks". This item is now recorded as "Debt (in accordance with consolidated balance sheet)".

On the basis of the new definition, gross debt includes not only "debt (in accordance with the consolidated balance sheet)", but also liabilities to non-banks from loan notes, cash collateral paid for positive fair values from derivatives and necessary settlement amounts for interest rate and cross currency swaps for loans taken out in foreign currencies summarized under "other liabilities" in the balance sheet.

Net debt is generally calculated by subtracting liquid assets, other investments in noncurrent securities and in marketable securities, as well as discounts on loans, which are contained in the balance sheet item "prepaid expenses and deferred charges".

In addition, the following items (which are reported under the balance sheet item "other assets") are subtracted in the same way as for the liabilities side: cash collateral paid for negative fair values from derivatives and necessary settlement amounts for interest rate and cross currency swaps for loans taken out in foreign currencies.

The prior-year figures shown have been adjusted in line with this definition to allow proper comparisons.



### Reconciliation of net debt in the Group, comparison for the period from 1996 to 2002

billions of €	2002	2001 <sup>2)</sup>	Change	% <sup>1)</sup>	2000 <sup>2)</sup>	1999 <sup>2)</sup>	1998 <sup>2)</sup>	1997 <sup>2)</sup>	1996 <sup>2)</sup>
Bonds and debentures	56.7	58.3	(1.6)	-2.7	51.4	9.5	3.8	5.2	6.6
Liabilities to banks	6.3	8.7	(2.4)	-27.9	9.0	32.8	36.1	39.7	44.5
<b>Debt (in accordance with balance sheet)</b>	<b>63.0</b>	<b>67.0</b>	<b>(4.0)</b>	<b>-5.9</b>	<b>60.4</b>	<b>42.3</b>	<b>39.9</b>	<b>44.9</b>	<b>51.1</b>
Liabilities to non-banks from loan notes	0.8	0.7	0.1	-27.8	0.7	0.6	0.5	0.6	-
Miscellaneous other	0.3	0.2	0.1	8.8	0.2	-	-	-	-
<b>Gross debt<sup>1)</sup></b>	<b>64.1</b>	<b>67.9</b>	<b>(3.8)</b>	<b>-5.6</b>	<b>61.3</b>	<b>42.9</b>	<b>40.4</b>	<b>45.5</b>	<b>51.1</b>
Liquid assets	1.9	2.9	(1.0)	-33.6	1.9	1.2	5.1	4.7	9.1
Other investments in marketable securities	0.4	0.7	(0.3)	-41.2	0.8	1.8	1.4	1.8	0
Other investments in noncurrent securities	0.2	0.9	(0.7)	-72.9	1.1	2.0	1.0	0.6	0.2
Other assets	0.2	0.3	(0.1)	-44.7	0	-	-	-	-
Discounts on loans (prepaid expenses and deferred charges)	0.3	0.3	-	-16.0	0.1	0.1	0.1	0.1	0.1
<b>Net debt<sup>1)</sup></b>	<b>61.1</b>	<b>62.8</b>	<b>(1.7)</b>	<b>-2.7</b>	<b>57.4</b>	<b>37.9</b>	<b>32.9</b>	<b>38.3</b>	<b>41.6</b>

<sup>1)</sup> Calculated on the basis of millions for the sake of greater precision.

<sup>2)</sup> The prior-year figures shown have been adjusted in line with this definition to allow proper comparisons.

Gross and net debt are common indicators in Deutsche Telekom's competitive environment, and are used by Deutsche Telekom's leading decision-makers in order to manage and control debt.

Gross debt forms the basis for the total interest expense incurred, whereas net debt reflects a companies actual net financial position. This is why Deutsche Telekom believes that the debt situation of its competitors can be best assessed by looking at their net debt. However, it is important to remember that there is no standardized definition of net debt, and that full comparison with competitors is only possible where the same definitions are employed.