

# Deutsche Telekom.

Back-up I.

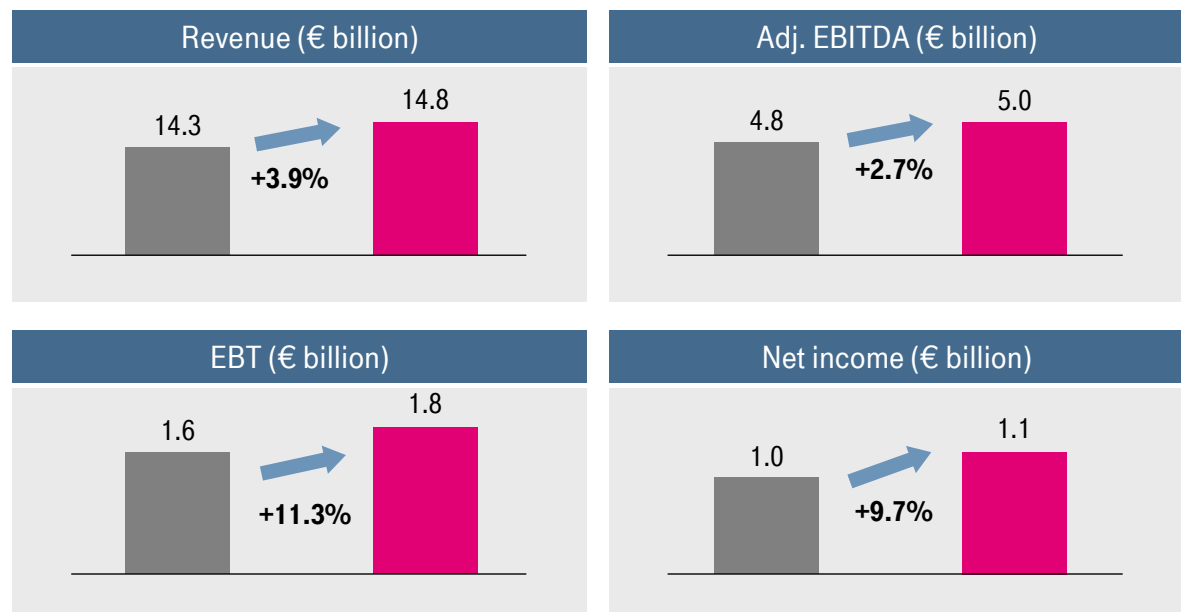
Exane BNP Paribas European Seminar.

June 14, 2006.



## Q1 2006 Group Results.

Good group results despite tough environment in Germany.



■ Q1 2005

■ Q1 2006



## Excellence program

€ 0.25bn out of €1.2bn invested in growth

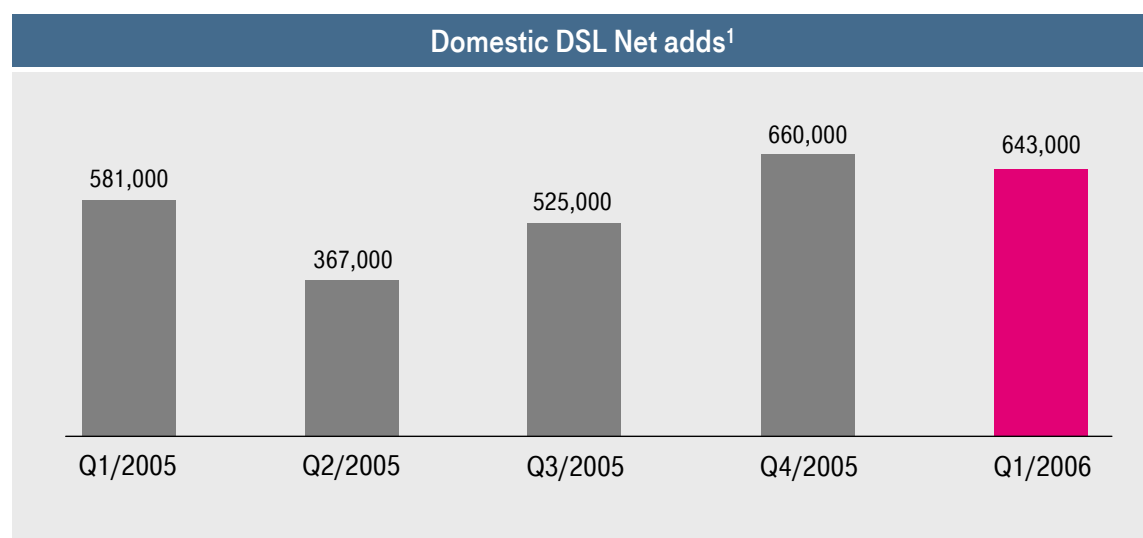
BBFN	1	Defense of fixed-network core business
	2	“Conquer the home”
Mobile	3	Expansion of mobile core business
	4	Expansion of mobile data services
BC	5	Strengthen telecommunications core business
	6	Grow in ICT solutions
BBFN/ Mobile	7	Convergence
	8	Implementation of a comprehensive CRM system <sup>1</sup>
Group	9	Operational excellence
	10	Cultural change and HR development

<sup>1</sup> After merger with T-Online.



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## Excellence program: Defense of fixed-network core business. Strong DSL growth.



<sup>1</sup> Resale plus retail.



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## Defense of fixed-network core business, “conquer the home” and convergence.

New initiatives on track.

<b>Calling minutes market share</b>	<ul style="list-style-type: none"><li>■ Domestic minute market share on T-Com’s PSTN network increased fourth consecutive quarter</li><li>■ On track to stabilize minute market share ✓</li></ul>
<b>Triple Play</b>	<ul style="list-style-type: none"><li>■ A significant amount of contracts with TV channels already signed</li><li>■ Hardware suppliers for set-top box selected (Cisco/Microsoft)</li><li>■ On track for product launch mid 2006 ✓</li></ul>
<b>VDSL roll out</b>	<ul style="list-style-type: none"><li>■ 12,000 cable distributors for first 10 cities upgraded</li><li>■ VDSL network on track for Triple Play launch ✓</li></ul>
<b>T-One (Dualphone)</b>	<ul style="list-style-type: none"><li>■ Friendly user trials will start mid May</li><li>■ On track for product launch mid 2006 ✓</li></ul>



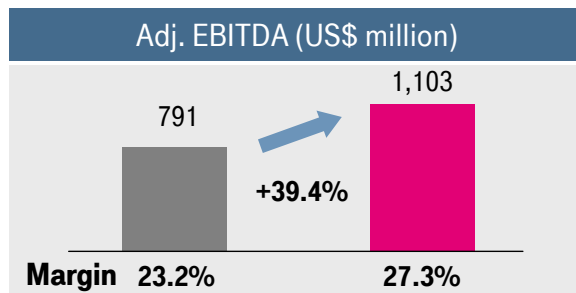
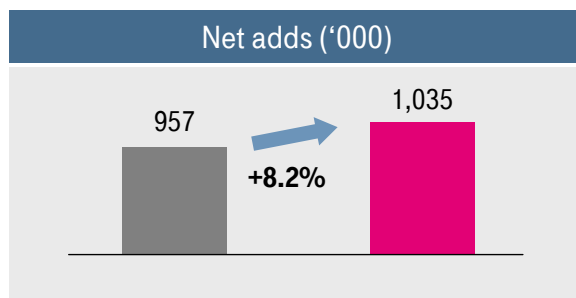
## Excellence program: Expansion of mobile core business.

T-Mobile delivers on strategy.

- T-Mobile delivered on the strategy as presented in November 2005
  - +12.3% revenue growth
  - +8.0% adj. EBITDA growth
  - 1.3 million contract net adds in Q1
- T-Mobile USA remains strongest growth driver for DT group
- T-Mobile Germany faces tough environment
- T-Mobile UK: excellent customer growth



## Excellence program: Expansion of mobile core business. T-Mobile USA – Continued superior execution.



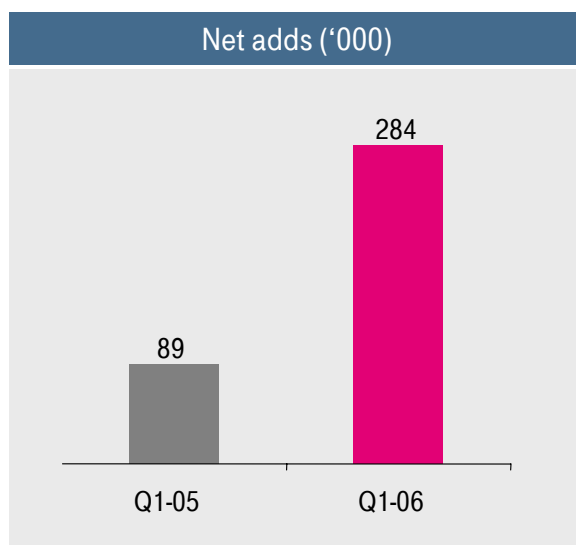
■ Q1 2005  
■ Q1 2006



- ARPU revenue (US\$) growth +20.5%
- Stable contract ARPU at \$54
- Contract churn at 2.1% from 2.3%
- 3,700 cell sites added over 12 months
- Most highly regarded service company: winner of 4 recent JD Power awards:
  - Overall customer satisfaction
  - Wireless customer care
  - Wireless call quality: 3 out of 6 regions (highest ranking)
  - Wireless retail service

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## Excellence program: Expansion of mobile core business. Germany – New measures to compensate for falling prices.

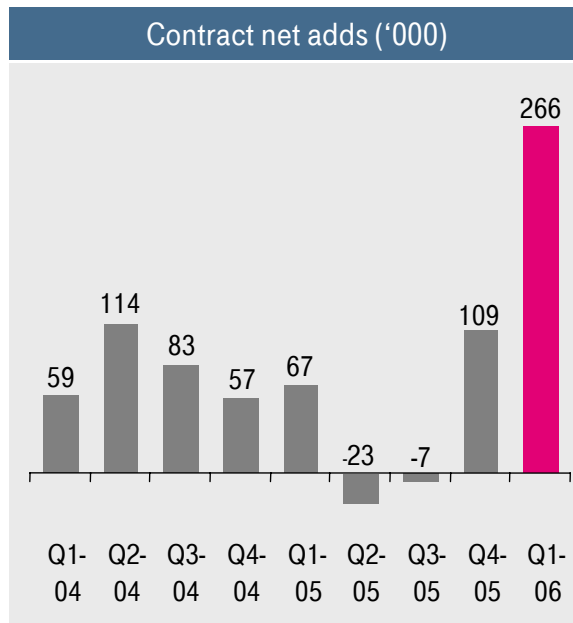


- -3.4% revenues: termination rate cuts and competition
- Save-for-Growth program supports strong EBITDA margin
- Attractive tariffs launched in Q1
- 515k T-Mobile@home customers
- +9 % total voice minutes



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## Excellence program: Expansion of mobile core business. UK - Strong market invest to build momentum.



- +4.5% total revenues, +7.4% ARPU revenues
- Market invest: -40.1% adj. EBITDA
- Highest contract net adds ever
- 257k new Flex customers in one month

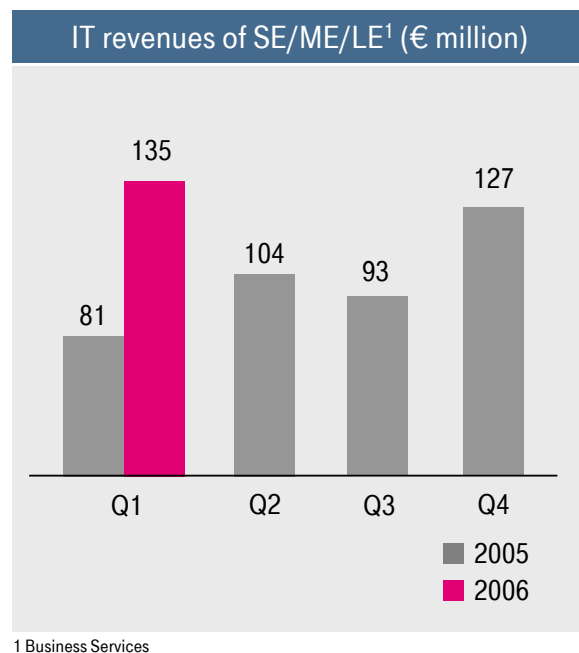


## Excellence program: Expansion of mobile data services. Pushing mobile data.

- +50% non-voice non-SMS revenue
  - Increase to € 317 million in Q1/06 from € 211 million in Q1/05
  - 35% of FY05 revenue in Q1 alone
- Web'n'walk: 381k data plans sold, of which 309k in Q1
- Attractive new tariffs introduced
- HSDPA network launched: 1.8 Mbit/s
  - Upgrade in Germany, Austria, and the Netherlands already completed
  - UK launch in H2/06



## Excellence program: Growth in ICT solutions. Strong IT revenue growth in business services.



- Accelerated growth: increase of 67% compared to Q1 2005
- First quarter “new” IT revenues fully compensate for decrease in traditional voice and legacy data revenues
- On track to meet target of € 700 million IT revenues in 2006



## Excellence program: Operational excellence. Efficiency initiatives implemented.

- Personnel restructuring well underway:
  - Decision for a legal provision for civil servants expected at the end of Q2
  - Gross headcount reduction in Germany at 1,500 as of March 31
  - As of April 3,500 agreements for severance payments or partial retirement have been requested or agreed since the beginning of the year
  - 1,100 employees have left Vivento in Q1, of which 630 externally
- Cost cutting initiatives to help secure 2006 targets:
  - Monetization of real estate in Q1
  - Overhead costs
- Additional measures to be implemented:
  - IT costs
  - Network costs
  - Real estate



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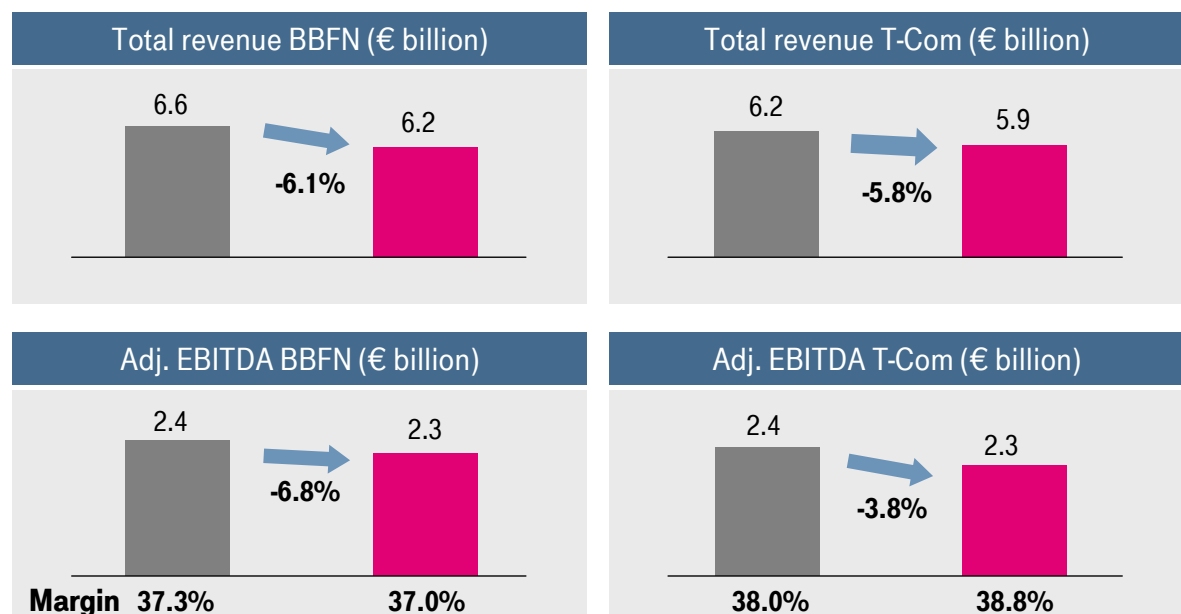
June 14, 2006.

## Financials



### Broadband/Fixed Network.

Development in Q1 2006.



■ Q1 2005

■ Q1 2006



## Broadband/Fixed network.

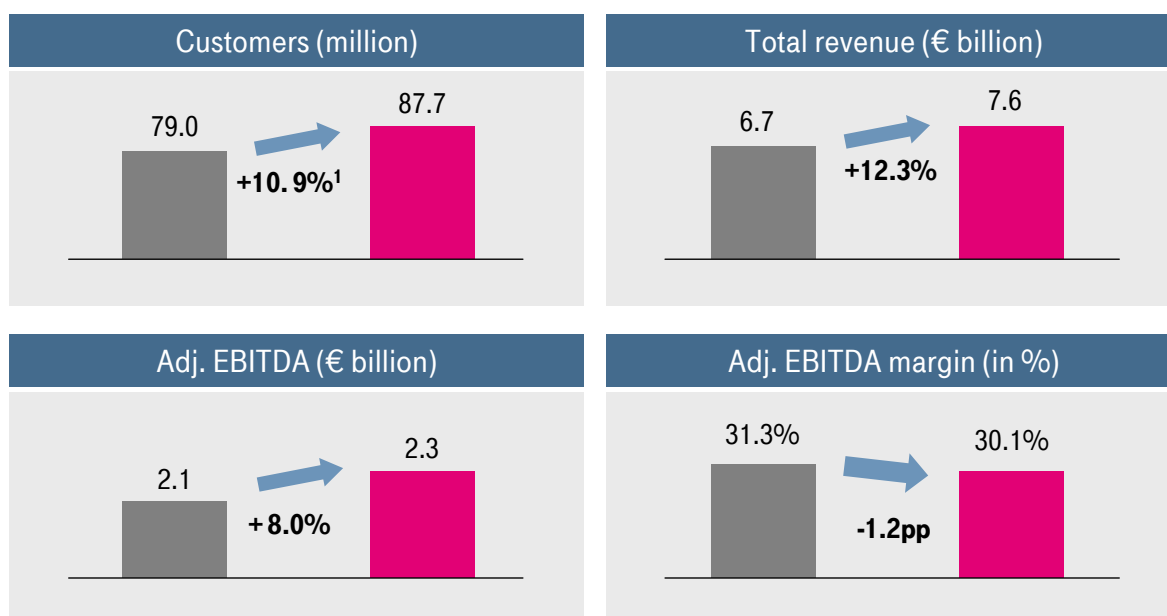
Revenue of T-Com Germany driven by lower calling revenues.

€ million	Q1 2006	Q1 2005	Delta
Total	5,241	5,606	-365
Network communications	2,886	3,164	-278
thereof narrowband access	1,950	1,981	-31
thereof calling revenues	935	1,182	-247
Value added services	234	273	-39
Terminal equipment	115	99	16
Data communications	321	344	-23
Wholesale services	1,207	1,199	8
IP/Internet	254	303	-49
Others	224	224	0



## Mobile.

Strong growth.



■ Q1 2005

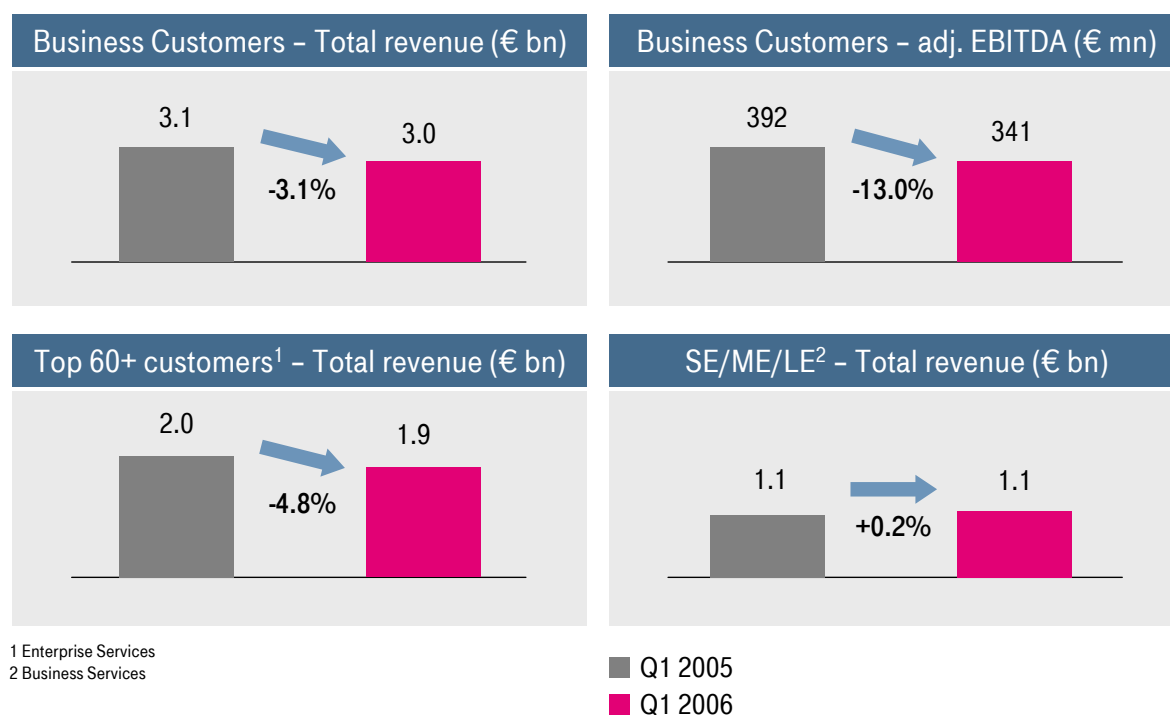
■ Q1 2006

<sup>1</sup> Organic customer growth, historical number adjusted (inclusion of Monet in Q1/05).





## Business Customers. Gedas consolidation to help revenues.



## Q1 2006 - Free Cash Flow. Cash flow supported by working capital improvements.

€ billion	Q1 2006	Q1 2005
Cash Flow	4.7	4.7
Change in working capital and accruals	-1.2	-1.7
Taxes and dividends	-0.2	-0.4
Cash generated from operations	3.3	2.6
Net interest payment	-0.5	-0.4
Net cash provided by operating activities	2.8	2.2
Investments in PP&E and intangible assets	-2.0	-3.1 <sup>1</sup>
Free Cash Flow	0.8	-0.9 <sup>1</sup>
Free Cash Flow (including the acquisition of Gedas and excl. network assets and licenses in the U.S.)	0.5	1.0

1 Incl. € 1.9 billion for network assets and licenses in the US.



## FY 2005 – Net income.

9.7% increase in reported net income.

€ billion	Q1 2006	Q1 2005	Q1 2006 adj.	Q1 2005 adj.
EBITDA	4.9	4.8	5.0	4.8
Depreciation and amortization	-2.6	-2.5	-2.6	-2.5
Net financial expense	-0.6	-0.7	-0.8	-0.7
- of which net interest expense	-0.7	-0.7	-0.7	-0.7
<b>EBT</b>	<b>1.8</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>
Income taxes	-0.6	-0.5	-0.6	-0.5
<b>Earnings after taxes</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>
Minorities	-0.1	-0.1	-0.1	-0.1
<b>Net income</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

Rounded figures.



## Balance sheet.

Balance sheet in excellent shape.

€ billion	31.03.2006	31.12.2005
Balance sheet total	130.3	127.9
Equity	50.1	49.6
Net debt	37.8	38.6
Net debt/adj. EBITDA	n/a	1.9x
Gearing	0.75x	0.78x
Equity ratio	38.5%	38.8%



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## Outlook



**Targets 2006.**  
Group guidance confirmed.

		Revenue 2006 (€ bn)	Adj. EBITDA 2006 (€ bn)
BBFN	Nov 2005	<i>25.4 - 25.8</i>	
	New	24.8 - 25.2	9.4 - 9.6
Mobile	Nov 2005	<i>30.9 - 31.3</i>	
	New <sup>1</sup>	31.9 - 32.3	10.0 - 10.2
Business Customers		13.4 - 13.6	1.5 - 1.6
Group		62.1 - 62.7	20.2 - 20.7

<sup>1</sup> Also incl. tele.ring.



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Check out our IR website [www.telekom.com/investor-relations](http://www.telekom.com/investor-relations) for:

- \* This backup in .pdf and excel-format
- \* The IR calendar
- \* Detailed information for debt investors
- \* Shareholder structure
- \* Corporate governance

For further information on the business units please refer to:

[www.deutschetelekom.com](http://www.deutschetelekom.com)  
[www.t-com.net](http://www.t-com.net)  
[www.t-mobile.net](http://www.t-mobile.net)  
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## At a Glance I.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>Total revenue</b>							
Broadband/Fixed Network	6.555	6.469	6.469	6.542	26.035	<b>6.156</b>	-6,1%
T-Com	6.220	6.101	6.143	6.231	24.695	<b>5.857</b>	-5,8%
T-Online	509	522	506	551	2.088	<b>585</b>	14,9%
Mobile Communications	6.746	7.197	7.648	7.861	29.452	<b>7.575</b>	12,3%
Business Customers	3.106	3.219	3.143	3.382	12.850	<b>3.011</b>	-3,1%
GHS	853	883	867	902	3.505	<b>871</b>	2,1%
Reconciliation	-2.972	-3.025	-3.071	-3.170	-12.238	<b>-2.771</b>	6,8%
<b>Net revenue</b>							
Broadband/Fixed Network	5.458	5.420	5.400	5.453	21.731	<b>5.207</b>	-4,6%
T-Com	4.997	4.944	4.944	4.963	19.848	<b>4.682</b>	-6,3%
T-Online	461	476	456	490	1.883	<b>525</b>	13,9%
Mobile Communications	6.531	6.962	7.409	7.629	28.531	<b>7.405</b>	13,4%
Business Customers	2.234	2.295	2.178	2.351	9.058	<b>2.152</b>	-3,7%
GHS	65	66	69	84	284	<b>78</b>	20,0%
<b>Group</b>	<b>14.288</b>	<b>14.743</b>	<b>15.056</b>	<b>15.517</b>	<b>59.604</b>	<b>14.842</b>	<b>3,9%</b>
<b>EBITDA excluding special factors</b>							
Broadband/Fixed Network	2.444	2.429	2.437	2.549	9.859	<b>2.277</b>	-6,8%
T-Com	2.362	2.365	2.393	2.508	9.628	<b>2.272</b>	-3,8%
T-Online	88	84	73	79	324	<b>43</b>	-51,1%
Mobile Communications	2.111	2.443	2.730	2.488	9.772	<b>2.280</b>	8,0%
Business Customers	392	423	446	325	1.586	<b>341</b>	-13,0%
GHS	-72	-66	-95	-102	-335	<b>87</b>	n.a.
Reconciliation	-34	-41	-17	-61	-153	<b>-15</b>	55,9%
<b>Group</b>	<b>4.841</b>	<b>5.188</b>	<b>5.501</b>	<b>5.199</b>	<b>20.729</b>	<b>4.970</b>	<b>2,7%</b>



## At a Glance II.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>EBITDA margin excluding special factors</b>							
Broadband/Fixed Network	37,3%	37,5%	37,7%	39,0%	37,9%	<b>37,0%</b>	-0,3%p
T-Com	38,0%	38,8%	39,0%	40,3%	39,0%	<b>38,8%</b>	0,8%p
T-Online	17,3%	16,1%	14,4%	14,3%	15,5%	<b>7,4%</b>	-9,9%p
Mobile Communications	31,3%	33,9%	35,7%	31,6%	33,2%	<b>30,1%</b>	-1,2%p
Business Customers	12,6%	13,1%	14,2%	9,6%	12,3%	<b>11,3%</b>	-1,3%p
GHS	-8,4%	-7,5%	-11,0%	-11,3%	-9,6%	<b>10,0%</b>	18,4%p
<b>Group</b>	<b>33,9%</b>	<b>35,2%</b>	<b>36,5%</b>	<b>33,5%</b>	<b>34,8%</b>	<b>33,5%</b>	<b>-0,4%p</b>
<b>Cash capex</b>							
Broadband/Fixed Network	396	540	600	945	2.481	<b>689</b>	74,0%
Mobile Communications	2.505	1.007	827	1.264	5.603	<b>1.092</b>	-56,4%
Business Customers	132	168	162	313	775	<b>153</b>	15,9%
GHS	56	118	123	159	456	<b>114</b>	103,6%
<b>Group</b>	<b>3.091</b>	<b>1.824</b>	<b>1.686</b>	<b>2.668</b>	<b>9.269</b>	<b>2.044</b>	<b>-33,9%</b>
<b>Net profit (loss)</b>							
incl. special factors	984	1.169	2.442	989	5.584	<b>1.079</b>	9,7%
excl. special factors	976	1.175	1.490	1.022	4.663	<b>963</b>	-1,3%
<b>Free cash flow</b>							
before dividends	-915	1.815	2.581	2.248	5.729	<b>752</b>	n.a.
<b>Net debt</b>	<b>42.997</b>	<b>44.548</b>	<b>40.795</b>	<b>38.639</b>	<b>38.639</b>	<b>37.789</b>	<b>-12,1%</b>



## Excellent market position.

millions <sup>1</sup>	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	Delta q.o.q.		Delta y.o.y.	
						abs.	%	abs.	%
<b>Broadband lines (total)<sup>2</sup></b>	6,7	7,1	7,7	8,5	9,2	0,7	8,2%	2,5	37,3%
of which: Germany <sup>3</sup>	6,4	6,7	7,3	7,9	8,6	0,7	8,9%	2,2	34,4%
of which: resale <sup>4</sup>	0,5	0,7	1,1	1,6	2,2	0,6	37,5%	1,7	340,0%
<b>Narrowband lines (total)<sup>5</sup></b>	42,4	42,1	41,7	41,2	40,6	-0,6	-1,5%	-1,8	-4,2%
of which: Germany <sup>6</sup>	36,4	36,0	35,6	35,2	34,7	-0,5	-1,4%	-1,7	-4,7%
of which: CEE <sup>7</sup>	6,0	6,2	6,1	6,0	5,9	-0,1	-1,7%	-0,1	-1,7%
<b>Internet customers with a billing relationship (total)<sup>8</sup></b>	13,6	13,6	13,8	14,0	14,2	0,2	1,4%	0,6	4,4%
<b>Mobile communications majority shareholdings</b>	79,0	80,9	83,1	86,6	87,8	1,2	1,4%	8,8	11,1%
T-Mobile Deutschland	27,6	28,2	28,7	29,5	30,2	0,7	2,4%	2,7	9,7%
T-Mobile USA	18,3	19,2	20,3	21,7	22,7	1,0	4,8%	4,5	24,4%
T-Mobile UK <sup>9</sup>	16,1	16,1	16,3	17,2	16,4	0,5	2,9%	1,5	9,5%
T-Mobile Austria	2,0	2,0	2,1	2,1	2,1	0,0	0,2%	0,1	2,6%
T-Mobile CZ	4,4	4,5	4,6	4,6	4,6	0,0	0,3%	0,3	5,9%
T-Mobile NL	2,2	2,3	2,3	2,3	2,3	0,0	0,5%	0,1	4,8%
CEE <sup>10</sup>	8,4	8,6	8,9	9,2	9,3	0,1	0,7%	0,8	9,8%

1 Figures rounded to the nearest million. The total is calculated on the basis of precise numbers. BFN percentages calculated on the basis of figures shown, Mobile percentages calculated on the basis of precise numbers.

2 Lines in operation.

3 Since Jan. 31, 2005, broadband lines based on DSL technology for consumers have been marketed by T-Online, broadband lines excluding internal use. Historic figures adjusted.

4 Definition of resale: sale of broadband lines based on DSL technology to alternative providers outside DT.

5 The number of narrowband lines rather than channels have been reported since the first quarter of 2005. Historic figures adjusted.

6 Telephone lines excluding internal use and public telecommunication, including wholesale services. Historic figures adjusted.

7 Including Magyar Telecom (incl. Maktel and Montenegro since Q2/05, historic figures are not adjusted), Slovak Telecom and T-Hrvatski Telecom.

8 Total calculated on the basis of customers (broadband and narrowband rates) with a billing relationship and PAYG < 30 days.

9 Including Virgin Mobile. As of Q1/06 we have changed the way of including Virgin Mobile customers. Before, we had included Virgin Mobile customers on a 365 day churn basis. We have changed this as of the beginning of the year to a 180 day churn basis to be in line with the churn of our own customers. Historical numbers have not been adjusted.

10 Incl. T-Mobile Hungary, T-Mobile Hrvatska (Croatia), T-Mobile SK (Slovakia), Mobimak (Macedonia) and Monet (Montenegro). (Monet first in Q2-numbers 2005 for the first time; historical figures adjusted.)

## DT Group.

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## DT consolidated income statement.

### Adjusted for special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>Net revenue</b>	<b>14.288</b>	<b>14.743</b>	<b>15.056</b>	<b>15.517</b>	<b>59.604</b>	<b>14.842</b>	<b>3,9%</b>
Cost of sales	-7.525	-7.681	-7.661	-8.460	-31.327	-7.762	-3,1%
<b>Gross profit</b>	<b>6.763</b>	<b>7.062</b>	<b>7.395</b>	<b>7.057</b>	<b>28.277</b>	<b>7.080</b>	<b>4,7%</b>
Selling expenses	-3.435	-3.490	-3.503	-3.979	-14.407	-3.766	-9,6%
General and administrative costs	-1.019	-1.040	-975	-914	-3.948	-1.070	-5,0%
Other operating income	279	313	200	792	1.584	350	25,4%
Other operating expenses	-281	-267	-206	-584	-1.338	-184	34,5%
<b>Profit from operations = EBIT</b>	<b>2.307</b>	<b>2.578</b>	<b>2.911</b>	<b>2.372</b>	<b>10.168</b>	<b>2.410</b>	<b>4,5%</b>
EBIT margin	16,1%	17,5%	19,3%	15,3%	17,1%	16,2%	0,1%p
Profit (loss) from financial activities	-736	-452	-654	-627	-2.469	-764	-3,8%
of which: finance costs	-707	-464	-674	-556	-2.401	-658	6,9%
<b>Profit before income taxes = EBT</b>	<b>1.571</b>	<b>2.126</b>	<b>2.257</b>	<b>1.745</b>	<b>7.699</b>	<b>1.646</b>	<b>4,8%</b>
Income taxes	-473	-831	-630	-639	-2.573	-575	-21,6%
<b>Profit (loss) after income taxes = EBT</b>	<b>1.098</b>	<b>1.295</b>	<b>1.627</b>	<b>1.106</b>	<b>5.126</b>	<b>1.071</b>	<b>-2,5%</b>
Profit (loss) attributable to minority interests	122	120	137	84	463	108	-11,5%
<b>Net profit (loss)</b>	<b>976</b>	<b>1.175</b>	<b>1.490</b>	<b>1.022</b>	<b>4.663</b>	<b>963</b>	<b>-1,3%</b>
Depreciation, amortization and impairment losses	-2.534	-2.610	-2.590	-2.827	-10.561	-2.560	-1,0%
<b>EBITDA</b>	<b>4.841</b>	<b>5.188</b>	<b>5.501</b>	<b>5.199</b>	<b>20.729</b>	<b>4.970</b>	<b>2,7%</b>
EBITDA margin	33,9%	35,2%	36,5%	33,5%	34,8%	33,5%	-0,4%p



## DT consolidated income statement.

### Unadjusted.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>Net revenue</b>	<b>14.288</b>	<b>14.743</b>	<b>15.056</b>	<b>15.517</b>	<b>59.604</b>	<b>14.842</b>	<b>3,9%</b>
Cost of sales	-7.525	-7.688	-7.697	-8.952	-31.862	-7.821	-3,9%
<b>Gross profit</b>	<b>6.763</b>	<b>7.055</b>	<b>7.359</b>	<b>6.565</b>	<b>27.742</b>	<b>7.021</b>	<b>3,8%</b>
Selling expenses	-3.435	-3.511	-3.513	-4.224	-14.683	-3.774	-9,9%
General and administrative costs	-1.026	-1.047	-1.022	-1.115	-4.210	-1.077	-5,0%
Other operating income	279	354	200	1.575	2.408	350	25,4%
Other operating expenses	-294	-279	-234	-2.828	-3.635	-202	31,3%
<b>Profit from operations = EBIT</b>	<b>2.287</b>	<b>2.572</b>	<b>2.790</b>	<b>-27</b>	<b>7.622</b>	<b>2.318</b>	<b>1,4%</b>
EBIT margin	16,0%	17,4%	18,5%	-0,2%	12,8%	15,6%	-0,4%p
Profit (loss) from financial activities	-715	-452	384	-627	-1.410	-568	20,6%
of which: finance costs	-707	-464	-674	-556	-2.401	-658	6,9%
<b>Profit before income taxes = EBT</b>	<b>1.572</b>	<b>2.120</b>	<b>3.174</b>	<b>-654</b>	<b>6.212</b>	<b>1.750</b>	<b>11,3%</b>
Income taxes	-466	-831	-595	1.696	-196	-563	-20,8%
<b>Profit (loss) after income taxes</b>	<b>1.106</b>	<b>1.289</b>	<b>2.579</b>	<b>1.042</b>	<b>6.016</b>	<b>1.187</b>	<b>7,3%</b>
Profit (loss) attributable to minority interests	122	120	137	53	432	108	-11,5%
<b>Net profit (loss)</b>	<b>984</b>	<b>1.169</b>	<b>2.442</b>	<b>989</b>	<b>5.584</b>	<b>1.079</b>	<b>9,7%</b>
Depreciation, amortization and impairment losses	-2.534	-2.610	-2.590	-4.763	-12.497	-2.570	-1,4%
<b>EBITDA</b>	<b>4.821</b>	<b>5.182</b>	<b>5.380</b>	<b>4.736</b>	<b>20.119</b>	<b>4.888</b>	<b>1,4%</b>
EBITDA margin	33,7%	35,1%	35,7%	30,5%	33,8%	32,9%	-0,8%p



## DT Group. EBITDA reconciliation.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
<b>Net revenue</b>	<b>14.288</b>	<b>14.743</b>	<b>15.056</b>	<b>15.517</b>	<b>59.604</b>	<b>14.842</b>
<b>Net profit (loss)</b>	<b>984</b>	<b>1.169</b>	<b>2.442</b>	<b>989</b>	<b>5.584</b>	<b>1.079</b>
+ Profit (loss) attributable to minority interests	122	120	137	53	432	108
= Profit (loss) after income taxes	1.106	1.289	2.579	1.042	6.016	1.187
- Income taxes	-466	-831	-595	1.696	-196	-563
= Profit (loss) before income taxes = EBT	1.572	2.120	3.174	-654	6.212	1.750
- Profit (loss) from financial activities	-715	-452	384	-627	-1.410	-568
<b>= Profit from operations = EBIT</b>	<b>2.287</b>	<b>2.572</b>	<b>2.790</b>	<b>-27</b>	<b>7.622</b>	<b>2.318</b>
- Depreciation, amortization and impairment losses	-2.534	-2.610	-2.590	-4.763	-12.497	-2.570
<b>= EBITDA</b>	<b>4.821</b>	<b>5.182</b>	<b>5.380</b>	<b>4.736</b>	<b>20.119</b>	<b>4.888</b>
EBITDA margin [EBITDA/net revenue]	33,7%	35,1%	35,7%	30,5%	33,8%	32,9%
- Special factors affecting EBITDA	-20	-6	-121	-463	-610	-82
<b>= Adj. EBITDA</b>	<b>4.841</b>	<b>5.188</b>	<b>5.501</b>	<b>5.199</b>	<b>20.729</b>	<b>4.970</b>
Adj. EBITDA margin [adj. EBITDA/net revenue]	33,9%	35,2%	36,5%	33,5%	34,8%	33,5%



## DT Group. Special factors in the consolidated income statement.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
<b>Net revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cost of sales	0	-7	-36	-492	-535	-59
<b>Gross profit</b>	<b>0</b>	<b>-7</b>	<b>-36</b>	<b>-492</b>	<b>-535</b>	<b>-59</b>
Selling expenses	0	-21	-10	-245	-276	-8
General and administrative costs	-7	-7	-47	-201	-262	-7
Other operating income	0	41	0	783	824	0
Other operating expenses	-13	-12	-28	-2.244	-2.297	-18
<b>Profit from operations = EBIT</b>	<b>-20</b>	<b>-6</b>	<b>-121</b>	<b>-2.399</b>	<b>-2.546</b>	<b>-92</b>
Profit (loss) from financial activities	21	0	1.038	0	1.059	196
of which: finance costs	0	0	0	0	0	0
<b>Profit (loss) before income taxes = EBT</b>	<b>1</b>	<b>-6</b>	<b>917</b>	<b>-2.399</b>	<b>-1.487</b>	<b>104</b>
Income taxes	7	0	35	2.335	2.377	12
<b>Profit (loss) after income taxes</b>	<b>8</b>	<b>-6</b>	<b>952</b>	<b>-64</b>	<b>890</b>	<b>116</b>
Profit (loss) attributable to minority interests	0	0	0	-31	-31	0
<b>Net profit (loss)</b>	<b>8</b>	<b>-6</b>	<b>952</b>	<b>-33</b>	<b>921</b>	<b>116</b>
Depreciation, amortization and impairment losses	0	0	0	-1.936	-1.936	-10
<b>EBITDA</b>	<b>-20</b>	<b>-6</b>	<b>-121</b>	<b>-463</b>	<b>-610</b>	<b>-82</b>





## DT Group. Details on special factors I.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
<b>Effect on operating expenses</b>	-20	-47	-121	-3.182	-3.370	-92
of which: higher depreciation/amortization at BBFN				-8	-8	
of which: impairment losses on goodwill at T-Mobile UK				-1.917	-1.917	
of which: impairment losses on goodwill at Slovak Telekom						-10
of which: expensing of SAC at T-Online from previous quarters						-40
of which: additional provisions for restructuring, staff reduction charges and others	-20	-47	-32	-1.098	-1.197	-23
of which: expenses for partial retirement (termination benefit)			-81	-23	-104	-15
of which: losses attributable to sale of DSS and TRO			-8	-4	-12	-4
of which: expenses due to the merger of T-Online				-15	-15	
of which: allocation of provisions for special payment agreement				-27	-27	
of which: expenses for charity foundation				-50	-50	
of which settlement payment				-40	-40	
<b>Effect on other operating income</b>	0	41	0	783	824	0
of which: sale of Virgin Mobile and cc-chemplorer						
of which: D&O insurance USA		41			41	
of which: gain from the reversal of provisions due to the restructuring of the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse)				783	783	
<b>Effect on profit from operations = EBIT</b>	-20	-6	-121	-2.399	-2.546	-92
<b>Effect on EBITDA</b>	-20	-6	-121	-463	-610	-82



## DT Group. Details on special factors II.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
<b>Effect on profit (loss) from financial activities</b>	21	0	1.038	0	1.059	196
of which: sale of EUTELSAT, MTS, SES, Intelsat,comdirect	21		1.038		1.059	
of which: sale of Celcom						196
<b>Effect on profit (loss) before income taxes</b>	1	-6	917	-2.399	-1.487	104
<b>Effect on taxes</b>	7		35	2.335	2.377	12
of which: sale of MTS, provisions, allowances and others			-9		-9	
of which: sale of DSS and TRO						-18
of which: expensing of SAC at T-Online from previous quarters						15
of which: effect of additional provisions for restructuring, staff reduction charges, partial retirement arrangements (termination benefit) and others	7	16	44	420	487	15
of which: effect of expenses due to the merger of T-Online				6	6	
of which effect of allocation of provisions for special payment agreement				11	11	
of which: effect of expense for charity foundation				20	20	
of which: effect of settlement payment				16	16	
of which: effect of gain from the reversal of provisions due to the restructuring of the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse)				-305	-305	
of which: gain from reduction in allowance on deferred tax assets arising from net operating loss carry forwards at T-Mobile USA				2.167	2.167	
of which: effect D&O insurance USA		-16			-16	
<b>Effect on profit (loss) attributable to minority interests: severance payments at T-Com CEE</b>				-31	-31	
<b>Effect on net profit (loss)</b>	8	-6	952	-33	921	116



Change in the composition in the Group in the first quarter.

millions of €	Reported figures		MINUS Acquisition effects <sup>1</sup>				PLUS Deconsolidation effects <sup>5</sup>				Total effect	Pro forma Q1/06	% Pro forma Q1/06, reported Q1/06
	Q1/05	Q1/05	Mobile		Bus.	Mobile		Bus.					
			Total	Comm. <sup>2</sup>	BB/FN <sup>3</sup>	Cust. <sup>4</sup>	Total	Comm. <sup>2</sup>	BB/FN	Cust. <sup>6</sup>			
<b>Net revenue</b>	14.288	14.842	29	6	18	5	32	0	0	32	3	14.845	3,9%
<b>Profit from operations = EBIT</b>	2.287	2.318	8	1	4	3	0	0	0	0	-8	2.310	1,0%
Profit (loss) from financial activities	-715	-568	0	0	0	0	0	0	0	0	0	-568	20,6%
of which: finance costs	-707	-658	0	0	0	0	0	0	0	0	0	-658	6,9%
<b>Profit (loss) before income taxes</b>	1.572	1.750	8	1	4	3	0	0	0	0	-8	1.742	10,8%
Income taxes	-466	-563	0	0	0	0	0	0	0	0	0	-563	-20,8%
<b>Profit (loss) after income taxes</b>	1.106	1.187	8	1	4	3	0	0	0	0	-8	1.179	6,6%
Profit (loss) attributable to minority interests	122	108	1	1	0	0	0	0	0	0	-1	107	-12,3%
<b>Net profit (loss)</b>	984	1.079	8	1	4	3	0	0	0	0	-8	1.071	8,8%
EBITDA	4.821	4.888	13	4	6	3	0	0	0	0	-13	4.875	1,1%
Special factors	-20	-82	0	0	0	0	0	0	0	0	0	-82	-310,0%
EBITDA excluding special factors	4.841	4.970	13	4	6	3	0	0	0	0	-13	4.957	2,4%

- 1 Effect of acquired businesses on numbers for Q1/2006  
 2 Monet [Q2/2005; Mar. 31, 2005], Pro-M [Q4/2005; Nov 11, 2005]  
 3 Telekom Montenegro [Q2/2005; Mar. 31, 2005]  
 4 ALLDATA [acquired Jul. 1, 2005, consolidated Q4/2005], OrbiTel 1344 [Q1/2006; Feb 3, 2006]  
 5 Effect of disposed businesses on numbers for Q1/2006  
 6 T-Systems DSS GmbH & Co KG [Q2/2005; Apr. 30 2005], 0010 Infonet [Q4/2005; Dec. 31, 2005]



Consolidated balance sheet.

Assets<sup>1</sup>.

billions of €	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	% y.o.y.
<b>Current assets</b>	19,2	15,8	15,2	16,7	21,0	9,3%
Cash and cash equivalents	6,3	3,9	3,4	5,0	8,3	33,3%
Trade and other receivables	7,1	7,4	7,4	7,5	7,1	1,4%
Current recoverable income taxes	0,4	0,5	0,4	0,6	0,6	34,9%
Other financial assets	2,2	1,3	1,3	1,4	1,5	-34,4%
Inventories	1,1	0,9	1,1	1,1	1,1	1,1%
Other assets	2,2	1,8	1,6	1,1	2,4	9,6%
<b>Non-current assets</b>	109,7	111,7	109,5	111,2	109,3	-0,4%
Intangible assets	53,0	54,6	54,1	52,7	52,0	-1,9%
Property, plant and equipment	48,2	48,4	47,9	47,8	46,8	-2,8%
Investments accounted for using the equity method	1,8	1,8	1,8	1,8	1,9	6,5%
Other financial assets	1,7	2,0	0,8	0,8	0,8	-53,6%
Deferred tax assets	4,7	4,5	4,6	7,6	7,3	53,6%
Other assets	0,3	0,3	0,4	0,6	0,6	79,3%
<b>Total assets</b>	128,9	127,5	124,7	127,9	130,3	1,1%

1 Figures rounded to the nearest billion. Values are calculated on the basis of precise numbers.



# Consolidated balance sheet.

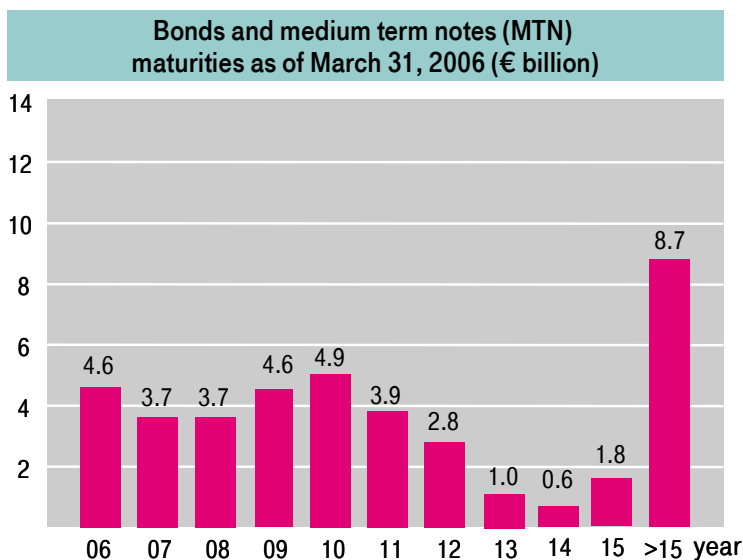
## Shareholders' equity and liabilities <sup>1</sup>.

billions of €	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	% y.o.y.
<b>Liabilities</b>						
<b>Current liabilities</b>	<b>25,2</b>	<b>24,5</b>	<b>24,4</b>	<b>25,0</b>	<b>24,5</b>	<b>-3,0%</b>
Financial liabilities	12,4	11,5	11,4	10,4	<b>10,6</b>	-14,6%
Trade and other payables	5,2	5,5	5,6	6,9	<b>5,7</b>	10,4%
Income tax liabilities	1,1	1,2	1,2	1,4	<b>1,6</b>	46,0%
Provisions	3,5	3,1	3,0	3,6	<b>3,5</b>	-0,1%
Other liabilities	3,1	3,3	3,2	2,7	<b>3,1</b>	0,6%
<b>Non-current liabilities</b>	<b>56,8</b>	<b>56,1</b>	<b>52,0</b>	<b>53,3</b>	<b>55,7</b>	<b>-1,8%</b>
Financial liabilities	41,8	40,5	35,8	36,3	<b>38,8</b>	-7,0%
Provisions for pensions and other employee benefits	4,3	4,4	4,5	4,6	<b>4,7</b>	9,7%
Other provisions	2,9	2,8	2,8	2,0	<b>2,0</b>	-33,1%
Deferred tax liabilities	6,3	6,8	7,1	8,3	<b>8,3</b>	31,4%
Other liabilities	1,5	1,5	1,9	2,0	<b>2,0</b>	30,4%
<b>Shareholders' equity</b>	<b>46,9</b>	<b>46,8</b>	<b>48,3</b>	<b>49,6</b>	<b>50,1</b>	<b>6,8%</b>
Issued capital	10,7	10,7	10,7	10,7	<b>10,7</b>	0,0%
Capital reserves	49,5	49,5	49,5	49,6	<b>49,6</b>	0,1%
Retained earnings incl. carryforwards	-16,2	-18,8	-18,7	-18,8	<b>-13,2</b>	18,5%
Other comprehensive income	-1,7	-0,4	-1,4	-1,1	<b>-1,6</b>	3,5%
Net profit (loss)	1,0	2,2	4,6	5,6	<b>1,1</b>	9,7%
Subtotal	43,4	43,3	44,7	46,1	<b>46,6</b>	7,3%
Minority interests	3,5	3,5	3,5	3,5	<b>3,6</b>	0,8%
<b>Total liabilities and shareholders' equity</b>	<b>128,9</b>	<b>127,5</b>	<b>124,7</b>	<b>127,9</b>	<b>130,3</b>	<b>1,1%</b>

<sup>1</sup> Figures rounded to the nearest billion. The percentage values are calculated on the basis of precise numbers.



## Maturity profile.



For detailed information on Bonds, medium term notes and the mandatory convertible bond such as:

- Principal amount
- Currency
- Maturity date
- Coupon
- ISIN Code
- Documentation

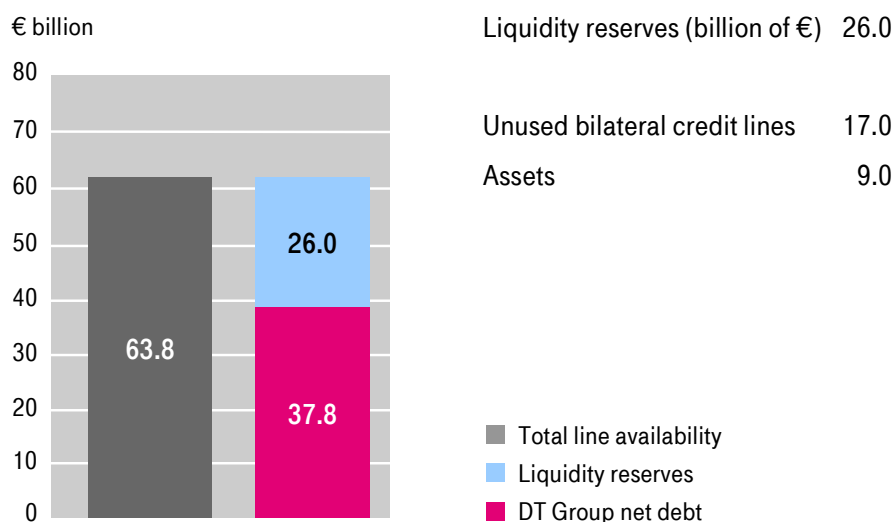
check the IR website under "Debt Market"

### Current Rating

Moody's: A3 with stable outlook (long term) and P-2 with stable outlook (short term)  
 S&P: A- with stable outlook (long term) and A-2 with stable outlook (short term)  
 Fitch: A- with stable outlook (long term) and F1 with stable outlook (short term)  
 R&I: A with stable outlook (long term)



## Liquidity reserves as of March 31, 2006.



## Debt to net debt reconciliation.

millions of €	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	% q.o.q.	% y.o.y.
Bonds	42.275	40.746	37.648	37.255	39.696	6,6%	-6,1%
Other financial liabilities	8.935	8.906	7.759	7.392	7.527	1,8%	-15,8%
<b>Gross debt</b>	<b>51.210</b>	<b>49.652</b>	<b>45.407</b>	<b>44.647</b>	<b>47.223</b>	<b>5,8%</b>	<b>-7,8%</b>
Cash and cash equivalents	6.260	3.910	3.371	4.975	8.343	67,7%	33,3%
Available-for-sale/held-for-trading financial assets	934	114	102	148	123	-16,9%	-86,8%
Other financial assets	1.019	1.080	1.139	885	968	9,4%	-5,0%
<b>Net debt</b>	<b>42.997</b>	<b>44.548</b>	<b>40.795</b>	<b>38.639</b>	<b>37.789</b>	<b>-2,2%</b>	<b>-12,1%</b>



## Cash capex<sup>1</sup>.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Broadband/Fixed Network	396	540	600	945	2.481	689	74,0%
Mobile Communications	2.505	1.007	827	1.264	5.603	1.092	-56,4%
Business Customers	132	168	162	313	775	153	15,9%
GHS	56	118	123	159	456	114	103,6%
<b>Group</b>	<b>3.091</b>	<b>1.824</b>	<b>1.686</b>	<b>2.668</b>	<b>9.269</b>	<b>2.044</b>	<b>-33,9%</b>

<sup>1</sup> Amounts of payouts for property, plant and equipment and intangible assets excluding goodwill.



## Free cash flow.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Net profit (loss)	984	1.169	2.442	989	5.584	1.079	9,7%
Profit (loss) attributable to minority interests	122	120	137	53	432	108	-11,5%
<b>Profit (loss) after income taxes</b>	<b>1.106</b>	<b>1.289</b>	<b>2.579</b>	<b>1.042</b>	<b>6.016</b>	<b>1.187</b>	<b>7,3%</b>
Depreciation, amortization and impairment losses	2.534	2.610	2.590	4.763	12.497	2.570	1,4%
Income tax expense	466	831	595	-1.696	196	563	20,8%
Interest expense	707	464	674	556	2.401	658	-6,9%
(Gain) loss from the disposal of non-current assets	-22	10	-1.018	-28	-1.058	-279	n.a.
Results from associated companies	-36	-41	-45	-30	-152	-32	11,1%
Other non-cash transactions	-18	134	-51	-176	-111	67	n.a.
Change in assets carried as working capital	-758	87	65	246	-360	-806	-6,3%
Change in provisions	25	-266	56	-45	-230	-180	n.a.
Change in other liabilities carried as working capital	-1.015	-15	-76	976	-130	-237	76,7%
Income taxes received (paid)	-424	-273	-291	-212	-1.200	-212	50,0%
Dividends received	11	13	34	2	60	6	-45,5%
<b>Cash generated from operations</b>	<b>2.576</b>	<b>4.843</b>	<b>5.112</b>	<b>5.398</b>	<b>17.929</b>	<b>3.305</b>	<b>28,3%</b>
Interest received (paid)	-400	-1.204	-845	-482	-2.931	-509	-27,3%
<b>Net cash from operating activities</b>	<b>2.176</b>	<b>3.639</b>	<b>4.267</b>	<b>4.916</b>	<b>14.998</b>	<b>2.796</b>	<b>28,5%</b>
Cash outflows for investments in intangible assets	-623	-409	-263	-573	-1.868	-228	63,4%
property, plant and equipment	-2.468	-1.415	-1.423	-2.095	-7.401	-1.816	26,4%
<b>Free cash flow [before dividend]</b>	<b>-915</b>	<b>1.815</b>	<b>2.581</b>	<b>2.248</b>	<b>5.729</b>	<b>752</b>	<b>n.a.</b>



# Personnel<sup>1</sup>.

End of period	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	Delta q.o.q.		Delta y.o.y.	
						abs.	%	abs.	%
BBFN	112.333	113.341	112.798	111.267	110.850	-417	-0,4%	-1.483	-1,3%
T-Com	109.206	110.157	109.457	107.907	107.434	-473	-0,4%	-1.772	-1,6%
T-Online	3.127	3.184	3.341	3.360	3.416	56	1,7%	289	9,2%
Mobile Communications	49.034	49.466	49.207	51.410	51.703	293	0,6%	2.669	5,4%
Business Customers	51.708	51.768	51.914	52.041	56.662	4.621	8,9%	4.954	9,6%
GHS	30.709	29.702	29.499	28.977	29.767	790	2,7%	-942	-3,1%
of which Vivento <sup>2</sup>	17.700	16.500	16.000	15.300	14.500	-700	-5,2%	-3.200	-18,1%
<b>DT Group</b>	<b>243.784</b>	<b>244.277</b>	<b>243.418</b>	<b>243.695</b>	<b>248.982</b>	<b>5.287</b>	<b>2,2%</b>	<b>5.198</b>	<b>2,1%</b>
of which: civil servants	46.661	46.633	46.300	45.954	44.164	-1.790	-3,9%	-2.497	-5,4%

Average	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Delta q.o.q.	
							abs.	%
BBFN	112.871	113.515	112.893	112.208	112.872	110.202	-2.006	-1,8%
T-Com	109.787	110.351	109.581	108.851	109.643	106.814	-2.037	-1,9%
T-Online	3.084	3.164	3.312	3.357	3.229	3.388	31	0,9%
Mobile Communications	48.914	49.271	49.101	50.631	49.479	51.511	880	1,7%
Business Customers	51.314	51.727	51.897	52.037	51.744	51.738	-299	-0,6%
GHS	30.868	29.997	29.633	29.229	29.931	29.973	744	2,5%
of which Vivento <sup>2</sup>	18.100	17.000	16.300	15.600	16.700	14.800	-800	-5,1%
<b>DT Group</b>	<b>243.967</b>	<b>244.510</b>	<b>243.524</b>	<b>244.105</b>	<b>244.026</b>	<b>243.424</b>	<b>-681</b>	<b>-0,3%</b>
of which: civil servants	46.801	46.771	46.454	46.072	46.525	44.221	-1.851	-4,0%

1 Full-time employees: number of employees without trainees and students.  
2 Figures rounded; including permanent staff.



## Exchange rates.

### Average.

€	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
1 U.S dollar (USD)	0,76260	0,79434	0,81973	0,84151	0,80325	0,83156
1 British pound (GBP)	1,44100	1,47431	1,46258	1,47041	1,46209	1,45693
100 Czechs korunas (CZK)	3,33058	3,31840	3,36510	3,41457	3,35741	3,49694
100 Croatian kunas (HRK)	13,32020	13,61290	13,57060	13,54680	13,51280	13,61830
1,000 Hungarian forints (HUF)	4,08180	4,00602	4,07242	3,96985	4,03201	3,92782
100 Slovak korunas (SKK)	2,61123	2,57011	2,58616	2,59942	2,59153	2,66933

## Exchange rates.

### End of period.

€	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06
1 U.S dollar (USD)	0,77167	0,82967	0,82981	0,84496	0,82663
1 British pound (GBP)	1,45287	1,48745	1,46522	1,45541	1,43543
100 Czechs korunas (CZK)	3,32381	3,31807	3,37701	3,44983	3,49759
100 Croatian kunas (HRK)	13,48260	13,67430	13,45540	13,56480	13,62640
1,000 Hungarian forints (HUF)	4,04564	4,04760	4,00698	3,95594	3,76285
100 Slovak korunas (SKK)	2,59101	2,60774	2,57799	2,63992	2,65329



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# Broadband/Fixed Network.

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For further information on products, rates and divisional management see  
[www.t-com.de](http://www.t-com.de) [www.t-online.net](http://www.t-online.net)





## Broadband/Fixed Network.

### Adjusted for special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>Total revenue</b>	6.555	6.469	6.469	6.542	26.035	6.156	-6,1%
T-Com	6.220	6.101	6.143	6.231	24.695	5.857	-5,8%
T-Online	509	522	506	551	2.088	585	14,9%
<b>Net revenue</b>	5.458	5.420	5.400	5.453	21.731	5.207	-4,6%
T-Com	4.997	4.944	4.944	4.963	19.848	4.682	-6,3%
T-Online	461	476	456	490	1.883	524	13,7%
<b>Adjusted EBITDA</b>	2.444	2.429	2.437	2.549	9.859	2.277	-6,8%
T-Com	2.362	2.365	2.393	2.508	9.628	2.272	-3,8%
T-Online	88	84	73	79	324	43	-51,1%
<b>Adjusted EBITDA margin</b>	37,3%	37,5%	37,7%	39,0%	37,9%	37,0%	-0,3%p
T-Com	38,0%	38,8%	39,0%	40,3%	39,0%	38,8%	0,8%p
T-Online	17,3%	16,1%	14,4%	14,3%	15,5%	7,4%	-9,9%p
Depreciation, amortization and impairment losses	-1.010	-1.012	-988	-1.014	-4.024	-962	4,8%
<b>Profit (loss) from operations = EBIT</b>	1.434	1.417	1.449	1.535	5.835	1.315	-8,3%



## Broadband/Fixed Network.

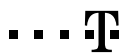
### EBITDA reconciliation.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
Total revenue	6.555	6.469	6.469	6.542	26.035	6.156
<b>Profit (loss) from operations = EBIT</b>	1.434	1.409	1.401	898	5.142	1.262
- Depreciation, amortization and impairment losses	-1.010	-1.012	-988	-1.024	-4.034	-969
<b>= EBITDA</b>	2.444	2.421	2.389	1.922	9.176	2.231
EBITDA margin	37,3%	37,4%	36,9%	29,4%	35,2%	36,2%
- Special factors affecting EBITDA	0	-8	-48	-627	-683	-46
<b>= Adj. EBITDA</b>	2.444	2.429	2.437	2.549	9.859	2.277
Adj. EBITDA margin	37,3%	37,5%	37,7%	39,0%	37,9%	37,0%



## Broadband/Fixed Network. Unadjusted.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>Total revenue</b>	<b>6.555</b>	<b>6.469</b>	<b>6.469</b>	<b>6.542</b>	<b>26.035</b>	<b>6.156</b>	<b>-6,1%</b>
T-Com	6.220	6.101	6.143	6.231	24.695	5.857	-5,8%
T-Online	509	522	506	551	2.088	585	14,9%
<b>Net revenue</b>	<b>5.458</b>	<b>5.420</b>	<b>5.400</b>	<b>5.453</b>	<b>21.731</b>	<b>5.207</b>	<b>-4,6%</b>
T-Com	4.997	4.944	4.944	4.963	19.848	4.682	-6,3%
T-Online	461	476	456	490	1.883	525	13,9%
<b>EBITDA</b>	<b>2.444</b>	<b>2.421</b>	<b>2.389</b>	<b>1.922</b>	<b>9.176</b>	<b>2.231</b>	<b>-8,7%</b>
T-Com	2.362	2.357	2.345	1.896	8.960	2.266	-4,1%
T-Online	88	84	73	64	309	3	-96,6%
<b>EBITDA margin</b>	<b>37,3%</b>	<b>37,4%</b>	<b>36,9%</b>	<b>29,4%</b>	<b>35,2%</b>	<b>36,2%</b>	<b>-1,1%p</b>
T-Com	38,0%	38,6%	38,2%	30,4%	36,3%	38,7%	0,7%p
T-Online	17,3%	16,1%	14,4%	11,6%	14,8%	0,5%	-16,8%p
Depreciation, amortization and impairment losses	-1.010	-1.012	-988	-1.024	-4.034	-969	4,1%
<b>Profit (loss) from operations = EBIT</b>	<b>1.434</b>	<b>1.409</b>	<b>1.401</b>	<b>898</b>	<b>5.142</b>	<b>1.262</b>	<b>-12,0%</b>



## Broadband/Fixed Network. Special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
<b>Effect on EBITDA</b>	<b>0</b>	<b>-8</b>	<b>-48</b>	<b>-627</b>	<b>-683</b>	<b>-46</b>
of which: expensing of SAC at T-Online from previous quarters						-40
of which: transfer payments to Vivento		-3	-4	4	-3	
of which: staff-related restruct. MT, HT, ST		-5		-73	-78	
of which: restructuring at T-Punkt				-14	-14	
of which: restructuring at T-Com (DTAG)				-515	-515	
of which: related to the merger				-15	-15	
of which: termination benefits			-44	-14	-58	-6
<b>Effect on profit (loss) from operations = EBIT</b>	<b>0</b>	<b>-8</b>	<b>-48</b>	<b>-637</b>	<b>-693</b>	<b>-53</b>
of which: impairment losses on goodwill at ST						-7
of which: reduction of economic life				-8	-8	
of which: restructuring warehouse at HT				-2	-2	



## T-Com - new structure.

### Key operational performance.

millions of € <sup>1</sup>	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06	q.o.q.%	y.o.y.%
<b>Broadband lines in operation</b>	<b>6.7</b>	<b>7.1</b>	<b>7.7</b>	<b>8.5</b>	<b>9.2</b>	<b>8.2%</b>	<b>37.3%</b>
National DSL <sup>2/4</sup>	6.4	6.7	7.3	7.9	8.6	8.9%	34.4%
Resale <sup>6</sup>	0.5	0.7	1.1	1.6	2.2	37.5%	340.0%
Central and Eastern Europe	0.3	0.4	0.4	0.5	0.6	20.0%	100.0%
Magyar Telekom (MT) <sup>3/5/7</sup>	0.2	0.2	0.3	0.3	0.4	13.8%	100.0%
Slovak Telekom (ST) <sup>3</sup>	0.05	0.07	0.08	0.1	0.1	14.5%	100.0%
T-Hrvatski Telekom (T-HT) <sup>3</sup>	0.03	0.05	0.07	0.1	0.1	29.9%	233.3%
<b>Narrowband lines (total)<sup>4/5</sup></b>	<b>42.4</b>	<b>42.1</b>	<b>41.7</b>	<b>41.2</b>	<b>40.6</b>	<b>-1.5%</b>	<b>-4.2%</b>
National	36.4	36.0	35.6	35.2	34.7	-1.4%	-4.7%
of which: analog lines	26.1	25.9	25.7	25.5	25.2	-1.2%	-3.4%
of which: ISDN lines	10.3	10.1	9.9	9.8	9.6	-2.0%	-6.8%
Central and Eastern Europe	6.0	6.2	6.1	6.0	5.9	-1.7%	-1.7%
Magyar Telekom (MT) <sup>5/7</sup>	3.1	3.3	3.2	3.2	3.1	-3.1%	0.0%
Slovak Telekom (ST)	1.2	1.2	1.2	1.2	1.2	0.0%	0.0%
T-Hrvatski Telekom (T-HT)	1.7	1.7	1.7	1.7	1.6	-5.9%	-5.9%

<sup>1</sup> The total was calculated on the basis of precise figures and rounded to millions. Percentages calculated on the basis of figures shown.

<sup>2</sup> Incl. T-Online DSL.

<sup>3</sup> Percentages calculated on exact figures.

<sup>4</sup> Access lines excluding internal use and public telephone lines, but including lines sold to T-Systems for sale to certain business customers.

<sup>5</sup> Access line figures are recorded incl. Magyar Telekom's subsidiaries; e.g. Maktel.

<sup>6</sup> Definition of resale: sale of broadband lines based on DSL technology to alternative providers outside the Deutsche Telekom Group.

<sup>7</sup> From the second quarter of 2005 Telekom Montenegro is fully consolidated via Magyar Telekom, historic numbers are not restated.



## Broadband/Fixed Network.

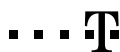
### DSL Access Net Adds.

Thousands	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
<b>DSL lines total<sup>1</sup></b>	<b>621</b>	<b>427</b>	<b>599</b>	<b>762</b>	<b>2,409</b>	<b>735</b>	<b>0,18357</b>
Germany	581	367	525	660	2,133	643	10,7%
Retail <sup>2</sup>	362	97	146	182	786	83	-77,1%
Resale <sup>2</sup>	219	270	379	479	1,346	560	155,7%
CEE	41	60	73	102	276	92	124,4%

<sup>1</sup> Incl. T-Online DSL.

<sup>2</sup> Including T-Com and T-Online. Excluding internal use.

<sup>3</sup> Definition of resale: sale of broadband lines based on DSL technology to alternative providers outside the Deutsche Telekom Group.



## T-Com Central and Eastern Europe (CEE) - fixed network on

### Key financial figures.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	y.o.y.%
<b>Total in Central and Eastern Europe <sup>2</sup></b>							
Total revenue	614	638	643	651	2,546	616	0.3%
Total adj. EBITDA	266	255	260	237	1,018	258	-3.0%
Total adj. EBITDA margin	43.3%	40.0%	40.4%	36.4%	40.0%	41.9%	-1.4%op
<b>Magyar Telekom (MT) <sup>3/4/5</sup></b>							
Revenue	334	346	347	355	1,382	333	-0.3%
Adj. EBITDA	126	132	127	124	509	120	-4.8%
Adj. EBITDA margin	37.7%	38.2%	36.6%	34.9%	36.8%	36.0%	-1.7%op
<b>Slovak Telecom (ST) <sup>3</sup></b>							
Revenue	105	104	101	105	415	105	0.0%
Adj. EBITDA	57	50	46	22	175	53	-7.0%
Adj. EBITDA margin	54.3%	48.1%	45.5%	21.0%	42.2%	50.5%	-3.8%op
<b>T-Hrvatski Telekom (T-HT) <sup>3</sup></b>							
Revenue	179	196	200	195	770	184	2.8%
Adj. EBITDA	82	76	84	92	334	87	6.1%
Adj. EBITDA margin	45.8%	38.8%	42.0%	47.2%	43.4%	47.3%	1.5%op

<sup>1</sup> No longer including the mobile business, which is now consolidated in the Mobile Communications segment.

<sup>2</sup> Total figures relate to T-Com 's consolidated financial statements.

<sup>3</sup> Figures relate to the companies reviewed and unconsolidated financial statements.

<sup>4</sup> From the second quarter of 2005 Telekom Montenegro is fully consolidated via Magyar Telekom, historic numbers are not restated.

<sup>5</sup> From February 2006 Orbitel is fully consolidated via Magyar Telekom, historic numbers are not restated.



## T-Com Central and Eastern Europe (CEE) - fixed network

### Key financial figures in local currency. <sup>1/\*</sup>

millions	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	y.o.y.%
<b>Magyar Telekom (MT) <sup>2/3</sup> (HUF)</b>							
Revenue	81,769	86,312	85,417	89,398	342,896	84,900	3.8%
Adj. EBITDA	30,943	32,946	30,995	31,328	126,212	30,506	-1.4%
Adj. EBITDA margin	37.8%	38.2%	36.3%	35.0%	36.8%	35.9%	-1.9%op
<b>Slovak Telecom (ST) <sup>2</sup> (HRK)</b>							
Revenue	4,020	4,029	3,906	4,057	16,012	3,944	-1.9%
Adj. EBITDA	2,185	1,927	1,797	846	6,755	1,983	-9.2%
Adj. EBITDA margin	54.4%	47.8%	46.0%	20.9%	42.2%	50.3%	
<b>T-Hrvatski Telekom (T-HT) <sup>2</sup> (HKK)</b>							
Revenue	1,346	1,434	1,480	1,439	5,699	1,350	0.3%
Adj. EBITDA	612	564	619	679	2,474	639	4.4%
Adj. EBITDA margin	45.5%	39.3%	41.8%	47.2%	43.4%	47.3%	1.8%op

<sup>1</sup> No longer including the mobile business, which is now consolidated in the T-Mobile segment.

<sup>2</sup> Figures relate to the companies reviewed and unconsolidated financial statements.

<sup>3</sup> From the second quarter of 2005 Telekom Montenegro is fully consolidated via Magyar Telekom, historic numbers are not restated.

<sup>4</sup> From February 2006 Orbitel is fully consolidated via Magyar Telekom, historic numbers are not restated.



## T-Com domestic - new structure. Revenue split.\*

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	y.o.y.%
Revenue							
<b>Total</b>	<b>5,606</b>	<b>5,463</b>	<b>5,500</b>	<b>5,580</b>	<b>22,149</b>	<b>5,241</b>	<b>-6.5%</b>
Thereof Network communications	3,164	3,098	3,051	3,037	12,350	2,886	-8.8%
Thereof narrowband access	1,981	1,961	1,965	1,976	7,883	1,950	-1.6%
Thereof calling revenues	1,182	1,129	1,082	1,061	4,453	935	-20.9%
Thereof IP/Internet**	303	298	304	284	1,189	254	-16.2%
Thereof Wholesale services	1,199	1,186	1,221	1,269	4,875	1,207	0.7%
Thereof Data communications	344	284	312	298	1,238	321	-6.7%
Thereof Value-added services	273	265	272	262	1,072	234	-14.3%
Thereof Terminal equipment	99	100	134	161	494	115	16.2%

\*New revenue segmentation implemented from January 1, 2006. Prior-year comparisons have been adjusted. Main change: Revenues from T-Com retail DSL are now shown under IP/Internet, previously under Network communications.

\*\* DSL retail revenue, formerly shown under network communication.



## T-Com domestic - call development. Call minutes and call revenues.<sup>1</sup>

	Q1/05	Q2/05 <sup>5</sup>	Q3/05	Q4/05	FY/05	Q1/06	y.o.y.%
<b>Minutes (billions)<sup>2</sup></b>							
Total	30.0	28.3	26.5	28.1	112.8	28.0	-6.7%
City/local	17.9	16.5	15.1	16.3	65.8	16.3	-8.9%
Long distance	9.4	9.0	8.8	9.2	36.4	9.2	-2.1%
International	0.8	0.8	0.8	0.8	3.1	0.8	0.0%
Fixed-to-mobile	1.8	2.0	1.9	1.8	7.5	1.7	-5.6%
<b>Prices (€ per 100 minutes)<sup>2</sup></b>							
Total	4.0	4.0	4.1	3.8	3.9	3.3	-17.5%
City/local	2.2	2.1	2.1	2.0	2.1	1.8	-18.2%
Long distance	3.0	2.7	2.7	2.5	2.7	2.3	-23.3%
International	14.5	13.8	13.9	14.4	14.5	12.6	-13.1%
Fixed-to-mobile	21.6	21.3	21.9	22.2	21.8	19.1	-11.6%
<b>Revenue (millions of €)<sup>2/3</sup></b>							
Total	1,182	1,129	1,082	1,061	4,453	935	-20.9%
City/local	394	356	318	323	1,396	301	-23.6%
Long distance	280	241	236	233	990	208	-25.7%
International	115	110	112	108	445	101	-12.2%
Fixed-to-mobile	394	427	416	398	1,635	325	-17.5%

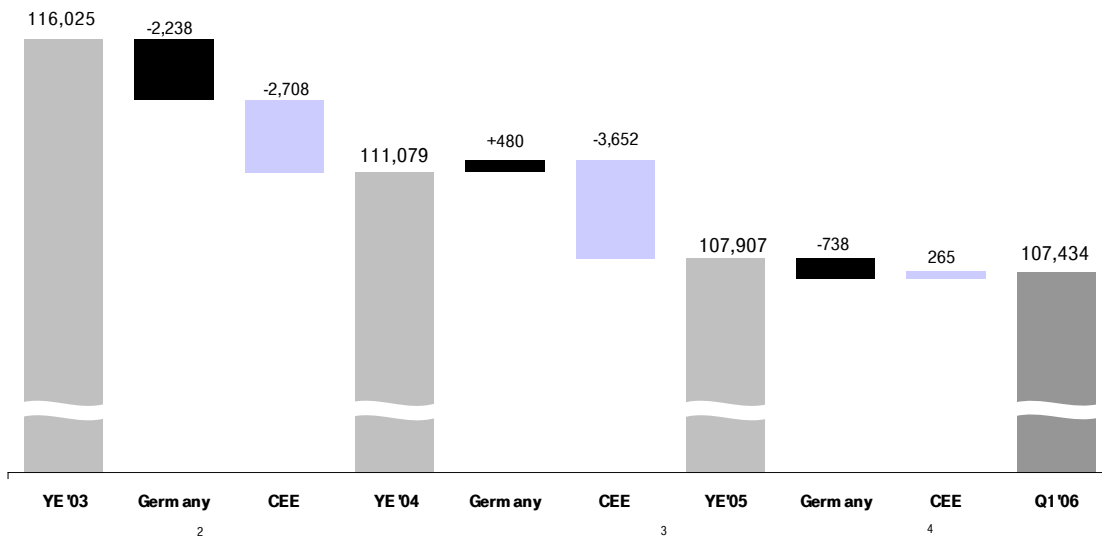
<sup>1</sup> In the PSTN = Public Switched Telephone Network (T-Com call minutes only, excluding internal use and public telephone call minutes including wholesale services)

<sup>2</sup> The total was calculated on the basis of precise figures and rounded. Percentages calculated on the basis of figures shown.

<sup>3</sup> In 2004 adjusted for the revenue of narrowband internet access minutes. From 2005 only calling minutes will be reported.



# T-Com - new structure. Personnel development <sup>1</sup>.



1 Number of employees at the end of each period shown. D for Germany, CEE for Central and Eastern Europe.

2 Working hour reduction from 38 to 34 hour/week at T-Com in Germany. Headcount reduction was partly offset by the transfer of employees from Vivento to T-Com.

In Q2'04 shift of T-Com accounting from GHS to T-Com as of May 1, 2004 (around 1,000 FTE); in Q3'04 partly offset by the shift of the Communication Networks (KN) unit of Network Projects & Services GmbH to Group Headquarters (around 350 FTE).

3 From the second quarter of 2005 Telekom Montenegro (around 1,200 FTE) and from first quarter of 2006 Orbitel is fully consolidated via Magyar Telekom. Historic figures are not restated.

4 From the first quarter of 2006 around 160 FTE of Telekom Direkt are transferred from Group Headquarters & Shared Services to T-Com.



## BBFN Domestic. Consumer tariffs BB/FN including VAT. <sup>1</sup>

Telephone Access		Monthly fee <sup>2</sup>	City <sup>3,4</sup>			Germany <sup>3,4</sup>			Mobil <sup>2</sup>	Internat. <sup>3</sup>
			€	*	weekend	€	*	weekend		
T-Net	Call Plus	15,95	1,5	3,9	1,5	2,9	4,9	2,9	from 20,6	from 12,3
	Call Time	19,95	1,5	3,1	1,5	2,6	4,6	2,6	from 20,6	from 12,3
	XXL	24,94	1,5	2,9	0	2,5	3,9	0	from 15,9	from 4,6
	XXL Freetime	29,94	0	2,9	0	0	3,9	0	from 15,9	from 4,6
	XXL Fulltime	35,90	0	0	0	0	0	0	from 15,9	from 4,6
T-SDN	Call Plus	23,95	1,5	3,9	1,5	2,9	4,9	2,9	from 20,6	from 12,3
	Call Time	27,95	1,5	3,1	1,5	2,6	4,6	2,6	from 20,6	from 12,3
	XXL	32,95	1,5	2,9	0	2,5	3,9	0	from 15,9	from 4,6
	XXL Freetime	37,95	0	2,9	0	0	3,9	0	from 15,9	from 4,6
	XXL Fulltime	43,90	0	0	0	0	0	0	from 15,9	from 4,6
Additional tariffs		Monthly fee <sup>2</sup>	€			€			Mobil <sup>3</sup>	Internat. <sup>3</sup>
			€	*	weekend	€	*	weekend		
	XXL Local	9,95	0	0	0	-	-	-	-	-
	Country Select	-	-	-	-	Minimal charge 1,00 Euro			-	from 1,9
	Fixed2mobile	-	-	-	-	Minimal charge 4,00 Euro			from 12,9	-
Highspeed Access		Monthly fee <sup>2</sup>	Downstream			Upstream				
T-DSL	T-DSL 1000	16,99	up to 1.024 kbit/s			up to 128 kbit/s				
	T-DSL 2000	19,99	up to 2.048 kbit/s			up to 192 kbit/s				
	T-DSL 6000	24,99	up to 6.016 kbit/s			up to 576 kbit/s				
	T-DSL via Satellit basic	19,90	up to 768 kbit/s			up to 64 kbit/s				
Online tariff <sup>4</sup>		Monthly fee <sup>2</sup>	Cent per minute			Cent per MB				
T-Online	T-Online dsl start <sup>5</sup>	4,95	1,59			-				
	T-Online dsl flat	9,95	-			-				
	Internet telephony tariff		Monthly fee <sup>2</sup>	To T-Online <sup>3</sup>			City / Germany <sup>3</sup>			mobile <sup>3</sup>
			€	*	weekend	€	*	weekend		
	T-Online DSL Telefonie	0	0	0	0	2,9	2,9	2,9	from 22,0	from 4,9
	T-Online DSL Telefonie flat <sup>6</sup>	9,95	0	0	0	0	0	0	from 22,0	from 4,9

1 For general conditions and further details of our new tariff system Tarif05 launched on March 1, 2005, please see [www.t-com.de/tarif05](http://www.t-com.de/tarif05).

2 In € including VAT.

3 Usage prices are stated in Cent/Minute or Cent/MB including VAT.

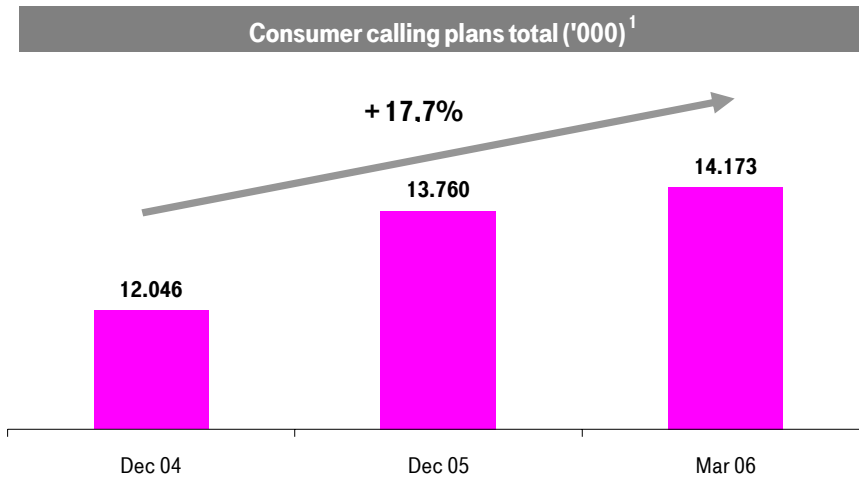
4 Calls terminating in the German PSTN of certain other operators carry a surcharge of 0,2 Eurocent/minute.

5 30h online time included in basic price.

6 Additional to T-Online dsl flat.



## T-Com -Optional Calling Plans (OCP).



<sup>1</sup> Including new OCP tariffs and customers not yet migrated from old tariff structure.



## T-Com

### Overview interconnection tariffs (excl. VAT).

Cent/min.	Peak (9:00-18:00), old	Peak (9:00-18:00), new <sup>1</sup>	Off-Peak (18:00-9:00), old	Off-Peak (18:00-9:00), new <sup>1</sup>
<b>Termination/Origination fees</b>				
Local	0.59	0.52	0.40	0.36
Single transit	0.96	0.88	0.64	0.59
Double transit national	1.52	1.36	0.99	0.89
<b>Transit fees of T-Com (0.2)</b>				
Local	0.64	0.55	0.44	0.38
Single transit	0.88	0.81	0.59	0.55
Double transit national	1.16	1.24	0.76	0.82
<b>Local Loop (in €)</b>				
		<b>Old</b>	<b>New</b>	
<b>Fully unbundled ("TAL")</b>				
Activation and Termination fee	47.97 - 96.22 <sup>2</sup>		47.10 - 69.78 <sup>3</sup>	
Monthly fee	11.80 <sup>4</sup>		10.65 <sup>5</sup>	
<b>Partially unbundled ("Line Sharing")</b>				
Activation and Termination fee	60.82 <sup>6</sup>		51.43 <sup>7</sup>	
Monthly fee	2.43 <sup>6</sup>		2.31 <sup>7</sup>	

<sup>1</sup> New prices are valid from 01/06/2006 to 30/11/2008.

<sup>2</sup> Depending on complexity - valid to 30/06/2005

<sup>3</sup> Depending on complexity - valid to 30/06/2007.

<sup>4</sup> Twisted pair copper access line valid to 31/03/2005.

<sup>5</sup> Twisted pair copper access line valid to 31/03/2007.

<sup>6</sup> Line Sharing valid to 30/06/2005.

<sup>7</sup> Line Sharing valid to 30/06/2007.



# Notes.

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# Mobile Communications.

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For further information on products, rates and divisional management see

[www.t-mobile.net](http://www.t-mobile.net)





# T-Mobile.

## Adjusted for specials influences.

€ million	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenue	6.746	7.197	7.648	7.861	29.452	7.575	12,3%
Net revenue	6.531	6.962	7.408	7.630	28.531	7.405	13,4%
ARPU revenue	5.771	6.256	6.577	6.640	25.244	6.538	13,3%
EBITDA	2.111	2.443	2.730	2.488	9.772	2.280	8,0%
EBITDA margin (total revenues)	31,3%	33,9%	35,7%	31,6%	33,2%	30,1%	-1,2%p
EBITDA margin (ARPU revenues)	36,6%	39,1%	41,5%	37,5%	38,7%	34,9%	-1,7%p
Depreciation and amortization	-1.136	-1.180	-1.185	-1.298	-4.799	-1.228	-8,1%
Profit (loss) from operations = EBIT	975	1.263	1.545	1.210	4.993	1.058	8,5%
Cash Capex <sup>1</sup>	2.505	1.007	827	1.264	5.603	1.092	-56,4%
Cash Contribution <sup>1,2</sup>	-394	1.436	1.903	1.224	4.169	1.188	n.a.
Adj. Cash Capex <sup>1,3</sup>	627	820	827	1.264	3.538	1.092	74,2%
Adj. Cash Contribution <sup>1,2,3</sup>	1.484	1.623	1.903	1.224	6.234	1.188	-19,9%

1 Amounts for 2005 include investments in the coverage areas previously covered by the network infrastructure joint venture with Cingular.

Amounts for 2004 exclude our investment to fund capital expenditures in the JV with Cingular.

2 Defined as adj. EBITDA minus Cash Capex.

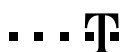
3 Adjusted by excluding the acquisition costs for networks and spectrum in California and Nevada of EUR 1,878 million in Q1-2005 and excluding costs for licences acquired in Auction 58 of EUR 187 million in Q2.



# T-Mobile.

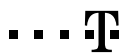
## EBITDA Reconciliation.

€ million	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
Total revenue	6.746	7.197	7.648	7.861	29.452	7.575
Profit (loss) from operations = EBIT	966	1.225	1.540	-726	3.005	1.055
- Depreciation and amortization	-1.136	-1.180	-1.185	-3.195	-6.696	-1.225
= EBITDA	2.102	2.405	2.725	2.469	9.701	2.280
EBITDA margin	31,2%	33,9%	35,6%	31,4%	32,9%	30,1%
- Special influences affecting EBITDA	-9	-38	-5	-19	-71	0
= Adj. EBITDA	2.111	2.443	2.730	2.488	9.772	2.280
Adj. EBITDA margin	31,3%	33,9%	35,7%	31,6%	33,2%	30,1%



## T-Mobile. Special influences.

€ million	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
Effects on EBITDA	-9	-38	-5	-19	-71	0
- of which restructuring	-7	-37	-5	-19	-68	
- of which Vivento	-2	-1			-3	
Effects on Operating Results = EBIT	-9	-38	-5	-1.936	-1.988	-3
- of which effects on EBITDA (see above)	-9	-38	-5	-19	-71	
- of which Goodwill Impairment TMUK				-1.917	-1.917	
- of which other						-3



## T-Mobile. Unadjusted.

€ million	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenue	6.746	7.197	7.648	7.861	29.452	7.575	12,3%
Net revenue	6.531	6.962	7.408	7.630	28.531	7.405	13,4%
ARPU revenue	5.771	6.256	6.577	6.640	25.244	6.538	13,3%
EBITDA	2.102	2.405	2.725	2.469	9.701	2.280	8,5%
EBITDA margin	31,2%	33,9%	35,6%	31,4%	32,9%	30,1%	-1,1%p
Depreciation and amortization	-1.136	-1.180	-1.185	-3.195	-6.696	-1.225	-7,8%
Profit (loss) from operations = EBIT	966	1.225	1.540	-726	3.005	1.055	9,2%
Cash Capex <sup>1</sup>	2.505	1.007	827	1.264	5.603	1.092	-56,4%
Cash Contribution <sup>1,2</sup>	-403	1.398	1.898	1.205	4.098	1.188	n.a.
Adj. Cash Capex <sup>1,3</sup>	627	820	827	1.264	3.538	1.092	74,2%
Adj. Cash Contribution <sup>1,2,3</sup>	1.475	1.585	1.898	1.205	6.163	1.188	-19,5%

1 Amounts for 2005 include investments in the coverage areas previously covered by the network infrastructure joint venture with Cingular.  
Amounts for 2004 exclude our investment to fund capital expenditures in the JV with Cingular.

2 Defined as adj. EBITDA minus Cash Capex.

3 Adjusted by excluding the acquisition costs for networks and spectrum in California and Nevada of EUR 1,878 million in Q1-2005 and excluding costs for licences acquired in Auction 58 of EUR 187 million in Q2.



# T-Mobile

## Customer Summary.

'000 (end of period)	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Germany <sup>1</sup>	27.560	28.183	28.713	29.523	29.523	30.246	9,7%
USA	18.271	19.244	20.302	21.690	21.690	22.725	24,4%
United Kingdom <sup>2</sup>	16.117	16.055	16.313	17.158	17.158	16.361	1,5%
Netherlands	2.222	2.250	2.295	2.317	2.317	2.329	4,8%
Austria	2.041	2.047	2.050	2.090	2.090	2.095	2,6%
Czech Republic	4.390	4.463	4.553	4.634	4.634	4.648	5,9%
Hungary	4.052	4.081	4.095	4.194	4.194	4.222	4,2%
Slovakia	1.885	1.904	1.916	2.022	2.022	2.010	6,6%
Croatia	1.550	1.651	1.736	1.903	1.903	1.957	26,3%
Macedonia	777	800	845	877	877	877	12,9%
Monet <sup>3</sup>	178	200	268	208	208	203	13,9%
Total <sup>2</sup>	79.043	80.878	83.087	86.616	86.616	87.675	10,9%
Contract	38.078	39.281	40.370	41.953	41.953	43.250	13,6%
% of total <sup>2</sup>	48,2%	48,6%	48,6%	48,4%	48,4%	49,3%	1,1%p
PTC Poland <sup>4</sup>	8.946	9.228	9.627	10.201	10.201	10.502	17,4%

1 Since Q1-06 440k M2M SIM-Cards included. Net Adds for Q1-06 are 284k customers. Historical numbers not adjusted.

2 Including Virgin Mobile; From Q1-06 the churn period for Virgin customers has been harmonised with T-Mobile UK and is now at 180 days down from 365 days before.

3 Historical numbers adjusted for newly consolidated companies: customers of Monet (Montenegro; fully consolidated since Q2-2005) are included in all periods. Growth numbers are therefore on an organic basis.

4 Not fully consolidated



# T-Mobile

## TMO Germany

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	27.560	28.183	28.713	29.523	29.523	30.246	9,7%
- Contract	13.579	13.878	14.049	14.295	14.295	14.384	5,9%
- Prepay	13.981	14.305	14.664	15.227	15.227	15.862	13,5%
Net adds	89	623	530	810	2.052	284	219,1%
- Contract	87	298	172	246	803	89	2,3%
- Prepay	1	325	358	564	1.248	195	n.a.
Average monthly churn	1,4%	1,3%	1,6%	1,6%	1,5%	1,5%	0,1%p
- Contract	1,1%	1,2%	1,2%	1,2%	1,2%	1,2%	0,1%p
€	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenues (million)	2.074	2.129	2.212	2.207	8.621	2.004	-3,4%
ARPU Revenue (million)	1.861	1.930	1.998	1.969	7.757	1.804	-3,1%
Adj. EBITDA (million) <sup>1</sup>	825	904	940	934	3.602	790	-4,2%
Adj. EBITDA margin (total rev.)	39,8%	42,5%	42,5%	42,3%	41,8%	39,4%	-0,4%p
Adj. EBITDA margin (ARPU rev.)	44,3%	46,8%	47,0%	47,4%	46,4%	43,8%	-0,5%p
SAC	107	94	96	81	93	91	-15,0%
- Contract	191	170	196	184	184	171	-10,5%
- Prepay	25	23	31	24	26	35	40,0%
ARPU	23	23	23	23	23	20	-13,0%
- Contract	37	38	39	38	38	34	-8,1%
- Prepay	8	9	9	8	9	7	-12,5%
Non-Voice % of ARPU	17%	16%	16%	18%	17%	18%	1%p
Cash Capex (million)	139	73	102	143	457	169	21,6%
Adj. Cash Contribution <sup>2</sup>	686	831	838	791	3.145	621	-9,5%

1 As of Q1/06 TMD customers incl. 440k M2M.

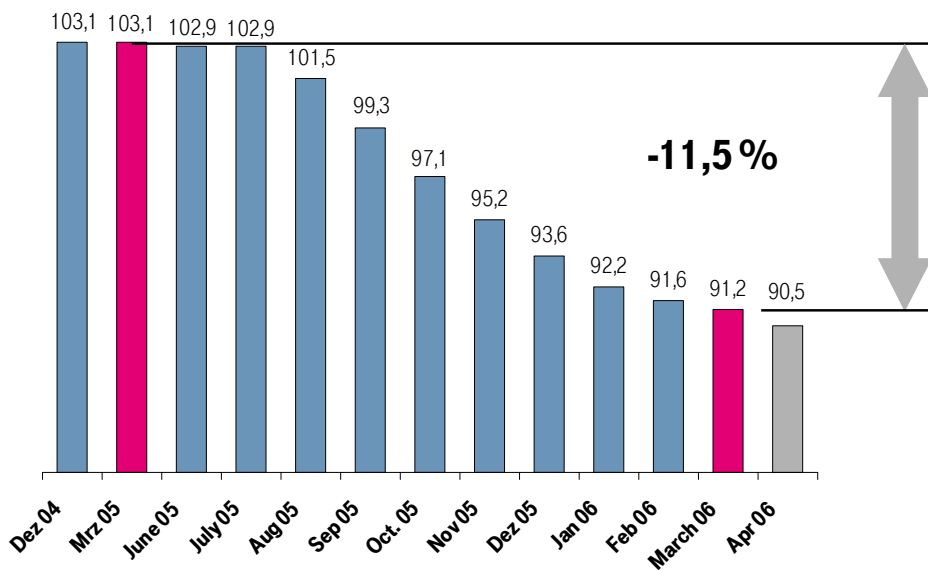
2 special factor affecting EBITDA: Vivento transfer payment (EUR 2 million in Q4/04, EUR 2 million in Q1/05 and EUR 1 million in Q2/05); restructuring (EUR 33 million in Q2/05)

3 Defined as adj. EBITDA - Cash Capex.



## Mobile: price decrease in Germany.

Official German consumer price index for mobile telephony.



## T-Mobile@home.

Driving Usage.

- 4.95 € per month/4 ct per minute
- Radius fo 2 km: area of 12 km<sup>2</sup> (0.6 miles/5 miles<sup>2</sup>)
- Maximal flexibility: the @home option can be combined with any tariff.
- No new handset or SIM card necessary.
- Innovative group function available: pool up to 5 mobile phones together an do whatever you used to do with your fixed line telephone system (call forwarding etc.)
- Activated in just 2 minutes.
- Launched in January 2006.
- Target: 1.5 to 2.0 m customers by YE 2007

515k new customers in the first quarter



# Relax Tariffs Germany.

## Overview

	Relax 50	Relax 100	Relax 200	Relax 400	Relax 600
<b>1. Monthly Payment</b>					
Relax XL 11 € more than standard tariff	24,00 €	39,00 €	49,00 €	74,00 €	99,00 €
Relax (with handset)	19,00 €	28,00 €	38,00 €	63,00 €	88,00 €
Relax eco (no handset) 9 € less than standard tariff	10,00 €	19,00 €	29,00 €	54,00 €	79,00 €
<b>2. Voice</b>					
<b>National voice minutes</b> (On-net, fixed net, other mobile networks)	50	100	200	400	600
Voicemail			free		
Budget check			free		
☆ Freetime option for 7,50 €	unlimited of peak and weekend [T-Mobile and Fixednet]				
Weekend option for 4,95 €	unlimited weekend [T-Mobile and Fixednet]				
Double flat for 24,95 €	unlimited calls [T-Mobile and Fixednet]				
<b>Overage:</b> (On-net, fixed net, other mobile networks)	49 ct	39 ct	39 ct	29 ct	29 ct
<b>Billing:</b>					
Standard	60/1	60/1	60/1	10/10	10/10
Optional tariff for 3 €/month	10/10	10/10	10/10	-	-
<b>3. web'n'walk</b>					
Data 5 for 5 €	5 MB (1,500 emails or 250 h web browsing)				
☆ Data 30 for 10 €	10 MB (3,000 emails or 500 h web browsing)				
<b>Activation Fee</b>	<b>25,00 €</b>	<b>25,00 €</b>	<b>25,00 €</b>	<b>25,00 €</b>	<b>25,00 €</b>
<b>Duration of contract</b>	<b>24 months</b>	<b>24 months</b>	<b>24 months</b>	<b>24 months</b>	<b>24 months</b>
☆ = included in the Relax XL tariff      = optional tariff					



# Data Tariffs Germany.

Always best connected: GPRS, UMTS, HSDPA, W-LAN.

	Bundle			Overage		
	Bundle	Monthly Price	implied Price	Price	Billing steps	Minimum
<b>Pay-as-you-go</b>	-	-	-	<b>9,00 €/MB</b>	<b>10 KB</b>	<b>0,09 €</b>
<b>Volume</b>						
Data 5	5 MB	5,00 €	1,00 €/MB	3,00 €/MB	10 KB	0,03 €
Data 30	30 MB	10,00 €	0,33 €/MB	1,90 €/MB	100 KB	0,02 €
Data 150	150 MB	30,00 €	0,20 €/MB	1,30 €/MB	100 KB	0,01 €
web'n'walk XL <b>NEW!</b>	5000 MB	35 € - 66 €	0,02 €/MB	0,80 €/MB	100 KB	0,01 €
35 per month with additional 1 € per day of effective use						
<b>Time</b>						
Data Time 120	2 h	10,00 €	5,00 €/h	11,40 €/h	10 min	1,90 €
Data Time 600	10 h	30,00 €	3,00 €/h	7,80 €/h	10 min	1,30 €
Mail Push Service	-	15,00 €	-	-	-	-



'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	18.271	19.244	20.302	21.690	21.690	22.725	24,4%
- Contract	16.115	16.796	17.512	18.424	18.424	19.149	18,8%
- Prepay	2.156	2.448	2.790	3.266	3.266	3.576	65,9%
Net adds	957	972	1.058	1.387	4.375	1.035	8,2%
- Contract	775	681	716	911	3.083	725	-6,5%
- Prepay	182	291	342	476	1.292	310	70,3%
Average monthly churn	2,8%	2,8%	2,9%	2,9%	2,8%	2,7%	-0,1%p
- Contract	2,3%	2,3%	2,4%	2,3%	2,3%	2,1%	-0,2%p
€	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenues (million)	2.598	2.858	3.108	3.323	11.887	3.354	29,1%
ARPU Revenue (million)	2.086	2.317	2.479	2.642	9.524	2.741	31,4%
EBITDA (million)	603	818	940	929	3.290	917	52,1%
EBITDA margin (total rev.)	23,2%	30,0%	30,2%	28,0%	27,7%	27,3%	4,1%p
EBITDA margin (ARPU rev.)	28,9%	37,0%	37,9%	35,2%	34,5%	33,5%	4,6%p
SAC	149	139	121	118	131	124	-16,8%
- Contract	174	174	154	157	164	174	0,0%
- Prepay	70	54	45	39	50	20	-71,4%
ARPU	39	41	42	42	41	41	5,1%
- Contract	42	44	45	46	44	45	7,1%
- Prepay	21	21	19	21	21	19	-9,5%
Non-Voice % of ARPU	7%	8%	9%	9%	8%	10%	3%p
Cash Capex (million) <sup>1</sup>	2.133	643	455	655	3.886	630	-70,5%
Cash Contribution (million) <sup>1,2</sup>	-1.531	175	485	274	-596	287	n.a.
Adj. Cash Capex (million) <sup>1,3</sup>	255	456	455	655	1.821	630	147,1%
Adj. Cash Contribution (million) <sup>1,2,3</sup>	347	362	485	274	1.469	287	-17,3%

1 Amounts for 2005 include investments in the coverage areas previously covered by the network infrastructure joint venture with Cingular.

Amounts for 2004 exclude our investment to fund capital expenditures in the JV with Cingular.

2 Defined as adj. EBITDA minus Cash Capex.

3 Adjusted by excluding the acquisition costs for networks and spectrum in California and Nevada of EUR 1,878 million in Q1-2005 and excluding costs for licences acquired in Auction 58 of EUR 187 million in Q2.

For US-GAAP numbers please visit [www.t-mobile.com/company/investors](http://www.t-mobile.com/company/investors) to download the corresponding T-Mobile USA earnings release.



**T-Mobile**  
TMO USA Financials \$ IFRS

\$	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenues (million)	3.407	3.598	3.791	3.949	14.745	4.033	18,4%
ARPU Revenue (million)	2.736	2.917	3.024	3.139	11.816	3.296	20,5%
EBITDA (million)	791	1.030	1.147	1.103	4.071	1.103	39,4%
EBITDA margin (total rev.)	23,2%	30,0%	30,2%	28,0%	27,7%	27,3%	4,1%p
EBITDA margin (ARPU rev.)	28,9%	37,0%	37,9%	35,2%	34,5%	33,5%	4,6%p
SAC	196	175	147	140	163	150	-23,5%
- Contract	228	215	188	187	203	209	-8,3%
- Prepay	92	79	55	47	64	24	-73,9%
ARPU	51	52	51	50	51	50	-2,0%
- Contract	54	55	55	55	55	54	0,0%
- Prepay	28	27	24	25	26	23	-17,9%
Non-Voice % of ARPU	7%	8%	9%	9%	8%	10%	3%p
Cash Capex (million) <sup>1</sup>	2.797	809	555	779	4.940	757	-72,9%
Cash Contribution (million) <sup>1,2</sup>	-2.006	221	592	324	-869	346	n.a.
Adj. Cash Capex (million) <sup>1,3</sup>	335	574	555	779	2.243	757	126,0%
Adj. Cash Contribution (million) <sup>1,2,3</sup>	456	456	592	324	1.828	346	-24,1%

1 Amounts for 2005 include investments in the coverage areas previously covered by the network infrastructure joint venture with Cingular.

Amounts for 2004 exclude our investment to fund capital expenditures in the JV with Cingular.

2 Defined as adj. EBITDA minus Cash Capex.

3 Adjusted by excluding the acquisition costs for networks and spectrum in California and Nevada of USD 2,462 million in Q1/2005 and by excluding the costs for licences acquired in Auction 58 for UDS 235 million in Q2/2005

For US-GAAP numbers please visit [www.t-mobile.com/company/investors](http://www.t-mobile.com/company/investors) to download the corresponding T-Mobile USA earnings release.



## T-Mobile TMO UK (streamlined customer definition)

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers <sup>1</sup> (end of period)	16.117	16.055	16.313	17.158	17.158	16.361	1,5%
- Contract <sup>2</sup>	2.903	2.880	2.873	2.981	2.981	3.248	11,9%
- Prepay <sup>2</sup>	13.214	13.175	13.441	14.177	14.177	13.113	-0,8%
Net adds <sup>1</sup>	392	-63	259	845	1.433	379	-3,3%
- Contract <sup>2</sup>	67	-23	-7	109	146	266	297,0%
- Prepay <sup>2</sup>	325	-40	266	736	1.287	113	-65,2%
Average monthly churn	2,6%	3,8%	3,1%	2,8%	3,1%	3,2%	0,6%p
- Contract <sup>2</sup>	2,9%	3,1%	3,0%	2,6%	2,9%	2,2%	-0,7%p
€	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenues (million)	988	1.012	1.058	1.094	4.153	1.032	4,5%
ARPU Revenue (million)	820	900	917	901	3.538	881	7,4%
Adj. EBITDA (million) <sup>3</sup>	277	327	394	305	1.303	166	-40,1%
Adj. EBITDA margin (total rev.)	28,0%	32,3%	37,2%	27,9%	31,4%	16,1%	-11,9%p
Adj. EBITDA margin (ARPU rev.)	33,8%	36,3%	43,0%	33,9%	36,8%	18,8%	-15,0%p
SAC	157	105	115	95	115	148	-5,7%
- Contract <sup>2</sup>	344	344	331	268	318	400	16,3%
- Prepay <sup>2</sup>	45	25	42	43	39	33	-26,7%
ARPU	26	28	29	28	28	26	0,0%
- Contract <sup>2</sup>	60	66	69	66	65	63	5,0%
- Prepay <sup>2</sup>	13	14	14	14	14	12	-7,7%
Non-Voice % of ARPU	17%	18%	19%	19%	18%	19%	2%p
Cash Capex (million)	86	99	97	177	459	98	14,0%
Adj. Cash Contribution <sup>3</sup>	191	228	297	128	844	68	-64,4%

1 Including Virgin Mobile. As of Q1/06 we have changed the way of including Virgin Mobile customers. Before, we had included Virgin Mobile customers on a 365 day churn basis. We have changed this as of the beginning of the year to a 180 day churn basis to be in line with the churn of our own customers. Historical numbers have not been adjusted.

2 Changes in historical 2005 numbers due to restated customer numbers for contract and prepaid. M2M customers and prepaid wholesale customers which previously were reported in contract customers have now been shifted to prepaid customers. Previous quarters adjusted. Number of total customers, blended ARPU, blended SAC and blended churn remained unchanged.

Impact on historical customer numbers for prepaid and contract: Q1-05 +/-175k, Q2-05 +/-210k, Q3-05 +/-247k, Q4-05 +/-458k, FY05 +/-458k

Impact on historical net-add numbers for prepaid and contract: Q1-05 +/-14k, Q2-05 +/-35k, Q3-05 +/-37k, Q4-05 +/-210k, FY05 +/-296k

All KPI calculated on a per customer basis (ARPU, SAC and churn) have been adjusted accordingly.

3 Special factor affecting EBITDA: Subsequent proceeds from sale of Virgin Mobile EUR 75 million in Q2/04; Restructuring: EUR 4 million in Q3/05 and EUR 19



## T-Mobile TMO UK (previously published numbers)\*

'000	Q4/04	Q1/05	Q2/05	Q3/05	Q4/05	% y.o.y.	FY/04	FY/05	% y.o.y.
Customers <sup>1</sup> (end of period)	15.726	16.117	16.055	16.313	17.158	9,1%	15.726	17.158	9,1%
- Contract	2.997	3.078	3.090	3.120	3.439	14,7%	2.997	3.439	14,7%
- Prepay <sup>1</sup>	12.728	13.039	12.965	13.194	13.719	7,8%	12.728	13.719	7,8%
Net adds <sup>1</sup>	519	392	-63	259	845	62,8%	2.090	1.433	-31,4%
- Contract	57	81	12	30	319	458,1%	313	441	40,7%
- Prepay <sup>1</sup>	462	311	-75	229	526	13,9%	1.776	992	-44,2%
Average monthly churn	3,0%	2,6%	3,8%	3,1%	2,8%	-0,2%p	2,2%	3,1%	0,9%p
- Contract	2,9%	3,0%	3,1%	3,2%	2,5%	-0,4%p	2,7%	2,9%	0,2%p
€	Q4/04	Q1/05	Q2/05	Q3/05	Q4/05	% y.o.y.	FY/04	FY/05	% y.o.y.
Total revenues (million) <sup>2</sup>	997	988	1.012	1.058	1.094	9,7%	4.344	4.153	-4,4%
ARPU Revenue (million)	853	820	900	917	901	5,6%	3.709	3.538	-4,6%
Adj. EBITDA (million) <sup>3</sup>	237	277	327	394	305	28,7%	1.380	1.303	-5,6%
Adj. EBITDA margin (total rev.)	23,8%	28,0%	32,3%	37,2%	27,9%	4,1%p	31,8%	31,4%	-0,4%p
Adj. EBITDA margin (ARPU rev.)	27,8%	33,8%	36,3%	43,0%	33,9%	6,1%p	37,2%	36,8%	-0,4%p
SAC	104	157	105	115	95	-8,7%	122	115	-5,7%
- Contract	254	324	261	257	155	-39,0%	269	236	-12,3%
- Prepay	36	46	28	47	56	55,6%	38	45	18,4%
ARPU	27	26	28	29	28	3,7%	29	28	-3,4%
- Contract	58	58	63	64	60	3,4%	64	61	-4,7%
- Prepay	15	12	14	15	14	-6,7%	17	14	-17,6%
Non-Voice % of ARPU	18%	17%	18%	19%	19%	1%p	17%	18%	1%p
Cash Capex (million)	92	86	99	97	177	92,4%	335	459	37,0%
Adj. Cash Contribution <sup>3</sup>	145	191	228	297	128	-11,7%	1.045	844	-19,2%

\* See previous page for detailed information on reporting changes from Q1-06 onwards.

1 Including Virgin Mobile

2 Cut in Mobile Termination Rates in September 2004.

3 Special factor affecting EBITDA: Subsequent proceeds from sale of Virgin Mobile EUR 75 million in Q2/04; Restructuring: EUR 4 million in Q3/05 and EUR 19 million in Q4.



# Voice: Attractive Cost Control Tariff.

UFix		
	UK	
	£15 MRC	£25 MRC
UFix all day	50 mins + 25 texts	100 mins + 50 texts
UFix off peak	300 mins + 30 texts	750 mins + 75 texts

## The Ufix experience:

- Reliability: No „bill shock“ – fixed allowance of minutes and text for a fixed price every month. Possibility to top-up after allowance is used up.
- Simplicity: 2 tariff to choose off. Transparent pricing.
- Inspiration: First operator to offer real cost control within contract.

UK only, per month incl. VAT



# Voice Prepay.

Unique Proposition targeted at Mobile Youth Segment.



## Mates Rates

UK

**Great Rates**  
Call other T-Mobiles  
for 5p all day any day

**No Strings**  
No qualifying  
Conditions unlike  
other networks

**Flexibility**  
Credit lasts 180 days  
(not 30 day as '3')

**Instant Gratification**

- Targeted at Mobile Youth Segment
  - Get best rates when calling your friends on T-Mobile
  - No minimum spend – get reduced rates instantly
- Launch July 2005 with heavyweight media and TV campaign Aug/Sep
- Focus in key channels relevant to segment ie Woolworths

**Instant benefits when you connect to Mates Rates.**

Get low call and text rates to other T-Mobile customers straight away.

**NEW Mates Rates.**

Rates to other T-Mobile customers:

Calls	5p/min
Texts	5p/text

To change to Mates Rates call 146

**LG E2050**  
Ultra slim design.

- Exclusive T-Mobile
- Includes personal funds, free kit
- 1M brand

**Sagem my2-55**  
Asbek, sliding camera phone.

- Color camera w/ 200k
- 3MP camera
- MyMusic, MyGames
- 3.1m display

Top up your new SIM card and charge to Mates Rates for great call and text rates.

**E Top-up:** Simply top up your phone when you have 5p left in your account up to £20 when you receive the code and the T-Mobile logo.

**E20 Voucher:** Don't forget to buy your voucher. £XX.XX





**Flex.**

New Standards of mobile Value.

**Flex**™

**257k new  
customers in the  
first month alone**

	Monthly charge	Equivilant value recieved <sup>1</sup>	Pure Minutes	Pure Texts
Flex 20	20 GBP	34 GBP	170 minutes	340 texts
Flex 25	25 GBP	60 GBP	300 minutes	600 texts
Flex 30	30 GBP	90 GBP	450 minutes	900 texts
Flex 35	35 GBP	180 GBP	900 minutes	1,800 texts
Flex 50	50 GBP	255 GBP	1,275 minutes	2,550 texts
Flex 75	75 GBP	390 GBP	1,950 minutes	3,900 texts

■ Launched as of March 1, 2006

■ **18 month minimum term contract**

■ Totally flexible mix of talk time, texts, picture messages, voicemail

■ Charges expressed as £ per month, not set numbers of minutes and texts

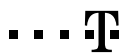
■ Weekly SMS to advise customers of remaining credit

■ Automatic 6 monthly 'BestPlan' promise

■ Minutes are for local and national calls to any UK network, and for voicemail retrieval. Texts are to any UK network

■ Minutes cost 20p per minute, texts 10p each, picture messages 20p each and voicemail retrieval is 10p per minute

<sup>1</sup> Calculated at normal run-on charge rates



## New Relax Tariffs in UK.

Important Step to simplify the Tariff Structure.

	Monthly charge	Minutes	Texts
Relax 20	20 GBP	100 minutes	25 texts
Relax 25	25 GBP	150 minutes	100 texts
Relax 30	30 GBP	250 minutes	
Relax 35	35 GBP	500 minutes	200 texts
Relax 50	50 GBP	750 minutes	
Relax 75	75 GBP	1,200 minutes	

■ Number of Relax tariffs reduced from 36 to 6

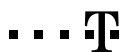
■ Plan options, as with Flex based on the £ value rather than the number of inclusive minutes – eg. Relax 30 has a bundle worth £30, giving 250 inclusive minutes and 100 inclusive texts.

■ Run-on rates identical to rates within bundles

■ All Relax tariffs based on a 12 month contract

■ Launched as of March 1, 2006

■ To be available to business customers later in the year



# UK: three simple and high value pre-pay tariffs.

## New plans cut the cost of pre-pay by up to half.

### ‘Everyone’ – Designed for everyone, to call everyone

Ideal for those who want to call and text any UK network, local or national number ■ 12p flat rate to all UK networks, local and national numbers  
 ■ Texts 10p each to all UK networks ■ Voicemail at 10p per minute

### ‘Mates Rates’ – Made for mates, to call mates on T-Mobile

5p per minute to call T-Mobile mates and 5p to text them ■ 20p per minute calls to local and national numbers, 40p per minute to other networks  
 ■ 10p per minute texts to other networks ■ Voicemail at 10p per minute

### ‘Text Appeal’ – Designed for those that can’t get enough of texting

3p flat rate for texts to all UK networks ■ 20p per minute to call T-Mobile, local and national numbers ■ 40p per minute to call other UK networks  
 ■ Voicemail at 10p per minute

### Competitive Comparison:

As at 26.04.06	T-Mobile			Orange	O2	Vodafone	3
Tariff Name	Everyone	Mates Rates	Text Appeal	Samerates24/7	Talkalot/more	Smartplus	WePay
<b>Calls</b>							
on-net							
fixed line	12p/min	5p/min	20p/min	15p / min	25p/min for first 13min/day 5p/min	30p/min peak 5p/min off-peak	10p/min 15p/min
off-net		40p/min	40p/min	35p/min	40p/min	35p/min	30p/min
<b>Text</b>							
on-net							
off-net	10p	5p/min	3p	10p	10p	12p smartstep 5p after 3rd text	10p/min
<b>Voicemail</b>	10p/min	10p/min	10p/min	10p/min	10p/min	30p/min peak 5p/min off-peak	10p/min

Competitor tariffs do not include special offers and promotional overlays.



# T-Mobile UK: new international roaming fees.

## Just another example of best value: flat tariff of 55p per minute

Making a call	Prepay			Post pay		
	Current	New	-%	Current	New	-%
Zone 1 Europe	100p	55p	-45%	75p	55p	-27%
Zone 2 Ireland etc	70p	50p	-29%	50p	50p	-
Zone 3 Nth America	120p	55p	-54%	90p	55p	-39%
Zone 4 Australia, NZ	100p	75p	-25%	75p	75p	-
Zone 5 Rest of World	180p	140p	-22%	140p	140p	-

Receiving a call	Prepay			Post pay		
	Current	New	-%	Current	New	-%
Zone 1 Europe	100p	55p	-45%	70p	55p	-21%
Zone 2 Ireland etc	70p	50p	-29%	50p	50p	-
Zone 3 Nth America	90p	55p	-39%	70p	55p	-21%
Zone 4 Australia, NZ	100p	75p	-25%	70p	70p	-
Zone 5 Rest of World	180p	130p	-28%	130p	130p	-



# T-Mobile

## TMO Austria

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	2.041	2.047	2.050	2.090	2.090	2.095	2,6%
- Contract	989	997	1.013	1.046	1.046	1.074	8,6%
- Prepay	1.052	1.050	1.037	1.044	1.044	1.021	-2,9%
Net adds	-2	6	3	40	48	5	n.a.
- Contract	4	8	16	34	62	27	575,0%
- Prepay	-6	-2	-13	7	-14	-23	-283,3%
Average monthly churn	1,9%	1,8%	1,8%	1,7%	1,8%	1,9%	0,0%p
- Contract	1,4%	1,4%	1,2%	1,0%	1,3%	1,0%	-0,4%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	222	213	230	220	885	217	-2,3%
ARPU Revenue (million)	210	202	215	207	834	209	-0,5%
Adj. EBITDA (million)	62	54	64	46	225	59	-4,8%
Adj. EBITDA margin (total rev.)	27,8%	25,1%	27,8%	20,9%	25,4%	27,2%	-0,6%p
Adj. EBITDA margin (ARPU rev.)	29,3%	26,5%	29,8%	22,2%	27,0%	28,2%	-1,1%p
SAC	133	141	132	154	141	127	-4,5%
- Contract	248	243	218	269	245	224	-9,7%
- Prepay	27	41	32	44	37	29	7,4%
ARPU	34	33	35	34	34	33	-2,9%
- Contract	60	57	60	57	58	56	-6,7%
- Prepay	10	11	11	10	11	10	0,0%
Non-Voice % of ARPU	10%	11%	11%	12%	11%	14%	4%p
Cash Capex (million)	28	31	39	40	138	23	-17,9%
Cash Contribution <sup>2</sup>	34	23	25	6	87	36	5,9%

1 Special Influences affecting EBITDA: EUR 7 million for restructuring in Q1/05

2 Defined as adj. EBITDA minus Cash Capex



# T-Mobile

## TMO Czechs

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	4.390	4.463	4.553	4.634	4.634	4.648	5,9%
- Contract	1.128	1.178	1.220	1.288	1.288	1.359	20,5%
- Prepay	3.262	3.285	3.333	3.347	3.347	3.289	0,8%
Net adds	30	73	90	81	274	14	-53,3%
- Contract	23	51	42	67	183	72	213,0%
- Prepay	7	23	48	13	91	-57	n.a.
Average monthly churn	1,2%	0,9%	0,9%	1,3%	1,1%	1,6%	0,4%p
- Contract	0,6%	0,5%	0,7%	0,7%	0,6%	0,7%	0,1%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	217	229	239	253	938	240	10,6%
ARPU Revenue (million)	206	218	220	225	868	228	10,7%
EBITDA (million)	108	108	107	88	410	108	0,0%
EBITDA margin (total rev.)	50,0%	47,0%	44,8%	34,8%	43,7%	45,0%	-5,0%p
EBITDA margin (ARPU rev.)	52,6%	49,5%	48,6%	39,1%	47,2%	47,4%	-5,2%p
SAC	26	27	26	38	30	31	19,2%
- Contract	69	63	70	74	69	77	11,6%
- Prepay	15	14	13	26	18	10	-33,3%
ARPU	16	16	16	16	16	16	0,0%
- Contract	38	39	38	38	38	38	0,0%
- Prepay	8	9	8	8	8	8	0,0%
Non-Voice % of ARPU	22%	20%	21%	21%	21%	21%	-1%p
Cash Capex (million)	26	12	23	39	101	32	23,1%
Cash Contribution <sup>1</sup>	82	96	84	49	309	76	-7,3%

1 Defined as adj. EBITDA minus Cash Capex.



# T-Mobile

## TMO Netherlands

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	2.222	2.250	2.295	2.317	2.317	2.329	4,8%
- Contract	1.048	1.109	1.170	1.221	1.221	1.258	20,0%
- Prepay	1.174	1.142	1.125	1.096	1.096	1.071	-8,8%
Net adds	-39	28	44	23	57	12	n.a.
- Contract	-4	60	61	51	168	37	n.a.
- Prepay	-34	-32	-17	-29	-112	-25	26,5%
Average monthly churn	3,7%	2,9%	2,9%	3,0%	3,1%	2,9%	-0,8%p
- Contract	3,0%	1,8%	2,0%	2,1%	2,2%	1,7%	-1,3%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	256	267	265	277	1.064	271	5,9%
ARPU Revenue (million)	233	250	252	257	992	255	9,4%
Adj. EBITDA (million)	26	34	52	62	176	21	-19,2%
Adj. EBITDA margin (total rev.)	10,3%	12,8%	19,6%	22,4%	16,5%	7,7%	-2,6%p
Adj. EBITDA margin (ARPU rev.)	11,3%	13,7%	20,6%	24,1%	17,7%	8,2%	-3,1%p
SAC	194	191	145	129	164	225	16,0%
- Contract	403	364	263	225	306	398	-1,2%
- Prepay	26	-7	10	11	11	8	-69,2%
ARPU	35	37	37	37	37	37	5,7%
- Contract	62	66	61	61	63	60	-3,2%
- Prepay	10	11	12	11	11	10	0,0%
Non-Voice % of ARPU	14%	13%	15%	14%	14%	16%	2%p
Cash Capex (million)	19	33	38	78	168	24	26,3%
Cash Contribution <sup>1</sup>	7	1	14	-16	8	-3	n.a.

1 Defined as adj. EBITDA minus Cash Capex.

2 Special influences affecting EBITDA: EUR 2 million for restructuring in Q2/05.



# T-Mobile

## TMO Hungary

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	4.052	4.081	4.095	4.194	4.194	4.222	4,2%
- Contract	1.192	1.227	1.264	1.324	1.324	1.357	13,8%
- Prepay	2.860	2.854	2.831	2.870	2.870	2.865	0,2%
Net adds	20	29	14	98	162	28	40,0%
- Contract	28	35	38	60	160	33	17,9%
- Prepay	-9	-5	-23	39	1	-5	44,4%
Average monthly churn	1,3%	1,4%	1,7%	1,7%	1,5%	1,3%	0,0%p
- Contract	1,0%	0,8%	0,8%	0,9%	0,9%	0,9%	-0,1%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	256	274	286	274	1.090	257	0,4%
ARPU Revenue (million)	234	249	258	241	982	236	0,9%
EBITDA (million)	99	111	121	101	432	103	4,0%
EBITDA margin (total rev.)	38,5%	40,4%	42,3%	36,9%	39,6%	40,1%	1,6%p
EBITDA margin (ARPU rev.)	42,1%	44,6%	46,9%	41,9%	44,0%	43,6%	1,5%p
SAC	35	29	31	30	31	26	-25,7%
- Contract	70	66	70	60	66	50	-28,6%
- Prepay	20	16	18	18	18	15	-25,0%
ARPU	19	21	22	20	20	19	0,0%
- Contract	45	48	49	44	47	41	-8,9%
- Prepay	9	9	10	9	9	8	-11,1%
Non-Voice % of ARPU	14%	13%	14%	15%	14%	16%	2%p
Cash Capex (million)	26	62	35	58	181	61	134,6%
Cash Contribution <sup>1</sup>	73	49	86	43	251	42	-42,5%

1 Defined as adj. EBITDA minus Cash Capex.



# T-Mobile

## TMO HR (Croatia)

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	1.550	1.651	1.736	1.903	1.903	1.957	26,3%
- Contract	313	351	372	416	416	445	42,2%
- Prepay	1.237	1.300	1.364	1.486	1.486	1.512	22,2%
Net adds	16	101	85	166	369	55	243,8%
- Contract	13	38	21	45	116	29	123,1%
- Prepay	4	63	64	122	253	26	550,0%
Average monthly churn	1,1%	1,1%	0,8%	1,1%	1,0%	1,0%	-0,1%p
- Contract	1,4%	0,9%	0,8%	1,5%	1,1%	1,6%	0,2%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	101	129	157	125	512	116	14,9%
ARPU Revenue (million)	94	118	150	113	475	106	12,8%
EBITDA (million)	51	58	79	50	238	47	-7,8%
EBITDA margin (total rev.)	50,3%	45,1%	50,3%	40,0%	46,5%	40,5%	-9,8%p
EBITDA margin (ARPU rev.)	53,9%	49,4%	52,7%	44,2%	50,1%	44,3%	-9,6%p
SAC	61	60	38	81	60	53	-13,1%
- Contract	123	121	119	142	128	99	-19,5%
- Prepay	32	45	21	55	39	34	6,3%
ARPU	20	25	29	21	24	18	-10,0%
- Contract	55	69	89	58	68	49	-10,9%
- Prepay	12	13	13	11	12	10	-16,7%
Non-Voice % of ARPU	18%	14%	12%	15%	15%	18%	0%p
Cash Capex (million)	20	25	9	17	71	19	-5,0%
Cash Contribution <sup>1</sup>	31	33	70	33	167	28	-9,7%

<sup>1</sup> Defined as adj. EBITDA minus Cash Capex.



# T-Mobile

## T-Mobile Slovensko (Slovakia)

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	1.885	1.904	1.916	2.022	2.022	2.010	6,6%
- Contract	663	714	737	787	787	791	19,3%
- Prepay	1.223	1.191	1.179	1.235	1.235	1.219	-0,3%
Net adds	-29	19	12	106	107	-12	58,6%
- Contract	15	51	24	50	139	5	-66,7%
- Prepay	-44	-32	-12	56	-32	-16	63,6%
Average monthly churn	2,3%	1,8%	1,9%	1,7%	1,9%	2,1%	-0,2%p
- Contract	1,4%	1,1%	1,3%	1,3%	1,3%	1,3%	-0,1%p
<b>€</b>	<b>Q1/05</b>	<b>Q2/05</b>	<b>Q3/05</b>	<b>Q4/05</b>	<b>FY/05</b>	<b>Q1/06</b>	<b>% y.o.y.</b>
Total revenues (million)	86	93	97	102	378	100	16,3%
ARPU Revenue (million)	79	86	91	92	347	94	19,0%
EBITDA (million)	40	42	43	33	159	51	27,5%
EBITDA margin (total rev.)	47,0%	44,9%	44,3%	32,4%	42,1%	51,0%	4,0%p
EBITDA margin (ARPU rev.)	51,0%	48,2%	47,3%	35,9%	45,8%	54,3%	3,3%p
SAC	37	37	31	35	35	26	-29,7%
- Contract	109	89	102	151	113	109	0,0%
- Prepay	3	3	2	3	3	2	-33,3%
ARPU	14	15	16	15	15	16	14,3%
- Contract	32	33	33	32	32	32	0,0%
- Prepay	5	5	6	5	5	5	0,0%
Non-Voice % of ARPU	15%	14%	14%	16%	15%	16%	1%p
Cash Capex (million)	21	12	17	25	75	29	38,1%
Cash Contribution <sup>1</sup>	19	30	26	8	84	22	15,8%

<sup>1</sup> Defined as adj. EBITDA minus Cash Capex.



# T-Mobile Mobimak (Macedonia)

'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Customers (end of period)	777	800	845	877	877	877	12,9%
- Contract	122	125	130	139	139	148	21,3%
- Prepay	655	675	715	738	738	730	11,5%
Net adds	25	23	45	32	125	0	-100,0%
- Contract	3	3	5	9	21	8	166,7%
- Prepay	21	20	40	23	104	-8	n.a.
Average monthly churn	1,7%	1,6%	2,0%	2,2%	1,9%	2,6%	0,9%p
- Contract	0,9%	0,9%	0,8%	1,1%	0,9%	0,9%	0,0%p
'000	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenues (million)	31	35	38	35	139	32	3,2%
ARPU Revenue (million)	29	32	36	33	130	30	3,4%
EBITDA (million)	16	19	20	18	73	17	6,3%
EBITDA margin (total rev.)	52,3%	54,8%	52,6%	51,4%	52,5%	53,1%	0,8%p
EBITDA margin (ARPU rev.)	55,9%	60,6%	55,6%	54,5%	56,2%	56,7%	0,8%p
SAC	20	21	25	26	24	21	5,0%
- Contract	30	35	67	62	53	49	63,3%
- Prepay	19	20	21	19	20	15	-21,1%
ARPU	13	13	15	13	13	11	-15,4%
- Contract	38	41	46	38	41	34	-10,5%
- Prepay	8	8	9	8	8	7	-12,5%
Non-Voice % of ARPU	12%	10%	11%	10%	11%	13%	1%p
Cash Capex (million)	5	2	7	4	18	1	-80,0%
Cash Contribution <sup>1</sup>	11	17	13	14	55	16	45,5%

<sup>1</sup> Defined as adj. EBITDA minus Cash Capex.



## Business Customers.

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[www.t-systems.com](http://www.t-systems.com)

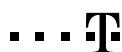


## Business Customers.

### Adjusted for special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	3.106	3.219	3.143	3.382	12.850	3.011	-95	-3,1%
of which: international	414	446	421	489	1.770	432	18	4,3%
Net revenue	2.234	2.295	2.178	2.351	9.058	2.152	-82	-3,7%
EBITDA	392	423	446	325	1.586	341	-51	-13,0%
EBITDA margin	12,6%	13,2%	14,2%	9,6%	12,3%	11,3%	-1,3 pp	n.a.
Depreciation, amortization and impairment losses	-217	-223	-215	-232	-887	-214	3	1,4%
Profit (loss) from operations = EBIT	174	201	231	93	699	127	-47	-27,0%
Cash capex	132	168	162	313	775	153	21	15,9%
Cash contribution <sup>1</sup>	259	256	283	13	811	188	-71	-27,4%
Order Entry	3.080	3.897	2.779	3.862	13.618	2.880	-200	-6,5%

<sup>1</sup> Defined as adj. EBITDA - cash capex



## Business Customers.

### EBITDA reconciliation.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	3.106	3.219	3.143	3.382	12.850	3.011	-95	-3%
Profit (loss) from operations = EBIT (unadj.)	173	195	197	-157	409	99	-74	-43%
Depreciation, amortization and impairment losses	-217	-223	-215	-241	-896	-214	3	1%
= EBITDA	391	418	412	85	1.305	313	-78	-20%
EBITDA margin	12,6%	13,0%	13,1%	2,5%	10,2%	10,4%	-2,2%p	n.a.
- Special factors affecting EBITDA	1	5	34	241	281	28	27	>999,9%
= Adj. EBITDA	392	423	446	325	1.586	341	-51	-13%
Adj. EBITDA margin	12,6%	13,2%	14,2%	9,6%	12,3%	11,3%	-1,3%p	n.a.



## Business Customers. Unadjusted.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	3.106	3.219	3.143	3.382	12.850	3.011	-95	-3,1%
Net revenue	2.234	2.295	2.178	2.351	9.058	2.152	-82	-3,7%
EBITDA	391	418	412	85	1.305	313	-78	-19,9%
EBITDA margin	12,6%	13,0%	13,1%	2,5%	10,2%	10,4%	-2,2%p	-
Depreciation, amortization and impairment losses	-217	-223	-215	-241	-896	-214	3	1,4%
Profit (loss) from operations = EBIT	173	195	197	-157	409	99	-74	-42,8%



## Business Customers. Special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Effect on EBITDA	-1	-5	-34	-241	-281	-28	-27	<-999,9%
of which restructuring provisions (EBITDA)	-	-	-31	-236	-267	-25	-25	n.a.
of which restructuring provisions (EBIT)	-	-	-31	-245	-276	-3	-3	n.a.
of which transfer payment Vivento	-1	-5	-3	-5	-14	-3	-2	-2
Effect on profit (loss) from operations = EBIT	-1	-5	-34	-250	-290	-28	-27	<-999,9%





# Business Customers Enterprise Services.

## Summary

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	2.041	2.086	2.039	2.205	8.370	1.944	-97	-4,8%
Adj. EBITDA	328	348	372	283	1.331	307	-21	-6,4%
Adj. EBITDA margin	16,1%	16,7%	18,3%	12,9%	15,9%	15,8%	-27,8%	n.a.
Capex <sup>1</sup>	107	172	133	264	675	281	174	162,6%
Cash contribution <sup>2</sup>	221	176	239	19	656	26	-195	-88,2%
Headcount (end of period)	35.768	35.586	35.810	36.215	36.215	41.518	5.750	16,1%
Headcount (average number)	35.660	35.634	35.775	36.109	35.794	36.170	510	1,4%

<sup>1</sup> Booked capex

<sup>2</sup> Defined as adj. EBITDA - booked capex



## Computing & Desktop Services.

Financial (millions of €)	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	1.158	1.157	1.144	1.226	4.685	1.078	-80	-6,9%
Adj. EBITDA	266	313	310	241	1.130	241	-25	-9,4%
Adj. EBITDA margin	23,0%	27,2%	27,1%	19,7%	24,1%	22,4%	-61,4%	n.a.
Capex <sup>1</sup>	96	158	110	229	592	202	106	110,4%
Cash contribution <sup>2</sup>	170	155	200	12	538	39	-131	-77,1%
Headcount (end of period)	20.712	20.653	20.914	21.419	21.419	23.564	2.852	13,8%
Value driver	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Q1/05	
Desktop under service ('000)	1.263	1.295	1.337	1.346	1.346	1.364	101	8,0%
Proportion of support activities <sup>3</sup>	60,5%	61,7%	68,1%	58,2%	64,3%	63,5%	3,0%p	n.a.
MIPS capacity (number)	130.429	126.656	129.349	123.386	123.386	127.457	-2.972	-2,3%

<sup>1</sup> Booked capex

<sup>2</sup> Defined as adj. EBITDA - booked capex

<sup>3</sup> Germany only.



## Systems Integration.

Financial (millions of €)	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	386	399	399	417	1.600	388	2	0,5%
Adj. EBITDA	41	22	39	21	124	44	3	7,3%
Adj. EBITDA margin	10,6%	5,6%	9,9%	5,0%	7,7%	11,3%	71,8%	n.a.
Capex <sup>1</sup>	6	9	15	13	44	69	63	>999,9%
Cash contribution <sup>2</sup>	35	13	24	8	80	-25	-60	-171,4%
Headcount (end of period)	14.203	14.071	14.022	13.918	13.918	17.021	2.818	19,8%

Value driver	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Q1/05	
Utilization rate	77,3%	78,9%	78,7%	81,5%	79,1%	79,8%	2,5%p	n.a.
Charge-out-rate (€)	99	98	101	93	98	98	-1	-1,0%

1 Booked capex

2 Defined as adj. EBITDA - booked capex



## Telecommunications.

Financial (millions of €)	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	Δ Q1/06 - Q1/05	
Total revenue	497	531	496	562	2.085	478	-19	-4%
Adj. EBITDA	22	11	23	22	78	22	0	0%
Adj. EBITDA margin	4,4%	2,0%	4,6%	4,0%	3,7%	4,6%	1,8%p	n.a.
Capex <sup>1</sup>	5	5	7	22	39	9	4	80%
Cash contribution <sup>2</sup>	17	6	16	0	39	13	-4	-24%
Headcount (end of period)	853	862	874	878	878	933	80	9%

1 Booked capex

2 Defined as adj. EBITDA - booked capex





# Notes.

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# GHS.

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## Group Headquarters & Shared Services.

### Adjusted for special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenue	853	883	867	902	3.505	871	2,1%
Net revenue	65	66	69	84	284	78	20,0%
EBITDA	-72	-66	-95	-102	-335	87	220,8%
of which Viento	-186	-156	-155	-145	-642	-178	4,3%
EBITDA margin (in %)	-8,4	-7,5	-11,0	-11,3	-9,6	10,0	n/a
Depreciation, amortization and impairment losses	-184	-212	-213	-319	-928	-174	5,4%
Profit (loss) from operations = EBIT	-256	-278	-308	-421	-1.263	-87	66,0%
Cash capex	56	118	123	159	456	114	103,6%



## Group Headquarters & Shared Services.

### EBITDA reconciliation.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
Total revenue	853	883	867	902	3.505	871
Profit (loss) from operations = EBIT	-267	-232	-342	1	-840	-94
- Depreciation, amortization and impairment losses	-184	-212	-213	-319	-928	-174
= EBITDA	-83	-20	-129	320	88	80
EBITDA margin (in %)	-9,7	-2,3	-14,9	35,5	2,5	9,2
- Special factors affecting EBITDA	-11	46	-34	422	423	-7
= Adj. EBITDA	-72	-66	-95	-102	-335	87
Adj. EBITDA margin (in %)	-8,4	-7,5	-11,0	-11,3	-9,6	10,0



## Group Headquarters & Shared Services. Unadjusted.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06	% y.o.y.
Total revenue	853	883	867	902	3.505	871	2,1%
Net revenue	65	66	69	84	284	78	20,0%
EBITDA	-83	-20	-129	320	88	80	196,4%
of which: Vivento	-197	-150	-168	-303	-818	-180	8,6%
EBITDA margin (in %)	-9,7	-2,3	-14,9	35,5	2,5	9,2	n.a.
Depreciation, amortization and impairment losses	-184	-212	-213	-319	-928	-174	5,4%
Profit (loss) from operations = EBIT	-267	-232	-342	1	-840	-94	64,8%



## Group Headquarters & Shared Services. Special factors.

millions of €	Q1/05	Q2/05	Q3/05	Q4/05	FY/05	Q1/06
Effect on EBITDA	-11	46	-34	422	423	-7
of which: transfer payments to Vivento	2	10	7	-1	18	4
of which: gain from the reversal of provisions due to the restructuring of the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse)				783	783	0
Provisions for staff reduction, severance payments and others	-13	36	-41	-360	-378	-11
Effects on profit (loss) from operations = EBIT	-11	46	-34	422	423	-7



# Vivento.

## Results of efficient processes.

End of period <sup>1</sup>	31/03/05	30/06/05	30/09/05	31/12/05	31/03/06
Transfers to Vivento (cumulative)	32.500	33.000	33.700	34.200	34.500
Left Vivento (cumulative)	14.800	16.500	17.700	18.900	20.000 <sup>2</sup>
Employees in Vivento	17.700	16.500	16.000	15.300	14.500
Business lines	5.700	6.350	7.000	7.200	7.200
Temporary staff, projects	7.100	6.350	5.300	4.700	4.000
Training	700	250	300	250	200
Management	750	750	750	700	700
Remaining Vivento employees	3.450	2.800	2.650	2.450	2.400

<sup>1</sup> Rounded figures; including Vivento management

<sup>2</sup> Of which approx. 11,000 employees have left the Deutsche Telekom Group since 2002

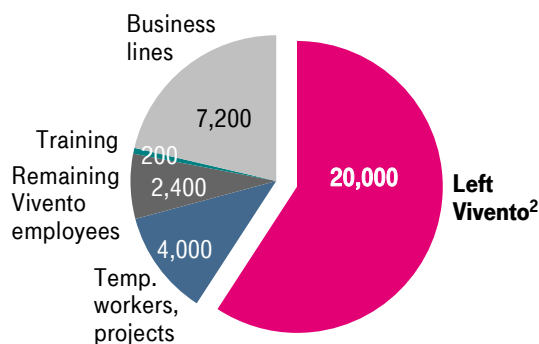


# Vivento.

## Focus on efficiency.

### Vivento as of March 31, 2006 <sup>1</sup>

Transfers to Vivento: 34,500



Employees in Vivento: 14,500 <sup>3</sup>

- Optimization in personnel cost through headcount reduction
- Ongoing development of business models and employment opportunities
- Only 400 Transfers into Vivento; 1,100 left Vivento in Q12006 - about 57% external
- Approx. 11,000 employees were routed through Vivento since 2002 and permanently placed outside DT Group

<sup>1</sup> Rounded figures; including Vivento management

<sup>2</sup> Of which approx. 11,000 employees have left the Deutsche Telekom group since 2002.

<sup>3</sup> Including approx. 700 FTE Vivento management



# Glossary and disclaimer.

In addition to financial information presented in accordance with IFRS, this presentation contains non-GAAP financial measures,

such as ...	which is defined as ...
EBIT	Abbreviation for EARNINGS BEFORE INTEREST AND TAXES. EBIT is equivalent to the item "profit/loss from operations" in the income statement.
Adj. EBIT	EBIT adjusted for special factors.
EBT	Abbreviation for EARNINGS BEFORE TAXES. EBT is equivalent to the item "profit/loss before income taxes" in the income statement.
Adj. EBT	EBT adjusted for special factors.
EBITDA	Abbreviation for EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION. EBITDA is equivalent to EBIT minus depreciation and amortization. Depreciation and amortization is not a line in the income statement but provided as "other disclosure."
Adj. EBITDA	EBITDA adjusted for special factors.
Adj. net profit/loss	Net profit/loss adjusted for special factors.
Special factors	Special factors impair the comparability of the results with previous periods. Details on the special factors are given for for the Group and each business unit.
Cash capex	Amount of payouts for tangible and intangible assets excluding goodwill.
Cash contribution	EBITDA minus capex.
Free cash flow	Net cash from operating activities minus capex.
Gross debt	Gross debt is the basis for total net interest expense incurred and contains debt in accordance with the consolidated balance sheet, liabilities to non-banks from loan notes, cash collateral received for positive fair values from derivatives, and necessar
Net debt	Gross debt minus liquid assets, minus investments in noncurrent securities and in marketable securities, minus discounts on loans minus cash collateral paid for negative fair values from derivatives and necessary settlement amounts for interest rate and c
ARPU	Abbreviation for AVERAGE REVENUE PER USER. Calculation: Service fee, as well as voice, non-voice, roaming and visitor revenues, divided by the average number of customers in the period. Visitor revenues are allocated exclusively to contract customers. Act
SAC	Abbreviation for SUBSCRIBER ACQUISITION COSTS. Calculation: Customer acquisition costs divided by the number of gross customers added during the respective period.
CPGA	Abbreviation for COST PER GROSS ADD. Calculation: customer acquisition costs plus the subsidy loss on customer acquisition related to equipment sales, divided by the number of gross customers added during the respective period.
CCPU	Abbreviation for CASH COST PER USER. Calculation: including all network and general and administrative costs divided by the average number of customers during the respective period.

The figures in this presentation are unaudited. These and the other non-GAAP financial measures used by Deutsche Telekom are derived from our IFRS financial information but do not comply with IFRS and should not be viewed as a substitute for our IFRS figures. Any figure that has been adjusted for special factors or that reflects an adjustment for special factors is a non-GAAP financial measure. Our non-GAAP financial measures may not be comparable to non-GAAP financial measures used by other companies. To help interpret our major non-GAAP financial measures, please refer to the information contained in these materials and the chapter "Reconciliation to pro forma figures" in our annual and interim reports or the reconciliation to pro forma figures posted on Deutsche Telekom's Investor relations webpages ([www.deutschetelekom.com/investor-relations](http://www.deutschetelekom.com/investor-relations)).

