Investors Day.
Deutsche Telekom.

March 19, 2008.
T-Home.
Broadband/Fixed Network.

Timotheus Höttges, Member of the Board of Management DTAG.
2007: Turnaround in all parameters.

<table>
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<th>Expand broadband market leadership</th>
<th>2007 goal</th>
<th>FY 2007</th>
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<td>Broadband net add market share</td>
<td>40-45%</td>
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<th>Launch IPTV</th>
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<tr>
<td>Entertain customers</td>
<td>100-200K</td>
<td>150K</td>
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<th>Biggest sales interface</th>
<th></th>
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<tr>
<td>Telekom shops</td>
<td>786</td>
<td>804 (+181)</td>
</tr>
<tr>
<td>Telekom partners</td>
<td>1000</td>
<td>1011 (+767)</td>
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<table>
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<th>Meet service expectations</th>
<th></th>
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<tr>
<td>E20 availability</td>
<td>65%</td>
<td>69%</td>
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<tr>
<td>Deadline compliance</td>
<td>80%</td>
<td>82%</td>
</tr>
<tr>
<td>Order processing time</td>
<td>1-2</td>
<td>1.4</td>
</tr>
<tr>
<td>IT stability (MTBF in h)</td>
<td>&gt;100h</td>
<td>104 h</td>
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<td>Cost savings in € - gross</td>
<td>1.2 bn</td>
<td>1.2 bn</td>
</tr>
<tr>
<td>Cost savings in € - net</td>
<td>0.9 bn</td>
<td>0.9 bn</td>
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<th>Establish Winning culture</th>
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<td></td>
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<tr>
<td>Talent management</td>
<td></td>
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<tr>
<td>Consequence management</td>
<td></td>
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<tr>
<td>Health rate</td>
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</table>
Broadband net adds and fixed-line losses in European comparison at peer level again.
Broadband net add market share more than doubled in 2007; target for 2008: > 45%.

- Concentrated market investment in H1
- Portfolio adjustments
- Win back DSL resale customers
- Develop new target groups (e.g. VSE)
- CRM program (direct-marketing and sales measures)

Retained broadband customers

- Q3 2006: 4%
- Q4 2006: 38%
- Q1 2007: 59%
- Q2 2007: 70%
- Q4 2007: 85%
- Target 2008: >85%

Net add market share

- Q1 2006: 18%
- Q2 2006: 20%
- Q3 2006: 44%
- Q4 2006: 40%
- Q1 2007: 50%
- Q2 2007: >45%
- Q3 2007: >45%
- Q4 2007: >45%
- Target 2008: >45%

2008 measures
Increase Entertain customer base to > 500,000 in 2008.

Customer development for Entertain

Seamless provision established

T-Home high-speed network coverage

New Entertain portfolio
Sustainable improvements in service performance indisputable and ambitious targets for 2008.

- Increase of service level 20 to service benchmark of 80%
- Increase of deadline compliance rate to 85%
- Increase of first contact solution rate to 75%
- Increase of automation rate in order management to >80%
- Significant reduction of complaint rate by 60%
- Reduction of installation and repetition failures
Opex savings of €1.2 billion (gross) or €900 million (net) achieved in 2007.

- Gross cost savings 2007 of €1.2 billion:
  - €0.4 billion personnel costs
  - €0.4 billion IT/billing
  - €0.4 billion rent, consulting and other
- Termination costs reduced by €0.2 billion
- Domestic net cost savings of €0.9 billion
- €0.5 billion in savings invested in customer base and better service, including:
  - Higher DSL retail net adds
  - Higher number of shops
  - Better customer service
**BIG 6 2008: Continue reorganization through focus program.**

<table>
<thead>
<tr>
<th>Area</th>
<th>Key Performance Indicators</th>
<th>2008 Goal</th>
</tr>
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<td></td>
<td>• Staff restructuring</td>
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</table>
Strong sequential BBFN domestic revenue and EBITDA decline in 2006 could be significantly lowered in 2007.
BBFN domestic: Visible trend towards revenue and EBITDA stabilization.

<table>
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<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2010</th>
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<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-8%</td>
<td>-4% to -6%</td>
<td></td>
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<tr>
<td><strong>Save for Service</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>€1.2bn</td>
<td>€1.0bn</td>
<td></td>
</tr>
<tr>
<td>Net</td>
<td>€0.9bn</td>
<td>€0.1bn</td>
<td></td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-14%</td>
<td>-5% to -8%</td>
<td></td>
</tr>
<tr>
<td><strong>Broadband</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net adds</td>
<td>2.0 m</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>Net add MS</td>
<td>44%</td>
<td>&gt;45%</td>
<td></td>
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<tr>
<td><strong>PSTN</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net adds</td>
<td>-2.1 m</td>
<td>-1.7m to -1.9m</td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td>82%</td>
<td>+ all IP migration -0.8m to -1.1m</td>
<td>Ongoing line losses; market share ~65%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>73-75%</td>
<td></td>
</tr>
</tbody>
</table>

- Stabilize revenue
- Ongoing cost reduction with higher net savings
- Stabilize EBITDA
- >45% BB market share
- >1.5 m Entertain customers
- Ongoing line losses; market share ~65%
T-Home.
Broadband/Fixed Network.

Dr. Christian P. Illek, Member of the Board of Management T-Home, Marketing.

<table>
<thead>
<tr>
<th>Market Development 2007</th>
<th>DT Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadband net adds: 4.4 m</td>
<td>DT share of net adds increased from 18% in 2006 to 44% in 2007</td>
</tr>
<tr>
<td>Streetprice: decline of 25% for Double play</td>
<td>Entertain customer base in line with expectations (150 k marketed)</td>
</tr>
<tr>
<td>Change in Competitive environment (Net add share development 2006 to 2007)</td>
<td>Entertain portfolio with highest customer satisfaction (Entertain Comfort Plus: TRI*M 17 ppt higher than average T-Home)</td>
</tr>
<tr>
<td>• Cable: grew from 6% to 8%.</td>
<td></td>
</tr>
<tr>
<td>• ULL: slight increase market share from 39% to 41%.</td>
<td></td>
</tr>
<tr>
<td>• Reseller: significant decrease from 37% to 7%.</td>
<td></td>
</tr>
</tbody>
</table>
Broadband continues to grow but at slower pace.

*Source: DT estimate; Residential and business.*
Competitive landscape will consolidate with 6+ players likely to remain.

**2007: Relevant Players**
- **Re-seller**: ca. 3
- **TNB**: ca. 9
- **KNB**: ca. 3

**No. of Competitors**: ≈ 15

**2010+: Potential endgame scenario**
- **Re-seller**: 1-2 players
- **TNB**: 1-3 regional players + T-Home +2
- **KNB**: 1-2 players

**No. of Competitors**: 1, 3 +x, 2

6 plus x regional players
Market dynamics in 2008 driven by 3 major trends.

1. DSL market continues to grow (at the expense of single play)
2. Wholesale Customer base migrates to All IP
3. Triple Play customer base growth accelerating
Strategy 1: Increase broadband net add share to >45% to compensate for single play losses.

Source: DT estimate

* W-DSL double counted: PSTN line directly from DT/ wholesale DSL access with competitors

* Cable with broadband; with/without voice
Strategy 1: Net add share of broadband >45% mainly through targeted customer approach and churn reduction.

<table>
<thead>
<tr>
<th>Customer Target Groups</th>
<th>Attach new target groups (e.g. best ager/family)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Push congstar through All IP</td>
</tr>
<tr>
<td>Portfolio</td>
<td>Continuous portfolio adjustments, follower strategy on pricing</td>
</tr>
<tr>
<td></td>
<td>Convergence offerings (e.g. family package)</td>
</tr>
<tr>
<td>Footprint</td>
<td>Continue with multi-channel sales strategy, expand footprint in selected geographies</td>
</tr>
<tr>
<td></td>
<td>Expand broadband infrastructure (DSL in rural areas/SAT)</td>
</tr>
<tr>
<td>CRM</td>
<td>Intensify Win back</td>
</tr>
<tr>
<td></td>
<td>Reduce DSL churn by approx. 4 – 6 ppt.</td>
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Strategy 2: Mitigate All IP Migration through ULL focus and winback activities.
Our view on the PSTN development 2008.

- Line losses due to DSL growth: -1.9 to -2.1
- Mix of FMS, new HH, churn prevention and winback: ≈ +0.2
- All-IP Migration (temporary effect): ≈ -1.1
- Line losses PSTN: ≈ -3.0

(versus -2.1 in 2007)
Strategy 3: Increase Triple Play customer base to >500k to increase both, ARPA and customer loyalty.
New Triple Play portfolio allows significant uptake in Entertain customer base.

**Development customer base Entertain**

<table>
<thead>
<tr>
<th>Date</th>
<th>Customers</th>
</tr>
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<tbody>
<tr>
<td>30.6.07</td>
<td>16,000</td>
</tr>
<tr>
<td>31.12.2007</td>
<td>150,000 *</td>
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<tr>
<td>Target YE 2008</td>
<td>&gt;500,000</td>
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**New IPTV Portfolio**

- All products live TV enabled plus new features (Homemedia sharing, Remote PVR, low end box)
- Change market communication from technology to usage benefit (VoD, Timeshift, PVR)
- New marketing approaches (housing industries) plus continuous process improvements
Revenue rebalancing 2008 heavily dependent on broadband success.

Revenue rebalancing 2008 in % of 2007 revenues (retail only)

Thereof
- line losses

Revenue decline:
- Line losses
- Price reductions
- installed base
- Connections

Broadband induced revenues
- DSL Net Add
- Double Play
- DSL Net Add
- Triple Play
- Broadband related e.g.
- Hosting services
- Congstar
- Others e.g.
- Scout24
- Net revenue decline 2008

-11% 1% - 1.5%
0.8% - 1.3%
1.3% - 1.6%
0.7% - 0.9%
1.2% - 1.7%
-4% to -6%
T-Home.
Broadband/Fixed Network.

Thomas Berlemann, Member of the Board of Management T-Home, Customer Services.

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Deutsche Telekom offers an integrated customer service across all customer contact points.

Deutsche Telekom

Customer Service
Deutsche Telekom Kundenservice (DTKS)

Field Service
Deutsche Telekom Technischer Service (DTTS)

Telekom Shops
Local Telekom Shops

Retail Partners
Retail partners of Deutsche Telekom

eChannel
Online Services of Deutsche Telekom
Overall target: Increase customer satisfaction and loyalty.

- Customer-oriented products and service improvements led to a sharp increase in customer loyalty in 2007.
- Introduction of Top Customer program is visible especially in 4th quarter.
- T-Home has retained contact with the European benchmark.
- Further increase customer loyalty in 2008 targeted by continuing this strategy:
  - Customer-oriented product development
  - Service improvements T-Home
Main KPIs of customer service radically improved in 2007. Focus in 2008 on stabilization on high level.

### Call Center availability (E20)

<table>
<thead>
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<th>Strike period</th>
<th>Availability within 20s in %</th>
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<tr>
<td>2007</td>
<td>20</td>
</tr>
<tr>
<td>2008</td>
<td>80</td>
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Service level 20: Target 2007

### Timely Processing of Client Orders

<table>
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<tr>
<th>Strike period</th>
<th># of customer requests</th>
</tr>
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<tbody>
<tr>
<td>2007</td>
<td>600,000</td>
</tr>
<tr>
<td>2008</td>
<td>400,000</td>
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1-2 working days: Target 2008
Significantly increased call productivity in 2007 – further improvements in 2008 planned.
Field service continuously improves deadline compliance rate and productivity with rising customer satisfaction level.
KPI improvements at Telekom Shops in 2007 will be continued in 2008.

Overall satisfaction scale: (1) extremely satisfied, (2) very satisfied, (3) satisfied, (4) rather dissatisfied, (5) dissatisfied

Keeping waiting time promise: waiting up to 5 minutes, CATI normed to mystery shopping, in %.

Customer satisfaction

Productivity

Sales/FTE/year [indexed]

Revenue/m² sales space, monthly average [indexed]
Target 2008 in service: Reduce customer service complaints rate by approx. 60% until year-end.

**Target Complaints Rate 2008**

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1/08</th>
<th>Q2/08</th>
<th>Q3/08</th>
<th>Target YE 2008</th>
</tr>
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<tbody>
<tr>
<td>2007</td>
<td>100%</td>
<td></td>
<td></td>
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<tr>
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<td></td>
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**Measures**

- X-functional task force drives aggressive process to avoid complaints
- All service channels implement program to improve employees' complaint management skills
- Success of task force will secure further OPEX reduction and increase customer loyalty in 2008
Integrated Customer Service embraces all of DT's customers and their different needs.

- Service segments to ensure harmonized service experience
- Value segments ensure appropriate service cost per customer
- Life cycle segments will drive revenue and increase loyalty of customer base
Achievements 2007 in sales: Integrated sales is No.1 in customer and dealer satisfaction.

Local Presence in German Market 2007
- Biggest sales organization on German telecoms market
- Shop presence increased to > 800 (in 2006: 586)
- 1,011 retail partners
- Reduction of distance to customer by more than 20%

Customer satisfaction with Telekom Shop*

Dealer satisfaction with T-Home*

Dealer satisfaction with T-Mobile*

*Source: independent research assigned by T-Home.
Customer satisfaction is the key driver to stabilize customer base and revenues.

We will continue to drive customer satisfaction and thereby customer loyalty throughout 2008!
T-Home.
Broadband/Fixed Network.

Thomas Dannenfeldt, Member of the Board of Management T-Home, Market & Quality Management.
Achievements 2007: Gross cost savings of €1.2bn and net savings of €0.9bn at BBFN Domestic.

- Gross cost savings of €1.2 billion in 2007:
  - €0.4 billion personnel costs
  - €0.4 billion IT/Billing
  - €0.4 billion rent, consulting and other
- Termination costs reduced by €0.2 billion
- Domestic net cost savings of €0.9 billion
- €0.5 billion of savings invested in customer base and better service e.g.:
  - higher DSL retail net adds
  - higher number of shops
  - better customer service
Longer-term cost savings initiative: New setup of S4S@ T-Home to deliver mainly cross-functional cost savings.

- **Secure 2008**
  - Market-driven, complete remodeling (NGC)
  - Top targets:
    - Securing profit & short-term optimization of service and quality
    - Stabilize EBITDA; service and quality levels in line with European peer group
    - Safeguarding T-Home’s competitiveness in the long run
  - T-Home transformation:
    - 2008 - 2010 - 2015
S4S@T-Home will deliver EUR 1.0 bn gross cost savings.

Sources of savings

1. Field Service (TS)
2. Customer service (KS)  \(\text{Incl. headcount efficiency (T-Service)}\)
3. Technology
4. IT restructuring
5. Billing
6. Overhead and other cost reduction
Main share of 2008 savings will be reinvested to stabilize top line.

### Areas of Reinvest

**A** Consolidation:
- Active Billing
- Congstar
- DTKS
- Immobilienscout 24

**B** Reinvest to stabilize current business (e.g., Entertain, better value mix in 2play)

**C** External-driven cost increase (Increase ULL, energy)
Significant reductions of IT systems and spend.

**IT retire measures to continue in 2008 and beyond**

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>10</td>
<td>9</td>
<td>10</td>
<td>5</td>
</tr>
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- Continuation of the comprehensive, radical remodeling of the IT environment started in 2007

**Retire IT**
- Realization of IT savings by deactivating IT applications completely

**Price optimization**
- Lowering IT wholesale prices

**Volume optimization**
- Program to enhance IT efficiency in plan, build, run, consequently decreasing IT volume requirements

**IT stability**
- Fewer time-outs and better performance for 45,000 front-office employees: MTBF* improvement from 65h (Q1/07) to 120h (Q4/08)

*Mean time between failure on top 20 applications*
Contribution to savings through billing:
More online business and complexity reduction.

Online billing customer growth

Savings drivers
- Increasing number of online bills
- Complexity reduction
  - Retire IT
  - Product portfolio
  - Consolidation of change request cycles
  - Adaptation of functionality to cost of billing
  - Price reductions, computing services

Higher customer satisfaction
- Higher customer satisfaction levels for products with embedded online bill

Q1 2007 Q2 2007 Q3 2007 Q4 2007 Q4 2008

+31%
Zero Touch initiative essential for savings and ambition levels.

Zero touch implementation

- addresses efficiency of provisioning and repair/fault clearance of products
- ...represents >10% of total T-Home OPEX
- ...will enable savings in the 3-digit million € range until 2010
- ...will result in significantly higher customer satisfaction levels in 2008 through 2010
- ...depends on fast IT retirement execution
- ...is key enabler for optimizing economics of NGN transformation
- ...is a very cross-functional challenge and therefore an opportunity for the company
Main driver of Zero Touch is automation and increase of first-contact solution rate.

Provisioning

Provisioning: Automation rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Provisioning Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-</td>
</tr>
<tr>
<td>Q1/08</td>
<td>+8%</td>
</tr>
<tr>
<td>Q2/08</td>
<td>+8%</td>
</tr>
<tr>
<td>Q3/08</td>
<td>+8%</td>
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<tr>
<td>Q4/08</td>
<td>+8%</td>
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Repair/fault clearing

Ambition level fault clearing: to solve 80% on first contact.

- First Level (fault reception)
- Second Level (diagnosis)
- Third Level (field service)

<table>
<thead>
<tr>
<th>Solution Rate 2007</th>
<th>Ambition Level 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Quality/ Customer satisfaction

- Provides transparency and control to customer
- Speeds up delivery time

Efficiency

- Avoidance of direct and failure costs

Volume reduction

- Enable customer self-service
- Less manual switching
- Zero-defect quality at delivery
- Less complexity in hardware (IADs)

Increase of First Contact Solution Rate

- Increase diagnosis capabilities at first level
- Adapt steering to process cost
S4S@T-Home covers the entire business and will deliver significant savings by 2010: Initiatives.

**Process and platform-related initiatives**
- IT/process retirement
- More efficient production platforms
- Customer Care
- Zero Touch
- Field Service

**Market-related initiatives**
- Increase retail sales efficiency
- Increase retail marketing efficiency
- Increase wholesale efficiency
- Reduce product complexity

**G&A-related initiatives**
- Reduce rent/space/energy
- Procurement
- Centralized functions
Q&A session on T-Home.
Break.
T-Systems.
Next Generation.

Reinhard Clemens, Member of the Board of Management DTAG.
Joachim Langmack, Chief Sales & Service Officer of T-Systems Enterprise Services GmbH.
Zwezdana Seeger, Chief Systems Integration Officer of T-Systems Enterprise Services GmbH.
Next Generation T-Systems.

A. Our point of departure – Challenging situation in an attractive market

B. Our way forward – Restoring growth and profitability

C. Our target – Leading European-based ICT player

- T-Systems was shrinking in a growing ICT market.
- T-Systems delivered significantly lower EBIT-margin than competitors.
- Costs in many areas are above benchmark levels.
- Customer satisfaction and quality are ok but do not fit to our aspiration level.
T-Systems was shrinking in a growing ICT market.

---

**Competitors**

<table>
<thead>
<tr>
<th></th>
<th>Revenue (in bn €)</th>
<th>EBIT</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-Systems</td>
<td>13.1</td>
<td>-1.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>12.0</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

Key:
- CAGR
- margin

* IT Providers (e.g. IBM Global Services, HP Services, Logica CMG)
* TC Providers (e.g. FT ECS, COLT Telecom, KPN), SI providers (e.g. Accenture, Capgemini, BearingPoint)
Fundamentally we are a sound company.

Excellent people

Recent sales successes show that the ICT strategy is working

# 1 TC provider for German SMEs

# 1 globally in the SAP field with more than 1,550,000 SAP users

# 2 Europe-wide in operating data centers

# 3 globally in IT services for the automotive sector
Our market is large with approx. €180 bn and attractive growth rates.

<table>
<thead>
<tr>
<th>ICT services stack</th>
<th>T-Systems approach</th>
<th>2007 WEU (in €)</th>
<th>CAGR 07-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems Integration</td>
<td>Fully addressed</td>
<td>51.2 bn</td>
<td>5.5%</td>
</tr>
<tr>
<td>IT Infrastructure Services</td>
<td>Fully addressed</td>
<td>68.4 bn</td>
<td>5.9%</td>
</tr>
<tr>
<td>Telecommunications Services*</td>
<td>Fully addressed</td>
<td>58.3 bn</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

“Network-centric ICT”

* German TC market excluding VSE segments addressed by T-Home, excluding mobile minutes addressed by T-Mobile D

Source: TS market model based on third party analyst research.
Next Generation T-Systems.

A. Our point of departure – Challenging situation in an attractive market

B. Our way forward – Restoring growth and profitability

C. Our target – Leading European-based ICT player
Positioning: Services and target groups.

What do we sell?
- ICT services on a global basis
- Global TC delivery

What is our „Go to market“ approach?
- Large corporations with headquarters in Europe
- Public institutions in Europe
- SME in Germany
- Automotive industry
- IT provider of Deutsche Telekom
Our target structure and objectives.

<table>
<thead>
<tr>
<th>T-Systems</th>
<th>Systems Integration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Enhance delivery quality</td>
</tr>
<tr>
<td></td>
<td>Implement partnership</td>
</tr>
<tr>
<td></td>
<td>Automotive market leadership</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ICT Factory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance ICT Factory delivery quality</td>
</tr>
<tr>
<td>Develop innovative ICT services that can be highly standardized</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Win big deals (ICT)</td>
</tr>
<tr>
<td>Market leadership in public sector (in Europe)</td>
</tr>
<tr>
<td>Drive international TC business</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure successful product mix</td>
</tr>
<tr>
<td>Defend market leadership in Germany</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Business Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop innovative services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Processes, Quality, IT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduce a professional process and IT architecture</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finance &amp; Controlling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve transparency and introduce professional steering logic</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Human Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>World class HR support</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corp. Marketing &amp; Communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve brand perception</td>
</tr>
</tbody>
</table>
New focus in sales - Corporate Customers (1/2).
Clear, effective and efficient go to market.

Focus on key accounts
- Key factor for growth – Improve “Share of Wallet”.
- Global responsibility for profitability.
- One face to the customer.

Focus on large corporations – one direct sales
- Direct sales approach with regional structure: Be close to our customers.
- Key area for growth – Increasing IT market share.
- Eliminate redundant ES/BS go-to-market approach – Only one regional direct sales force.
New focus in sales - Corporate Customers (2/2).
Clear, effective and efficient go to market.

Public institutions in Europe
- Public market with specific requirements and different go-to-market.
- Key area for growth – Improve market success.

Deutsche Telekom
- Support Deutsche Telekom in optimizing the IT services landscape and achieving cost targets.
- Focus on service management and quality.

Focus on international business, drive growth
- Significant growth with large outsourcing deals with EU-headquartered MNCs.
- Focus development of local growth and profit in countries.

Winning big deals
- Key area for growth and recent successes.
- Bringing together “best people” for success.
Focus Systems Integration. Cognizant partnership will drive SI business.

- **DT-strategy** gap closed
- **T-Systems structural problems hedged**
  - Improving cost position: Outsourcing our offshore workload at *competitive pricing*
  - Additional verticals: Cognizant adds Financial Services, Pharma capabilities
  - International growth/Onsite presence: Cognizant with complementary *footprint*
- **Upside potential** through T-Systems-Cognizant joint SI go-to-market
  - Each parties’ core customers secure
  - Joint deal funnel
  - Opportunistic Cross-selling of our infrastructure services via Cognizant footprint
- **First mover** in market: Bringing the best of Global Delivery to Europe’s leading companies

**Bottom Line:** *Double-digit revenue growth expected for System Integration by 2010*
Partnership logic: Complementary capabilities.

Cognizant

Strong footprint in North America, UK and India
57,000 associates
Leadership in Financial Services, Life Sciences, Healthcare, Information and Media
Consulting, Systems Integration and Maintenance, BPO
Global 2,000 firms (80% North America), 500+ clients in total

Geographic Coverage
Talent Management
Industry Depth
Services Portfolio
Client Base

T-Systems

Continental European Leadership: Top 3 in market, Number 1 in Germany
55,000 associates
Leadership in Automotive, Telecommunications, Manufacturing and Public Sector
Information and Communication Technology (ICT): Combining consulting, IT and telecommunications
Global 2,000 firms and Public Sector (80% Europe), SME base in GER
Next Generation T-Systems.

A. Our point of departure – Challenging situation in an attractive market

B. Our way forward – Restoring growth and profitability

C. Our target – Leading European-based ICT player
Target: Revenue and EBIT growth until 2010.

Revenue (in billion €)
- Growth segments:
  - IT
  - IP Solutions
  - TC International
- Shrinking segments:
  - Legacy TC
  - Captive (DTAG)

EBIT (in billion €)
- Mid single digit margin

Key:
- margin
- CAGR

Figures excluding Media&Broadcast and Active Billing
Competitive cost structures – Save-for-Service.

Save-for-Service (S4S) targets

<table>
<thead>
<tr>
<th>Category</th>
<th>2008</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICT production/SI</td>
<td></td>
<td>0.5</td>
</tr>
<tr>
<td>Sales/G&amp;A</td>
<td></td>
<td>0.3</td>
</tr>
<tr>
<td>Total</td>
<td>0.3</td>
<td>0.8</td>
</tr>
</tbody>
</table>

Fields of action

**ICT production:**
- Optimized delivery of TC-services
- Personnel cost reduction
- Cost reduction in computing/desktop support services

**Sales:**
- Sales channel efficiency
- Reduction of external workforce
T-Systems “BIG 6” strategic targets – 
Platform for restoring growth & profitability.

<table>
<thead>
<tr>
<th>Primary target</th>
<th>Business Unit specific targets</th>
</tr>
</thead>
</table>
| Build a Next Generation T-Systems that stands for  
  - competitive cost structures  
  - growth in line with market  
  - an open and internationally oriented performance culture  
  - an innovation and quality leadership brand. |  

2  Push corporate ICT business globally.

3  Become successful mid market ICT provider.

4  Build successful SI business leveraged through partner.

5  Build world class end-to-end ICT factory.

6  Ensure adequate business steering and support functions.
Q&A session on T-Systems.
Thank you for your attention.
Backup.
The significance of regulation for T-Home in Germany.

<table>
<thead>
<tr>
<th>Market environment</th>
<th>Key regulatory challenges</th>
</tr>
</thead>
</table>
| VDSL               | • DT is obliged to offer access to ducts and under certain conditions to dark fiber. Moreover competitors may collocate at the street cabinet. Many details are still unclear. Negotiations are ongoing.  
• Q3/08: BNetzA to decide on the scope of regulation for the wholesale broadband access market thereby addressing VDSL once more. |
| ULL provisioning    | • T-Home already voluntarily fulfills capacity requirements from the new – but still not effective - reference offer (330K/month). Existing backlog eliminated by end of March.  
• New one-off charges to be applied for in Q2/08 |
| Wholesale pricing  | • Tariffs to be approved for Bitstream Access (incl. “Naked DSL”, ongoing), ULL provisioning Q2/08, Interconnection Q4/08  
• Objective: to stabilize prices and revenues. After several rounds of price reductions in the last years prices should have reached a floor. |
| Retail markets      | • NRA should scale back immediately regulation on retail markets following the new EU Recommendation  
• Competitive development in the German Telecommunications Market unlikely to be reversed (Monopolkommission 2007). T-Home must have freedom to compete on equal terms. |