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INFORMATION FROM DEUTSCHE TELEKOM AG FOR ITS SHAREHOLDERS WITH REGARD TO THE CHOICE OF RECEIVING THE DIVIDEND FOR THE 2014 FINANCIAL YEAR EITHER IN CASH OR IN THE FORM OF SHARES IN DEUTSCHE TELEKOM AG

A proposal will be made under agenda item 2 (resolution on the appropriation of net income) at the Deutsche Telekom AG ordinary shareholders' meeting on May 21, 2015 to pay out a dividend of EUR 0.50 per no par value share carrying dividend rights. Shareholders will be given the choice of having the dividend paid out in cash or in the form of shares in Deutsche Telekom AG. The document containing information on the number and nature of shares and a description of the reasons for and details of the offer which, pursuant to §§ 4 para. 1 no. 4, 4 para. 2 no. 5, German Securities Prospectus Act ("Wertpapierprospektgesetz – WpPG"), exempts the company from the obligation to publish a prospectus for the public offer and admission to trading, is available on Deutsche Telekom AG's internet site (www.telekom.com/hv). The information provided in the following is not a substitute for this document. It has been drawn up to supplementarily answer potential questions that our shareholders could ask in conjunction with the option to receive dividends in the form of shares. Prior to any decision to invest, each prospective buyer should read the above-mentioned document and the other documents named in it with due care.

What must I do if I want to receive my dividend in cash?

In this case, you need do nothing. You can expect to receive your cash dividend on or around June 17, 2015.

What must I do if I want to receive my dividend in the form of shares?

You must communicate this to your depository bank, probably by June 8, 2015 at the latest, during normal bank business hours. Use the form provided for this purpose by your depository bank. By taking this step, you transfer your dividend entitlements to Citigroup Global Markets Limited as the settlement agent, which in return will transfer new shares to you via your depository bank.

Do I incur costs if I receive my dividend in the form of shares?

Please consult your depository bank on this aspect. You will not be charged for this by Deutsche Telekom AG.

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Where can I obtain the form and where must I submit it?

You can obtain the form from your depository bank from the start of the subscription period, which is expected to be May 22, 2015, and must return it to your depository bank in accordance with its instruction.

Can I sell my shares between May 22, 2015 and June 17, 2015? If I do, who guarantees that I receive for the shares that were contained in my securities portfolio on May 21, 2015, the dividends in cash or, if I so choose, the shares?

Yes, you may sell your shares during that period. The dividend entitlements and the associated subscription rights from the Company's shares will be posted automatically to the depository banks, probably as of the evening of May 21, 2015. They will then be posted separately to your securities account with security identification numbers (SID) that differ from the share SIDs. The existing shares will be listed "ex dividend" and hence also "ex subscription rights" on the stock exchanges from May 22, 2015 onwards. From this date, any sales of shares over the stock exchange are without dividend entitlements or subscription rights. The dividend entitlements and subscription rights remain on your securities account under their separate SIDs.

By when must I decide whether I want to receive my dividend in cash or in the form of shares?

Probably at the latest by June 8, 2015, by the end of your depository bank's normal business hours.

Can I change my decision once it is made?

No, this would cause major additional work for the depository banks handling the transactions and would thus lead to delays in the overall process.

How many dividend entitlements must I "exchange" for one new share?

The exchange ratio of the dividend and new shares is not yet fixed. How many new shares you receive depends on the subscription price. The subscription price is the result in EUR of dividing the reference price by EUR 0.50 (planned cash dividend), less 2.0% of this result, then rounded down to one decimal place and multiplied by EUR 0.50 (the "subscription price"). The reference price is the volume-weighted average price of Deutsche Telekom AG shares in EUR in the XETRA trading system on the Frankfurt stock exchange on the last trading day before the date on which the subscription price is set (the "reference price"). The day for fixing the reference price is expected to be June 4, 2015; the subscription price is expected to be set on June 5, 2015. Assuming the subscription price is EUR 14.45 – see the following sample calculation – you can choose to purchase one new share instead of receiving the cash dividend from 29 shares (the total value of these dividend entitlements is EUR 14.50) and will also receive a cash dividend of EUR 0.05.

Sample calculation:

Reference price: e.g., EUR 14.75

Calculation: Result of dividing EUR 14.75 by 0.5: 29.5, less 2.0%, equals 28.91, rounded down to one decimal place: 28.9, multiplied by EUR 0.50. This leads to: subscription price: EUR 14.45.

Subscription ratio: 28.9 : 1, i.e., one new share can be purchased for 28.9 old shares (and dividend entitlements as non-cash contributions).

Residual balance: If a shareholder transfers dividend entitlements from 29 shares, he/she transfers 0.1 dividend entitlements too many in this sample calculation.

0.1 dividend entitlements are equal to EUR 0.05 ($0.1 \times \text{EUR } 0.50 = \text{EUR } 0.05$). This amount is paid out to the shareholder in cash. In this example, the shareholder therefore receives one new share and EUR 0.05 in cash in exchange for 29 dividend entitlements. At www.telekom.com/hv you can find a dividend calculator, which you can use for individual calculations.

When and where will I find out how many new shares I will receive?

The subscription price is published three days before the subscription period expires, probably on Friday, June 5, 2015, as of about 3:00 p.m. CEST, in the German Federal Gazette and on the Deutsche Telekom AG Internet site, www.telekom.com/hv.

What dividend entitlement will the new shares carry?

The new shares will carry full dividend entitlements for the 2015 financial year. No difference will be made between new and existing shares.

From what date can I opt for new shares instead of a cash dividend?

The subscription offer for the purchase of new shares is expected to be published on May 22, 2015.

Must I make the choice uniformly for all my shares?

No, you need not make the choice uniformly for all your shares (even if they are held on a single securities account). You are free to choose to receive the dividend in cash or in shares for each share separately.

When will I receive the new shares?

Due to the technical handling process, you will probably receive the new shares on June 23, 2015. You should receive the residual balance on June 17, 2015.

Will the new shares be admitted for trading on the stock exchange?

Yes. Admission of the new shares to the regulated market for trading on the Frankfurt am Main, Berlin, Düsseldorf, Hamburg, Hanover, Munich, and Stuttgart stock exchanges, as well as to the regulated market subsection with additional post-admission obligations (Prime Standard) on the Frankfurt stock exchange, is expected to take place on June 18, 2015. Listing of the new shares on the regulated markets of the above stock exchanges is expected to start on June 23, 2015, when the new shares are included in the listing of existing shares.

How will my new shares be treated for tax purposes?

The following statement does not claim to provide all the necessary information and is no substitute for consultation with a tax adviser. Since the dividend for the 2014 financial year will be paid in full from the tax contribution account in accordance with § 27 Corporation Tax Act (Körperschaftsteuergesetz) (contributions other than into nominal capital), no capital gains tax (Kapitalertragssteuer) or solidarity surcharge (Solidaritätszuschlag) will be deducted. Dividends paid out in cash to shareholders in Germany are not subject to taxation.

This applies likewise to dividends paid out in the form of shares (shareholders in Germany are not subject to taxation). Dividends do not entitle recipients to tax refunds or tax credits. In the German tax authorities' view, the cash dividend payment reduces the acquisition costs of the shares for tax purposes.

This document is neither a prospectus nor does it constitute an offer to sell or the solicitation of an offer to purchase the shares or other securities of Deutsche Telekom AG. The document which according to §§ 4 para. 1 no. 4, 4 para. 2 no. 5 WpPG releases from the obligation to publish a prospectus, the “**§ 4-Documents**”, will be available on the website of Deutsche Telekom AG (www.telekom.com/hv). The shares will be offered exclusively in Germany on the basis of the **§ 4-Documents**.

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