

## Copy of the Audit Certificate

Deutsche Telekom Accounting GmbH  
Bonn

Annual financial statements as of December 31, 2009  
and management report for the 2009 financial year

Auditors' report

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Deutsche Telekom Accounting GmbH, Bonn

Management report for the 2009 financial year

## 1. Organizational and company structure

Deutsche Telekom Accounting GmbH (hereinafter referred to as “DeTeAccounting”) is a subsidiary of Deutsche Telekom AG, Bonn, within the meaning of § 271 (2) of the German Commercial Code (*Handelsgesetzbuch* – HGB). Capital stock remained unchanged at EUR 100,000 as of the balance sheet date. A control and profit transfer agreement exists between DeTeAccounting and Deutsche Telekom AG (hereinafter referred to as “Deutsche Telekom”).

Pursuant to the purchase and transfer agreement of December 19, 2008, DeTeAccounting took over the TMD accounting unit (F123) of T-Mobile Deutschland GmbH (hereinafter referred to as “TMD”) with effect from January 1, 2009. On June 17, the Group Works Council agreed a central reconciliation of interests with DeTeAccounting regarding the integration of the Corporate Competence Center Finance & Accounting unit of T-Systems International GmbH (formerly T-Systems Enterprise Services GmbH and hereinafter referred to as “TSI CCC F&A”) into DeTeAccounting. The transfer of operations took place on July 1, 2009 in line with the purchase and transfer agreement of June 30, 2009. The employment contracts of the employees were transferred to DeTeAccounting in accordance with § 613a of the German Civil Code (*Bundesgesetzbuch* – BGB). The corresponding pension commitments and other employee-related accruals associated with the employees being transferred were also transferred to DeTeAccounting. The value of the pension commitments as of December 31, 2008, calculated in accordance with the principles of IAS 19, was used for the transfer of the commitments. This was adjusted to the transfer date for TSI CCC F&A. A settlement in the amount of the obligations transferred was paid by the transferring units.

Deutsche Telekom Shared Services s.r.o. (hereinafter referred to as “DT Shared Services s.r.o.”) was established in Bratislava following the signing of the Articles of Association on August 6. The shareholders are DeTeAccounting, which owns a share of 85 percent, and T-Systems Beteiligungsverwaltungsgesellschaft mbH, with a share of 15 percent. Pursuant to the purchase and transfer agreement of August 31, 2009, DT Shared Services s.r.o. took over the Bratislava operations of T-Systems Vicos GmbH (hereinafter referred to as “TS Vicos GmbH”). The Bratislava operations are the sole operations of TS Vicos GmbH, which is part of the Corporate Competence Center Finance & Accounting Europe.

## 2. Areas of activity/business mandate

DeTeAccounting provides operational financial accounting services to the Deutsche Telekom Group on the basis of national and international accounting and statutory regulations. DeTeAccounting is a Group-wide service provider with the aim of efficiently consolidating and automating the tasks associated with operational financial accounting.

With respect to operational financial accounting DeTeAccounting, as a shared service center, pursues the goal of developing and providing customer- and industry-specific solutions and

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standards. This includes the processes associated with accounts receivable (not subject to general terms and conditions), accounts payable, asset accounting, general ledger accounting and inventories. This also includes services in the area of information and data processing as well the complete provision of information management as a service package within the aforementioned areas of operational financial accounting.

### **3. Development of business**

Business activity continues to be influenced primarily by the organizational and procedural consolidation of all affected Group units. Owing to the fact that DeTeAccounting only began business activity on April 1, 2008, a like-for-like comparison with prior years is only partially possible. At the year-end, in addition to providing services to DTAG (Group Headquarters & Shared Services and T-Home), the Company served a large proportion of DTAG's subsidiaries in Germany. These include DFMG Deutsche Funkturm GmbH, Power and Air Condition Solution Management GmbH & Co. KG, DeTeFleetServices GmbH, Vivento Customer Services GmbH, Deutsche Telekom Technischer Service GmbH, Deutsche Telekom Netzproduktion GmbH, Deutsche Telekom Kundenservice GmbH, Telekom Shop Vertriebsgesellschaft mbH, T-Mobile Deutschland GmbH and Active Billing GmbH & Co. KG. The only external customers were two Deutsche Telekom AG subsidiaries disposed of in the 2008 financial year, namely Nokia Siemens Networks Services Deutschland GmbH & Co. KG (formerly Vivento Technical Services GmbH) and Strabag Property and Facility Services GmbH (formerly DeTe Immobilien, Deutsche Telekom Immobilien und Services GmbH). Owing to the establishment of DT Shared Services s.r.o. and the integration of TSI CCC F&A, DeTeAccounting has acquired additional German and international customers from T-Systems International GmbH as well as the external customer Media Broadcast GmbH. Media Broadcast GmbH is a former second-tier subsidiary of Deutsche Telekom, which was disposed of in January 2008.

Individual agreements were concluded with customers on the volume of business in 2009, whereby services to be provided to Deutsche Telekom Kundenservice GmbH, Deutsche Telekom Technischer Service GmbH, Deutsche Telekom Netzproduktion GmbH, Active Billing GmbH & Co. KG and Telekom Shop Vertriebsgesellschaft mbH are covered by the service agreement with DTAG (T-Home).

### 3.1 Results of operations

The main factors affecting the development of the results of operations are explained briefly below:

Thousands of €	2009	2008	Change
<b>Net revenue</b>	<b>97,377</b>	<b>58,734</b>	<b>38,643</b>
Other operating income	7,184	367	6,817
Goods and services purchased	-41,147	-24,748	-16,399
Personnel costs	-45,236	-27,188	-18,048
Depreciation, amortization and write-downs	-56	-33	-23
Other operating expenses	-39,607	-35,525	-4,082
<b>Operating results</b>	<b>-21,485</b>	<b>-28,393</b>	<b>6,908</b>
Net interest expense	287	853	-566
<b>Results from ordinary business activities</b>	<b>-21,199</b>	<b>-27,540</b>	<b>6,341</b>

When analyzing year-on-year changes, it must be taken into account that DeTeAccounting only began operations on April 1, 2008.

DeTeAccounting recorded **revenue** of EUR 97,377 thousand in 2009. The largest customer is DTAG (GHS unit as well as the T-Home unit, including subsidiaries under the T-Home unit). External revenue from business with Nokia Siemens Networks Services Deutschland GmbH & Co. KG, Strabag Property and Facility Services GmbH and Media Broadcast GmbH amounted to EUR 2,753 thousand. Revenue in the financial year is calculated according to a quantity and complexity-based model.

**Other operating income** amounting to EUR 7,184 thousand largely relates to the utilization of accruals for contingent losses set up in the previous year (EUR 6,070 thousand) and income from the transfer of personnel costs (EUR 640 thousand) and the reversal of accruals (EUR 376 thousand).

**Costs of goods and services purchased** primarily include costs arising from the use of hardware and software owned by DTAG (EUR 39,415 thousand), financial reporting services purchased from Accounting, Controlling, IT Finance, Financial Statements GHS Entities (hereinafter referred to as "RCI/AGG") (EUR 1,080 thousand) and accounting services purchased from DT Shared Services s.r.o. Bratislava (EUR 647 thousand).

**Personnel costs**, at EUR 45,236 thousand include mainly wages and salaries (EUR 36,931 thousand) and social security contributions and expenses for pension plans (EUR 8,305 thousand).

**Other operating expenses**, at EUR 39,607 thousand, primarily include expenses arising from the transfer of civil servants from DTAG as well as costs associated with loan and temporary staff (EUR 20,271 thousand in total). Because the employment contracts of the civil servants transferred from the accounting units to DeTeAccounting cannot be transferred pursuant to § 613a BGB, this group works for DeTeAccounting according to the "assignment model", with the parent company remaining the employer. Additionally, other operating expenses include rental and leasing expenses (EUR 6,069 thousand), expenses relating to workstation system support (EUR 2,822 thousand) and expenses relating to PABX usage

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(EUR 1,181 thousand). The cost of scanning services from Vivento Customer Services GmbH (EUR 1,955 thousand), training and development expenses (EUR 1,599 thousand), costs relating to personnel administration (EUR 1,401 thousand) and travel expenses (EUR 934 thousand) are also included.

After taking into account net interest income of EUR 287 thousand, which is primarily made up of net interest income from the time deposit (EUR 157 thousand) and interest on the cash management account with the parent company (EUR 110 thousand), a loss from ordinary business activities of EUR 21,199 thousand is recorded for the 2009 financial year. This loss was transferred to DTAG under the profit and loss transfer agreement in place.

### 3.2 Net worth and financial position

The asset balance was especially influenced by receivables from subsidiaries (EUR 31,461 thousand). These items represent 87 percent of the balance sheet total. Receivables from subsidiaries largely comprise receivables from cash pooling with the parent company (EUR 30,373 thousand).

Liabilities are largely made up of accruals (EUR 32,724 thousand) and other liabilities (EUR 1,805 thousand). The equity ratio as of December 31, 2009 was 0.3 percent.

The table below shows the accruals transferred as capital (i.e. with no effect on profits) to DeTeAccounting owing to the integration of the accounting units.

	<b>Transfer amount Thousands of €</b>
Pension accruals	1,335
Variable remuneration/management bonuses	281
Leave accruals	195
Vacation accruals	141
Accruals for partial retirement	59
Other	11
	<b>2,022</b>

DeTeAccounting has concluded a framework agreement with DTAG for its inclusion in the Deutsche Telekom Group's cash concentration system, meaning that liquidity is ensured at all times.

### **3.3 Personnel situation**

After the transfer of the TMD accounting unit (17 employees), the Company had 1,034 FTEs (including assigned civil servants: 369 FTEs) in January. After the integration of TSES CCC F&A in July 2009, the number of employees increased by a further 74 FTEs.

After taking account of personnel outflows during the financial year owing to various reduction and transition instruments, such as early retirement, severance payments, external transfers and transfers within the Group, the number of employees decreased to 990 as of December 31, 2009. This includes 282 civil servants who were assigned by the parent company and 16 temporary employees who are not actually employed by DeTeAccounting.

Various collective agreements were reached in 2009. These largely relate to arrangements regarding the variable portion of annual target remuneration in line with the collective agreement reached in December 2008.

In spring, a collective agreement was reached regarding the implementation of the pilot scheme "Leading with targets" for the assessment of target achievement levels using specific IT systems. This agreement covers the use of the IT systems planned to be used to determine the extent to which targets have been achieved and the use of the data in the system. Additionally, in June 2009, a collective agreement was reached on the payment of a performance-related pay component to civil servants who have been assigned to DeTeAccounting. The aim is to give these civil servants a financial incentive to become actively involved in achieving the targets of DeTeAccounting.

## **4. Future development of business**

### **4.1 Outlook**

In line with the medium-term plan agreed in November 2009, the revenue of DeTeAccounting is set to increase in 2010 as a result of the Company having taken over the provision of accounting services for T-Systems International GmbH. In subsequent years, revenue is expected to decrease slightly compared with 2010. In the 2010 financial year, customers will continue to be charged using a quantity and complexity-based billing model.

The aim of the Company is still to increase productivity through the steady automation and harmonization of business processes. In this context, the standardization of IT structures and the reduction of manual accounting procedures are of particular importance. The number of sites has been reduced from 45 when DeTeAccounting began operations to 26 regular sites at present. The aim is to reduce the number of sites for financial accounting processes and inventories to 16 by 2012. Owing to the integration of TSI CCC F&A, the target number of sites has been increased from the original 15 to 16. Parallel to the standardization, automation and consolidation of sites, there are also plans to reduce the number of employees to 737 FTEs by the end of 2012, whereby this aim is to be achieved through various reduction and transition instruments such as early retirement arrangements, severance payments, external transfers and transfers within the Group.

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As a result, the main cost items such as personnel costs, IT support costs and rental expenses are expected to fall steadily. This will have a positive effect on the operating result.

Nevertheless, the Company expects to continue to record a loss in the coming years as a result of migration costs and the wage and salary levels of employees, which are relatively high compared with market levels. Neither of these disadvantages will be passed on to the customer in full.

The Company will continue to develop its management and monitoring system in the future.

## **4.2 Opportunities and risks**

DeTeAccounting is integrated into the risk management system of Deutsche Telekom AG.

During the migration phase through 2012 there continues to be a slight risk with regard to the timely restructuring of target sites, the loss of know-how from people leaving the Company unexpectedly as a result of functions being transferred to other locations, as well as with regard to the quality of accounting and financial reporting activities during the centralization and harmonization of processes.

The pending reorganization and harmonization measures are, however, necessary to increase productivity with the aim of establishing a high-performance accounting function in the Telekom Group while, at the same time, reducing costs.

As DeTeAccounting is not dependent on external customers, functioning primarily as an internal service provider, there is no risk with regard to the continuation of customer relationships or the loss of significant business.

As part of the One Company Project (OCP), the fixed-network business of Deutsche Telekom AG and the mobile communications business of T-Mobile Deutschland GmbH are being merged into one entity (T-Deutschland GmbH). The associated legal procedures will also be mapped in the ERP systems. The consolidation and modification of systems will require a number of process changes at DeTeAccounting, too. Possible risks include reductions in quality and efficiency. Furthermore, the new business model may result in additional entry volumes.



### **4.3 Risks to continued existence**

As a result of the successful establishment of DeTeAccounting in the previous financial year including all customer relationships and business processes, and owing to the control and profit and loss transfer agreement in place with Deutsche Telekom AG, there are currently no risks endangering the continued existence of DeTeAccounting.

**Annual financial statements for the financial year  
January 1 to December 31, 2009**

Deutsche Telekom Accounting GmbH, Bonn

Balance sheet as of December 31, 2009

**Assets**

	Dec. 31, 2009	Dec. 31, 2008
<b>A. Noncurrent assets</b>	<b>EUR</b>	<b>EUR</b>
I. Intangible assets		
Software licenses	18,348.00	0.00
II. Property, plant and equipment		
Plant and office equipment	121,148.00	<b>85,740.00</b>
III. Financial assets		
Investments in subsidiaries	108,180.56	0.00
	<b>247,676.56</b>	<b>85,740.00</b>
<b>B. Current assets</b>		
I. Receivables and other assets		
1. Trade accounts receivable	238,489.09	438,396.00
2. Receivables from subsidiaries (of which: from the shareholder € 30,662,532.63; Dec. 31, 2008 € 14,602,333.79)	31,460,661.76	15,089,666.11
3. Other assets	4,092,768.52	4,325,260.22
	35,791,919.37	19,853,322.33
II. Cash in banks	0.00	24,229,399.50
	<b>35,791,919.37</b>	<b>44,082,721.83</b>
<b>C. Prepaid expenses and deferred charges</b>		
	<b>78,653.19</b>	<b>14,024.27</b>
	<b>36,118,249.12</b>	<b>44,182,486.10</b>

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**Shareholders' equity and liabilities**

	<b>Dec. 31, 2009</b>	<b>Dec. 31 2008</b>
	<b>EUR</b>	<b>EUR</b>
<b>A. Shareholders' equity</b>		
I. Capital stock	<b>100,000,00</b>	<b>100,000,00</b>
<b>B. Accruals</b>		
I. Pensions and similar obligations	18,696,686.23	16,347,177.00
2. Other accruals	14,027,286.24	17,357,972.13
	<b>32,723,972.47</b>	<b>33,705,149.13</b>
<b>C. Liabilities</b>		
1. Trade accounts payable	218,966.60	542,487.22
2. Liabilities to subsidiaries (of which: to the shareholder € 863,277.08; Dec. 31, 2008 € 8,233,219.16)	1.269.857.99	8,828,298.83
3. Other liabilities (of which: from taxes € 537,751.60; Dec. 31, 2008 € 616,213.19) (of which: from social security € 876,996.26; Dec. 31, 2008 € 0.00)	1.805.452.06	1,006,550.92
	<b>3,294,276.65</b>	<b>10,377,336.97</b>
	<b>36,118,249.12</b>	<b>44,182,486.10</b>

Deutsche Telekom Accounting GmbH, Bonn

Statement of income for the period

January 1 to December 31, 2009

	<b>2009</b>	<b>2008</b>
	<b>EUR</b>	<b>EUR</b>
1. Net revenue	97,376,875.13	58,733,888.17
2. Other operating income	7,184,092.26	366,757.40
	104,560,967.39	59,100,645.57
3. Goods and services purchased		
Services purchased	-41,147,456.59	-24,747,360.65
4. Personnel costs		
a) Wages and salaries	-36,931,145.21	-22,055,010.22
(b) Social security contributions and expenses for pension plans and benefits (of which: for old age pensions € 3,084,702.40; prior years € 1,794,168.35)	-8,305,048.92	-5,133,218.54
5. Depreciation, amortization and write-downs	-55,785.94	-32,634.13
6. Other operating expenses	-39,606,859.13	-35,525,304.30
7. Other interest and similar income (of which: from subsidiaries € 110,189.63; prior years € 200,574.67)	287,903.06	855,256.06
8. Interest and similar expenses (of which: to Group companies € 1,302.32; prior year € 2,236.77)	-1,384.69	-2,236.77
<b>9. Results from ordinary business activities</b>	<b>-21,198,810.03</b>	<b>-27,539,862.98</b>
10. Loss transferred under the terms of a profit and loss transfer agreement	21,198,810.03	27,539,862.98
<b>11. Income after taxes</b>	<b>0.00</b>	<b>0.00</b>

## **Deutsche Telekom Accounting GmbH, Bonn**

### **Notes to the annual financial statements for the 2009 financial year**

#### I. Disclosures and remarks

##### **1. Description of business activities**

Deutsche Telekom Accounting GmbH (hereinafter also referred to as "DeTeAccounting") is a subsidiary of Deutsche Telekom AG, Bonn within the meaning of § 271 (2) HGB. A control and profit transfer agreement exists between DeTeAccounting and Deutsche Telekom AG (hereinafter also referred to as "DTAG").

The object of the Company is to develop, operate and market customer and industry-specific solutions in the field of operational financial accounting (asset accounting, accounts receivable, accounts payable, inventories, etc.). This also includes services in the area of information and data processing as well the complete provision of information management as a service package within the aforementioned areas of operational financial accounting.

Pursuant to the purchase and transfer agreement of December 19, 2008, the accounting unit of T-Mobile Deutschland GmbH, Bonn (hereinafter also referred to as "TMD"), was transferred to DeTeAccounting with accounting effect as of January 1, 2009.

Under the terms of the purchase and transfer agreement of June 30, 2009, the Corporate Competence Center, TSES F-CF-CC, Finance & Accounting of T-Systems International GmbH, Frankfurt am Main (hereinafter referred to as "TSI", formerly T-Systems Enterprise Services GmbH), was also transferred to DeTeAccounting with accounting effect as of July 1, 2009.

Pursuant to the agreement of August 6, 2009, DeTeAccounting together with T-Systems Beteiligungsverwaltungsgesellschaft mbH, Frankfurt am Main, founded Deutsche Telekom Shared Services s.r.o., Bratislava (hereinafter also referred to as "DeTe Shared Services"). DeTeAccounting owns a EUR 4,250 stake in the new company, or 85 percent of its nominal capital.

By shareholder resolution of August 23, 2009, DeTe Accounting increased the shareholders' equity of DeTe Shared Services by EUR 100,000 through a cash contribution to additional paid-in capital.

## 2. Basis of preparation

The annual financial statements as of December 31, 2009 are prepared in accordance with the relevant provisions of the German Commercial Code for large corporations within the meaning of § 267 (3) HGB. The balance sheet and the statement of income are prepared in accordance with the classification requirements of § 266 and § 275 HGB. The statement of income is prepared using the total cost method in accordance with § 275 (2) HGB. The financial year corresponds to the calendar year.

DeTeAccounting did not exercise the option codified in section 66 (3) of the Introductory Act to the German Commercial Code (*Einführungsgesetz zum Handelsgesetzbuch – EGHGB*) for the advance first-time application of the German Accounting Law Modernization Act (*Bilanzrechtsmodernisierungsgesetz – BilMoG*) in the 2009 financial year.

## 3. Accounting policies

The annual financial statements include all assets, liabilities, prepaid expenses, deferred charges, deferred income, expenses and income. The Company's assets have not been offset against its liabilities and equity, and its expenses have not been offset against its income.

Assets and liabilities have been measured separately as of the balance sheet date. Income is only recognized to the extent that it is realized as of the balance sheet date.

Purchased **intangible assets** are carried at acquisition cost and amortized on a straight-line basis over their estimated useful lives. **Property, plant and equipment** is valued at acquisition or construction cost, less straight-line depreciation losses. Write-downs on intangible assets and property, plant and equipment are charged if an impairment of assets is assumed to be permanent.

In accordance with tax regulations, all assets acquired up to December 31, 2007 (reported as **low-value assets** for tax purposes) were written off in full in the financial accounts in the year of acquisition and presented as disposals in the statement of noncurrent assets.

Since January 1, 2008, in line with the revised applicable tax value limits following the 2008 Corporate Tax Reform Act dated May 25, 2007, these assets have either been immediately written off in the financial accounts in the year of acquisition or capitalized in the annual omnibus items of immaterial significance and depreciated over five years. These assets are presented as disposals in the statement of noncurrent assets when they are written off in full.

The following table shows the main depreciation, amortization and write-down rates used for **noncurrent assets**:

	Years
Intangible assets	3 to 7
Property, plant and equipment	
Other equipment	5 to 30
Plant and office equipment	3 to 20

Financial assets are reported at the lower of cost or market value. Nonscheduled write-downs are charged only if the impairment of financial assets is assumed to be permanent.

**Receivables, other assets, cash and cash equivalents** and prepaid expenses and deferred charges are carried at their nominal value. Individual risks are accounted for through appropriate valuation adjustments.

The transferred **pension commitments** for staff transferred to DeTeAccounting within the scope of the purchase and transfer agreements are presented as the amount of consideration received from the transferring units in the amount of the defined benefit obligation (DBO) pursuant to IAS 19. With regard to the forward projection of transferred pension commitments, interest is added to the transferred value for the appropriate term at the market rate. By contrast, no additional service costs are applied until the hypothetical amount recognized pursuant to § 6a of the German Income Tax Act (*Einkommenssteuergesetz – EStG*) exceeds the amount transferred including interest.

**Other accruals** including those for loss contingencies from pending transactions are recorded in line with prudent commercial practices. Sufficient allowance is made for all identifiable risks when calculating accruals.

Accruals for future anniversary payments are also carried at their present value.

Partial retirement obligations are valued in line with the pronouncements of IDW RS HFA 3 "Accounting of commitments arising from partial retirement regulations in accordance with IAS and commercial legal regulations". Accordingly, top-up payments are recognized at the actuarial present value. Outstanding settlement amounts within the scope of the phase model are presented at the discounted payment amounts as of the balance sheet date.

Any obligations arising from participation in the mid-term incentive plans (MTIP) of the parent company are recognized as cash-settled plans in the statement of income from the time of their implementation. The amount recognized as an accrual to be expensed is calculated according to the Monte Carlo model. The MTIP is tied to two equally weighted, stock-based performance parameters – one absolute and one relative. If both performance targets are achieved, then the total amount of the award is paid out to plan participants; if only one performance target is achieved, 50 percent of the amount is paid out; and if neither performance target is achieved, no payment is made.

**Liabilities** are recognized at the higher of nominal value or repayment amount.

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## II. Notes to the balance sheet

### 1. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment can be broken down as follows:

	2009 thousands of €	2008 thousands of €
Intangible assets	18	0
Other equipment	0	46
Plant and office equipment	121	39
<b>Total</b>	<b>139</b>	<b>85</b>

Intangible assets and property, plant and equipment increased by EUR 54 thousand in the financial year to a total of EUR 139 thousand. These additions mainly relate to plant and office equipment purchased under purchase and transfer agreements.

### 2. Financial assets

	Equity interest as of Dec. 31, 2009 %	Carrying amount as of Dec. 31, 2009 EUR	Shareholder s' equity as of Dec. 31, 2009 EUR	Result 2009 EUR
<b>Investments in subsidiaries, DeTeShared Services s.r.o.</b>	85.00	108,181	105,000	1.166

Financial assets rose by EUR 108 thousand in the financial year.

This was due to the establishment of DeTe Shared Services and the ensuing contribution to the company's additional paid-in capital.

The development and classification of individual noncurrent asset items can be taken from the statement of noncurrent assets (annex to the notes to the financial statements).

### 3. Receivables and other assets

DeTeAccounting's receivables and other assets amount to a total of EUR 35.792 thousand (prior year EUR 19.853 thousand).

	2009 thousands of €	2008 thousands of €
Trade receivables from third parties	238	438
Receivables from subsidiaries	31,461	15,090
of which: receivables from the shareholder	30,663	14,602
of which: from cash pooling	30,373	14,598
of which: trade accounts receivable	290	0
of which: from VAT	0	4
of which: trade receivables from subsidiaries	798	488
Other assets	4,093	4,325
<b>Total</b>	<b>35,792</b>	<b>19,853</b>

All receivables and other assets have a remaining maturity of less than one year.

Other assets include receivables from inpayments amounting to EUR 3,871 thousand to Hessische Landesbank for insolvency protection for partial retirement obligations. These are reported under other assets in the balance sheet as no securities had been purchased by the asset trustee as of the balance sheet date. The assets are administered on a trust basis by Deutsche Telekom Trust e.V.: DeTeAccounting no longer has power of disposition over the assets, but they are nonetheless reported on the balance sheet of DeTeAccounting as the attributable employer.

### 4. Cash in banks

	2009 thousands of €	2008 thousands of €
Cash in banks	0	24,229
<b>Total</b>	<b>0</b>	<b>24,229</b>

In the prior year, cash in banks included a time deposit at Deutsche Bank, Bonn, for an investment period lasting from June 16, 2008 to February 18, 2009. After reaching maturity during the 2009 financial year, the time deposit was transferred to the cash pooling account with the parent company.

## 5. Accruals

Accruals take account of all identifiable risks and uncertain liabilities. They can be broken down as follows:

	2009 thousands of €	2008 thousands of €
Accruals for personnel costs		
Pension accruals	18,697	16,347
Retirement scheme accruals	7,332	8,029
Management bonuses	4,687	1,576
Accruals for leave entitlements	642	403
Vacation accruals	584	592
Anniversary accruals	115	103
Severance payments	0	68
Other personnel costs	215	16
	32,272	27,134
Other accruals		
Outstanding invoices	332	411
Audit and consulting fees	90	90
Accruals for contingent losses	0	6,070
Miscellaneous other accruals	30	0
	452	6,571
<b>Total</b>	<b>32,724</b>	<b>33,705</b>

It was not necessary to set up an accrual for contingent losses as of December 31, 2009.

## 6. Liabilities

DeTeAccounting reported liabilities of EUR 3,294 thousand as of the balance sheet date (prior year EUR 10.377 thousand). These can be broken down as follows:

	2009 thousands of €	2008 thous ands of €
Trade payables to third parties	219	543
Trade payables to subsidiaries	1,270	8,828
of which: to the shareholder	863	8,233
of which: to other subsidiaries	407	595
Other liabilities	1,805	1,006
Social security liabilities	877	385
Tax liabilities (wage tax)	538	
Liabilities from severance payments	376	616
Miscellaneous other liabilities	14	5

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<b>Total</b>	<b>3,294</b>	<b>10,377</b>
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thousands of €	Dec. 31, 2009				Dec. 31, 2008			
	<u>Remaining maturity</u>				<u>Remaining maturity in</u>			
	<u>in years</u>				<u>years</u>			
	Total	up to 1	1 to 5	> 5	Total	up to 1	1 to 5	> 5
Trade accounts payable	219	219	0	0	542	542	0	0
Payables to subsidiaries	1,270	1,270	0	0	8,828	8,828	0	0
Other liabilities	1,805	1,087	553	165	1,007	1,007	0	0
of which: from taxes	538	538	0	0	616	616	0	0
of which: from social security	0	0	0	0	0	0	0	0
	<b>3,294</b>	<b>2,576</b>	<b>553</b>	<b>165</b>	<b>10,377</b>	<b>10,377</b>	<b>0</b>	<b>0</b>

Liabilities are not secured by liens or similar rights.

## 7. Off-balance-sheet business

No disclosure requirements for off-balance-sheet business exist pursuant to § 285 No. 3 HGB.

## 7. Other financial obligations

Other financial obligations (pursuant to § 285 No. 3 HGB) to subsidiaries amounted to EUR 54,279 thousand (prior year EUR 51,718 thousand) They relate, above all, to obligations from the IT service framework agreements and rental costs for real estate and IT equipment (workstation systems). Of the total obligations, EUR 48,420 thousand is due within one year (prior year EUR 47,958 thousand).

Year	IT services framework agreement thousands of €	Rental costs and PABXs thousands of €	Flat rates for workstation systems thousands of €
2010	39,692	6,395	2,333
2011	0	919	2,091
2012	0	919	1,930
2013	0	0	0
2014	0	0	0
2015 and after	0	0	0
<b>Total</b>	<b>39,692</b>	<b>8,232</b>	<b>6,354</b>

In accordance with the framework agreement with DTAG regarding the leasing of premises, DeTeAccounting is entitled to return premises that are no longer needed to DTAG subject to a notice period of six weeks to the end of the quarter. The obligations from rental costs for real

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estate are reported for a full year under other financial obligations as the Company assumes it will continue to use the rented premises beyond this time.

### III, Notes to the statement of income

#### 1. Net revenue

DeTeAccounting generated total net revenue of EUR 97,377 thousand in the financial year (prior year EUR 58,734 thousand). This was generated in Germany and abroad.

<b>Germany</b>	<b>2009</b> thousands of €	<b>2008</b> thousands of €
Deutsche Telekom AG	69,615	49,896
T-Systems International GmbH	9,697	0
PASM Power and Air Condition Solution Management GmbH & Co, KG	<b>4,456</b>	<b>1,847</b>
T-Mobile Deutschland GmbH	<b>3,185</b>	<b>0</b>
DFMG Deutsche Funkturm GmbH	2,385	<b>1,674</b>
Telekom Shop Vertriebsgesellschaft mbH	<b>2,131</b>	<b>459</b>
DeTeFleet Services GmbH	<b>1,388</b>	1,013
Vivento Customer Services GmbH	1,018	625
T-Systems GEI GmbH	325	0
T-Systems Solutions for Research GmbH	42	0
operational Services GmbH & Co, KG	41	0
T-Systems Business Services GmbH	0	<b>1,737</b>
DeTeImmobilien Deutsche Telekom Immobilien und Service GmbH	0	614
Other	72	<b>1</b>
	<b>94,355</b>	<b>57,866</b>
<b>Abroad</b>		
T-Systems Austria GesmbH	60	0
T-Systems Schweiz AG	56	<b>0</b>
T-Systems France SAS	45	<b>0</b>
T-Systems Limited	42	<b>0</b>
<b>T-Systems</b> ITC Iberia S,A,	42	<b>0</b>
<b>T-Systems</b> Nederland B,V,	15	0
T-Systems Slovakia s,r,o	9	0
	<b>269</b>	<b>0</b>
<b>Group-internal customers</b>	<b>94,624</b>	<b>57,866</b>
<b>External customers</b>	<b>2,753</b>	<b>868</b>
<b>Total net revenue</b>	<b>97,377</b>	<b>58,734</b>

## 2. Other operating income

Other operating income amounted to EUR 7,184 thousand (prior year EUR 367 thousand) and was mainly attributable to the utilization of the accrual for contingent losses (EUR 6,070 thousand), the reversal of accruals (EUR 376 thousand) and income from the transfer of personnel-related costs (EUR 640 thousand). Income from the reversal of accruals relates, in particular, to the accrual for partial retirement obligations (EUR 223 thousand) due to the changeover to the “55 model” and the accrual for outstanding invoices (EUR 142 thousand).

Other operating income includes EUR 376 thousand from the reversal of accruals from other accounting periods.

## 3. Goods and services purchased

	<b>2009</b> thousands of €	<b>2008</b> thousands of €
<b>Services purchased</b>		
IT services framework agreement	39,415	24,022
Financial reporting costs	1,080	<b>720</b>
Other	652	5
<b>Total cost of goods and services purchased</b>	<b>41,147</b>	<b>24,747</b>

Goods and services purchased consists primarily of expenses from the IT services framework agreement (EUR 39,415 thousand; prior year EUR 24,022 thousand) and financial reporting services purchased from Deutsche Telekom’s RCI/AGG unit (EUR 1,080 thousand; prior year EUR 720 thousand).

The IT services agreement between DeTeAccounting and Deutsche Telekom’s RCI unit covers, among other things, the provision of services in the areas of process management, project management, system operations and application management for selected financial accounting systems.

DeTeAccounting provides operational financial accounting and financial reporting for its customers. As such, DeTeAccounting is solely responsible for operational financial accounting activities. Financial reporting services, by contrast, are performed by Deutsche Telekom’s RCI/AGG unit, which acts as a subcontractor of DeTeAccounting.

#### 4. Personnel costs

The rise in personnel costs is chiefly attributable to the transfer of TSI and TMD finance and accounting units and functions to DeTeAccounting as of January 1, 2009 and July 1, 2009.

	2009 thousands of €	2008 thousands of €
<b>Wages and salaries</b>	<b>36,931</b>	<b>22,055</b>
<b>Social security contributions and expenses for pension plans and for</b>	<b>8,305</b>	<b>5,133</b>
Social security contributions	4,941	3,339
Expenses for pension plans and benefits	3,364	1,794
<b>Total personnel costs</b>	<b>45,236</b>	<b>27,188</b>

#### 5. Other operating expenses

Other operating expenses in the amount of EUR 39,607 thousand (prior year EUR 35,525 thousand) can be broken down as follows:

	2009 thousands of €	2008 thousands of €
Loan and temporary staff	20,271	17,210
Rental and leasing expenses	7,819	5,190
IT support	5,215	2,865
Other employee-related costs	3,670	2,235
Training and development	1,599	760
Cost of personnel administration and personnel management	1,401	900
Other employee-related costs	375	362
Expenses for events and conferences	295	213
Travel expenses	934	7
Legal and consulting fees	460	19
Year-end closing and audit costs	304	286
Telephony costs	304	287
Office material	297	151
Maintenance and repair costs	206	234
Insurance	76	54
Additions to accruals for contingent losses	0	124
Other	51	6,070
<b>Total other operating expenses</b>	<b>39,607</b>	<b>35,525</b>



Expenses for loan and temporary staff mainly comprise expenses in the amount of EUR 18,245 thousand (prior year EUR 15,535 thousand) for the civil servants assigned from Deutsche Telekom to DeTeAccounting.

Rental and leasing expenses consist mainly of the cost of renting premises (EUR 6,069 thousand) and leasing charges for telecommunication equipment (EUR 1,181 thousand).

IT support expenses relate chiefly to the cost of providing and maintaining workstation systems (EUR 2,822 thousand) and the cost of scanning services from Vivento Customer Services GmbH (EUR 1,955 thousand).

## **6. Net interest expense**

Net interest expense amounting to EUR 287 thousand (prior year EUR 853 thousand) mainly includes interest income from the cash management account with DTAG (EUR 110 thousand) and interest income from a time deposit (EUR 157 thousand).

## **7. Appropriation of income**

A loss of EUR -21,199 thousand was recorded under ordinary business activities for the 2009 financial year. This loss was transferred to DTAG under the profit and loss transfer agreement in place.

# **IV, Other disclosures**

## **1. Executive bodies**

### **Supervisory Board**

The following persons are members of the Supervisory Board of DeTeAccounting:

- Dr. Guillaume Maisondieu, Chairman; Senior Vice President, Group Accounting & Customer Finance, Deutsche Telekom AG, Bonn (since November 23, 2009)
- Dieter Cazzonelli, Senior Vice President, Taxes, Deutsche Telekom AG, Bonn
- Ernst-Heinrich Theilmann, Deputy Chairman (employee representative); member of the Works Council of DeTeAccounting, Bonn, released from active duty for works council purposes
- Guido Kerkhoff; Member of the Board of Management of Deutsche Telekom AG, Bonn, responsible for business in Southern and Eastern Europe (until September 15, 2009)
- Dr. Andreas Lischka, Senior Vice President Board Member Support, Finance, Deutsche Telekom AG (from September 15, 2009 to November 23, 2009)

### **Board of Directors**

1. Guido Jonen, Director, Chairman of the Board of Directors, Director of Finance and Human Resources
2. Arne Freund, Director of Operations

### **Management remuneration**

In accordance with § 286 (4) HGB, management remuneration need not be disclosed.

### **2. Relationships with the parent company**

DeTeAccounting's sole shareholder is Deutsche Telekom AG, headquartered in Bonn. Capital stock amounts to EUR 100,000. The annual financial statements of DeTeAccounting are included in Deutsche Telekom AG's consolidated financial statements, which is published in the electronic Federal Gazette and can be accessed on the website of DTAG's register of companies.

Pursuant to § 291 (2) HGB, the Company has not prepared consolidated financial statements or a Group management report for the DeTeAccounting subgroup as it, and its subsidiaries, are included in the consolidated financial statements of Deutsche Telekom AG, Bonn. The consolidated financial statements of Deutsche Telekom AG are prepared in accordance with § 315a HGB and published in the electronic Federal Gazette.

### **3, Number of employees**

The average number of employees pursuant to § 285 Sentence 1 No. 7 HGB in the 2009 financial year was 693 (of which: 96 employees on temporary leave from civil servant status and 597 salaried employees).

As of the balance sheet date December 31, 2009, the Company had 708 employees (of which: 93 on temporary leave from civil servant status and 615 salaried employees).

Bonn, February 18, 2010

Deutsche Telekom Accounting GmbH

Guido Jonen

Arne Freund

**Statement of noncurrent assets**

	Acquisition costs					Depreciation, amortization and write-downs					Net carrying amount	Net carrying amount
	Jan. 1, 2009	Additions	Additions from Group companies	Disposals	Dec. 31, 2009	Jan. 1, 2009	Additions	Additions from Group companies	Disposals	Dec. 31, 2009	Dec. 31, 2009	Dec. 31, 2008
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets												
Software licenses	2,560.00	0.00	82,352.90	0.00	84,912.90	2,560.00	10,648.00	53,356.90	0.00	66,564.90	18,348.00	0.00
II. Property, plant and equipment												
Other equipment, plant and office equipment	541,873.73	68,791.94	106,052.47	423,307.27	293,410.87	456,133.73	45,137.94	55,593.47	384,602.27	172,262.87	121,148.00	85,740.00
III. Financial assets												
Investments in subsidiaries	0.00	108,180.56	0.00	0.00	108,180.56	0.00	0.00	0.00	0.00	0.00	108,180.56	0.00
	<b>544,433.73</b>	<b>176,972.50</b>	<b>188,405.37</b>	<b>423,307.27</b>	<b>486,504.33</b>	<b>458,693.73</b>	<b>55,785.94</b>	<b>108,950.37</b>	<b>384,602.27</b>	<b>238,827.77</b>	<b>247,676.56</b>	<b>85,740.00</b>

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## **Auditors' report**

We have audited the annual financial statements, consisting of the statement of income, the balance sheet, and the notes to the financial statements, together with the bookkeeping system, and the management report of Deutsche Telekom AG, Bonn for the financial year January 1 to December 31, 2009. The maintenance of the books and records and the preparation of the annual financial statements and the management report in accordance with German commercial law are the responsibility of the Company's Board of Directors. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position, and results of operations in the annual financial statements in conformity with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements, and the management report are examined primarily on a test basis within the framework of the audit. The audit includes an assessment of the accounting principles used and significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

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Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements are in line with statutory requirements and give a true and fair view of the net assets, financial position, and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Dusseldorf, February 19, 2010

PricewaterhouseCoopers  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Verena Heineke  
Wirtschaftsprüferin

ppa. Melanie Zütkler  
Wirtschaftsprüferin