

**Erste DFMG Deutsche Funkturm
Vermögens-GmbH & Co. KG
Heusenstamm**
**Copy of the Audit Certificate
Annual Financial Statements and Management Report
December 31, 2008**

Ernst & Young AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

 **ERNST & YOUNG**



TABLE OF CONTENTS

Auditors' report

Accounting

Commissioning Terms, Liability and Conditions of Use

General Commissioning Terms

Notes:

We have prepared with following auditors' report in compliance with statutory and professional requirements and regulations in accordance with the conditions described in the Appendix "Commissioning Terms, Liability and Conditions of Use."



Auditors' report

We have audited the annual financial statements, consisting of the balance sheet, the statement of income, and the notes to the financial statements, together with the bookkeeping system, and the management report of Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, Heusenstamm, for the financial year from January 1 to December 31, 2008. The bookkeeping 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 legal representatives. 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 assessing the accounting principles used and significant estimates made by the Company's legal representatives, as well as evaluating the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.



In our opinion, based on our findings from 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.

Leipzig, February 2, 2009

Ernst & Young AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Mandler
Wirtschaftsprüfer

Schurk
Wirtschaftsprüfer

Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, Heusenstamm
Balance sheet at December 31, 2008

ASSETS	Dec. 31, 2007			SHAREHOLDERS' EQUITY AND LIABILITIES			Dec. 31, 2007		
	EUR	EUR	EUR '000	EUR	EUR	EUR '000	EUR	EUR	EUR '000
A. NONCURRENT ASSETS									
Property, plant and equipment									
1. Land-equivalent rights, and buildings including installations on land owned by third parties	152,911,680.43		164,680						
2. Technical equipment	<u>98,951,661.54</u>		<u>115,031</u>						
		251,863,341.97		<u>279,711</u>					
B. CURRENT ASSETS									
Receivables and other assets									
1. Receivables from subsidiaries	58,395,829.22		148,752						
2. Other assets	<u>2,160,847.30</u>		<u>112</u>						
		<u>60,556,676.52</u>		<u>148,864</u>					
	<u>312,420,018.49</u>		<u>428,575</u>						
A. SHAREHOLDERS' EQUITY									
I Equity interests									
				Equity interests of the limited partners					
							100,000.00		100
							<u>170,172,892.57</u>		<u>195,173</u>
							<u>170,272,892.57</u>		<u>195,273</u>
B. ACCRUALS									
I Taxes									
				1	Taxes		0.00		4.604
				2	Other		<u>123,669,514.27</u>		<u>109,708</u>
							<u>123,669,514.27</u>		<u>114,312</u>
C. LIABILITIES									
1 Payables to subsidiaries									
				1	Payables to subsidiaries		17,481,843.64		118,031
				2	Other liabilities		995,768.01		977
							of which from taxes EUR 975.375.12 (prior year EUR 975,000)		
								<u>18,477,611.65</u>	<u>118,990</u>
	<u>312,420,018.49</u>		<u>428,575</u>						

Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, Heusenstamm
Statement of income for the 2008 financial year

	EUR	EUR	EUR '000	2007
1. Net revenue	65,085,394.16			119,143
2. Cost of sales	<u>45,873,675.88</u>			97,464
3. Gross profit (loss)		19,211,718.28		<u>21,679</u>
4. General and administrative costs	190,712.40			95
5. Other operating income	747,125.97			3,971
6. Other operating expenses	<u>1,547,572.79</u>			606
		991,159.22		<u>-3,270</u>
7. Other interest and similar income of which from subsidiaries: EUR 2,105,516.44 (prior year EUR 5,179,000)		2,105,516.44		5,209
8. Interest and similar expense of which to subsidiaries: EUR 350,197.02 (prior year EUR 5,249,000)	<u>357,170.57</u>			5,253
		1,748,345.87		-44
9. Results from ordinary business activities		19,968,904.93		24,905
10. Income taxes		<u>2,487,061.29</u>		5,853
11. Income after taxes		17,481,843.64		19,052
12. Credit to shareholder accounts		<u>17,481,843.64</u>		19,052
		0.00		0

Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, Heusenstamm

Notes to the annual financial statements for the 2008 financial year

General

Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG commenced operations effective October 1, 2002. The articles of association of Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co KG (hereinafter Erste Funkturm KG) were signed on November 14, 2002. The Company was entered in the Commercial Register on December 27, 2002. The Company's registered office was moved from Münster to Heusenstamm in 2008 and the articles of association amended accordingly on Jan. 28, 2008.

The limited partner in Erste Funkturm KG is Deutsche Telekom AG with fixed equity interest of EUR 100,000. General partners are DFMG Deutsche Funkturm GmbH, Münster and Tamburo Telekommunikationsdienste GmbH, Heusenstamm. They make no contribution and have no equity interest.

The purpose of the Company is the acquisition of antenna supports (towers, masts and mounting tubes) and ownership of the antenna supports and associated operations buildings, as well as leasing land, sections of land and building space where antenna supports and associated operations buildings and other associated assets are located, for the purpose of marketing against payment.

These annual financial statements have been prepared in accordance with §§ 242 ff. and §§ 264 ff. HGB. The requirements of § 264a HGB in combination with § 267 (3) HGB that are applicable for large corporations apply.

The statement of income was prepared using the cost-of-sales accounting method.

I. Accounting policies

The following accounting policies were significant for the preparation of the annual financial statements.

Property, plant and equipment is recognized at acquisition or production cost and is reduced by depreciation where appropriate.

Straight-line depreciation is charged over the expected useful life of property, plant and equipment. Movable depreciable items of property, plant and equipment that can be used on their own and cost between EUR 0.01 and EUR 150.00 (net) are depreciated in full in the year of their acquisition. Movable depreciable items of property, plant and equipment that can be used on their own and cost between EUR 150.01 and EUR 1,000.00 (net) are assigned to an omnibus item and depreciated over 5 years.

Receivables and other assets are carried at nominal value. Appropriate individual valuation allowances are made for all risky items.

Tax accruals and **other accruals** cover all uncertain liabilities and loss contingencies arising from pending transactions. These include accruals for restoration commitments in particular. They are recognized in the amount deemed necessary according to prudent commercial judgment.

Liabilities are carried at their repayment amount.

II. Notes to the balance sheet

Noncurrent assets

Changes in individual items of noncurrent assets are shown together with the depreciation and amortization in the statement of noncurrent assets.

Receivables and other assets

Receivables from subsidiaries includes the receivable from cash management amounting to EUR 21,559,000 from Deutsche Telekom AG, Bonn.

Refund claims relating to the take-over of restoration commitments from subsidiaries resulted in receivables from Deutsche Telekom AG, Bonn, amounting to EUR 33,292,000 which become due after restoration measures have been performed.

Equity interests

The contributions entered in the commercial register in accordance with § 172 (1) HGB have been made in full.

Reserves

The shareholders' equity was reduced by EUR 25,000,000 by a withdrawal from the reserve account (capital repatriation) by shareholder resolution on October 7, 2008. The limited partner's contribution and therefore the liability amount are not affected by this withdrawal.

The withdrawal was managed via the cash clearing account.

Accruals

Other long-term accruals were mainly recognized for intercompany restoration commitments (EUR 68,676,000) and for restoration commitments outside the Group (EUR 54,904,000).

Liabilities

Current liabilities to tax authorities of EUR 990,000 result from value-added tax liabilities. Liabilities to shareholders of EUR 17,482,000 related to the crediting of income after taxes from 2008. The liabilities have a remaining maturity of one year or less and are not secured.

Other financial obligations

There are no other financial obligations.

III. Notes to the statement of income

The *supplementary agreement to the license agreement between Erste Funkturm KG and DFMG Deutsche Funkturm GmbH for the use of third-party sites* contractually documented a change in the calculation of the usage fee between the two companies. As a result, net revenues and goods and services purchased decreased by the same amount in the 2008 financial year.

Net revenue

Revenues are from the provision of buildings and technical equipment for the operation of radio equipment. The revenues are generated exclusively with affiliated companies within Germany. The year-on-year decrease in finance costs in 2008 is primarily due to a reduction in the lease charge in accordance with the amended / supplemented license agreement.

Cost of sales

The cost of sales (EUR 45,874,000) includes goods and services purchased amounting to EUR 14,454,000 (prior year EUR 62,349,000). The decrease in goods and services purchased was the result of the contractually documented change in the calculation of the usage fee.

Depreciation, amortization and write-downs

Depreciation, amortization and write-downs (EUR 31,419,000) include write-downs of EUR 45,000 (prior year EUR 530,000).

Other operating expenses

Other operating expenses include losses from disposals amounting to EUR 1,548,000 (prior year EUR 605,000). These include losses on disposal of assets of EUR 522,000 recorded in the results of an inventory check.

Other operating income

Other operating income includes income from the reversal of accruals amounting to EUR 111,000 (prior year EUR 3,557,000), mainly from the adjustment of accruals for restoration commitments. Gains from additions to assets following an inventory check amounted to EUR 636,000.

Income taxes

Income taxes have full impact on the results from ordinary business activities.

Expenses/income relating to other periods

Trade tax income for prior years amounting to EUR 130,000 was recording following a tax audit.

IV. Other disclosures

Board of Management

The Company is managed by the general partners, DFMG Deutsche Funkturm GmbH, Münster, and Tamburo Telekommunikationsdienste GmbH, Heusenstamm. These are represented by:

- Dr. Rudolf Pospischil, Münster (DFMG)
- Andreas Boy, Münster (DFMG)
- Dr. Joachim Peckert, Bonn (Tamburo)
- Dr. Christian Dorenkamp, Bonn (Tamburo)

The capital stock of DFMG Deutsche Funkturm GmbH amounts to EUR 30,000 and the capital stock of Tamburo Telekommunikationsdienste GmbH EUR 25,000.

The Company incurred expenses totaling EUR 5,000 for performance of management activities in the 2008 financial year.

Employees

The Company has no employees of its own.

Relationship with the Group

The annual financial statements are included in the consolidated financial statements of Deutsche Telekom AG as the parent company. The latter prepares the consolidated financial statements for the largest group of companies in accordance with § 315 a HGB. The published consolidated financial statements are available at the Company's registered office.

Profit (loss) distribution

The shares of profits/losses are credit to the current account of the limited partner in accordance with § 167 (1) in combination with § 120 HGB.

Heusenstamm, January 30, 2009

Board of Management

DFMG Deutsche Funkturm GmbH

Tamburo Telekommunikationsdienste GmbH

Statement of noncurrent assets in the financial year from Jan. 1, 2008 to Dec. 31, 2008

	Acquisition costs						Cumulative depreciation and amortization						Net carrying amounts		
	Jan. 1, 2008 EUR	Additions from assets transfers EUR	Additions EUR	Disposals EUR	Reclassification EUR	Dec. 31, 2008 EUR	Jan. 1, 2008 EUR	Additions from assets transfers EUR	Additions EUR	Disposals EUR	Reclassification EUR	Dec. 31, 2008 EUR	Dec. 31, 2008 EUR	Dec. 31, 2007 EUR	Dec. 31, 2007 EUR '000
Property, plant and equipment															
1 Buildings including installations on land owned by third parties	478,871,611.41	186,155.94	905,907.29	5,808,307.10	-1,544,449.40	475,702,816.94	314,191,962.63	52,124.26	12,439,889.43	5,381,395.19	1,488,555.38	322,791,136.51	152,911,680.43	164,680	
2 Technical equipment	990,232,304.91	251,207.15	4,378,835.55	21,727,621.92	-1,544,449.40	971,590,276.29	875,200,813.81	134,838.30	18,979,678.81	20,188,160.79	-1,488,555.38	872,638,614.75	98,951,661.54	115,031	
	1,469,103,916.32	440,363.09	5,284,742.84	27,535,929.02	0.00	1,447,293,093.23	1,189,392,776.44	186,962.56	31,419,568.24	25,569,555.98	0.00	1,195,429,751.26	251,863,341.97	279,711	

Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, 2008 management report

1. DEVELOPMENT OF BUSINESS

Jan. 1, Development of the Company

As in the prior year, a decrease was recorded in the main sales areas of Deutsche Funkturm GmbH, Münster, (DFMG), radio relay and radio aerial sites, which relates to the equipment of Erste DFMG Deutsche Funkturm Vermögens-GmbH & Co. KG, Münster (Erste Funkturm KG).

The Company's registered office moved from Münster to Heusenstamm effective Jan. 1, 2008. The following agreements were concluded effective Jan. 1, 2008:

- 1) A supplementary agreement to the master agreement between GMG Generalmietgesellschaft mbH, Erste Funkturm KG and DFMG on the leasing of real estate from DTAG used for mixed purposes;
- 2) A supplementary agreement to the master agreement between GMG Generalmietgesellschaft mbH, Erste Funkturm KG and DFMG on the leasing of space for the installation of mounting tubes on DTAG buildings;
- 3) A supplementary agreement to the master agreement between GMG Generalmietgesellschaft mbH, Erste Funkturm KG and DFMG on the leasing of real estate from DTAG used exclusively as transmitter sites;
- 4) A supplementary agreement to the license agreement between Erste Funkturm KG and DFMG for the use of third-party sites.

As a result of the supplementary agreements to the lease agreements with GMG Generalmietgesellschaft, DFMG replaces Erste Funkturm KG as the lessee in the agreements. The restoration commitments remain with Erste Funkturm KG.

As a result of the provisions in the supplementary agreement to the license agreement, the usage fee payable by Erste Funkturm KG to DFMG ceases to apply. In the same way, the lease charge payable by DFMG is reduced by the costs of leasing from third parties and the addition to accruals for restoration for real estate leased from third parties.

Furthermore, the interest on assets to be paid by DFMG in accordance with the lease agreement will decrease from 7.8 percent to 7.5 percent from the 2008 financial year onwards.

1.2. Net revenue

Net revenue of Erste Funkturm KG in the 2008 financial year amounted to EUR 65.1 million. In accordance with the lease agreement, these revenues were generated exclusively with DFMG GmbH. The lease agreement guarantees coverage of all significant expenses plus interest on assets.

1.3. Capital expenditure

Erste Funkturm KG recorded capital expenditure of EUR 5.3 million. Of that amount, EUR 0.6 million is attributable to additions to inventories.

1.4. Financing

The Company participated in DTAG's cash concentration via DFMG.

1.5. Staff

Erste Funkturm KG employs no personnel of its own.

3. RISK REPORT

In view of the long-term business relationship with DFMG Deutsche Funkturm GmbH, Münster, no significant risks relating future developments have been identified.

4. FORECAST

4.1. Significant events after the balance sheet date

No significant events were recorded after the balance sheet date.

4.2. Expected development of the Company

In view of the function of providing assets for DFMG and the agreements signed with DFMG, the Company revenues to decline and earnings to develop accordingly in the 2009 and 2010 financial years as a result in particular of the lower levels of depreciation and amortization, and the remuneration linked to the carrying amounts.

Heusenstamm, January 30, 2008

Board of Management

DFMG Deutsche Funkturm GmbH

Tamburo Telekommunikationsdienste GmbH

COMMISSIONING TERMS, LIABILITY AND CONDITIONS OF USE

We, Ernst & Young AG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, have performed our audit of these accounts on behalf of the Company. In addition to the legal function of disclosure (§ 325 German Commercial Code) in the case of a legal audit requirement, the auditors' report is intended exclusively for the Company and was issued for the Company's internal use only, and not for any other purposes for third parties or as a basis for decision for third parties. As such, the results of voluntary audits as summarized in the auditors' report is not intended as the basis for third parties to reach any decisions, and is not to be used for any purposes other than that intended.

Our activities are governed by our commission confirmation letter for the audit of these accounts, the Special Commissioning Terms for Audits and Audit-Related Services published by Ernst & Young AG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (dated July 1, 2007) and the "General Commissioning Terms for Independent Auditors and Auditing Companies" of January 1, 2002 issued by the Institut der Wirtschaftsprüfer.

For purposes of clarification, we emphasize that we accept no responsibility, liability or other obligations to third parties unless we have concluded a written agreement to the contrary with the third party or such a disclaimer is ineffective.

We explicitly emphasize that we shall not update the auditors' report to take into account any events or circumstances that may arise following its issue, unless there is a legal obligation to do so.

Whosoever may read and acknowledge the results of our activities as summarized in the above auditors' report decides under his/her own responsibility whether and in what form he/she considers these results useful and appropriate to his/her purposes and extends, verifies or updates them through investigation activities of his/her own.