

Board of Management proposal on the appropriation of net income in accordance with § 170 (2) of the German Stock Corporation Act (Aktiengesetz):

At the shareholders' meeting on May 15, 2008, the Board of Management will submit the following proposal for the appropriation of net income generated in the 2007 financial year:

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| 1. Distribution to shareholders: | Payment of a dividend of €0.78 per no par value share carrying dividend rights
= EUR 3,385,545,190.56 |
| 2. Transfer to retained earnings: | EUR 0.00 |
| 3. Unappropriated net income carried forward: | The remaining balance is carried forward to the new account
= EUR 3,293,078,093.86 |
| 4. Unappropriated net income: | EUR 6,678,623,284.42 |

The above total dividend and the above remaining balance to be carried forward to unappropriated net income are based on the dividend-bearing capital stock of EUR 11,111,532,933.12, divided up into 4,340,442,552 no par value shares, on the day of publishing the annual financial statements on February 11, 2008.

The number of shares carrying dividend rights may change up to the date on which the vote on the resolution regarding the appropriation of net income is taken. In this case, the Board of Management will submit a suitably amended motion for resolution regarding the appropriation of net income to the shareholders' meeting if the payment of EUR 0.78 per no par value share carrying dividend rights remains unchanged. The adjustment shall be made as follows: If the number of shares carrying dividend rights and thus the total dividend decreases, the amount to be carried forward to unappropriated net income increases accordingly. If the number of shares carrying dividend rights and thus the total dividend increases, the amount to be carried forward to unappropriated net income decreases accordingly.

Bonn, February 11, 2008
Deutsche Telekom AG
Board of Management

René Obermann (Chairman)

Dr. Karl-Gerhard Eick (Deputy Chairman)

Hamid Akhavan

Reinhard Clemens

Timotheus Höttges

Thomas Sattelberger