Authorization to issue bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) (hereinafter collectively also referred to as "bonds") having a total par value of up to EUR 6,500,000,000 and to grant the holders or creditors (hereinafter collectively referred to as "holders") of the respective partial bonds with equal rights, option or conversion rights to shares of the Company up to a maximum of 429,687,500 shares and with a proportion of the capital stock of a maximum of EUR 1,100,000,000 in accordance with the terms and conditions of the bonds. The bonds as well as option and conversion rights can be issued with or without a limited term. The bonds can carry fixed or variable interest. Moreover, the interest, as with a participating bond, can also depend partially or completely on the amount of the Company's dividend.

The Board of Management shall be authorized, with the approval of the Supervisory Board, to issue on one or more occasions by May 2, 2015 bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) having a total par value of up to EUR 6,500,000,000 and to grant the holders or creditors (hereinafter collectively referred to as "holders") of the respective partial bonds with equal rights, option or conversion rights to shares of the Company up to a maximum of 429,687,500 shares and with a proportion of the capital stock of a maximum of EUR 1,100,000,000 in accordance with the terms and conditions of the bonds. The bonds as well as option and conversion rights can be issued with or without a limited term. The bonds can carry fixed or variable interest. Moreover, the interest, as with a participating bond, can also depend partially or completely on the amount of the Company's dividend.

2. Currency, issue by companies in which Deutsche Telekom has a majority holding

The bonds may be issued both in euros and in the legal tender of an OECD country, to be limited to the equivalent of the price in euros. The bonds may also be issued by direct or indirect majority shareholdings of Deutsche Telekom AG (companies in which Deutsche Telekom AG has a direct or indirect majority share of the votes and capital), in which case, the Board of Management shall be authorized, with the approval of the Supervisory Board, to provide the guarantee for the bonds for Deutsche Telekom AG and grant or guarantee option or conversion rights to Deutsche Telekom AG shares to the holders of such bonds.

3. Option and conversion rights

If bonds with warrants are issued, one or more warrants shall be attached to each partial bond which entitle the holder to subscribe to shares of Deutsche Telekom AG in accordance with the terms and conditions of the warrant. The terms and conditions of the warrant may also provide for the possibility that the option price can be furnished in full or in part by transferring partial bonds. The subscription ratio is the result of dividing the par value of a partial bond by the option price for a share of Deutsche Telekom AG. The resulting arithmetic fractional shares can be settled in cash. The proportion of the capital stock represented by the shares to be subscribed for each partial bond in the event of the option being exercised may not exceed the par value of the individual partial bond.

If convertible bonds are issued, the holders of the bonds have the right to convert their partial bonds into shares of Deutsche Telekom AG in accordance with the terms and conditions of the convertible bond. The exchange ratio is the result of dividing the par value of a partial bond by the conversion price for a share of Deutsche Telekom AG. The resulting arithmetic fractional shares can be settled in cash. The proportion of the capital stock represented by the shares to be issued for each partial bond in the event of the conversion may not exceed the par value of the individual partial bond.
4. Option and conversion obligations

The terms and conditions of the bonds may also constitute an option or conversion obligation (mandatory convertible) at the end of the term or earlier (hereinafter also referred to as “final due date”) or make a provision for the right of Deutsche Telekom AG, when the final due date of the bond falls, to grant the holders of bonds shares of Deutsche Telekom AG completely or partially in lieu of payment of the amount due. In this case, the option or conversion price for a share may correspond to the (unweighted) average closing price of the Deutsche Telekom AG share in the Xetra trading system (or a subsequent system) of Deutsche Börse AG during the ten trading days before or after the final due date, even if this is below the minimum price stated in item 6. The proportion of the capital stock represented by the shares to be issued for each partial bond on the final due date may not exceed the par value of the individual partial bond in this case.

5. Granting new or existing shares; cash payments

In the event of the option being exercised or conversion and in the event of fulfillment of the option or conversion obligations, the Company may at its discretion either grant new shares from contingent capital, or existing Company shares or shares of another listed company. The terms and conditions of the bonds may also provide for the right of the Company, in the event of the option being exercised or conversion and in the event of fulfillment of the option or conversion obligations, not to grant shares, but rather pay the equivalent value in cash.

6. Option price, conversion price, adjustment of the option or conversion price to retain value

The option or conversion price for a share, determined on the basis of the ratio of the par value of a partial bond to the number of subscribed shares must – with the exception of the cases in which an option or conversion obligation is provided (above under item 4) –

(a) be at least 80% of the (unweighted) average closing price of the Deutsche Telekom AG share in the Xetra trading system (or a subsequent system) of Deutsche Börse AG on the last ten trading days before the date on which the resolution is adopted by the Board of Management on the issue of the bonds,

or

(b) in the event of subscription rights being granted, at least 80% of the (unweighted) average closing price of the Deutsche Telekom AG share in the Xetra trading system (or a subsequent system) of Deutsche Börse AG in the period from the start of the subscription period up to and including the day before notification is given of the definitive terms and conditions of the bonds pursuant to § 186 (2) AktG.

§ 9 (1) AktG shall remain unaffected.

If during the term of bonds, which grant or stipulate an option or conversion right and obligation, the financial value of the existing option or conversion rights and obligations is diluted and no subscription rights are granted as compensation, the option or conversion rights and obligations – notwithstanding § 9 (1) AktG – may be adjusted to retain value insofar as the adjustment is not already covered by statute. In any case, the proportion of the capital stock represented by the shares to be subscribed for each partial bond may not exceed the par value of the individual partial bond.

Instead of adjusting the option or conversion price to retain value, in accordance with the terms and conditions of the bonds in all these cases, provision can be made for the payment of a corresponding amount in cash by the Company in the event of exercising the option or conversion right or in the event of fulfillment of the option or conversion obligation.

7. Granting of subscription rights, exclusion of subscription rights

Shareholders have in principle subscription rights to the bonds. The bonds may also be taken over by one or several banks or by members of a consortium of banks or these taken over by equivalent companies with an obligation to offer them to shareholders for subscription pursuant to § 186 (5) sentence 1 AktG. If the bonds are issued by a direct or indirect majority shareholding of Deutsche Telekom AG, Deutsche Telekom AG shall ensure shareholders of Deutsche Telekom AG are granted subscription rights in accordance with the foregoing sentences.

However, the Board of Management shall be authorized, with the approval of the Supervisory Board, to exclude statutory subscription rights of shareholders to the bonds
(a) if the bonds are issued with option or conversion rights and obligations for a cash payment and are thus structured so that their issue price is not significantly lower than the theoretical market price determined in accordance with recognized financial methods. This authorization for excluding subscription rights only applies, however, to bonds with option or conversion rights and obligations to shares with a proportionate amount of the capital stock, which must not exceed 10% of Deutsche Telekom AG’s capital stock. The 10% limit is calculated on the basis of the amount of capital stock on the date of the shareholders’ meeting resolution regarding this authorization, or – if this value is lower – on the date of exercising this authorization. The authorized volume decreases by the proportion of capital stock that is accounted for by the shares or that relates to option or conversion rights and obligations from bonds issued or sold since this authorization was granted, directly pursuant to, in accordance with or analogous to § 186 (3) sentence 4 AktG.

(b) for fractional amounts that arise as a result of the subscription ratio;

(c) where necessary to grant holders of previously issued bonds a subscription right to the extent they would be entitled to as a shareholder after exercising an option or conversion right or after fulfilling an option or conversion right.

If profit participation rights or participating bonds without option or conversion rights and obligations are issued, the Board of Management shall be authorized, with the approval of the Supervisory Board, to exclude subscription rights of shareholders overall if these profit participation rights or participating bonds entail obligation-like terms, i.e. do not constitute any membership rights in the company, do not grant any participation in liquidation proceeds and the amount of interest is not calculated on the basis of the amount of net income/loss, unappropriated net income or the dividend. In this case, the interest and the issue price of the profit participation rights or participating bonds must also be in line with comparable borrowing under the current market conditions on the issue date.

8. Authorization to determine other details

The Board of Management shall be authorized, with the approval of the Supervisory Board, within the given parameters to stipulate the other particulars and terms of the bond issues and the option or conversion rights and obligations, in particular the interest rate, type of interest, issue price, maturity term and denominational units as well as option or conversion period and a possible variability of the conversion ratio, or to make such determinations in coordination with the executive bodies of the majority holdings of Deutsche Telekom AG issuing the bonds.

II. Cancellation of the contingent capital pursuant to § 5 (5) of the Company’s Articles of Incorporation and the creation of new contingent capital 2010

1. The contingent capital increase (contingent capital IV) approved by the shareholders’ meeting on April 26, 2005 and included in § 5 (5) of the Company’s Articles of Incorporation shall be cancelled.

2. The Company’s capital stock shall be conditionally increased by up to EUR 1,100,000,000 by issuing up to 429,687,500 no par value shares (contingent capital 2010). The contingent capital increase is used to grant shares when options or conversion rights are exercised or option or conversion obligations are fulfilled vis-à-vis the holders or creditors of the bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) (hereinafter collectively referred to as “bonds”) issued on the basis of the authorization by the shareholders’ meeting on May 3, 2010.

The new shares are issued at the option and conversion price to be stipulated in each instance in accordance with the aforementioned authorization. The contingent capital increase shall be implemented to the extent to which the holders or creditors of bonds, which are issued or guaranteed by Deutsche Telekom AG or its direct or indirect majority holdings by May 2, 2015, on the basis of the authorization resolution granted by the shareholders’ meeting on May 3, 2010, make use of their option or conversion rights, or option or conversion obligations arising out of such bonds are fulfilled and insofar as other forms of fulfillment are not used. The new shares issued as a result of the exercising of option or conversion rights or the fulfillment of option or conversion obligations participate in the profits starting at the beginning of the financial year in which they are acquired.
The Board of Management shall be authorized, with the approval of the Supervisory Board, to determine any other details concerning the implementation of the contingent capital increase. The Supervisory Board shall be authorized to amend § 5 (5) of the Articles of Incorporation in accordance with the particular usage of the contingent capital and after the expiry of all the option or conversion periods.

III. Changes of the Articles of Incorporation

§ 5 (5) of the Articles of Incorporation shall be amended as follows:

“(5) The Corporation’s capital stock is conditionally increased by up to EUR 1,100,000,000, divided into up to 429,687,500 no par value shares (contingent capital 2010). The contingent capital increase shall be implemented only to the extent that

(a) the holders or creditors of bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) with option or conversion rights, which are issued or guaranteed by Deutsche Telekom AG or its direct or indirect majority holdings by May 2, 2015, on the basis of the authorization resolution granted by the ordinary shareholders’ meeting on May 3, 2010, make use of their option and/or conversion rights or

(b) persons obligated under bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) which are issued or guaranteed by Deutsche Telekom AG or its direct or indirect majority holdings by May 2, 2015, on the basis of the authorization resolution granted by the ordinary shareholders’ meeting on May 3, 2010, fulfill their option or conversion obligations and other forms of fulfillment are not used. The new shares shall participate in profits starting at the beginning of the financial year in which they are issued as the result of the exercise of any option or conversion rights or the fulfillment of any option or conversion obligations. The Supervisory Board is authorized to amend § 5 (5) of the Articles of Incorporation to reflect the utilization of the contingent capital and after the expiry of all the option or conversion periods.”