

**First Supplement dated 2 December 2016  
to the Prospectus dated 21 April 2016**

*This document constitutes a supplement (the "**First Supplement**") within the meaning of Article 16 of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "**Prospectus Directive**") to the base prospectus of Deutsche Telekom AG in respect of non-equity securities within the meaning of Art. 22 No. 6(4) of the Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended ("**Non-Equity Securities**"), and (ii) the prospectus of Deutsche Telekom International Finance B.V. in respect of Non-Equity Securities (together, the "**Prospectus**").*

This First Supplement is supplemental to, and should be read in conjunction with Prospectus dated 21 April 2016.



## **Deutsche Telekom AG**

Bonn, Federal Republic of Germany

as Issuer and as Guarantor for Notes issued by

## **Deutsche Telekom International Finance B.V.**

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands and having its corporate seat (*statutaire zetel*) in Maastricht, The Netherlands as Issuer

## **EUR 25,000,000,000 Debt Issuance Programme**

(the "**Programme**")

Deutsche Telekom AG and Deutsche Telekom International Finance B.V. have requested the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg law relating to prospectuses for securities, as amended (*Loi relative aux prospectus pour valeurs mobilières*) which implements the Prospectus Directive into Luxembourg law (the "**Luxembourg Law**") to provide the competent authorities in the Federal Republic of Germany ("**Germany**"), The Netherlands, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland and the Republic of Austria with a certificate of approval attesting that the First Supplement has been drawn up in accordance with the Luxembourg Law ("**Notification**"). Each Issuer (as defined below) may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification.

This First Supplement has been approved by the CSSF, has been filed with said authority and will be published, together with the document incorporated by reference, in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the website of Deutsche Telekom AG (<http://www.telekom.com/bonds>).

Deutsche Telekom AG ("**Deutsche Telekom AG**", the "**Guarantor**" or the "**Company**" and together with its consolidated subsidiaries, "**Deutsche Telekom**", the "**Group**" or "**Deutsche Telekom Group**") with its registered office in Bonn and Deutsche Telekom International Finance B.V. ("**Finance**") with its registered office in Maastricht (each an "**Issuer**" and together the "**Issuers**") are solely responsible for the information given in this First Supplement and for the information which will be contained in the Final Terms (as defined herein),

provided that:

Finance is not responsible for the description of Deutsche Telekom.

Each of the Issuers hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this First Supplement for which they are responsible is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning in this First Supplement.

This First Supplement shall only be distributed in connection with the Prospectus. It should only be read in conjunction with the Prospectus.

To the extent that there is any inconsistency between any statement in this First Supplement and any other statement in or incorporated by reference into the Prospectus, the statements in this First Supplement will prevail.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

The Issuers have confirmed to the Dealers that the Prospectus as supplemented by this First Supplement contains all information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuers and the rights attaching to the Notes which is material in the context of the Programme; that the information contained therein with respect to the Issuers and the Notes is accurate and complete in all material respects and is not misleading; that any opinions and intentions expressed therein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuers or the Notes, the omission of which would make the Prospectus as supplemented by this First Supplement as a whole or any of such information or the expression of any such opinions or intentions misleading; that the Issuers have made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

No person has been authorised to give any information which is not contained in or not consistent with the Prospectus or this First Supplement or any other document entered into in relation to the Programme or any information supplied by the Issuers or any other information in the public domain and, if given or made, such information must not be relied upon as having been authorized by the Issuers, the Dealers or any of them.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any other person mentioned in the Prospectus or this First Supplement, excluding the Issuers, is responsible for the information contained in the Prospectus or this First Supplement or any Final Terms or any other document incorporated therein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

The amendments included in this First Supplement in relation to the Terms and Conditions of the Notes shall only apply to Final Terms, the date of which falls on or after the approval of this First Supplement.

**In accordance with Article 13 paragraph 2 of the Luxembourg Law, where the Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes before this First Supplement is published have the right, exercisable within a time limit of two working days after the publication of this First Supplement, until 6 December 2016, to withdraw their acceptances provided that the new factor, mistake or inaccuracy referred to in Article 13 paragraph 1 of the Luxembourg Law arose before the final closing of the offer to the public and the delivery of the Notes.**

**1. Supplemental and replacement information pertaining to the "Summary – Section B – [Issuer] [Guarantor]"**

- "Element B.12 - Selected historical key financial information of Deutsche Telekom Group" on pages 9 to 10 of the Prospectus shall be supplemented by the following:

		30 Sep 2016	30 Sep 2015	2015
	Change -compared to prior year percent <sup>a</sup>	billions of EUR	billions of EUR	billions of EUR
REVENUE AND EARNINGS				
Net revenue	4.2	53.6	51.4	69.2
Of which: domestic <sup>a</sup> percent	(2.2)	34.2	36.4	36.2
Of which: international <sup>a</sup> percent	2.2	65.8	63.6	63.8
Profit (loss) from operations (EBIT)	62.7	8.2	5.1	7.0
Net profit (loss)	n.a.	4.8	2.3	3.3
EBITDA	33.3	17.7	13.3	18.4
EBITDA (adjusted for special factors)	9.4	16.2	14.8	19.9
EBITDA margin (adjusted for special factors) <sup>a</sup> percent	1.5	30.2	28.7	28.8
STATEMENT OF FINANCIAL POSITION				
Total assets	5.8	143.1	135.2	143.9
Shareholders' equity	3.0	37.6	36.5	38.2
Equity ratio <sup>a</sup> percent	(0.7)	26.3	27.0	26.5
Net debt	1.3	48.5	47.9	47.6
Relative debt (Net debt/EBITDA (adjusted for special factors)) <sup>a</sup>	n.a.	2.3	2.5	2.4
CASH FLOWS				
Net cash from operating activities	7.7	12.0	11.1	15.0
Net cash used in investing activities	(9.0)	(10.3)	(9.5)	(15.0)
Net cash (used in) from financing activities	80.3	(1.0)	(4.9)	(0.9)
Free cash flow (before dividend payments and spectrum investment)	14.0	4.0	3.5	4.5

	<sup>a</sup> Calculated on the basis of millions for the purpose of greater precision. Changes to percentages expressed as percentage points."
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- "Element B.12 – Significant change in the financial and trading position" on page 10 of the Prospectus shall be replaced by the following:

"Significant change in the financial and trading position	Not applicable. There has been no significant change in the financial or trading position of Deutsche Telekom AG since 30 September 2016."
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**2. Supplemental and replacement information pertaining to the "German Translation of the Summary – Zusammenfassung – Abschnitt B – [Emittentin] [Garantin]"**

- "Element B.12 - Ausgewählte wesentliche historische Finanzinformationen der Deutschen Telekom Gruppe" on pages 23 to 24 of the Prospectus shall be supplemented by the following:

		30 Sep. 2016	30. Sep. 2015	2015
	Veränderung zum Vorjahr in % <sup>a</sup>	Mrd. EUR	Mrd. EUR	Mrd. EUR
UMSATZ UND ERGEBNIS				
Umsatzerlöse	4,2	53,6	51,4	69,2
davon: Inlandsanteil <sup>a</sup> %	(2,2)	34,2	36,4	36,2
davon: Auslandsanteil <sup>a</sup> %	2,2	65,8	63,6	63,8
Betriebsergebnis (EBIT)	62,7	8,2	5,1	7,0
Konzernüberschuss/(-fehlbetrag)	n.a.	4,8	2,3	3,3
EBITDA	33,3	17,7	13,3	18,4
EBITDA (bereinigt um Sondereinflüsse)	9,4	16,2	14,8	19,9
EBITDA-Marge (bereinigt um Sondereinflüsse) <sup>a</sup> %	1,5	30,2	28,7	28,8
BILANZ				
Bilanzsumme	5,8	143,1	135,2	143,9
Eigenkapital	3,0	37,6	36,5	38,2
Eigenkapitalquote <sup>a</sup> %	(0,7)	26,3	27,0	26,5
Netto-Finanzverbindlichkeiten	1,3	48,5	47,9	47,6
Relative Verschuldung (Netto-Finanzverbindlichkeiten / EBITDA (bereinigt um Sondereinflüsse) <sup>a</sup>	n.a.	2,3	2,5	2,4
CASHFLOW				

Cashflow aus Geschäftstätigkeit	7,7	12,0	11,1	15,0
Cashflow aus Investitionstätigkeit	(9,0)	(10,3)	(9,5)	(15,0)
Cashflow aus Finanzierungstätigkeit	80,3	(1,0)	(4,9)	(0,9)
Free Cashflow (vor Ausschüttung und Investitionen in Spektrum)	14,0	4,0	3,5	4,5
<sup>a</sup> Berechnet auf Basis der genaueren Millionenwerte. Veränderungen von Prozentwerten sind in Prozentpunkten dargestellt."				

- "Element B.12 – Signifikante Veränderungen in der Finanz- bzw. Handelsposition" on page 24 of the Prospectus shall be replaced by the following:

"Signifikante Veränderungen in der Finanz- bzw. Handelsposition	Nicht anwendbar. Seit dem 30. September 2016 hat es keine signifikanten Veränderungen in der Finanz- bzw. Handelsposition der Deutsche Telekom AG gegeben."
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### 3. Supplemental and replacement information pertaining to the section "Deutsche Telekom AG as Issuer and Guarantor"

- The section "Auditing of historical annual financial information" under the heading "FINANCIAL INFORMATION CONCERNING DEUTSCHE TELEKOM'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES" on page 77 of the Prospectus shall be supplemented by the following:

"Deutsche Telekom's consolidated interim financial statements as of and for the period from 1 January to 30 September 2016 were prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) as well as with the regulations under commercial law as set forth in § 315a(1) HGB (*Handelsgesetzbuch* - German Commercial Code). An unqualified review report has been issued."

- The section "Selected Financial data of Deutsche Telekom" under the heading "FINANCIAL INFORMATION CONCERNING DEUTSCHE TELEKOM'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES" on pages 78 to 79 of the Prospectus shall be supplemented by the following:

			30 Sep 2016	30 Sep 2015	2015
		Change -compared to prior year percent <sup>a</sup>	billions of EUR	billions of EUR	billions of EUR
REVENUE AND EARNINGS					
Net revenue		4.2	53.6	51.4	69.2
Of which: domestic <sup>a</sup>	percent	(2.2)	34.2	36.4	36.2
Of which: international <sup>a</sup>	percent	2.2	65.8	63.6	63.8

Profit (loss) from operations (EBIT)	62.7	8.2	5.1	7.0
Net profit (loss)	n.a	4.8	2.3	3.3
EBITDA	33.3	17.7	13.3	18.4
EBITDA (adjusted for special factors)	9.4	16.2	14.8	19.9
EBITDA margin (adjusted for special factors) <sup>a</sup> percent	1.5	30.2	28.7	28.8
STATEMENT OF FINANCIAL POSITION				
Total assets	5.8	143.1	135.2	143.9
Shareholders' equity	3.0	37.6	36.5	38.2
Equity ratio <sup>a</sup> percent	(0.7)	26.3	27.0	26.5
Net debt	1.3	48.5	47.9	47.6
Relative debt (Net debt/EBITDA (adjusted for special factors)) <sup>a</sup>	n.a.	2.3	2.5	2.4
CASH FLOWS				
Net cash from operating activities	7.7	12.0	11.1	15.0
Net cash used in investing activities	(9.0)	(10.3)	(9.5)	(15.0)
Net cash (used in) from financing activities	80.3	(1.0)	(4.9)	(0.9)
Free cash flow (before dividend payments and spectrum investment)	14.0	4.0	3.5	4.5
<sup>a</sup> Calculated on the basis of millions for the purpose of greater precision. Changes to percentages expressed as percentage points."				

- After the section "Selected Financial data of Deutsche Telekom" under the heading "FINANCIAL INFORMATION CONCERNING DEUTSCHE TELEKOM'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES" on pages 78 to 79 of the Prospectus the following shall be inserted:

#### "ALTERNATIVE PERFORMANCE MEASURES (APM)

The table "Selected historical key financial information of Deutsche Telekom Group" on pages 9 to 10 and 78 to 79 contains alternative performance measures, which are non-GAAP figures not governed by the International Financial Reporting Standards (IFRS). They should not be viewed in isolation as an alternative to profit or loss from operations, net profit or loss, net cash from operating activities, the liabilities reported in the consolidated statement of financial position, or other Deutsche Telekom key performance indicators presented in accordance with IFRS.

EBITDA measures the short-term operational performance and the success of individual business areas. EBITDA corresponds to EBIT (profit/loss from operations) before depreciation, amortization and impairment losses. Deutsche Telekom also uses EBITDA margins to show how these indicators develop in relation to revenue. This makes it possible to compare the earnings performance of profit-oriented units of different sizes.

Special factors have an impact on the presentation of operations, making it more difficult to compare performance indicators with corresponding figures for prior periods. For this reason, Deutsche Telekom additionally adjusts its performance indicators to provide transparency. Without this adjustment, statements about the future development of earnings are only possible to a limited extent. The adjusted values are calculated on the basis of the unadjusted performance indicators.

The special factors used below to calculate some alternative performance measures comprise staff-related measures, non-staff related restructuring, effects of deconsolidations, disposals and acquisitions, impairment losses and other effects that generally do not arise in conjunction within the ordinary course of business.

Free Cash Flow is the main yardstick for providers of debt capital and equity. It measures the potential for further developing the Company, e.g. for generating organic growth and the ability to pay dividends and repay debt.

Cash capex (before spectrum investment) relates to cash outflows for investments in intangible assets (excluding goodwill) and property, plant and equipment, which are relevant for cash outflows as a component of free cash flow. In contrast to book capex, cash capex does not include any investments capitalized in the current period, but paid for in a future period.

In addition, Deutsche Telekom considers net debt to be an important performance indicator for investors, analysts, and rating agencies.

#### Reconciliation of certain Alternative Performance Measures

	30 Sep 2016	30 Sep 2015	2015
<b>Profit (loss) from operations (EBIT)</b>	<b>8.2</b>	<b>5.1</b>	<b>7.0</b>
Depreciation, amortization and impairment losses	(9.5)	(8.2)	(11.4)
<b>EBITDA</b>	<b>17.7</b>	<b>13.3</b>	<b>18.4</b>
Special factors	1.5	(1.5)	(1.5)
<b>EBITDA (adjusted for special factors)</b>	<b>16.2</b>	<b>14.8</b>	<b>19.9</b>
<b>Net Cash from operating activities</b>	<b>12.0</b>	<b>11.1</b>	<b>15.0</b>
Cash outflows for investments in intangible assets (excluding goodwill and before spectrum investment) and property, plant and equipment (Cash Capex)	(8.2)	(7.8)	(10.8)
Proceeds from disposal of intangible assets (excluding goodwill) and property, plant and equipment	0.3	0.2	0.4
<b>Free cash flow (before dividend payments and spectrum investment)</b>	<b>4.0</b>	<b>3.5</b>	<b>4.5</b>
<b>Financial Liabilities</b>	<b>62.3</b>	<b>57.1</b>	<b>62.4</b>
Accrued interest	(0.8)	(0.9)	(1.0)
Other	(0.8)	(0.8)	(0.9)
<b>Gross debt</b>	<b>60.7</b>	<b>55.4</b>	<b>60.5</b>
Cash and cash equivalents	7.5	4.5	6.9
Available-for-sale financial assets / financial assets held for trading	0.1	0.1	2.9
Derivative financial assets	2.3	2.3	2.7
Other financial assets	2.3	0.6	0.5
<b>Net debt</b>	<b>48.5</b>	<b>47.9</b>	<b>47.6"</b>



- The paragraph under the heading "TREND INFORMATION AND SIGNIFICANT CHANGE IN THE FINANCIAL OR TRADING POSITION" on page 82 of the Prospectus shall be replaced by the following:

"There has been no significant change in the financial or trading position of the Company since 30 September 2016 and no material adverse change in the prospects of the Company since the date of its last audited consolidated financial statements as of 31 December 2015."

#### **4. Replacement information pertaining to the section "Issue Procedures"**

The third paragraph under the heading "Options for sets of Terms and Conditions" on page 91 of the Prospectus shall be replaced by the following:

"- Option II: Terms and Conditions for Notes with floating interest rates (and Option II A as defined in "Incorporation by Reference / Documents on Display").

With respect to each type of Notes Option II A is incorporated by reference into this Prospectus for the purpose of a potential increase of Notes outstanding and originally issued prior to the date of this Prospectus."

#### **5. Replacement information pertaining to the section "Form of Final Terms – Muster – endgültige Bedingungen"**

- The fifth paragraph under the heading "Part I. TERMS AND CONDITIONS – Teil I. ANLEIHEBEDINGUNGEN" on page 171 of the Prospectus shall be replaced by the following:

"[In the case of Notes with floating interest rates replicate here the relevant provisions of Option II [A] including relevant further options contained therein, and complete relevant placeholders]

*[Im Fall von Schuldverschreibungen mit variabler Verzinsung hier die betreffenden Angaben der Option II [A] (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]]"*

- The eighth and ninth paragraph under the heading "Part I. TERMS AND CONDITIONS – Teil I. ANLEIHEBEDINGUNGEN" on page 171 of the Prospectus shall be replaced by the following:

"This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with [fixed] [floating] interest rates (the "Terms and Conditions") set forth in the Prospectus as [Option I] [Option II [A]<sup>1</sup>]. Capitalised terms shall have the meanings specified in the set of Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen, der auf Schuldverschreibungen mit [fester] [variabler] Verzinsung Anwendung findet (die "Anleihebedingungen") zu lesen, der als [Option I] [Option II [A]<sup>1</sup>] im Prospekt enthalten ist. Begriffe, die in dem Satz der Anleihebedingungen definiert sind, haben die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden."*

- The heading "Floating Rate Notes (Option II)" of the section "Part I. TERMS AND CONDITIONS – Teil I. ANLEIHEBEDINGUNGEN" on page 173 of the Prospectus shall be replaced by the following:

**Floating Rate Notes (Option II [A]<sup>2</sup>)  
Variabel verzinsliche Schuldverschreibungen (Option II [A]<sup>2</sup>)"**

<sup>1</sup> In case of an increase of an issue of Notes which were originally issued prior to the date of this Prospectus, the Terms and Conditions of the Tranches have to be identical in all respects, but may have different issue dates, interest commencement dates, issue prices and dates for first interest payments.

*Im Fall einer Aufstockung einer Emission von Schuldverschreibungen, die ursprünglich vor dem Datum dieses Prospekts begeben wurden, müssen die Anleihebedingungen der Tranchen in jeder Hinsicht identisch sein, können aber unterschiedliche Begebungstage, Verzinsungsbeginne, Ausgabepreise und erste Zinszahlungstage haben*

<sup>2</sup> Insert "A" in the case of an increase of an issue of Notes which were originally issued prior to the date of this Prospectus.  
"A" einfügen im Fall der Aufstockung einer Emission von Schuldverschreibungen, die ursprünglich vor dem Datum dieses Prospekts begeben wurde.

**6. Supplemental information pertaining to the section "Incorporation by Reference / Documents on Display"**

**- The section "Incorporation by Reference / Documents on Display" on page 199 of the Prospectus shall be supplemented by the following:**

"The unaudited consolidated interim financial statements for Deutsche Telekom AG for the period from 1 January to 30 September 2016 including the unqualified review report thereon are incorporated by reference into this Prospectus.

The sets of Terms and Conditions for Notes with floating interest rates contained in the Debt Issuance Programme Prospectus dated 29 April 2015 (pages 116 to 132 English Language) and pages 152 to 170 (German Language)) ("**Option II A**") are incorporated by reference into this Prospectus."

**- The list under the heading "Deutsche Telekom AG" on page 199 of the Prospectus shall be supplemented by the following:**

"The unaudited consolidated interim financial statements of Deutsche Telekom for the period from 1 January to 30 September 2016 consisting of

Consolidated statement of financial position (page 35),

Consolidated income statement (page 36),

Consolidated statement of comprehensive income (page 37),

Consolidated statement of changes in equity (pages 38 to 39),

Consolidated statement of cash flows (page 40)

Selected Notes to the consolidated statement of financial position, selected Notes to the consolidated income statement and other disclosures (pages 43 to 55),

Review report (page 57).

The respective parts of the Debt Issuance Programme Prospectus dated 29 April 2015 which are not listed above are not incorporated by reference are not relevant for the investor."

**ADDRESSES**

**Issuers**

Deutsche Telekom AG  
Friedrich-Ebert-Allee 140  
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Federal Republic of Germany

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The Netherlands

**Guarantor**

Deutsche Telekom AG  
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53113 Bonn  
Federal Republic of Germany

**Agents**

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