

Bond investor Information

February 2023



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This presentation contains forward-looking statements that reflect the current views of Deutsche Telekom management with respect to future events. These forward-looking statements include statements with regard to the expected development of revenue, earnings, profits from operations, depreciation and amortization, cash flows and personnel-related measures. You should consider them with caution. Such statements are subject to risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom's control. Among the factors that might influence our ability to achieve our objectives are the progress of our workforce reduction initiative and other cost-saving measures, and the impact of other significant strategic, labor or business initiatives, including acquisitions, dispositions and business combinations, and our network upgrade and expansion initiatives. In addition, stronger than expected competition, technological change, legal proceedings and regulatory developments, among other factors, may have a material adverse effect on our costs and revenue development. Further, the economic downturn in our markets, and changes in interest and currency exchange rates, may also have an impact on our business development and the availability of financing on favorable conditions. Changes to our expectations concerning future cash flows may lead to impairment write downs of assets carried at historical cost, which may materially affect our results at the group and operating segment levels.

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In addition to figures prepared in accordance with IFRS, Deutsche Telekom also presents alternative performance measures, including, among others, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA after leases, adjusted EBITDA margin, Core EBITDA, adjusted EBIT, adjusted net income, free cash flow, free cash flow after leases, gross debt, net debt after leases and net debt. These alternative performance measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Alternative performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways.

Financials 2022 reported

strong reported growth

€ mn

	Q4			FY		
	2021	2022	Change	2021	2022	Change
Revenue	28,647	29,800	+4.0%	107,811	114,413	+6.1%
Adj. EBITDA AL	9,007	9,964	+10.6%	37,330	40,208	+7,7%
Adj. EBITDA AL (excl. US) ¹	3,524	3,548	+0.7%	14,633	14,594	-0.3%
Adj. Net profit	1,234	1,987	+61.0%	5,862	9,081	+54.9%
Net profit	471	1,014	+115.3%	4,176	8,001	+91.6%
Adj. EPS (in €)	0.25	0.40	+60.0%	1.22	1.83	+50.0%
Free cash flow AL ²	520	2,026	+289.2%	8,810	11,470	+30.2%
Cash capex ²	5,046	5,795	+14.8%	17,978	21,019	+16.9%
Net debt excl. leases (AL)	100,649	103,733	+3.1%	100,649	103,733	+3.1%
Net debt incl. leases (IFRS 16)	132,142	142,425	+7.8%	132,142	142,425	+7.8%

¹ Decline due to de-consolidation of Romania fixed and the Dutch business. Organic growth rate of +4.8% in FY.

² Free cash flow AL before dividend and before spectrum investments. Cash capex before spectrum investment. Spectrum: FY/21: €8,388 mn; FY/22: €3,096 mn; Q4/21: €60 mn; Q4/22: €112 mn

In this presentation the Group is presented in accordance with the management view: certain key performance indicators like revenue and adj. EBITDA AL are presented as if Group Development still would be fully consolidated .

This view is different to the consolidated financial statements of DT where Group Development is treated as a discontinued operation. For more details, please refer to the back-up to this presentation, respectively the interim report of DT both available at www.telekom.com/en/investor-relations





Balance sheet

US\$ strength boosts balance sheet

€ bn

	31/12/2021	31/03/2022	30/06/2022	30/09/2022	31/12/2022
Balance sheet total	281.6	292.4	301.7	321.4	298.6
Shareholders' equity	81.5	87.7	88.5	94.5	87.3
Net debt excl. leases (AL)	100.6	98.1	106.3	109.5	103.7
Net debt excl. leases (AL)/adj. EBITDA AL ¹	2.70	2.59	2.77	2.79	2.58
Net debt incl. leases (IFRS 16)	132.1	135.9	146.1	151.7	142.4
Net debt incl. leases IFRS 16/adj. EBITDA ¹	3.06	3.10	3.28	3.34	3.07
Equity ratio	28.9%	30.0%	29.3%	29.4%	29.2%

Comfort zone ratios

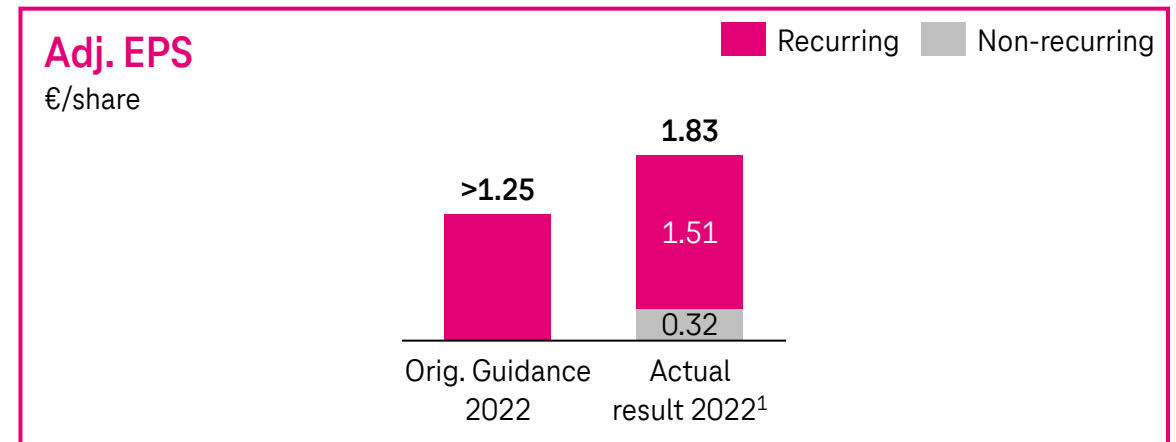
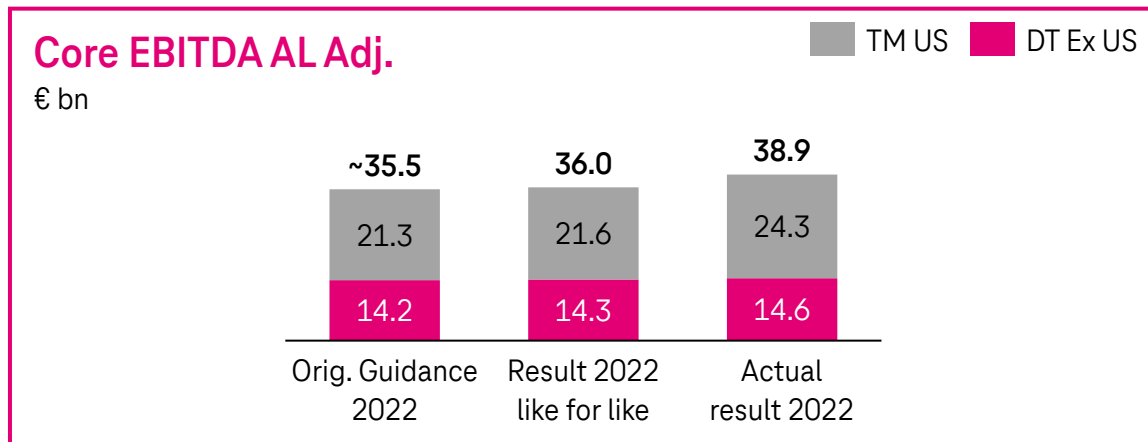
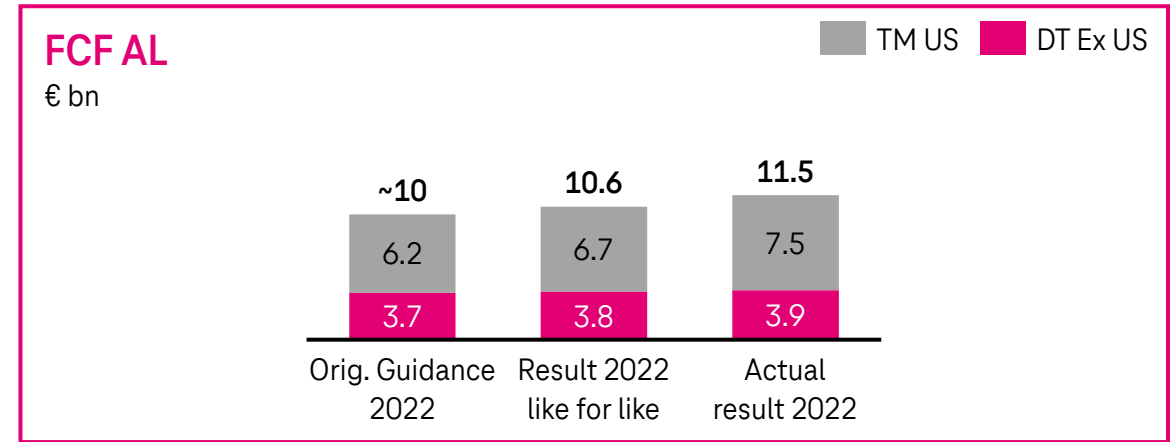
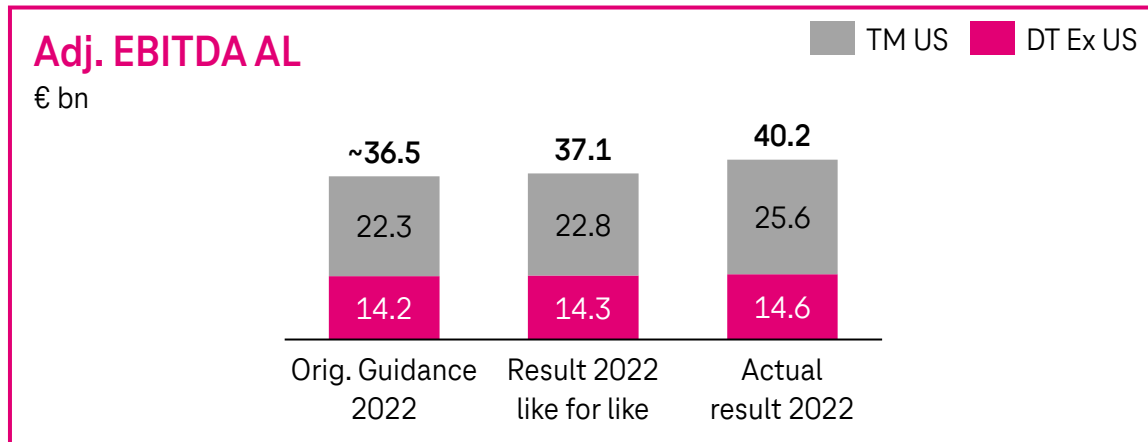
Rating: A-/BBB	
2.25–2.75 Net debt IFRS 16/Adj. EBITDA	
25–35% equity ratio	
Liquidity reserve covers redemptions of the next 24 months	

Current rating

Fitch:	BBB+	stable outlook
Moody's:	Baa1	stable outlook
S&P:	BBB	positive outlook

¹ Ratios for the interim quarters calculated on the basis of previous 4 quarters.

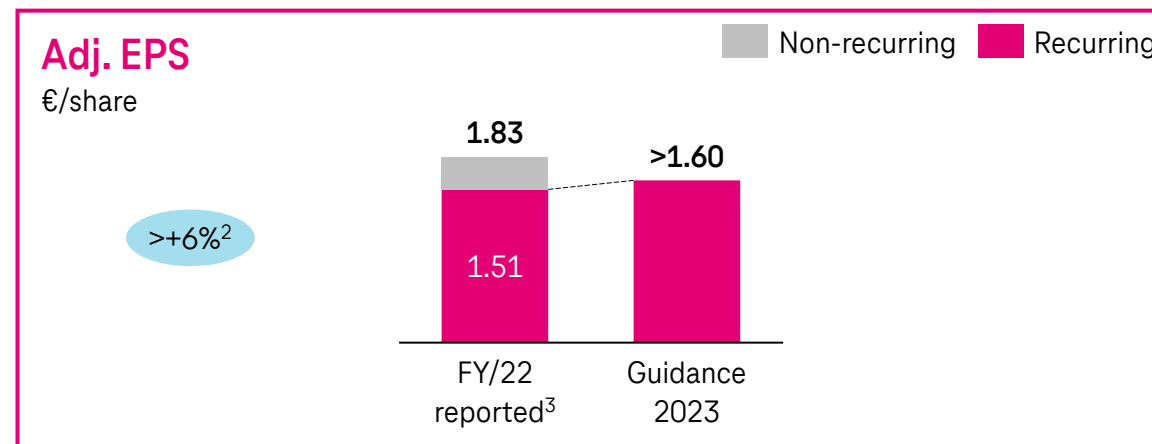
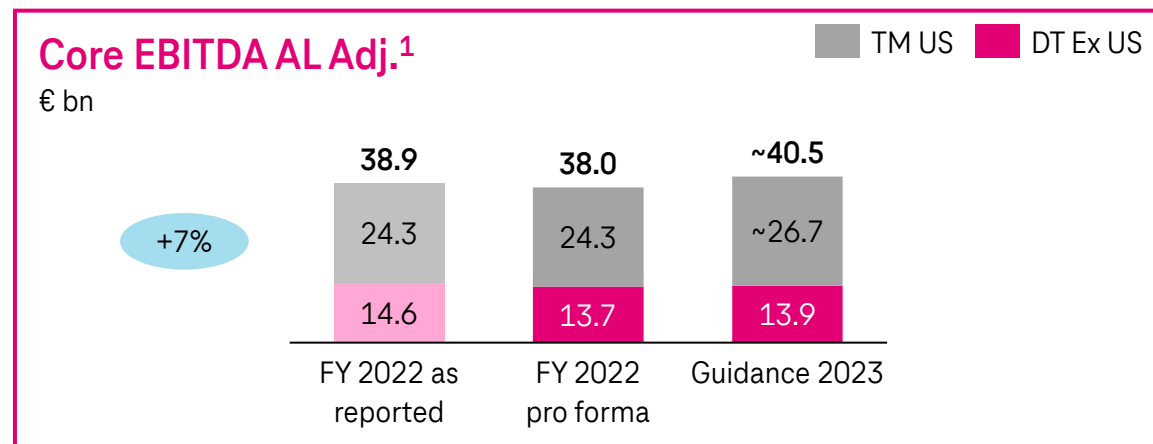
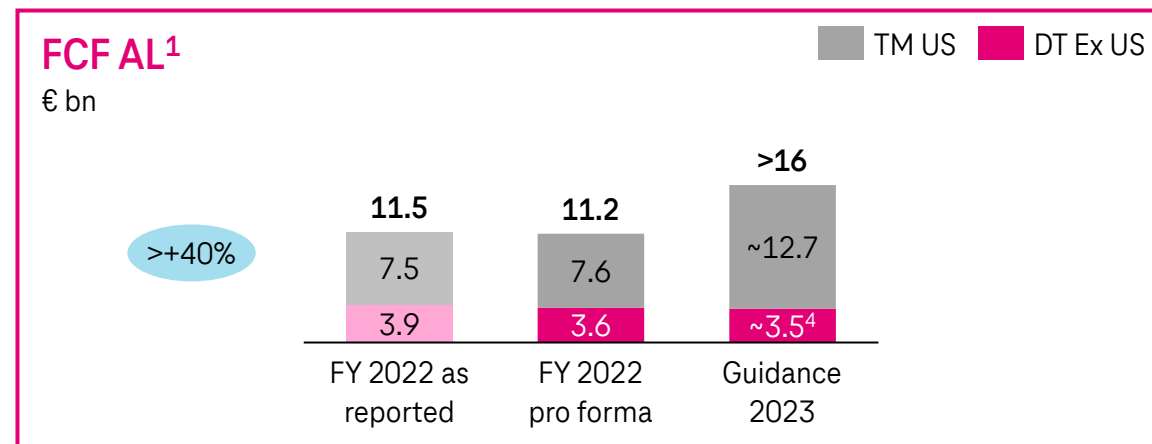
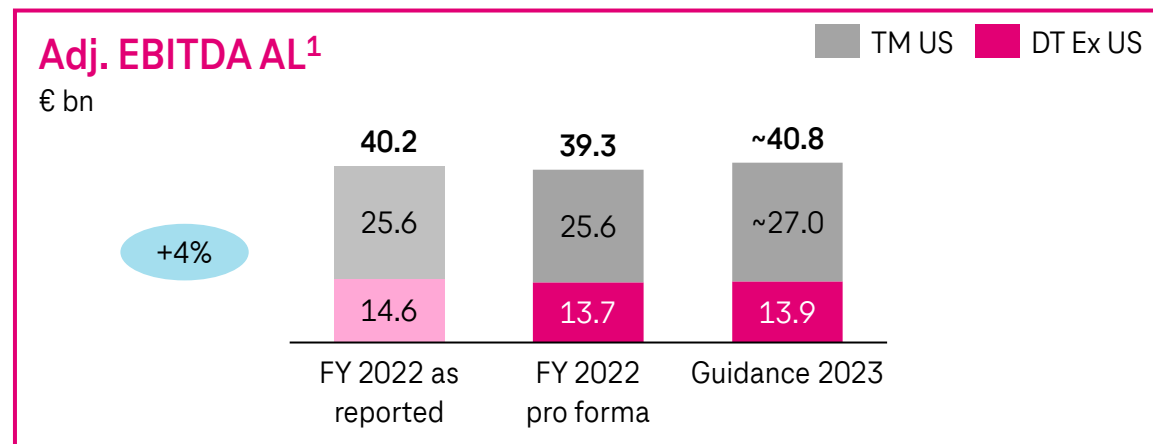
Review guidance 2022 overdelivered



¹ Non-recurring elements in adj. EPS include gains from financial instruments, the contribution from T-Mobile NL in Q1/22, the held-for-sale effect Towers and the interest effect on the valuation of the civil service health insurance fund.

Guidance 2023

continued growth



¹ TM US guidance is based on midpoint of US GAAP guidance of US\$29.0 - 29.5 bn adj. EBITDA; of US\$ 28.7-29.2 bn core adj. EBITDA and of US\$13.1-13.6 bn FCF. Guidance assumes a negative bridge of US\$0.8-0.85 bn on adj. EBITDA and core adj. EBITDA upon translation into IFRS. Based on 1€ = US\$1.05. ² On recurring basis ³ Non-recurring elements in adj. EPS include gains from financial instruments, the contribution from T-Mobile NL in Q1/22, the held-for-sale effect Towers and the interest effect on the valuation of the civil service health insurance fund. ⁴ Includes €0.2 bn of cash returns and €0.15 bn cash taxes related to tower transaction

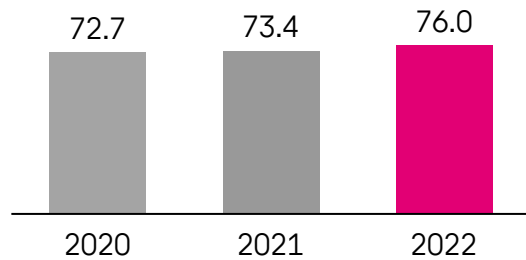
Society and Environment

strong ESG performance; ex US energy consumption reduced

Societal agenda

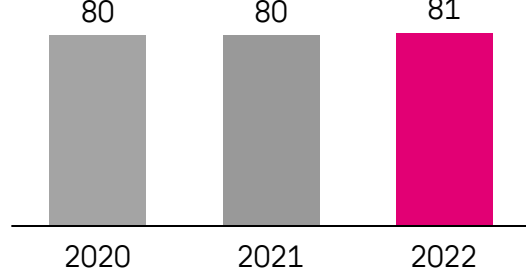
Customer satisfaction*

Tri*M



Employee satisfaction*¹

%



Environment #GREEN MAGENTA

- Climate targets are well on track
- TMUS first US telco to announce SBTI-based 2040 climate net zero target
- Germany – full circularity in packaging of own devices
- From 2023 newly ordered business cars in Germany are green

Society #GOOD MAGENTA

- Support for Ukrainian refugees, and Turkish and Syrian earthquake victims
- Customer and employee satisfaction increasing
- TMUS “Project 10 million” halfway through

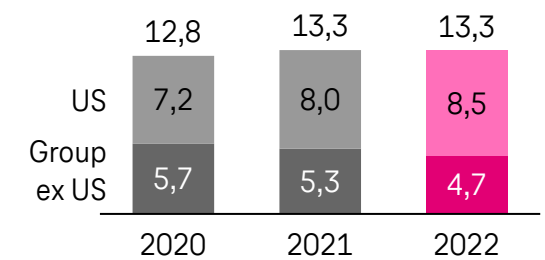
Governance

- 1st place in S&P rating (no other European telco in S&P World)
- For 7th time in a row A ranked in CPD

Environmental agenda

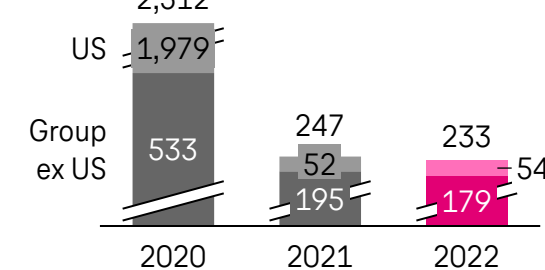
Energy consumption

mn MWh



CO₂e emissions (scope 1+2)

kt



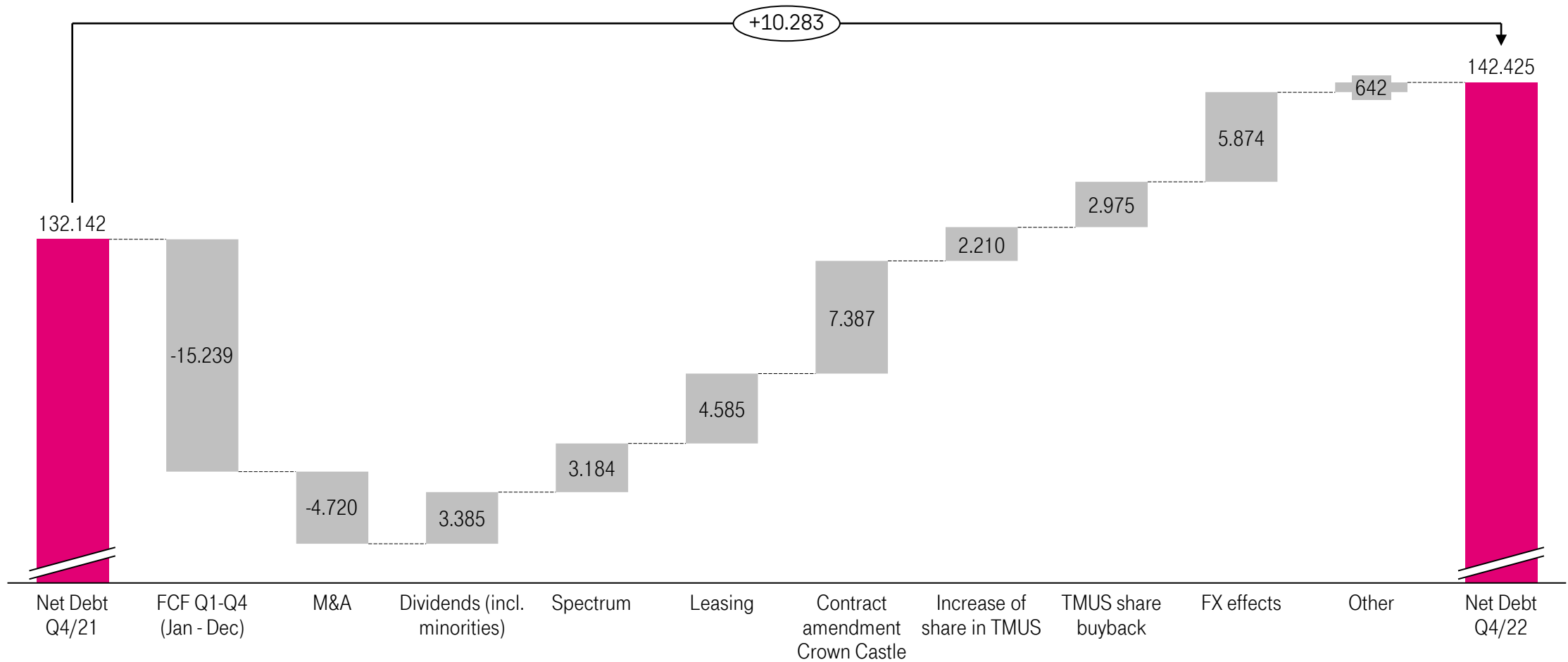
*ex US

¹ positive answer on employee/pulse survey question: “How do you feel at our company”

Net Debt DT Group

Q4 2021 – Q4 2022 reconciliation

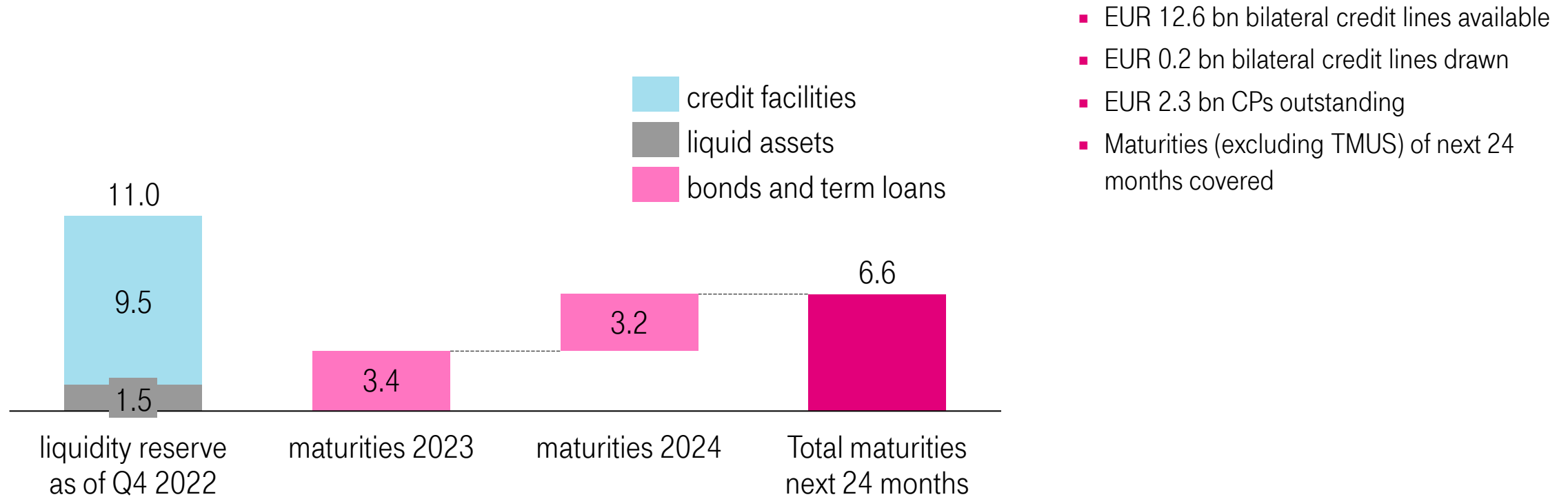
EUR mn



Liquidity profile DT Group excl. TMUS

strong liquidity as of December 31, 2022

EUR bn



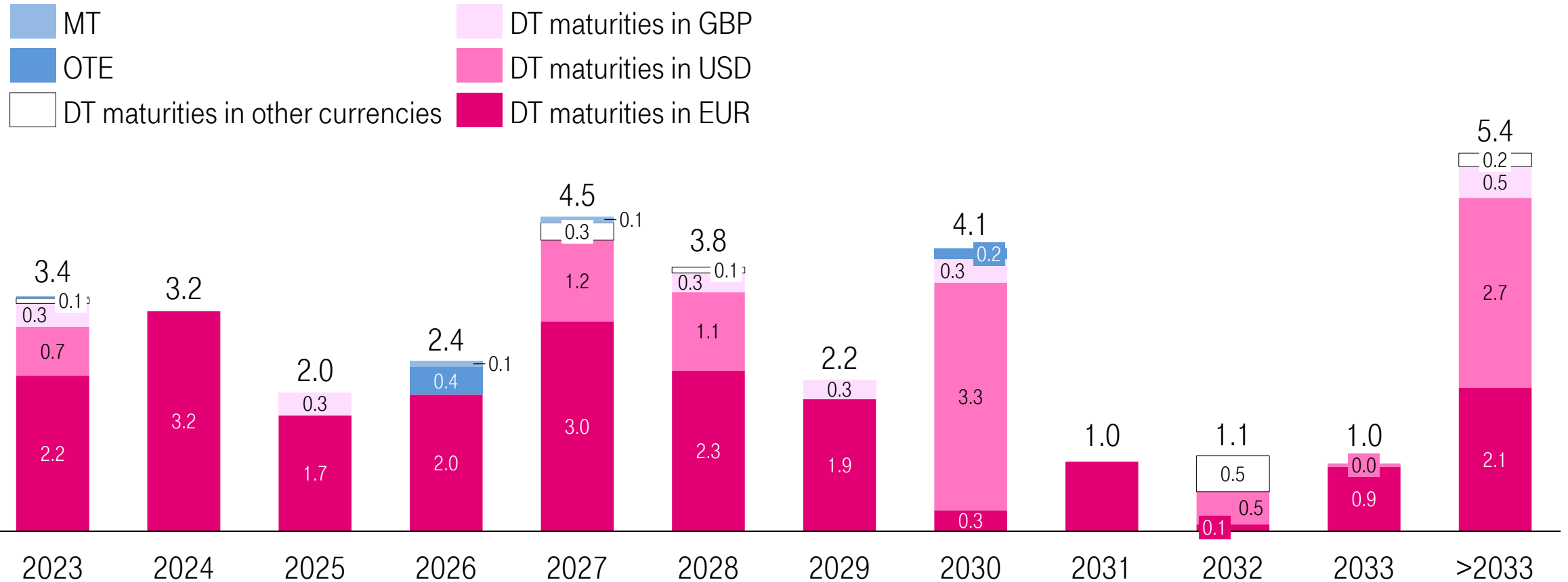
- EUR 12.6 bn bilateral credit lines available
- EUR 0.2 bn bilateral credit lines drawn
- EUR 2.3 bn CPs outstanding
- Maturities (excluding TMUS) of next 24 months covered

- EUR10.7 bn of proceeds from the tower deal received as of February 1st, 2023
- EUR 2.7 bn of outstanding bonds repurchased end of January 2023, thereof approx. EUR 1.9 bn due in 2023 - 2025

Maturity profile DT Group excl. TMUS

well-balanced profile as of December 31, 2022

EUR bn

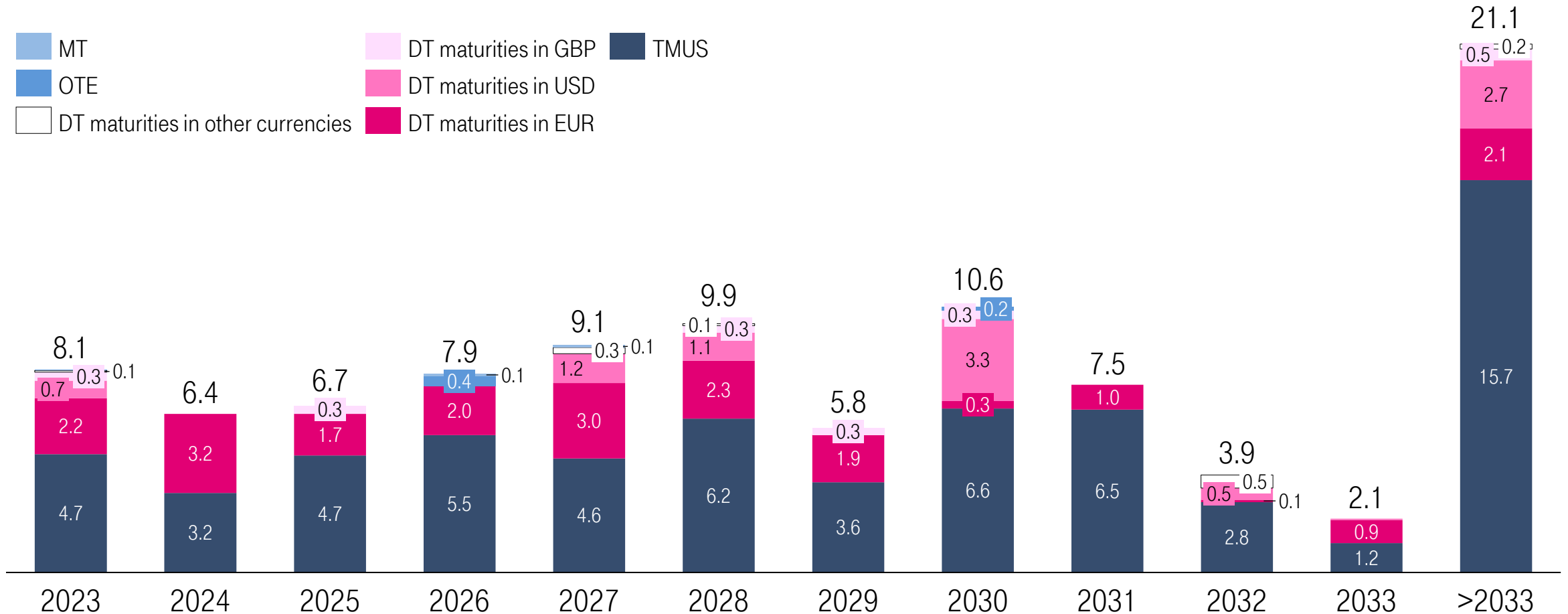


Furthermore, DT holds USD 1.5bn TMUS unsecured HY bonds

due to rounding differences: sum of single maturities per year ≠ total maturity per year

Maturity profile DT Group as of December 31, 2022

EUR bn



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Debt investor relations

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