

Deutsche Telekom

Conference call: strategic overview

November 30, 1999

Dr. Ron Sommer, CEO

Growth drivers

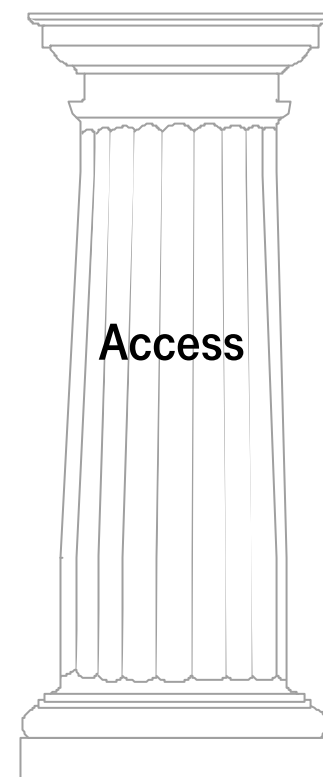
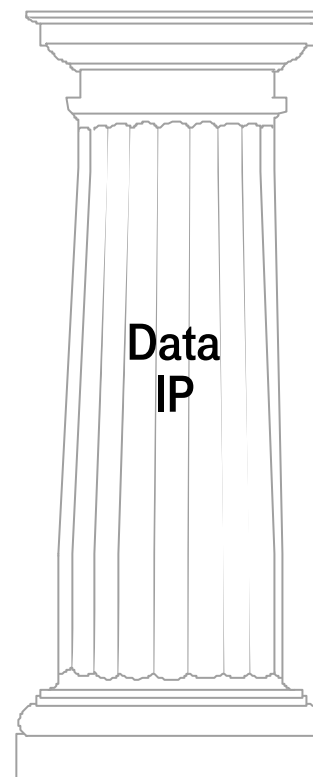
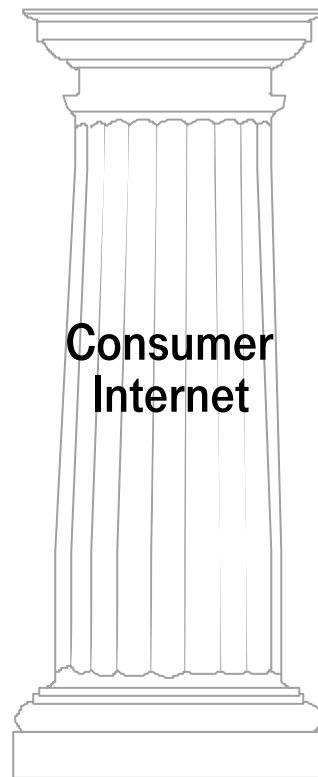
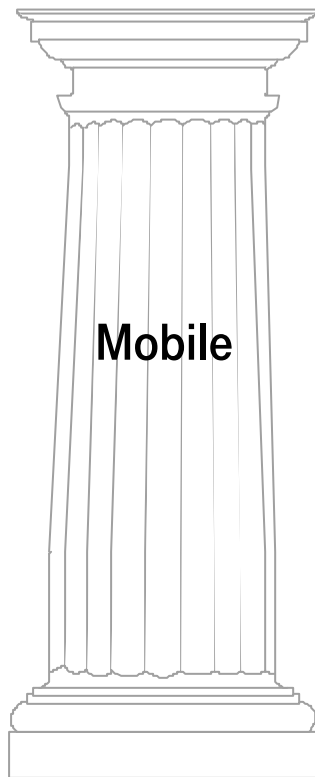
Deutsche Telekom has been able to accelerate subscriber growth in all key areas

million	9/30/98	9/30/99	Growth*
Telephone lines (incl. ISDN channels)	46.1	47.4	3%
of which: ISDN channels	9.3	12.4	33%
■ residential customers	3.5	5.4	56%
■ business customers	5.8	7.0	20%
T-Online accounts	2.4	3.6	46%
Mobile phone subscribers (T-D1 and T-C-Tel)	5.2	7.9	54%
of which: T-D1 (GSM)	4.8	7.7	62%

* Calculated on the basis of the exact amounts in thousands

Strategy

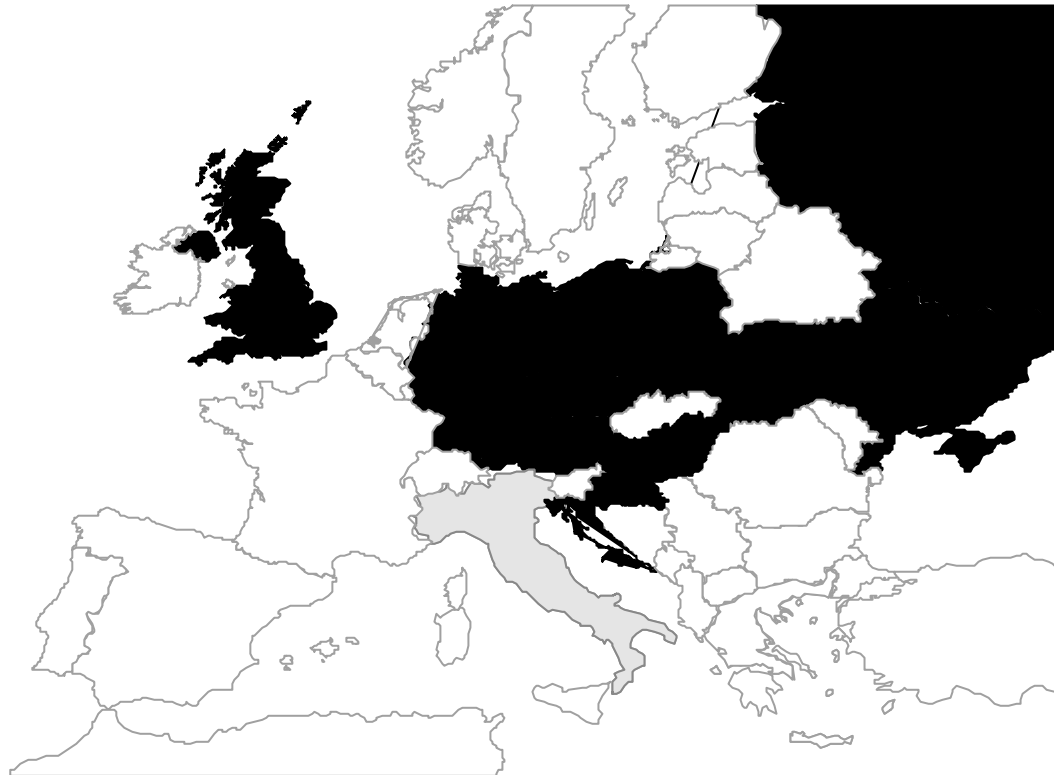
Deutsche Telekom's strategy is based on four pillars



Mobile

Expanding Pan-European mobile coverage is key priority

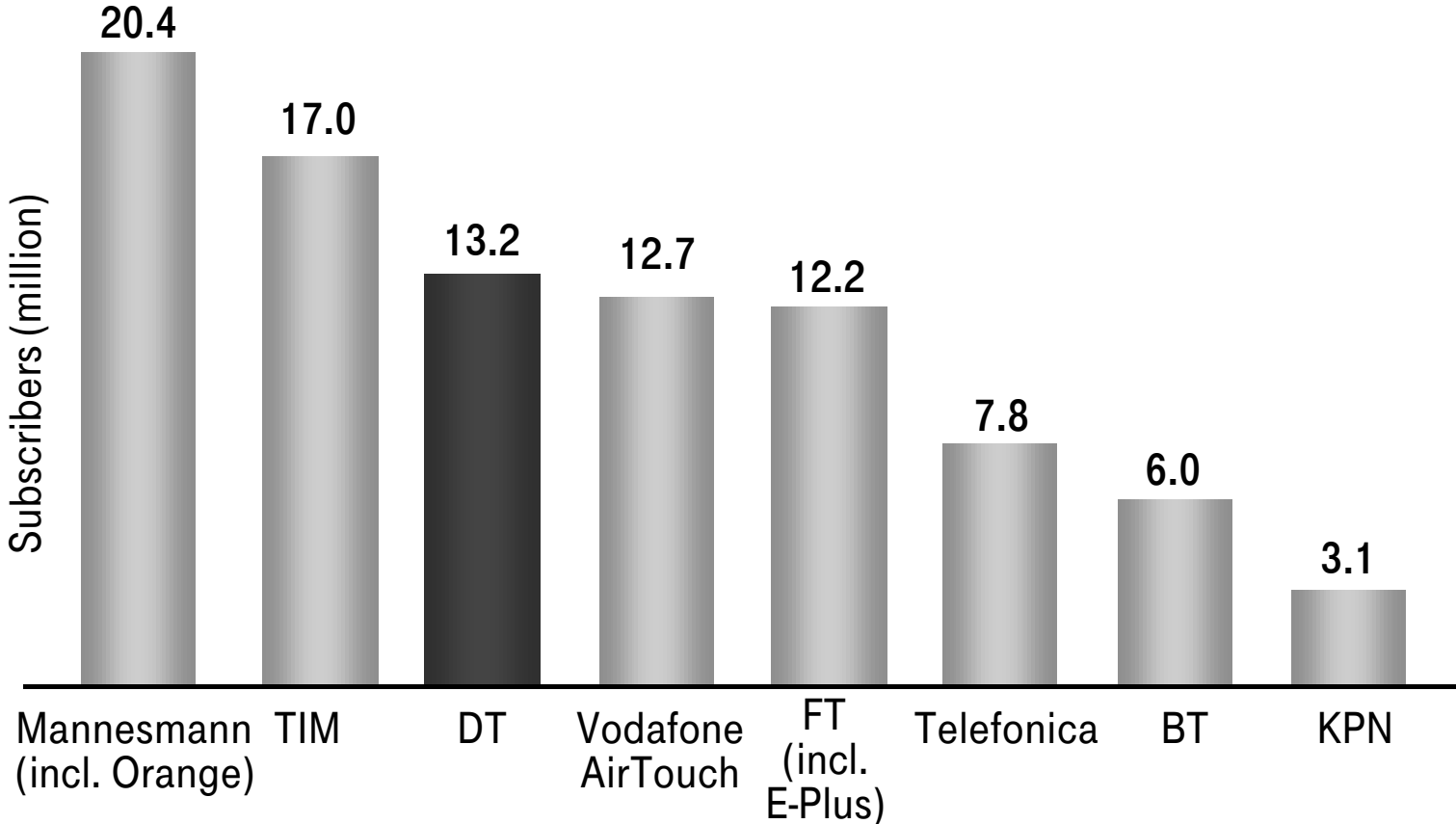
T-Mobil (GER)	100.0%
One 2 One (UK)	100.0%
max.mobil (A)	91.0%
Westel (HUN)*	64.2%
MTS (Russia)	46.0%
PTC GSM (PL)*	45.0%
Radiomobil (CZ)	41.4%
Croatia Telecom	35.0%
Wind (I)	24.5%
UMC (Ukraine)	16.0%
RTDC (Russia)*	67.8%



* Subject to various approvals in connection with the acquisition of MediaOne s Eastern European mobile portfolio as announced on October 22, 1999.

Mobile

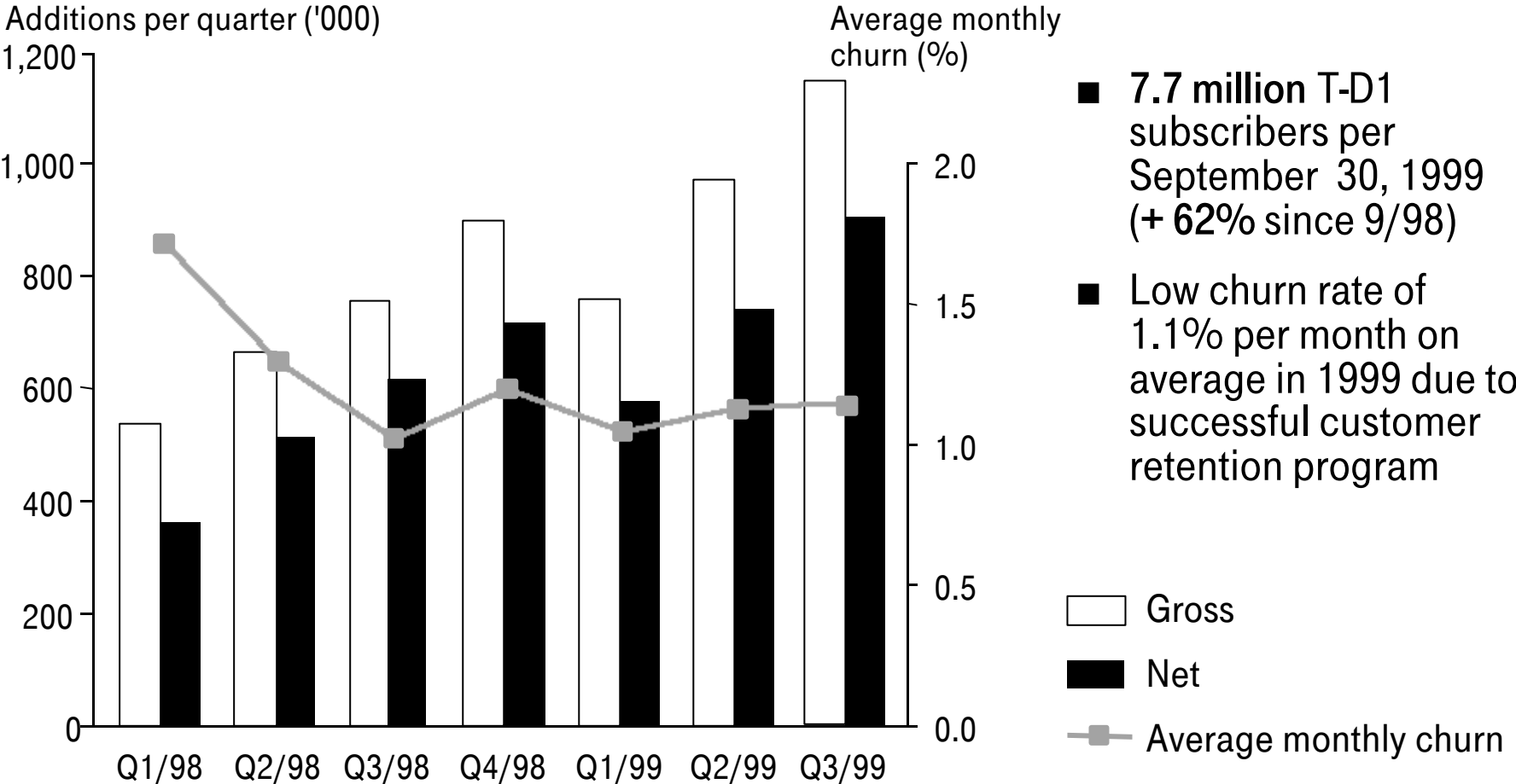
Establishing Deutsche Telekom as one of Europe's leading mobile carriers



- Calculated on basis of majority-controlled subscribers in Europe.
- Subscriber data as of September 1999 (Source: Mobile Communications).

T-Mobil

Accelerating subscriber growth with an average of 300,000 per month in Q3



- 7.7 million T-D1 subscribers per September 30, 1999 (+ 62% since 9/98)

- Low churn rate of 1.1% per month on average in 1999 due to successful customer retention program

□ Gross

■ Net

—■ Average monthly churn

Mobile/Online Convergence

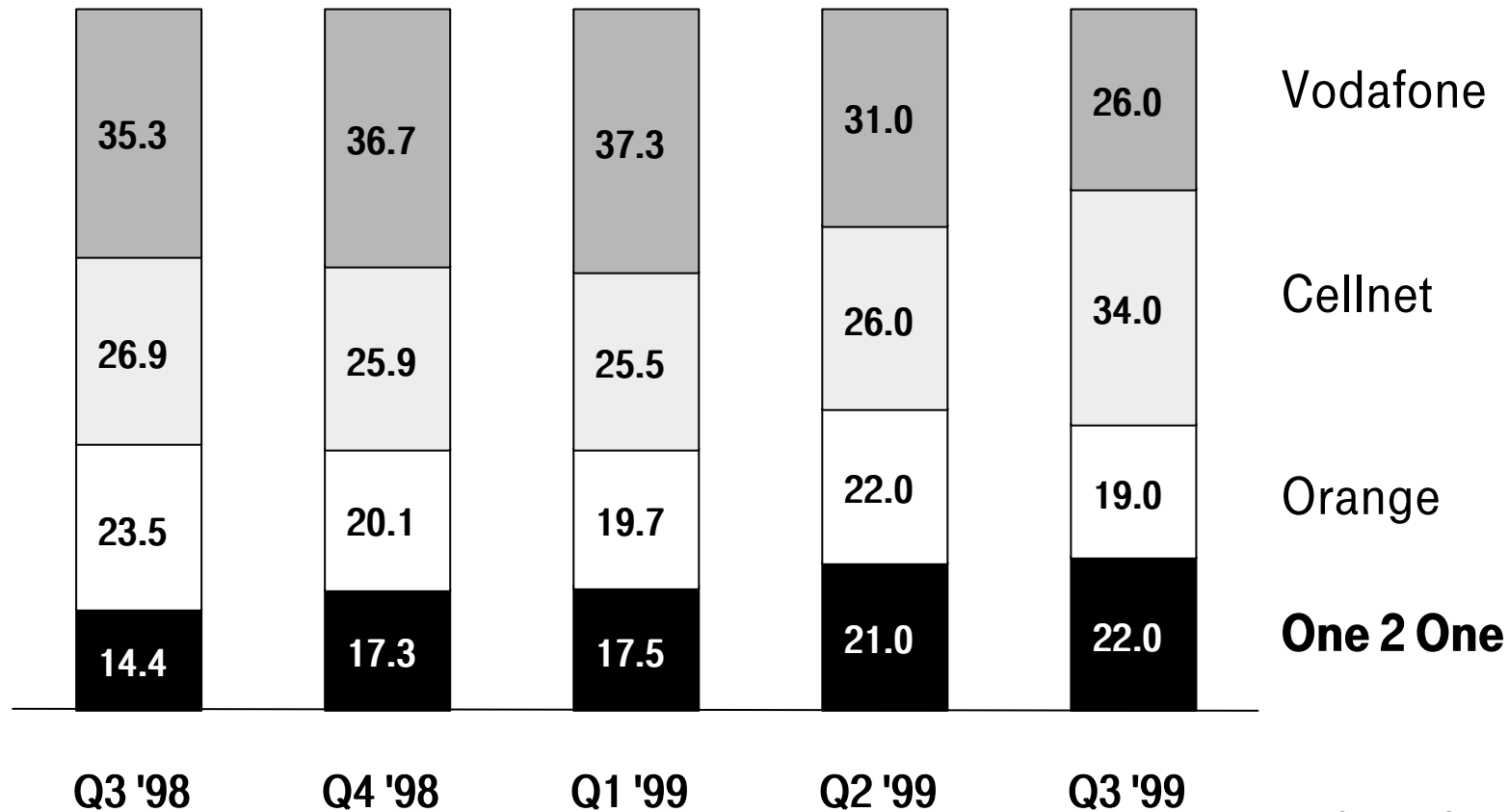
Strong push in wireless data

- Currently 150 million SMS per month
- T-D1@T-Online: mobile Internet access at no charge for T-D1 customers
- T-D1 lowers its call rates for T-Online by approx. 42%
- Mobile banking via T-Online in 85 countries around the world
- T-D1 WAP (Wireless Applications Protocol) is available from November 1999 onwards
- Strategic alliance with Microsoft to develop mobile data communications market (including mobile corporate portals for intranet applications)
- GPRS at 50 kbps will start in mid 2000, in 2001 extension to 100 kbps
- UMTS to start by 2003

One 2 One – 22% of net additions

Steadily improving its share of the UK wireless market

Quarterly net additions (%)

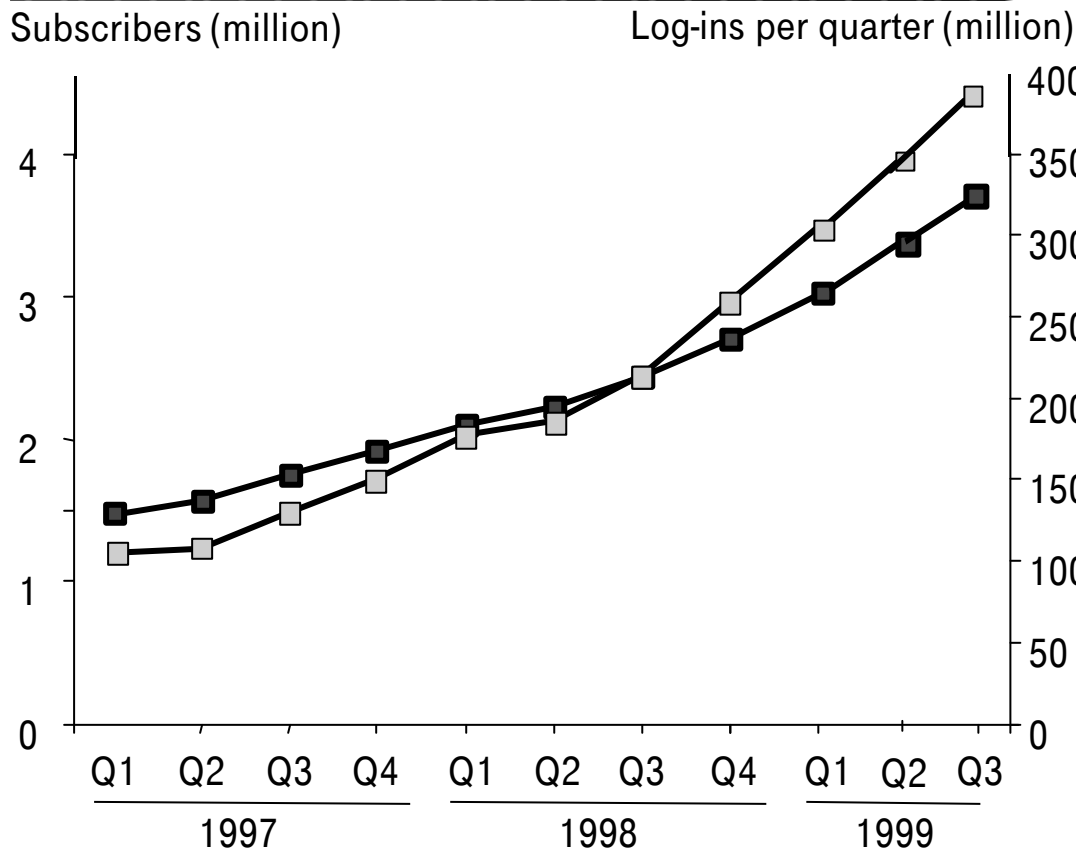


Source: Company data

T-Online

Accelerated growth of subscribers, increasing number of log-ins

T-Online subscribers and log-ins



■ Subscribers September 99: **3.6 million (+ 46% since 9/98)**

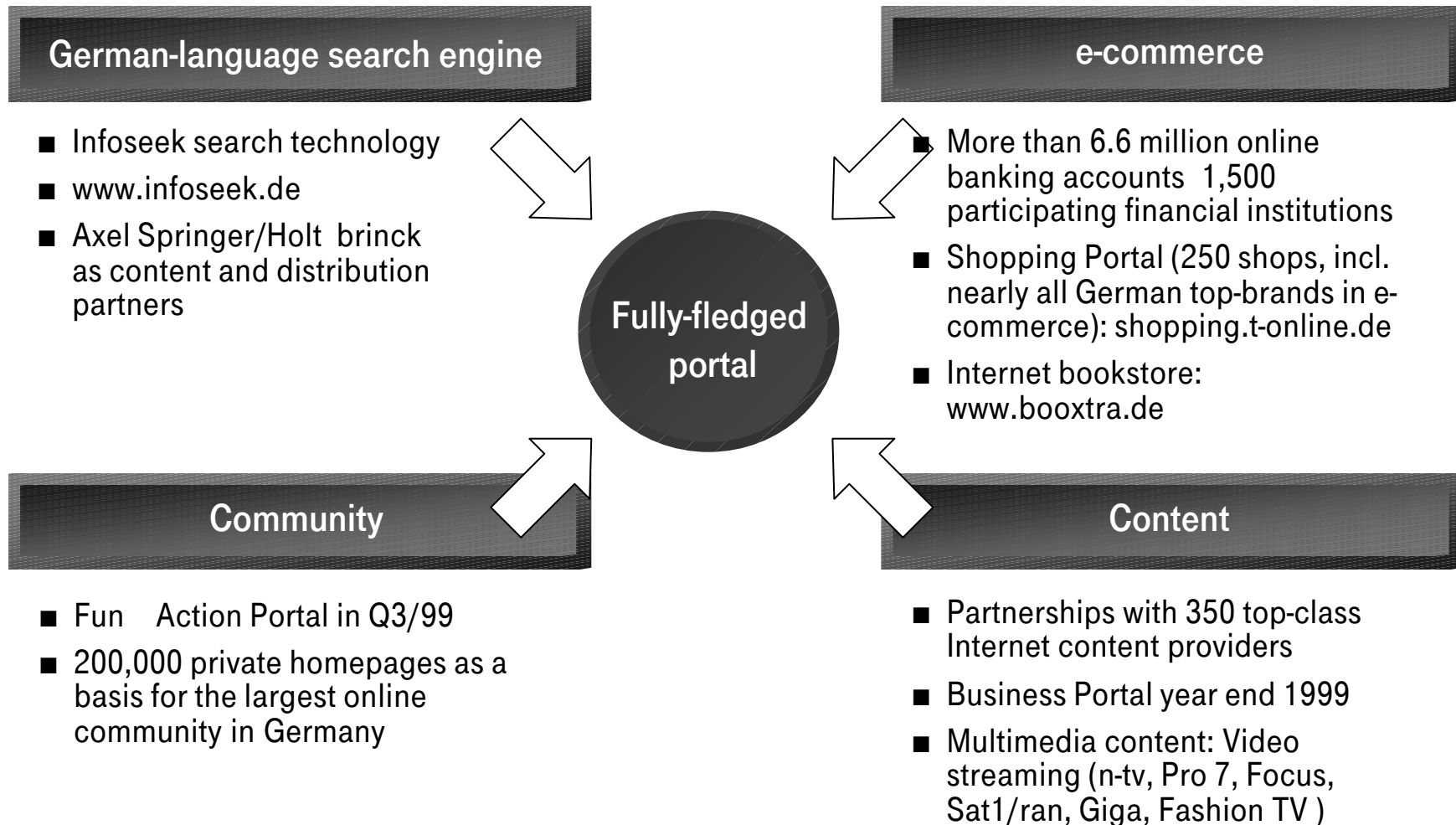
■ Log-ins :
full year 98: ca. 840 million
Q1-Q3 99: ca. 1,040 million

■ New pricing:
customers surf more often, longer and at all times of the day

■ Subscribers
■ Log-ins

T-Online

Strategy: Expand reach of t-online.de portal through additional content



Data IP

Strong commitment to providing global connectivity

- Currently 36 Metropolitan Area Networks (MANs) in Germany
- High-performance network in Germany: 12,000 kilometers of fiber-optic cables with 2.5 gigabit transmission connecting the major economic centers
- Contract with iaxis provides Deutsche Telekom with a high-capacity European network capable of 2.5 gigabit transmission:
 - Phase 1 links London, Brussels, Amsterdam, Rotterdam, Dusseldorf, Frankfurt, Strasbourg, and Paris
 - Phase 2 will extend reach into Switzerland, central France, and Germany
- Acquisition of SIRIS from Unisource significantly expands Deutsche Telekom's data IP capabilities in France
- Deutsche Telekom has access to significant undersea capacity on the North Atlantic: AC-1 (Global Crossing), TAT-14 (Q1 2001)

Access - broadband cable

Deutsche Telekom is taking decisive steps to unlock value in its broadband cable network

- Largest broadband cable network in Europe: 18 million homes connected, 25 million homes passed
- Broadband cable has been loss-making due to under-utilization
- Deutsche Telekom has invited partners to invest in the cable assets to develop jointly new services and new content to increase utilization
- Offers for the first two regions value cable network at the level expected by the capital market
- Further value increase expected by offering strategic stakes in several regions in a first step and by reserving a portion of Deutsche Telekom's stake for later IPOs
- Sale of 35% on average in all regions to strategic investors during the first half of 2000

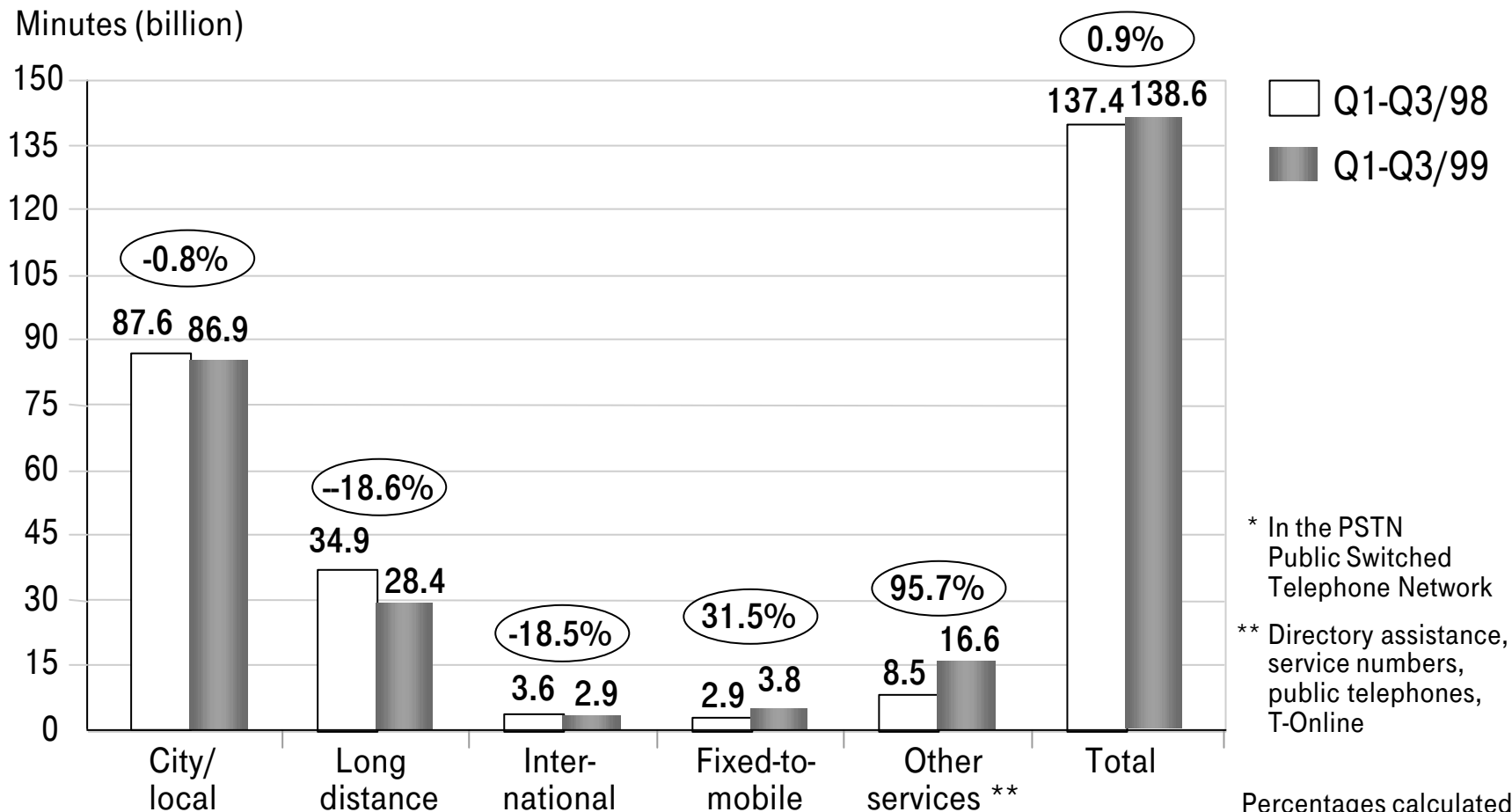
Summary: key messages

- Good progress in achieving the goals we have set ourselves, especially in expanding pan-European mobile footprint
- Exceptionally well positioned to benefit from the boom in Internet and e-commerce in Europe
- The acquisition of Siris proves our strong commitment to providing global connectivity to our business customers
- ISDN penetration of over 26% provides Deutsche Telekom with a firm foundation for Europe's most aggressive DSL rollout program
- Significant profit contributions expected from the sale of non-strategic assets (broadband cable network, Sprint, France Telecom)

Deutsche Telekom
Conference call: financials
November 30, 1999
Dr. Joachim Kröske, CFO

Deutsche Telekom call minutes*

Strong growth of fixed-to-mobile call minutes and other services offsets decrease of long-distance and international call minutes



* In the PSTN
Public Switched
Telephone Network

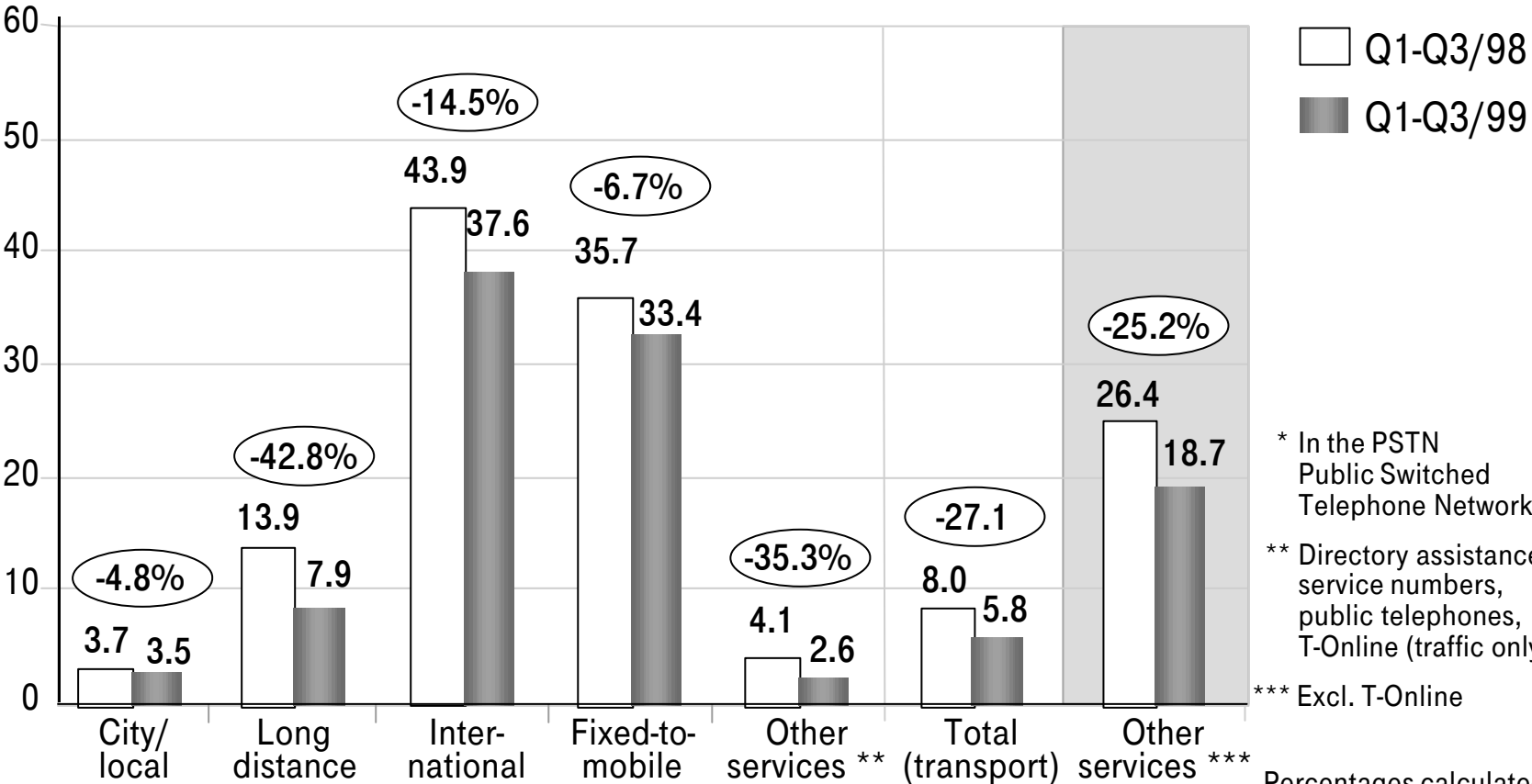
** Directory assistance,
service numbers,
public telephones,
T-Online

Percentages calculated on
the basis of exact values

Deutsche Telekom call prices*

Transport prices decreased by 27% on average

Euro/100 minutes



* In the PSTN
Public Switched
Telephone Network

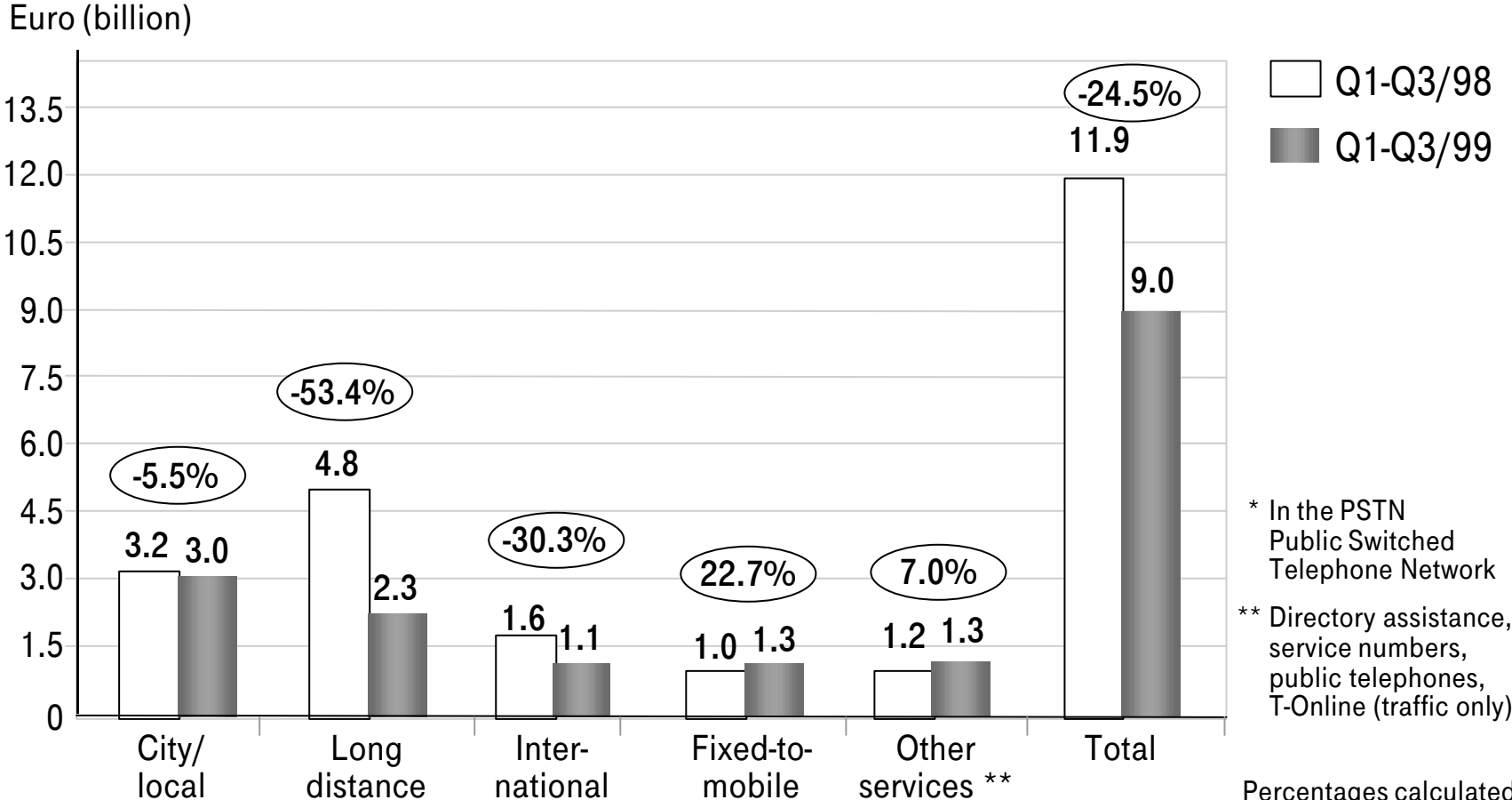
** Directory assistance,
service numbers,
public telephones,
T-Online (traffic only)

*** Excl. T-Online

Percentages calculated on
the basis of exact values

Deutsche Telekom call revenues*

Long-distance price cuts result in 25% decrease of PSTN revenues



* In the PSTN
Public Switched
Telephone Network

** Directory assistance,
service numbers,
public telephones,
T-Online (traffic only)

Percentages calculated on
the basis of exact values

Revenue breakdown

Decreasing importance of long-distance and international call charges

Euro (million)	Q1-Q3/98	Q1- Q3/99	% of total	
			Q1- Q3/98	Q1-Q3/99
Call charges (total)	10,882	7,805	42%	31%
<i>long-distance and international</i>	6,415	3,353	25%	13%
Access charges	4,571	4,717	17%	18%
Telephone network communications	15,453	12,522	59%	49%
Interconnection services	970	1,972	4%	8%
Data communications	1,893	2,123	7%	8%
Mobile communications	2,272	2,734	9%	11%
Broadband cable/broadcasting	1,358	1,384	5%	5%
Terminal equipment	1,024	917	4%	4%
Special value-added services	1,526	1,405	6%	5%
Other services (T-Online, etc.)	458	804	2%	3%
International activities	1,038	1,715	4%	7%
Group (excl. 3rd party billing)	25,992	25,576		

Income by segments before taxes

Decreased revenues and return on sales of telephone network communications cannot be offset by other segments

Euro (million)	Income before taxes		Return on sales	
	1998	Q1-Q3/99	1998	Q1-Q3/99
Telephone network communications	4,796	2,014	23.4%	16.1%
Mobile communications	672	707	22.0%	25.9%
Broadband cable/broadcasting	-325	-98	-18.0%	-7.1%
Terminal equipment	-114	35	-7.6%	3.8%
Special value-added services	-181	-80	-8.8%	-5.7%
International activities*	267	180	20.2%	10.8%
Other	-40	50	-0.7%	1.0%
Reconciliation**	25	151	n.a.	n.a.
Group	5,100	2,959	14.5%	11.6%

* max.mobil, fully consolidated for the first time, is shown under international activities.

** Predominantly consolidation entries and differences between the composition of the Deutsche Telekom Group for management reporting and for financial reporting purposes.

Margin development

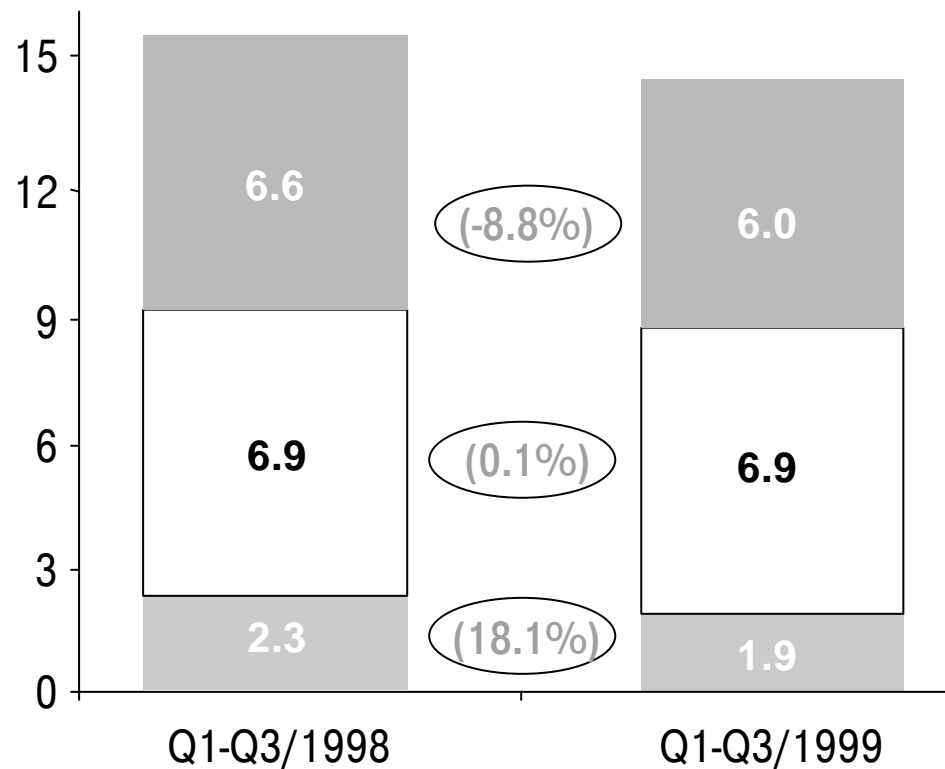
Cost reductions could not compensate for revenue decrease in 1999

	EBIT		EBITDA	
	1998	Q1-Q3/99	1998	Q1-Q3/99
Telephone network communications	31.4%	22.6%	56.3%	47.6%
Mobile communications	23.9%	30.9%	42.9%	42.0%
Broadband cable/broadcasting	1.7%	12.6%	55.8%	60.8%
Terminal equipment	-3.2%	7.9%	16.7%	23.2%
Special value-added services	-5.6%	-2.6%	5.3%	9.3%
International activities	25.3%	17.2%	43.6%	36.4%
Other	19.5%	14.7%	53.3%	40.2%
Group	23.8%	19.7%	49.5%	43.1%

Costs

Continued focus on key drivers

Euro (billion)



- Lengthening of certain depreciation periods leads to lower depreciation
- Small reduction in personnel costs
- Reduction in debt and interest expenses

- Depreciation
- Personnel costs
- Interest expenses

Financials: outlook

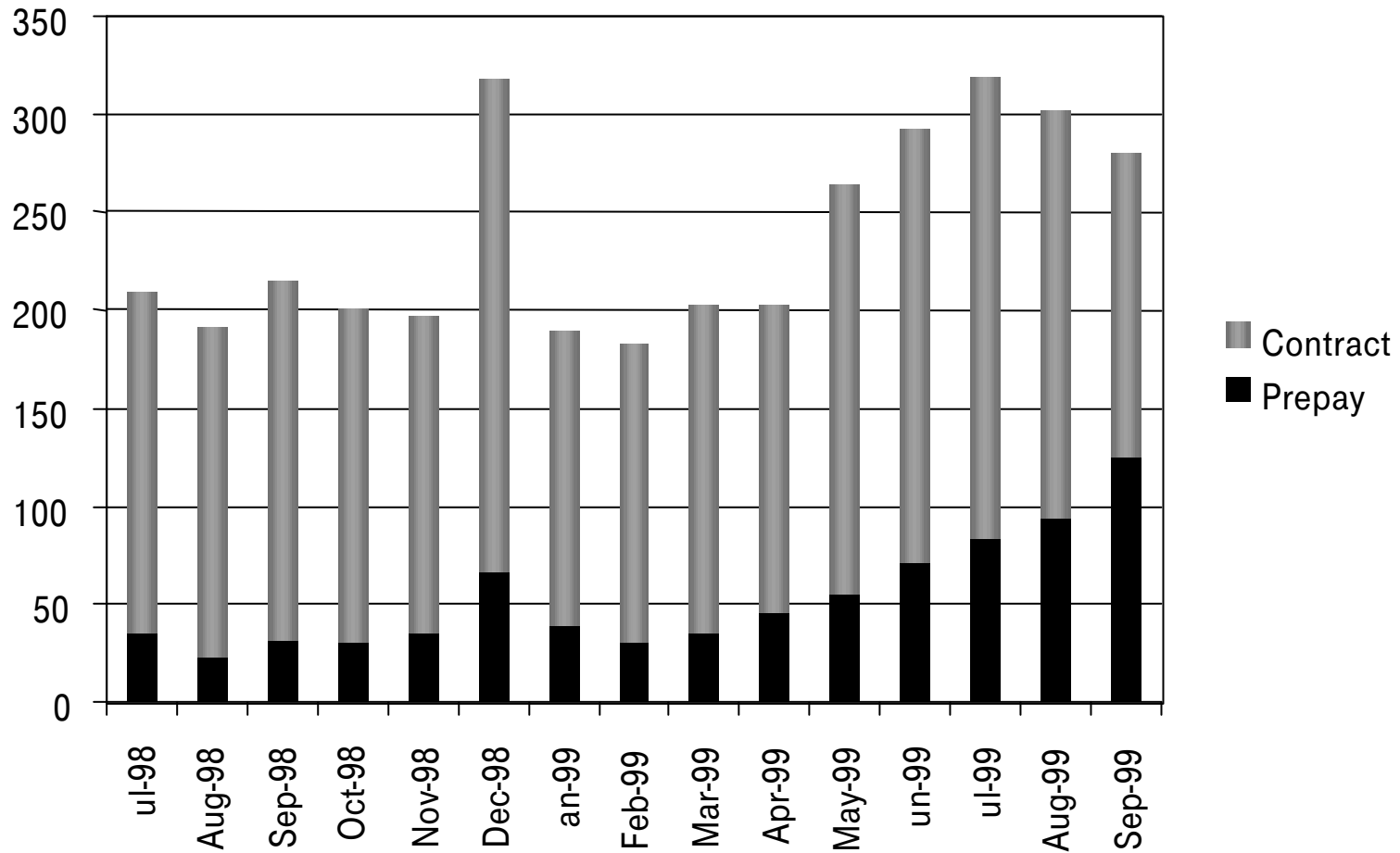
- First-time consolidation of One 2 One in the fourth quarter will have a significant effect on Group revenues and earnings
- Deteriorating margins from telephone network communications - partially offset by new applications and access
- Mobile voice will follow fixed telephony with a certain time lag - more than offset by exploding subscriber numbers as well as new data applications
- Excellent starting position in the Internet revolution
- Two factors will distinguish winners from losers:
 - international reach and market share
 - time-to-market

Appendix

T-Mobil

Prepay is driving acceleration in subscriber growth

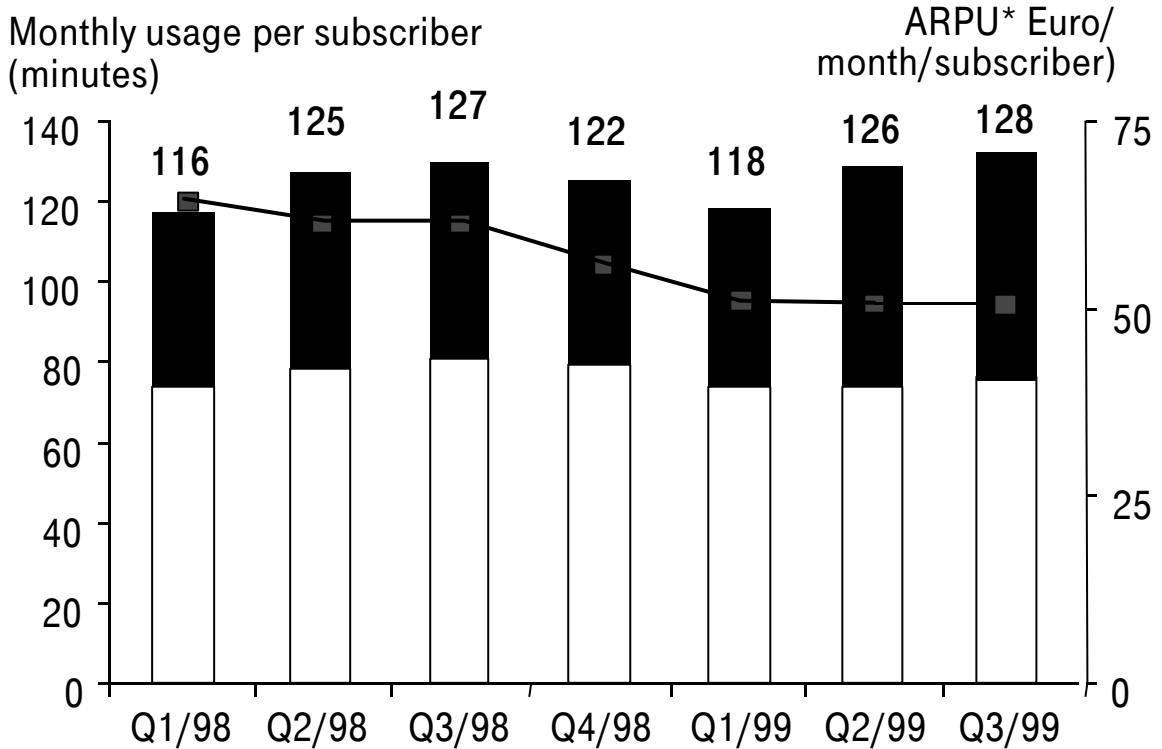
Net new subscribers per month in 1,000



T-Mobil

Attractive subscriber base

ARPU* and usage (T-D1)



- Increase in average usage
- Stable ARPU despite mass-consumer market characteristics
- ARPU still higher than European average

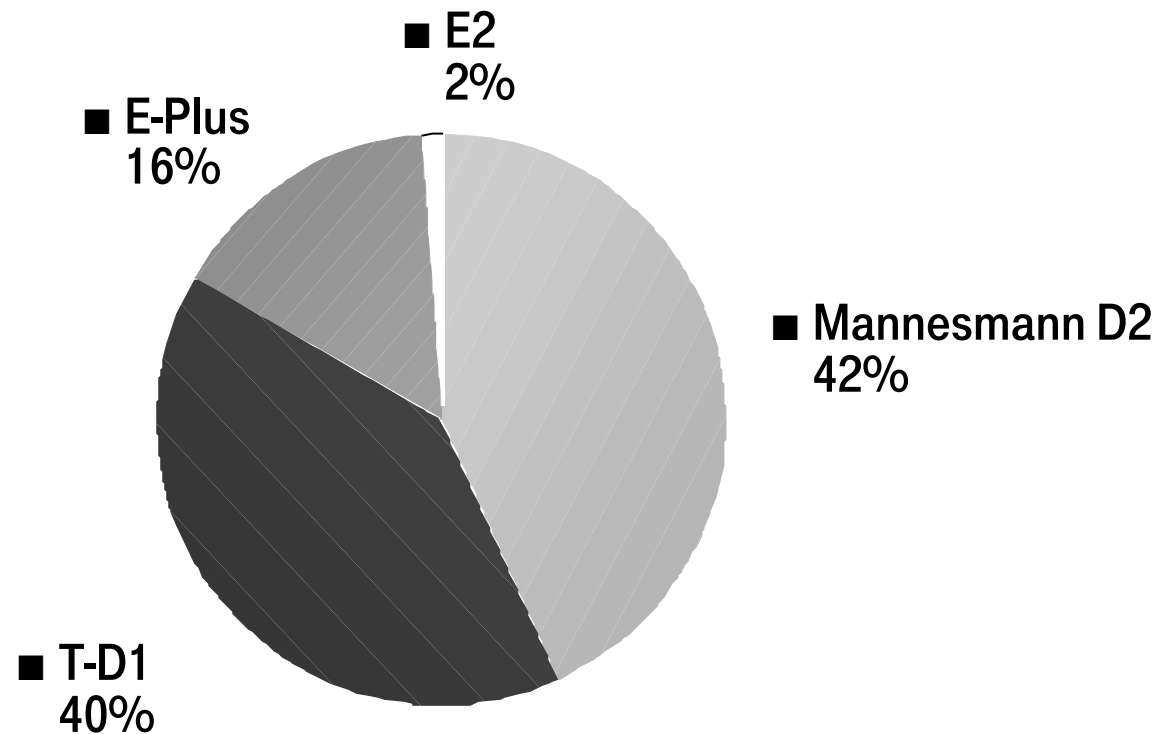
□ MOC usage**
 ■ MTC usage***
 -■- Monthly ARPU

* Monthly rental fees mobile-originated calls mobile-terminated calls, including roaming and visitors based on revenues of T-Mobil GmbH.
 ** MOC mobile-originated calls *** MTC mobile-terminated calls

T-Mobil

T-Mobil defends GSM market share against growing E-networks

Market share as of September 30, 1999

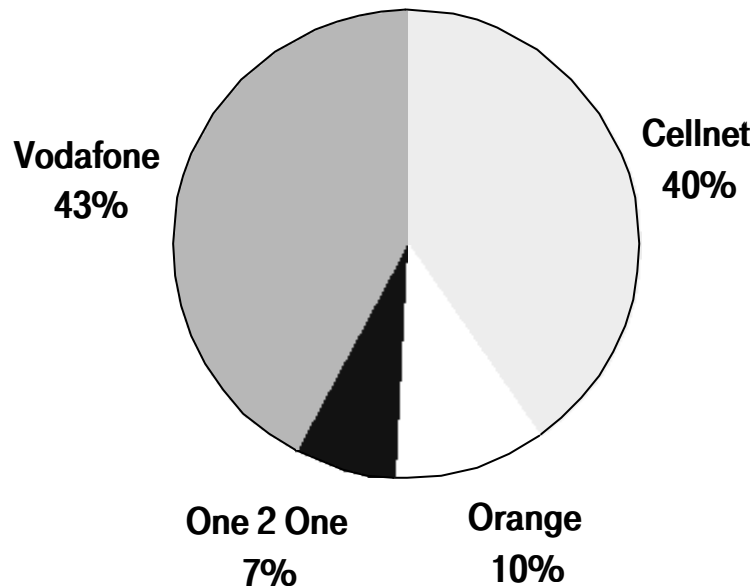


Source: Telecom Handel per 9/30/99

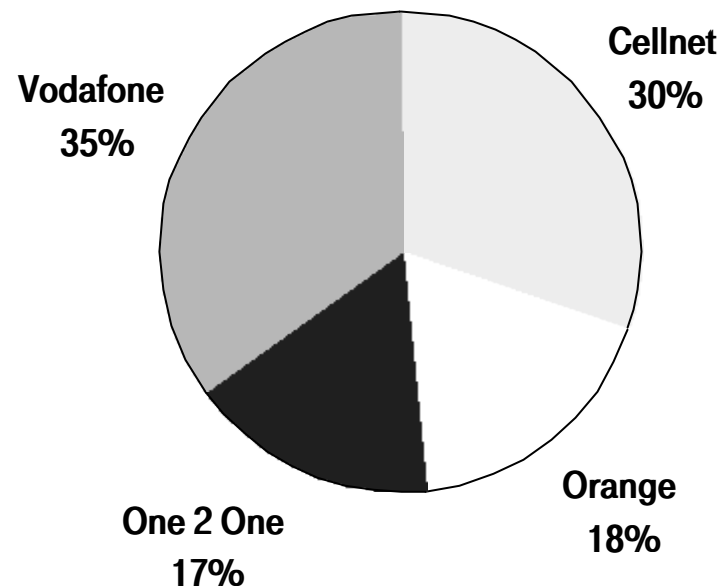
One 2 One – market share growth

Improvement of 10 percentage points over last two years

3.25 million customers per September 1999
Over 4 million customers by year-end 1999



September 1996

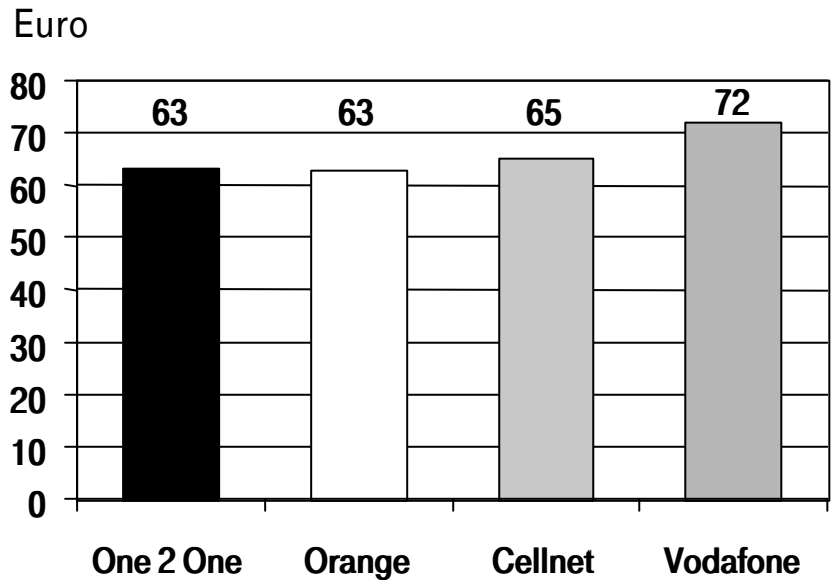


September 1999

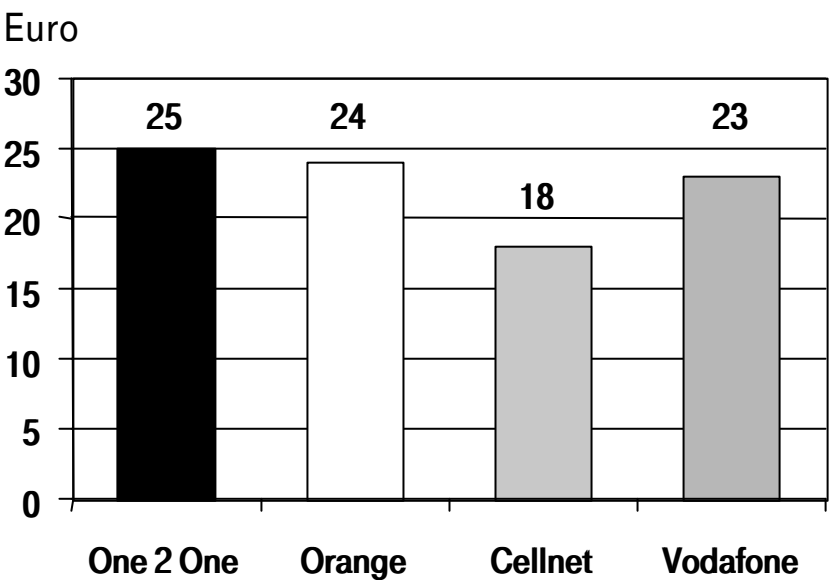
One 2 One

Revenues on par or better than competitors

Monthly contract ARPU



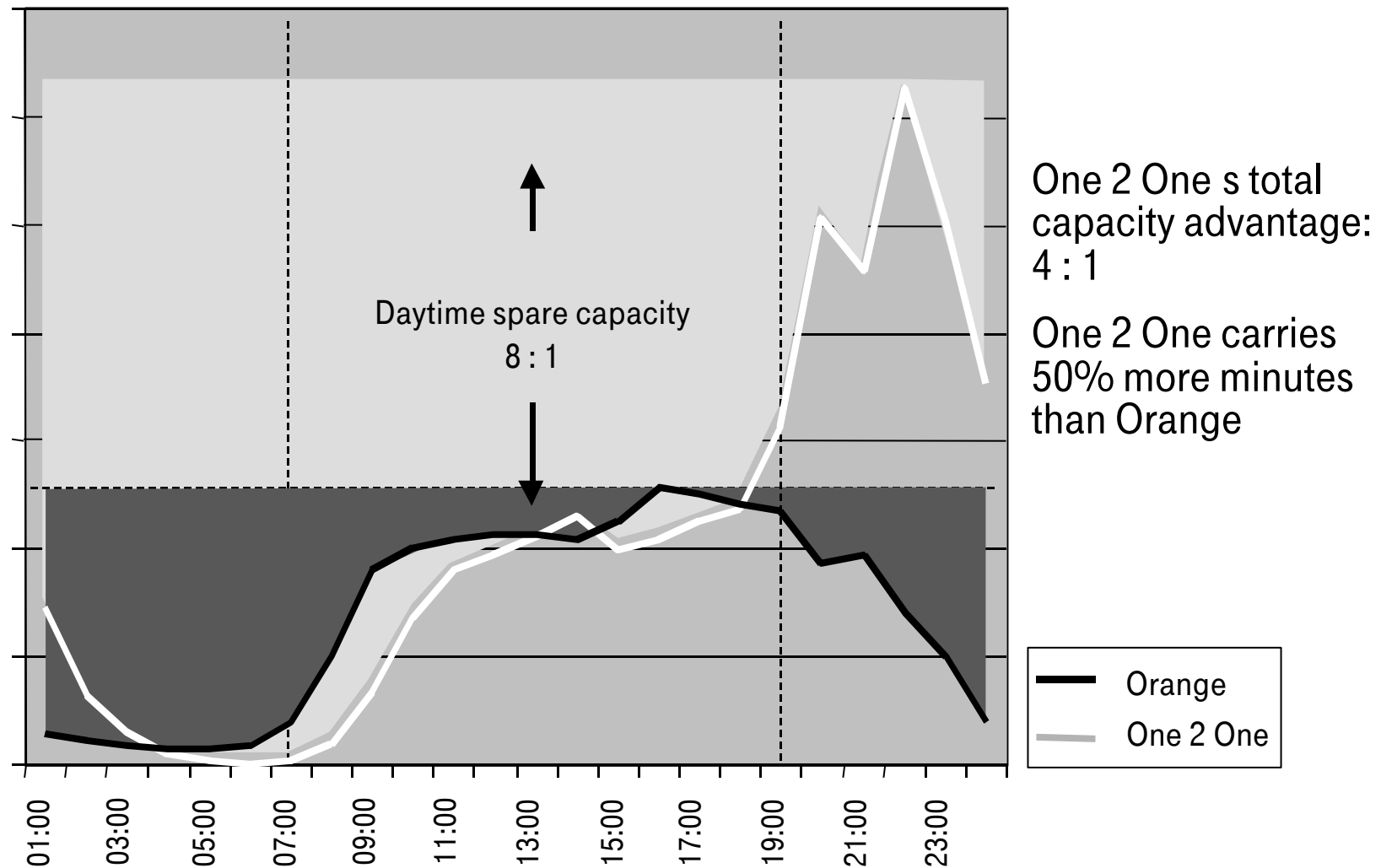
Monthly prepay ARPU



Source: Company data

One 2 One vs. Orange network traffic

Traffic profiles (minutes) - June 1999



One 2 One business economics

Healthy trends year-to-date Sept. 98 - Sept. 99

■ Acquisition cost per customer	-40%
■ Support costs per customer	-27%
■ Incremental capex per new customer	-41%
■ Cash costs per customer	-20%
■ Churn	-21%
■ Customers per employee	57%

Pan-European mobile

Unparalleled position in Central and Eastern Europe

	Austria	Hungary	Poland	Czech Republic
Company	max.mobil	Westel*	PTC*	RadioMobil
Deutsche Telekom share (%)	91.0	64.2	45.0	41.4
Subscribers in 000	1,290	836	1,500	619
GSM Market share in %	39%	59%	42%	43%

	Moscow/Russia	Croatia	Russia
Company	MTS	T. Croatia	RTDC*
Deutsche Telekom share (%)	46.0	35.0	67.8
Subscribers in 000	279	188**	141
GSM Market share in %	40%	99%	n.a.

* Subject to various approvals in connection with the acquisition of Media One s Eastern European mobile portfolio as announced on October 22, 1999.

** Mobile operations only.

T-Online

T-Online dominates both the access and portal market in Germany

■ Access strategy

- Europe's leading ISP, second largest in the world
- Almost 60% of the dial-up market in Germany
- International access (roaming) in 150 countries
- Establishing a leading position in wireless access
- Setting the pace in broadband access

■ Content strategy

- One of Germany's leading portal companies
- Increasing loyalty through additional portals
- Setting the trend in e-commerce

■ Internationalization strategy

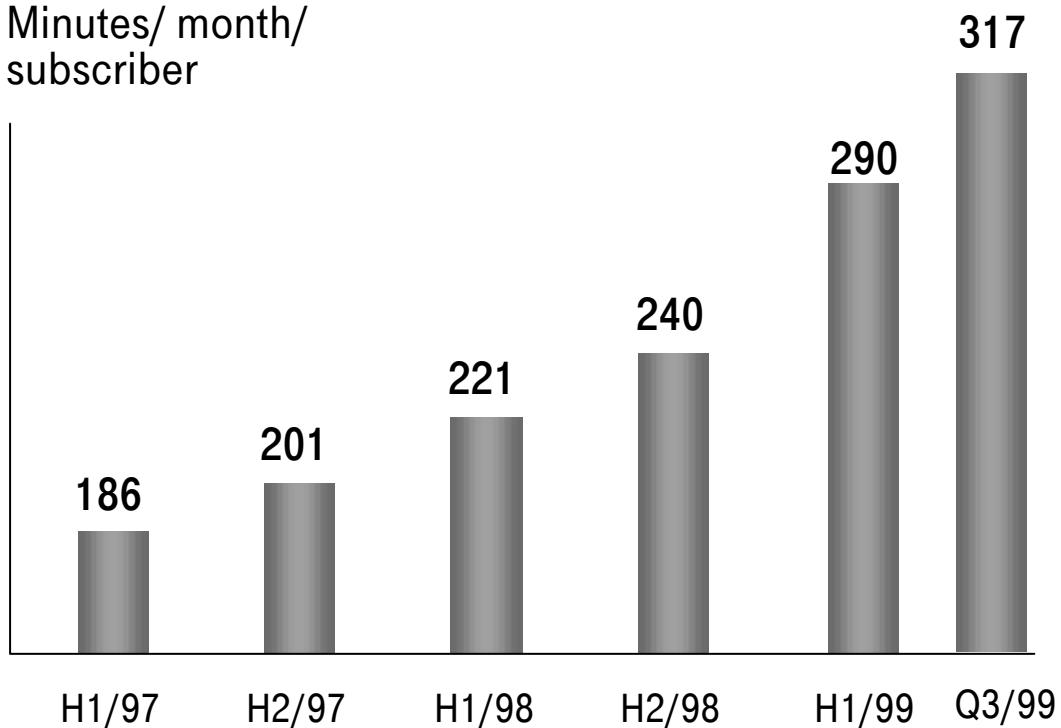
- Launch in Austria and Switzerland
- Possible listing of Internet activities to create acquisition currency and to increase transparency of valuation

T-Online

Increasing traffic through aggressive pricing

Average usage per subscriber

Minutes/ month/
subscriber

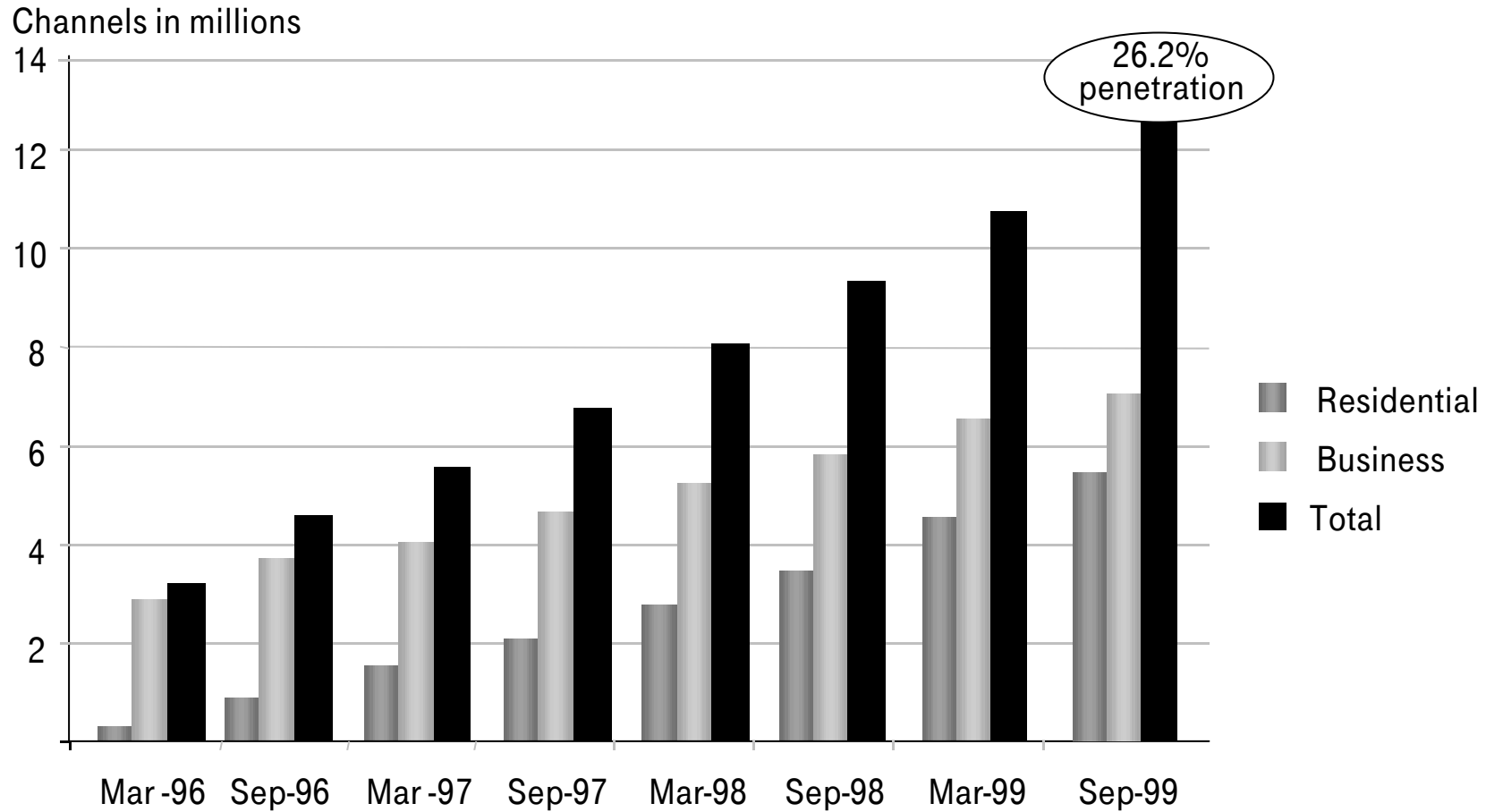


* Fixed-line call charges: DM 0.03/min (excl. first 2 hours for T-Online eco).

- T-Online eco*: DM 0.02/min for Internet usage, monthly payment: DM 8.00 incl. 2 free hours at no charge
- T-Online by Call*: DM 0.03/min for Internet usage, no monthly fee
- T-Online pro*: DM 19.90 per month flat-rate for unlimited Internet usage
- T-Online pro / Business Homepage Package*: 49 DM per month incl. high-quality web space offer (50 MB)

Access - ISDN

Higher revenue from access charges through increased ISDN penetration



Access - T-DSL

Build on success of ISDN access with aggressive rollout of T-DSL



- Access in H1/99
- Access in H2/99

- 60,000 pre-registrations prove strong market interest
- 54 cities by 1999, 200 cities by 2000, national coverage by 2003
- Suppliers: Orckit, Fujitsu

Residential customers (768 kbit/s downstream)

- T-DSL marketed together with ISDN
- Monthly charge: Euro 50 plus Euro 50 per month for 50 hours or Euro 75 per month for 100 hours of online usage

Business customers (up to 6 Mbit/s downstream)

- Euro 200-500 per month plus transmission according to usage (T-ATM)
- Euro 400-2,300 per month including 2.4 GB of free Transfer Volume (T-InterConnect)

Revenue by segments

Strong growth in mobile communications, international, and other services

Euro (million)	Q1-Q3/98	Q1-Q3/99	Δ%	1998
Telephone network communications	15,453	12,522	-19.0	20,531
- of which access charges	4,571	4,717	3.2	6,141
Interconnection services	970	1,972	103.3	1,611
Data communications	1,893	2,123	12.2	2,536
Mobile communications	2,272	2,734	20.3	3,061
Broadband cable/broadcasting	1,358	1,384	1.9	1,804
Terminal equipment	1,024	917	-10.4	1,382
Special value-added services	1,526	1,405	-7.9	2,051
Other services (T-Online, etc.)	458	804	75.5	825
International activities	1,038	1,715	65.2	1,396
Group	25,992	25,576	-1.6	35,197
Billing for 3rd parties	248	-		522
Total incl. billing for 3rd parties	26,240	25,576	-2.5	35,719

Consolidated statement of income*

Euro (billion)	Q1-Q3/98	Q1-Q3/99	△Euro	△ %	1998
Net revenue	25.992	25.576	-0.416	-1.6	35.197
Changes in inventories and other own capitalised costs	0.733	0.658	-0.075	-10.2	990
Total operating performance	26.725	26,234	-0.491	-1.8	36.187
Other operating income	1.459	1.328	-0.131	-9.0	2.069
Goods and services purchased	-4.452	-5.385	-0.933	21.0	-6.276
Personnel costs	-6.877	-6.868	0.009	-0.1	-9.170
Depreciation and amortisation	-6.568	-5.988	0.580	-8.8	-9.037
Other operating expenses	-3.914	-4.034	-0.120	3.1	-5.385
Financial income (expense) net	-2.611	-2.089	0.522	-20.0	-3.288
- of which net interest expense	-2.300	-1.884	0.416	-18.1	-2.962
Results from ordinary business activities	3.762	3.198	-0.564	-15.0	5.100
Extraordinary income/loss	0.0	-0.239	-0.239	n.a.	0.0
Income before taxes	3.762	2.959	-0.803	-21.3	5.100
Taxes	-2.052	-1.511	0.541	-15.3	-2.654
Income after taxes	1.710	1.448	-0.262	-15.3	2.446
Income/losses applicable to minority sharehold.	-0.156	-0.196	-0.040	25.6	-0.203
Net income	1.554	1.252	-0.302	-19.4	2.243

*German GAAP

Development of depreciation and investments

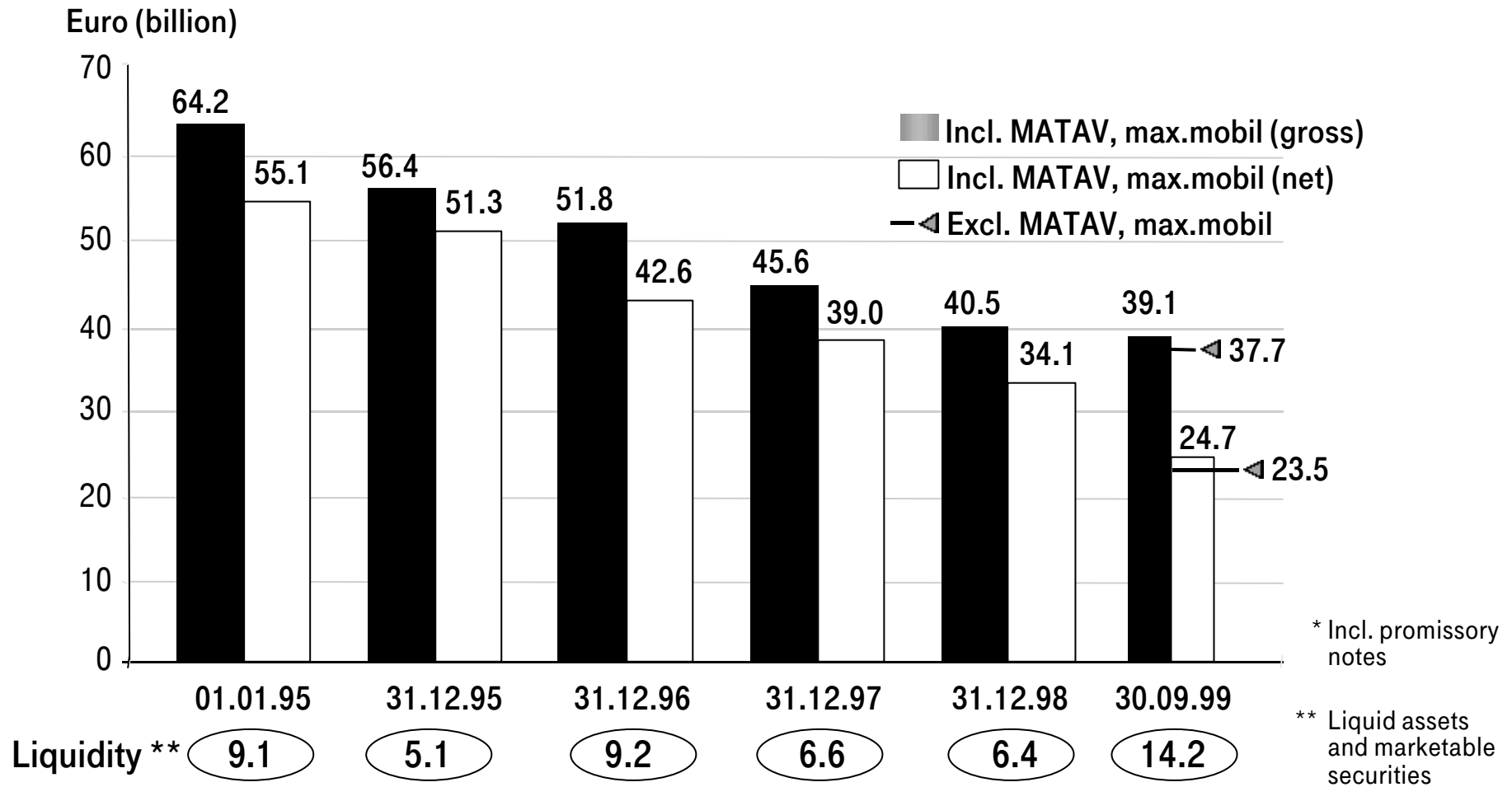
The lengthening of the depreciation periods on copper cable and conduits results in lower depreciation

Euro Billions	Q1-Q3/98	Q1-Q3/99	△	1998
Depreciation and amortisation	6.5	6.0	-0.5	9.0
Investments				
Intangible assets and property, plant and equipment (excl. Goodwill)	3.0	3.4	0.4	4.8
Goodwill	0.0	1.0 [*]	1.0	0.0

* Goodwill max.mobil

Group debt*

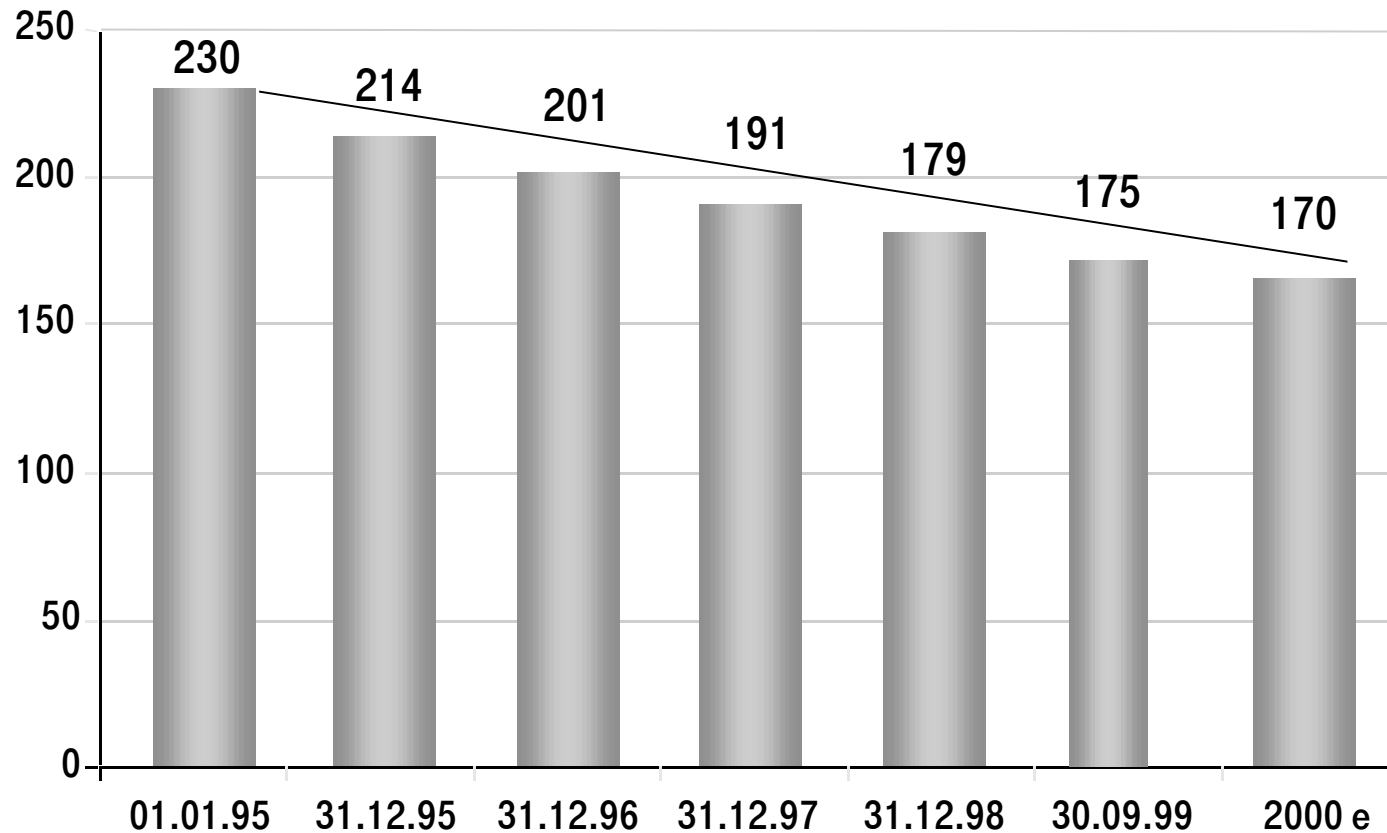
Debt reduction ahead of schedule



Personnel restructuring*

Personnel reduction faster than planned. Restructuring will be continued.

Employees in 1,000



* Based on old composition of Group (without MATAV and max.mobil)

Cash flow according to IAS

Revenue decrease and the resulting decrease in earnings have negative effect on cash flow

Euro (billion)	Q1-Q3/98	in % of revenue	Q1-Q3/99	in % of revenue	△
Net cash provided by operating activities	10.3	40%	7.1	27%	-3.2
Net cash used for investments in property, plant and equipment	-2.5	-10%	-3.0	-11%	-0.5
Free Cash Flow	7.8	30%	4.1	16%	-3.7
Net cash used for investments in intangible assets	-0.2		-1.2		-1.0
Net cash used for investing activities (excluding capital expenditures)	-5.1		-6.9		-1.8
Net cash used for financing activities	-2.6		6.9		9.5
Net increase in cash and cash equivalents	-0.1		2.9		3.0

Losses related to subsidiaries and related companies*

Euro (million)	Q1-Q3/98	Q1-Q3/99	1998
Southeast Asia	-109	-42	-118
Atlas/Global One	-166	-167	-221
Others	-46	-54	31
Total	-321	-263	-308

* Deviates from figures pursuant to German GAAP, since income and expenditures resulting from the setting up or reversal of accruals are also shown here.

U.S. GAAP reconciliation

Euro (million)	Q1-Q3/98	Q1-Q3/99	1998
Net income in accordance with German GAAP	1,554	1,252	2.243
Provisions for personnel restructuring	-233	-89	-286
Income tax effects	138	-485	203
Other differences	74	323	65
Costs related to the capital increase	0	237	0
Net income in accordance with U.S. GAAP	1,533	1,238	2.225

Net income according to DVFA/SG*

Euro (million)	Q1-Q3/98	Q1-Q3/99	1998
Net income in accordance with German GAAP	1,554	1,252	2,243
Deferred taxes on losses carried forward	-26	-9	-82
Retrospective adjustment of depreciation periods	321	0	383
Cost of capital increase after taxes	0	134	0
Net income in accordance with DVFA/SG	1,849	1,377	2,544

*The prior year numbers have been adjusted to comply with the new DVFA/SG methodology

Disclaimer

This presentation contains or may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. It is important to note that the company's actual results could differ materially from the results anticipated or projected in any such forward-looking statements, based on a number of important factors. Deutsche Telekom's filings with the U.S. SEC (particularly its most recent report on Form 20-F) contain cautionary statements identifying important factors affecting such forward-looking statements, including certain risks and uncertainties, that could cause actual results to differ materially from projections contained in any forward-looking statements made by the company.