

# Deutsche Telekom's most important statistical data at a glance.

<b>Figures on telephony</b>	<b>End 1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>	<b>1993</b>	<b>1992</b>	<b>1991</b>	<b>1990</b>
Telephone lines (millions) <sup>b</sup>	46.5	45.2	44.2	42.0	39.9	37.5	35.6	33.7	32.0
- Standard analog lines (millions)	36.4	37.8	39.0	39.2	38.2	36.7	35.2	33.5	31.9
- ISDN channels (thousands) <sup>c</sup>	10,093.5	7,341.3	5,203.4	2,743.9	1,669.2	842.8	402.9	161.0	84.1
- ISDN basic access lines (thousands)	3,996.9	2,831.2	1,918.3	846.4	460.5	217.2	98.4	41.4	14.5
- ISDN primary rate access lines (thousands)	70.0	56.0	45.6	35.0	24.9	13.6	6.9	2.6	1.8
freecall (0130/0800) numbers (thousands)	74.1	50.4	40.7	27.2	17.3	13.2	10.6	6.5 <sup>d</sup>	3.4 <sup>d</sup>
Service 0180 numbers	24,833	19,059	13,264	6,852	619	84	-	-	-
Service 0190 lines (thousands)	11.9	12.1	10.0	6.4	5.0	5.0	0.7	0.6	-
Directory assistance calls (millions)	406	568	574	606	563	475	366 <sup>d</sup>	352 <sup>d</sup>	324 <sup>d</sup>
National phone calls (billions)	52.7	52.7	50.7	52.3	51.0	49.2	44.6	41.0	35.4
International phone calls (millions)	1,367	1,497 <sup>a</sup>	1,420	1,450	1,384	1,180	1,012	922	797
<b>Data communications</b>									
T-Online customers (thousands)	2,699	1,919	1,354	965	709	497	340	302	260
T-Online calls (millions)	838.1	492.2	310.1	173.5	129.0	104.0	87.8	75.6	63.2
Datex-P dedicated connections (thousands)	85.7	95.3	81.4	92.4	92.6	86.5	79.5	69.3	56.5
Datex-P dial-in connections (thousands)	50.9	55.5	63.4	-	-	-	-	-	-
Access locations T-Net ATM	42	42	-	-	-	-	-	-	-
Access nodes (locations) Datex-M	76	71	42	42	12	-	-	-	-
Access locations T-InterConnect	220	220	-	-	-	-	-	-	-
FrameLink Plus access lines	7,146	2,382	631	-	-	-	-	-	-
City-Netz	36	28	13	3	-	-	-	-	-
<b>Mobile communications</b>									
T-C-Tel customers (thousands)	366	476	532	648	724	794	772	533	274
T-D1 customers (thousands)	5,474	3,276	2,156	1,482	887	481	69	-	-
Paging customers (Eurosignal, Scall, Cityruf, Skyper) (thousands)	701	965	1,002	836	549	465	414	342	270
Chekker customers (thousands)	96	116	97	75	63	49	28	11	3
Modacom customers (thousands)	27	24	15	9	7	0.4	-	-	-
<b>Cable Television</b>									
Households connected (millions)	17.7	17.3	16.7	15.8	14.6	13.5	11.8	9.9	8.1
<b>Network</b>									
Copper (thousands km) <sup>a</sup>	1,452.3	1,455.7	1,446.1	1,410.8	1,399.9	1,367.6	1,204.1	1,330.7	1,309.7
Fiber optic (thousands km) <sup>a</sup>	157.4	150.6	137.6	124.6	114.7	102.3	67.2	54.5	40.0
<b>Field organization</b>									
Branch offices	118	118	118	118	120	121	121	123	123
T-Punkt sales outlets	578	455	416	364	354	320	292	257	192

<sup>a</sup> Updated figure.

<sup>b</sup> Standard analog lines including public telephones and ISDN channels in operation.

<sup>c</sup> Two ISDN channels are available per basic access line, 30 ISDN channels per primary rate access line.

<sup>d</sup> Figure refers to western Germany only.

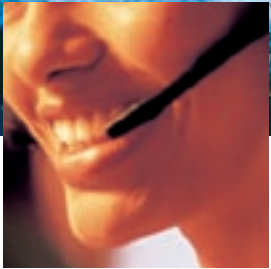


The areas of light on this picture of the world taken at night show the main centers of population. All of these areas are constantly in communication with one other. Deutsche Telekom helps people communicate at all hours of the day and night, everywhere on the globe. Networking visions and globalizing actions is possible thanks to state-of-the-art technology and excellent service and support.

Networking visions.  
Globalizing actions.  
The 1998 financial year.

Deutsche Telekom

The 1998 financial year



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# Selected financial data of the Deutsche Telekom group at a glance.

<b>Earnings position (billions of DM)</b>	<b>Change<sup>a</sup></b>	<b>1998<sup>b</sup></b>	<b>1997<sup>b</sup></b>	<b>1996<sup>b</sup></b>	<b>1995</b>	<b>1994<sup>d</sup></b>
Net revenue	3.4 %	69.9	67.6	63.1	66.1 <sup>c</sup>	63.8
Changes in inventories and other own capitalized costs	-34.5 %	1.9	3.0	3.5	3.3	3.7
Other operating income	8.0 %	4.0	3.7	3.9 <sup>e</sup>	2.1	1.9
Goods and services purchased	9.5 %	13.3	12.1	10.2	9.5	9.3
Personnel costs	-2.2 %	17.9	18.3	18.8	18.5	18.2
Depreciation and amortization	-5.0 %	17.7 <sup>f</sup>	18.6 <sup>f</sup>	17.7 <sup>f</sup>	15.4	14.6
Other operating expenses	3.7 %	10.5	10.2	9.4	9.7	8.2
Total operating expenses <sup>g</sup>	0.3 %	59.4	59.2	56.1	53.1	50.3
Financial income (expense) net	-17.8 %	-6.4	-7.8	-7.7	-8.2	-7.9
Results from ordinary business activities	38.6 %	10.0	7.2	6.6	10.3	11.2
Extraordinary income (losses)	-	-	-	-2.5	-1.3	-0.4
Taxes, Levy to the Federal Republic of Germany <sup>h</sup>	43.9 %	5.2	3.6	2.2	3.8	4.9
Net income	32.8 %	4.4	3.3	1.8	5.3	3.6
<b>Assets and liabilities (billions of DM)</b>						
Noncurrent assets	-5.0 %	130.1	137.0	144.3	139.2	139.2
Current assets, prepaid expenses, deferred charges	-3.2 %	25.0	25.8	30.0	21.0	28.9
Shareholders' equity	1.8 %	49.0	48.1	46.6	24.7	19.3
Accruals	9.0 %	16.3	15.0	14.9	13.0	11.4
Debt	-11.1 %	78.1	87.9	99.9	110.4	125.5
Other liabilities and deferred income	-1.4 %	11.6	11.8	12.9	12.1	11.9
Balance sheet total	-4.8 %	155.1	162.8	174.3	160.2	168.1
<b>Financing (billions of DM)</b>						
Net cash provided by operating activities	16.5 %	26.4	22.6	22.3	23.7	24.1
Net cash used for investing activities	39.2 %	-14.7	-10.5	-25.3	-13.3	-28.9
Net cash provided by (used for) financing activities	-3.4 %	-13.3	-13.8	6.8	-15.2	11.1
Capital expenditures <sup>n</sup>	-29.4 %	9.4	13.3	16.9	14.6	19.3
<b>Figures in accordance with U.S. GAAP (billions of DM)</b>						
Net income	77.2 %	4.4	2.5	2.6	5.6	8.0
Balance sheet total	-4.0 %	159.4	166.1	178.8	164.9	172.2
Total long-term liabilities	-12.4 %	77.6	88.6	100.3	110.5	123.0
Shareholders' equity	2.8 %	52.5	51.1	50.7	29.5	24.1
<b>Ratios</b>						
Employees balance sheet date (thousands) <sup>i</sup>	-6.2 %	179	191	201	213	229
Employees average for the year (thousands) <sup>i</sup>	-5.7 %	186	197	208	220	231
Dividend per share/ADS (DM)	0.0 %	1.20 <sup>j</sup>	1.20	0.60	0.60	-
Earnings per share/ADS in accordance with HGB (DM) <sup>k</sup>	33.3 %	1.60	1.20	0.83	2.60	1.77
Earnings per share/ADS in accordance with U.S. GAAP (DM) <sup>k</sup>	76.7 %	1.59	0.90	1.22	2.74	3.92
Revenue per employee (thousands of DM) <sup>l</sup>	9.4 %	362	331	294	301	276
Equity ratio (%) <sup>m</sup>	7.3 %	29.5 %	27.5 %	25.8 %	14.7 %	11.5 %

<sup>a</sup> On the basis of the more exact figures expressed in millions.

<sup>b</sup> Includes changes in the composition of the group (in particular MATÁV).

<sup>c</sup> Including pro-forma value-added tax. Adjusted for VAT, revenue would have been DM 59.6 bn.

<sup>d</sup> Figures adjusted retroactively to the accounting principles applied to Deutsche Telekom AG since January 1, 1995.

<sup>e</sup> Including one-time value-added tax refund amounting to DM 662 million.

<sup>f</sup> Including depreciation of value-added tax capitalized prior to January 1, 1996.

<sup>g</sup> Without the changes in the composition of the group (in particular MATÁV) in 1996, amounts would have been lower by DM 2.0 bn (1998), DM 1.9 bn (1997) and DM 1.6 bn (1996).

<sup>h</sup> In 1995, the levy to the Federal Republic was paid for the last time, with the Company being exempt almost fully from tax. Since January 1, 1996, the Company has been subject to normal corporate taxation.

<sup>i</sup> Full-time employees, without trainees/students interns and changes in the composition of the group (in particular MATÁV).

<sup>j</sup> Proposed Dividend.

<sup>k</sup> Based on dividing net income by the weighted average number of ordinary bearer shares outstanding. The share/ADS ratio is 1:1.

<sup>l</sup> In 1996, after giving effect to the 10:1 stock split and the issuance of shares from retained earnings on July 1, 1996. Pro forma for 1994.

<sup>l</sup> Average number of employees for the year without trainees/student interns and without changes in the composition of the group (in particular MATÁV).

<sup>m</sup> Without amounts proposed for dividend payment, which are treated as short-term debt.

<sup>n</sup> In accordance with statement of cash flows.