Q1 2005 Conference call.

Deutsche Telekom.

May 12, 2005.

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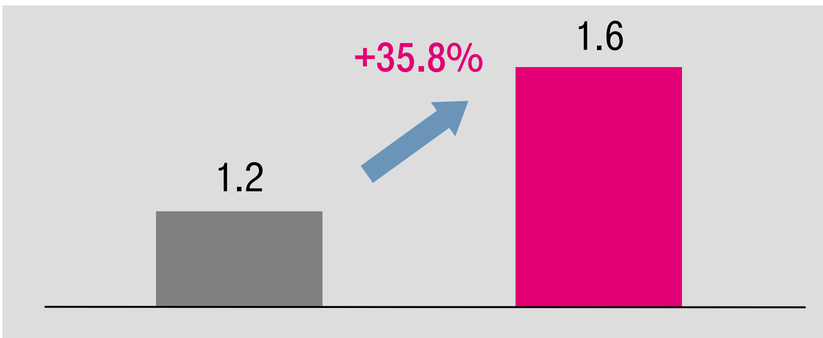
This release contains financial information that has been prepared in accordance with International Financial Reporting Standards, or "IFRS," and on the basis of the new strategic business areas. The IFRS financial information contained in this report was prepared on the basis of the assumption that, with the exceptions of IAS 39 "Financial Instruments: Recognition and Measurement" and IFRIC 3 "Emission Rights," all existing standards and interpretations that have been issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) will be fully endorsed by the EU. The accounting policy for financial instruments takes into account the proposed EU revisions to IAS 39 and complies with the amended IAS 39. IFRIC 3 is not relevant for Deutsche Telekom. Subject to EU endorsement of outstanding standards and no further changes from the IASB, the information presented here is expected to form the basis for reporting Deutsche Telekom's financial results for 2005, and for subsequent reporting periods. However, Deutsche Telekom cannot assure you that there will not be material changes in IFRS between the date of this Interim Report and the first date on which Deutsche Telekom is required to publish financial statements for 2005, 2004 or 2003 under IFRS.

Q1 2005.
Highlights.

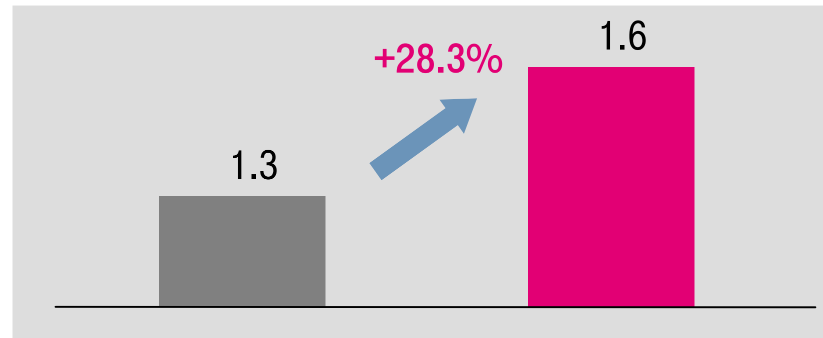
Kai-Uwe Ricke
CEO

Q1 2005.
Profitable growth.

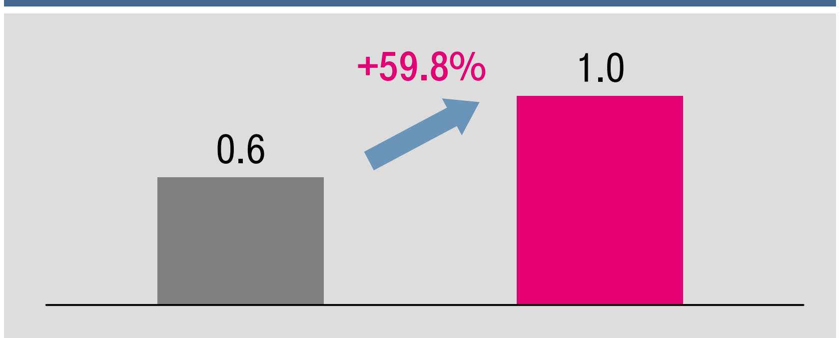
EBT (reported) (€ bn)



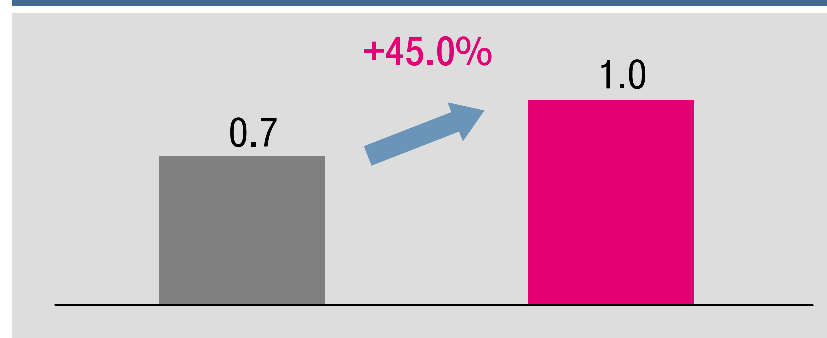
EBT (adjusted) (€ bn)



Net income (reported) (€ bn)



Net income (adjusted) (€ bn)



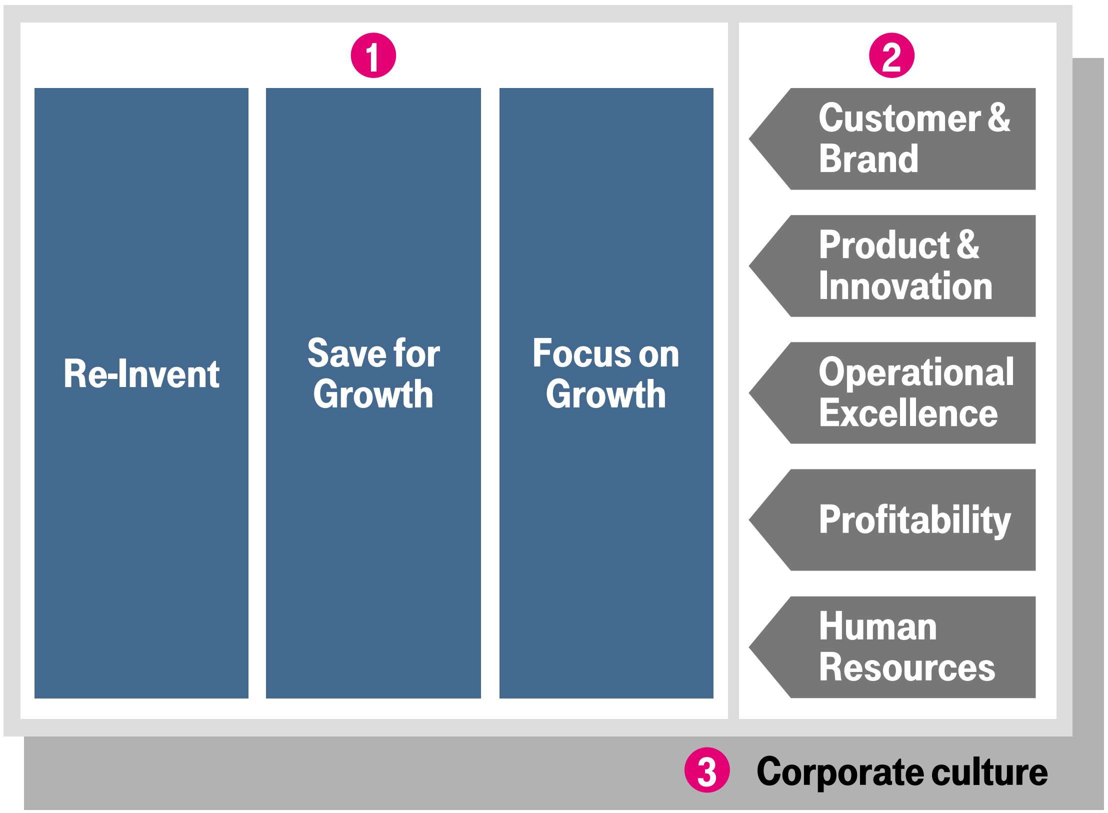
Percentages calculated on the basis of exact figures.

Q1 2004
Q1 2005

Q1 2005.
Strong growth drivers.

- Revenues increased by 3.5% to € 14.4 billion
- Adj. EBITDA of € 4.9 billion – increase of 5.2%
- Strong DSL growth – 581,000 domestic DSL net adds
- Continued strong momentum in the U.S. – 957,000 net adds at T-Mobile USA
- Business customers: order entry up 5.2% to € 3.1 billion

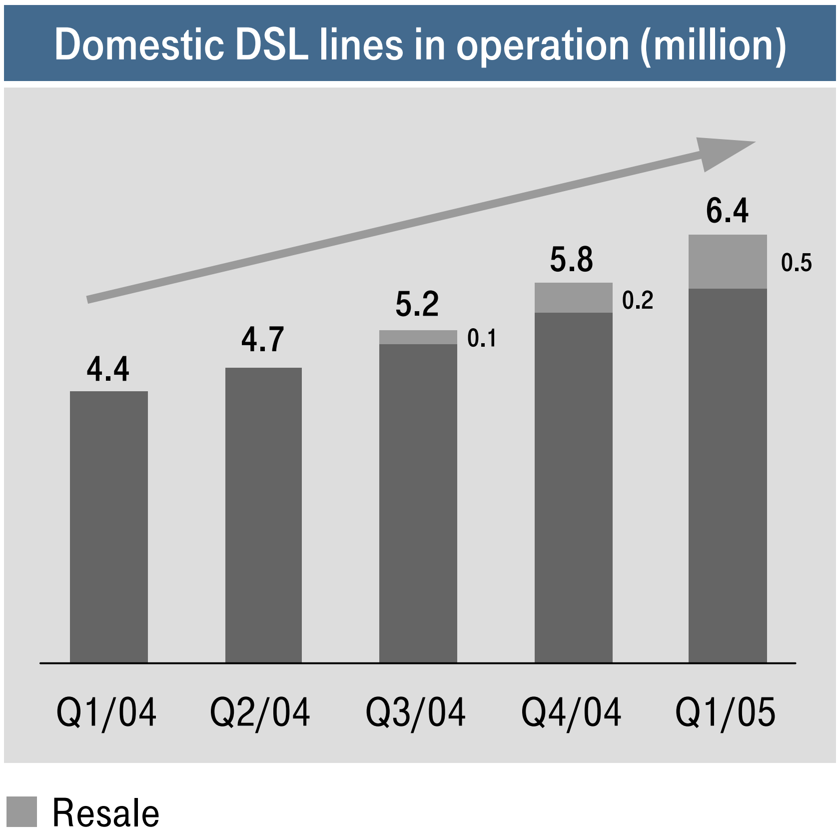
Strategic development.
Excellence – to become the leading service company.



Excellence Program consists of:

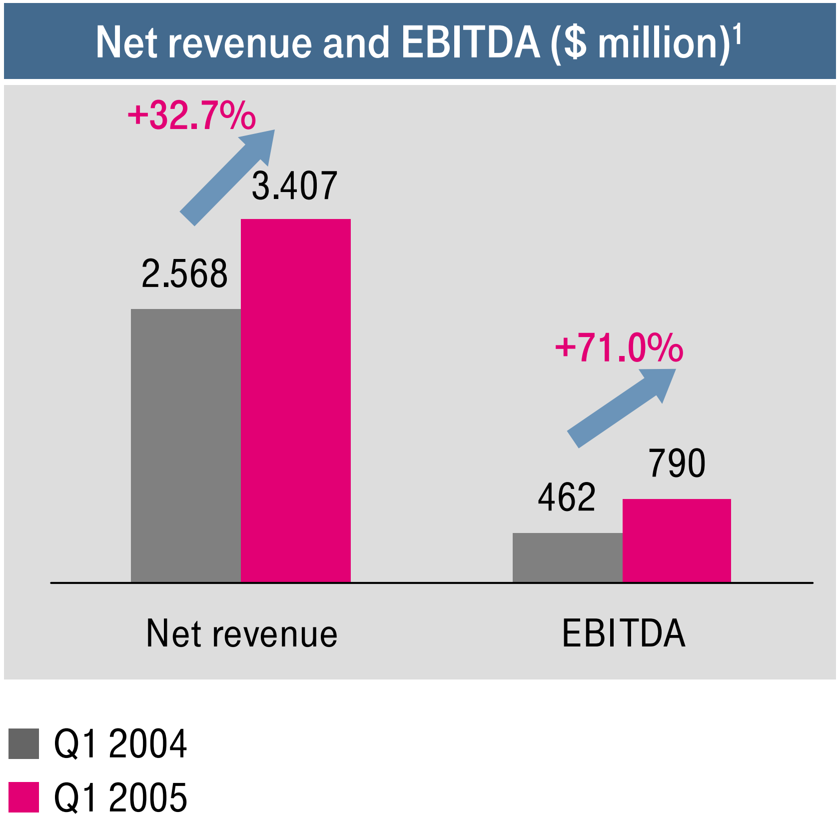
1. Profitable growth initiatives:
   T-Com – Re-Invent
   T-Mobile – Save for Growth
   T-Systems – Focus on Growth
2. 5 cross-segment initiatives
3. Corporate culture

Broadband/fixed network.
Continued DSL momentum – 581,000 domestic net adds in Q1.



- 6.7 million DSL lines in operation on group level at Q1/05 – up 49% y-o-y
  - CEE increased broadband base significantly by 200% y-o-y to 305,000 (40,000 net adds in Q1/05)
- Domestic DSL lines up by 46% y-o-y to 6.4 million
  - 362,000 domestic retail net adds in Q1
  - 219,000 domestic resale net adds in Q1
- T-Online customer base with broadband ISP rate plans increased to 3.5 million – up 1.1 million y-o-y
  - Share of broadband net adds at T-Online above 50% in Q1/05
  - Combined broadband access and ISP offer from February 1

Mobile.
T-Mobile USA: 957,000 net adds in Q1.



- Customer base at 18.3 million
- Stable ARPU
- Postpaid churn at 2.3% – down from 2.6% in Q4/04 and Q1/04
- More than 500,000 BlackBerry customers

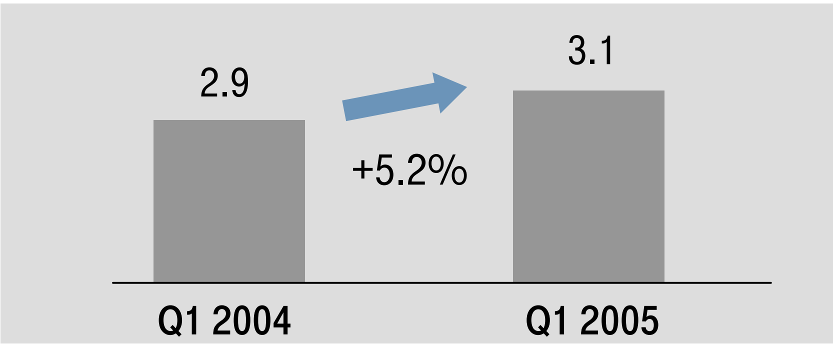
1 In accordance with IFRS.

Mobile.
T-Mobile Europe – focused execution of strategy.

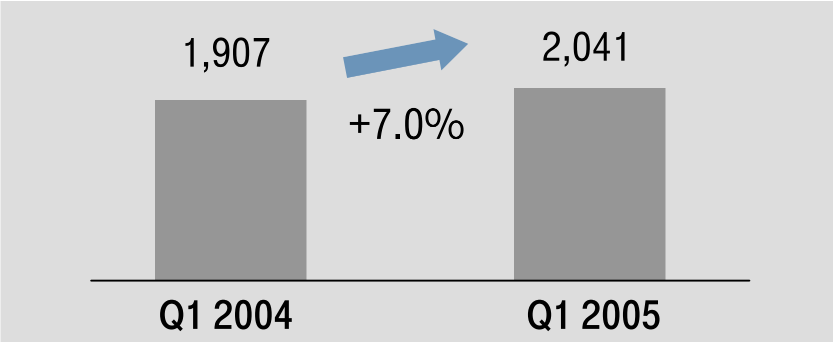
- Focus on contract customers (in Q1/05):
  - 87,000 contract net adds in Germany
  - 81,000 contract net adds in UK
- Focus on margin:
  - 39.8% adj. EBITDA margin in Germany (up from 37.9% in Q1/04)
  - 35.0% adj. EBITDA margin in Europe (up from 33.7% in Q1/04)
- Tariff measures in line with change in market model:
  - 3.1 million Relax customers, up 1/3 from the end of 2004
  - U-Fix: successful launch
- Solid progress with data-centric devices in Europe in Q1:
  - 126,000 data-centric devices sold: 60% of the total number sold in 2004
  - 612,000 smart phones sold: 58% of the total number sold in 2004

Business customers.
Promising order entry - strong growth in Enterprise Services.

Business customers order entry (€ billion)



Enterprise Services (ES) revenues (€ million)



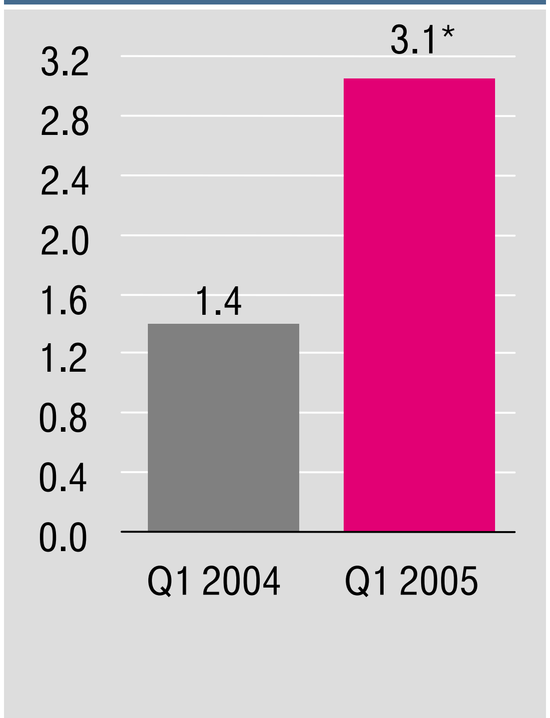
- Computing and desktop services increased by 9.6% to € 1.16 billion
- Systems integration increased by 4.6% to € 0.39 billion
- Telecommunications increased by 2.9% to € 0.50 billion

Q1 2005.
Financials.

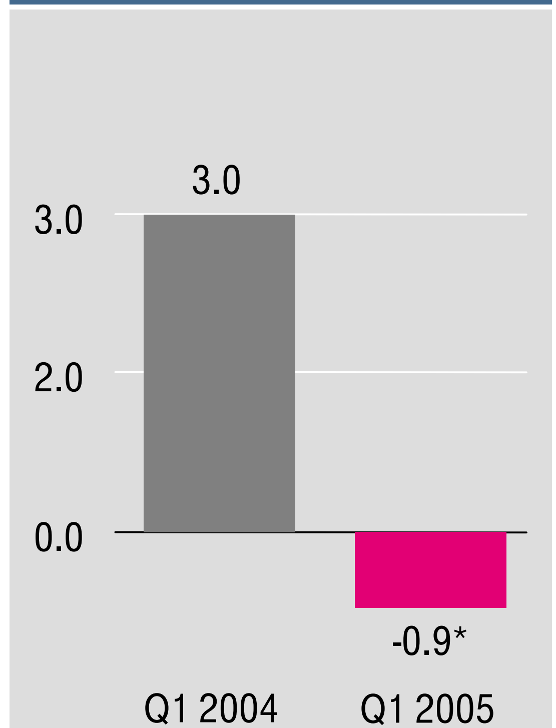
Dr. Karl-Gerhard Eick
CFO

Capex, FCF, and net debt.
Growth investments impact cash flow and net debt as expected.

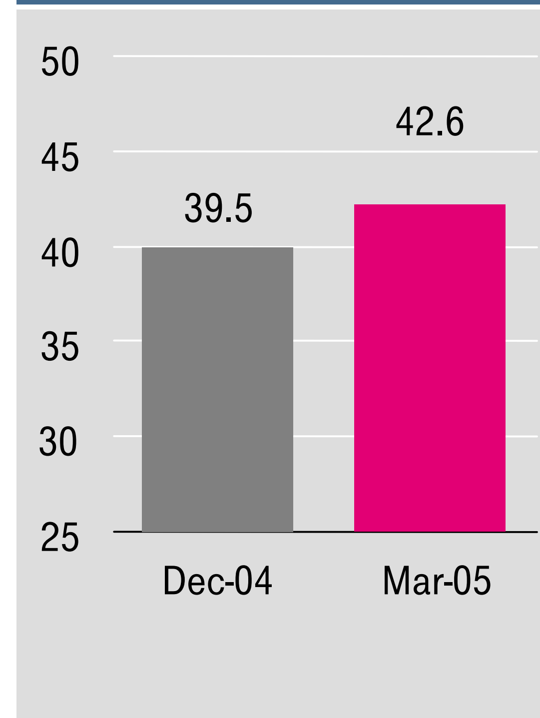
Cash Capex (€ billion)



Free cash flow (€ billion)



Net debt (€ billion)



* Incl. € 1.9 billion for network assets and spectrum in the US (California, Nevada).

Q1 2005 – Cash Flow.
Operating Cash Flow impacted by working capital and taxes.

€ billion	Q1 2005	Q1 2004
Cash Flow	4.8	4.7
Change in working capital	-1.9	- 0.8
Change in accruals	0.0	0.4
Taxes and dividends	-0.4	0.5
Cash generated from operations	2.6	4.8
Net interest payment	- 0.4	- 0.5
Net cash provided by operating activities	2.2	4.3
Investments in PP&E, and intangible assets	- 3.1*	- 1.4
Free Cash Flow	-0.9*	3.0
Free Cash Flow (before purchase of network assets and spectrum in the US)	1.0	3.0

* Incl. € 1.9 billion for network assets and spectrum in the US.

Q1 2005 – Net income.
Improved bottom line despite higher D&A and higher taxes.

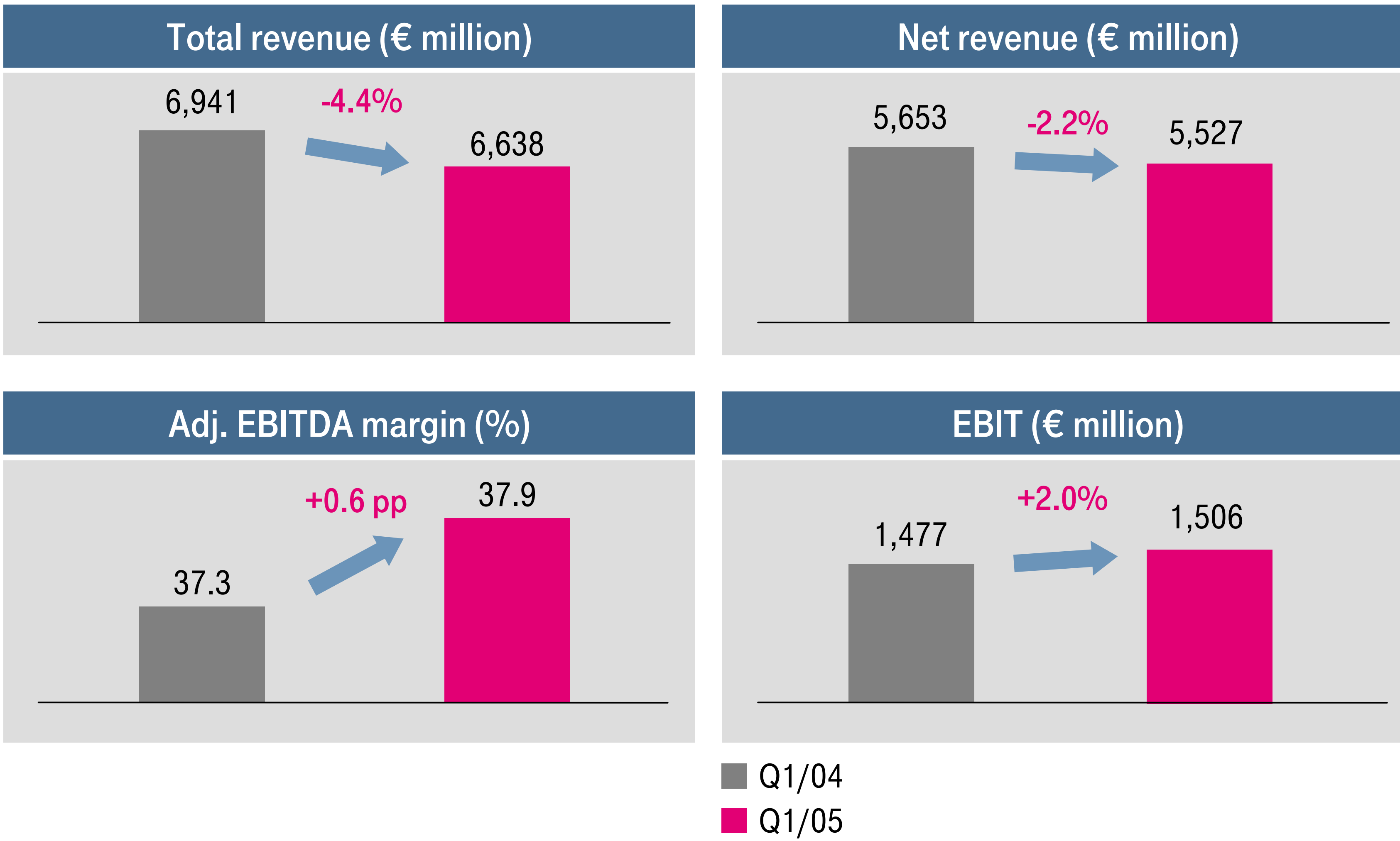
€ billion	Q1 2005	Q1 2004	Q1 2005 adj.	Q1 2004 adj.
EBITDA	4.9	4.6	4.9	4.7
Depreciation and amortization	- 2.6	- 2.2	- 2.6	- 2.2
Net financial expense	- 0.7	- 1.2	- 0.7	- 1.2
- of which net interest expense	- 0.8	- 1.1	- 0.8	- 1.1
EBT	1.6	1.2	1.6	1.3
Income taxes	- 0.5	- 0.4	- 0.5	- 0.4
Earnings after taxes	1.1	0.8	1.1	0.8
Minorities	- 0.1	- 0.1	- 0.1	- 0.1
Net income	1.0	0.6	1.0	0.7

Q1 2005 – Balance sheet.
Equity ratio and gearing further improved.

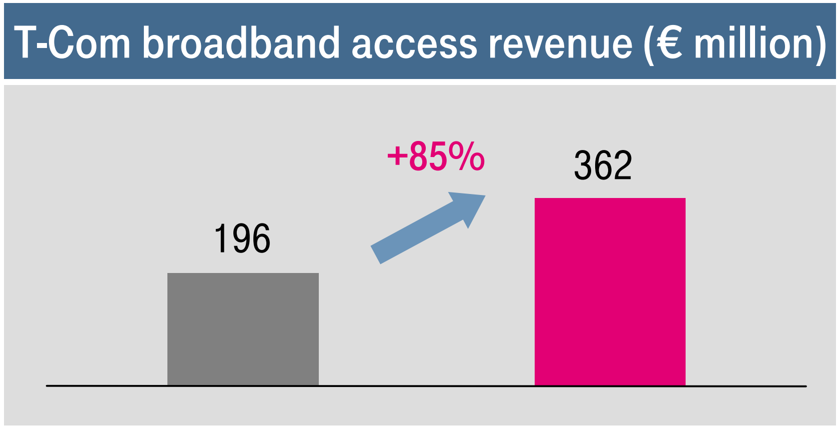
€ billion	Q1 2005	Q1 2004
Assets	132.6	140.2
Equity	47.0	45.7
Equity ratio[1]	35.5%	32.6%
Net debt	42.6	48.7
Gearing[2]	0.9 x	1.1 x

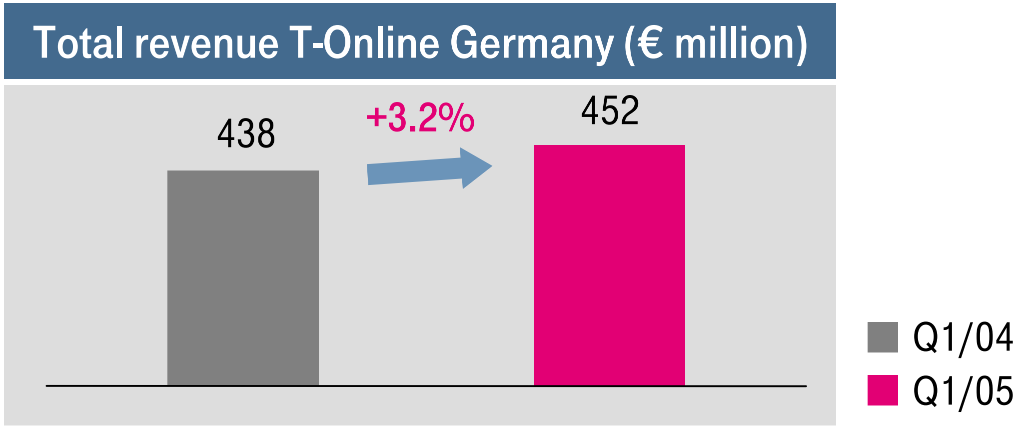
1 Shareholders' equity divided by balance sheet total. Calculated on exact figures.
2 Net debt divided by shareholders' equity.

Broadband/fixed network.
Continued EBITDA margin expansion.



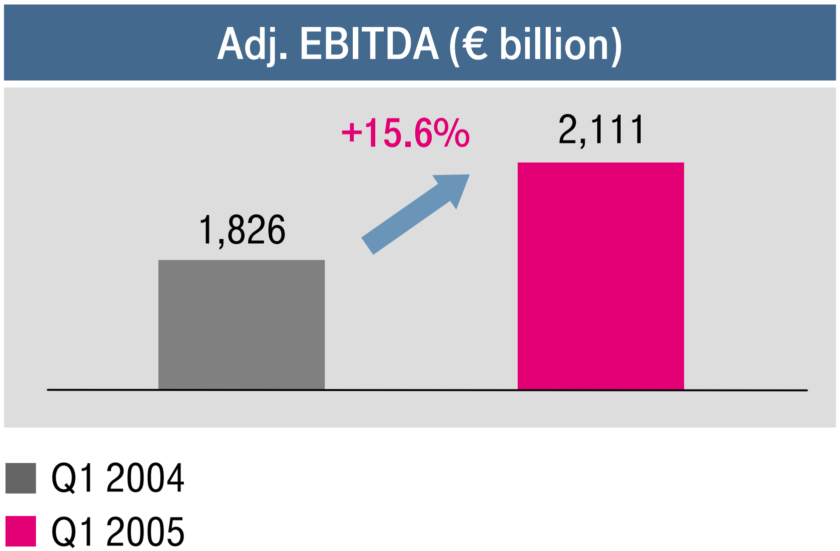
Broadband/fixed network domestic – new structure.
Growth driver broadband access.





- Access revenue increased by 7.5% driven by broadband
- Growth in broadband not entirely offsetting decrease in calling revenues: - 1.9% in domestic core fixed-line revenues

Mobile.
Strong EBITDA performance.



- Strong revenue growth of 7.6% vs. Q1/04
  - T-Mobile USA revenue growth of 26.5% vs. Q1/04 despite weak US$
  - T-Mobile Germany: ARPU revenues incl. visitors up 1.3% vs. Q1/04
  - T-Mobile UK materially affected by Ofcom
- Adj. EBITDA growth of 15.6%

USA EBITDA growth of 63.1%

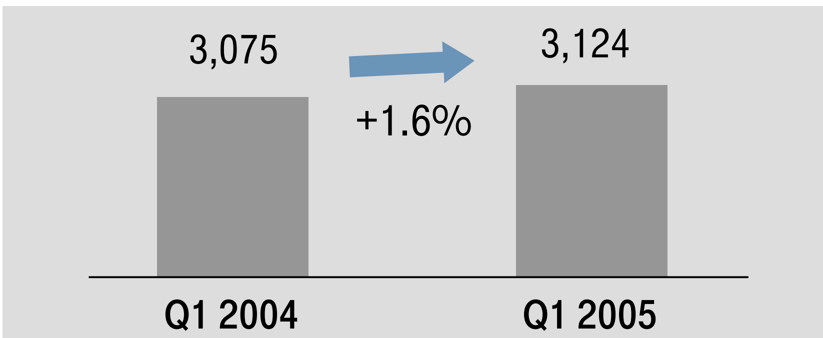
ile Germany margin at 39.8%

UK margin at 28.0%, up from 23.8% in

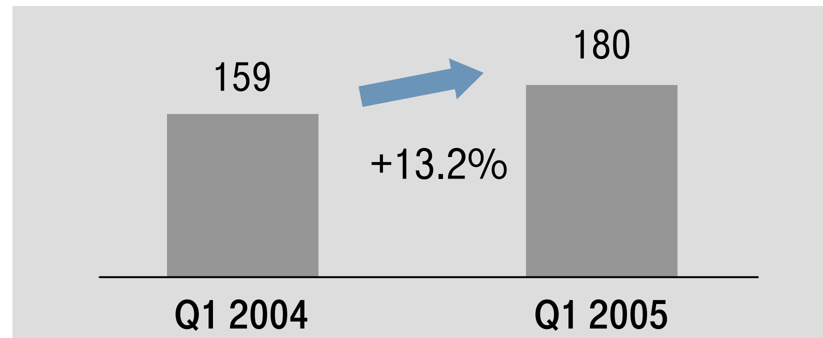
.0%, up from 23.8% in Q4/04

Business customers.
Revenue growth – strong EBIT development.

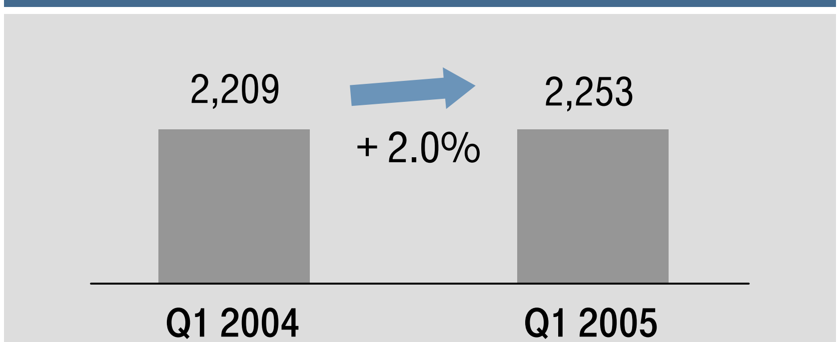
Gross revenues (€ million)



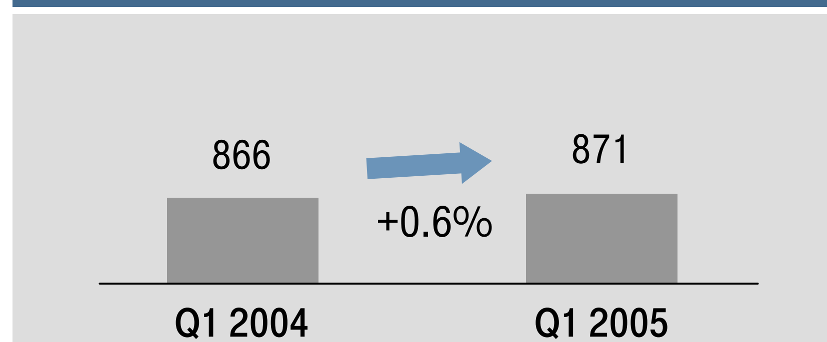
EBIT (€ million)



External revenues (€ million)



Internal revenues (€ million)



Outlook 2005.
We reconfirm our guidance.

- At least one year for full benefits of restructuring into three strategic units
- Adj. EBITDA expected between € 20.7 and 21.0 billion under IFRS
- Capex at € 7.5 to 8 billion
- Free cash flow expected to be between € 7.5 - 8 billion
- Other planned cash outs:
  - Up to € 2 billion additional spectrum in the U.S.
    - US$ 235 million (net) paid in Auction 58
  - Estimated maximum of € 2.9 billion for T-Online merger
    - € 1.8 billion already spent in increasing shareholding in T-Online
  - € 2.6 billion dividend paid in Q2
- No material change in net debt/adj. EBITDA ratio expected in 2005
- Future development of dividend payments dependent on net profits