KEY MESSAGES & MID-TERM AMBITION LEVELS

COMPILATION OF ALL SESSIONS
One Team.
GROUP: Accelerating our path to value creation

**ORGANIC GROWTH**
- Our flywheel works
- Proven execution

**CAPITAL ALLOCATION/PORTFOLIO**
- Invest in “leading” Fiber & 5G networks ... and monetize
- Focus on structurally healthy markets only
- Secure US majority (> 50%)
- Deleverage & return to corridor in 2024
- Strategic reviews for TMNL & Towers

**SHAREHOLDER VALUE**
- Adj. EPS
  - €/share
  - > 1.10
  - > 1.75
- Dividends
  - 40–60% of adj. EPS, with minimum of €60
GROUP: Key messages

01 Delivery
We have delivered on our promises from last CMD & will do so again

02 Growth
We will continue growing all relevant financials (Revenue, adj. EBITDA AL, FCF AL, ROCE, adj. EPS) ... at low risk (execution strength, AAA markets)

03 Network leadership
We remain dedicated network investors & will efficiently underpin our leading 5G & Fiber position ... our investments are self-funded

04 US majority
We will take the path to US majority ... at attractive conditions & leveraging TMUS shareholder returns

05 Efficiency
We digitalize the full stack end-to-end to support bottom-line growth via higher efficiency & to enable future-proof operations

06 Shareholders
We guarantee attractive shareholder returns with dividends being 40–60% of adj. EPS, our dividend floor remains at €60 c minimum
2030 paradigm shifts drive our strategy evolution

What is right, stays right

A strategy is a strategy ... is a strategy!

Paradigm shifts ahead – telco vision 2030

Future growth levers: 2021–2024

01 B2C
From connectivity to customer experience

02 B2B
From dedicated to software-driven enterprise solutions

03 People, society & environment
From ESG as hygiene factor to ESG as differentiator

04 Networks
From monolithic incumbent to network orchestrator

05 Digitalization
From vertical silos to Telco-as-a-platform – cloud-native, API-based

Grow by turning customers into fans

Become digital enabler

#GreenMagenta, #GoodMagenta

Build, orchestrate & differentiate

Digitalize, digitalize, digitalize ... the full stack
GROUP: Our core beliefs will guide us!

We grow by turning customers into fans and strive for creating the leading global telco brand
- “Always best connected with Telekom” – branded, ubiquitous connectivity is our differentiating core
- Our “tadelloser” (flawless) service and omnichannel sales combine best digital with personal customer interaction
- We provide a best selection of digital services – local, playing on our strengths, with partners
- We value loyalty and have the best offerings – personalized, context aware with the consent of our customers

We enable enterprise digitalization with best-fit connectivity, digital solutions, and cloud services – global, secure and self-administrated
- We enable digitalization of our B2B customers with best-fit, global, E2E-secure Telekom connectivity solutions
- We provide the best digital & sovereign cloud solutions for enterprises ranging from branded, own products to wholesale models and partner solutions
- We make connectivity “programmable”: Self-administrated and tailored to all future work and production environments

We build, orchestrate and differentiate through our network of networks
- We lead with our own fixed & mobile infrastructure – striving for best utilization and ownership economics
- We provide seamless E2E-orchestration of own and 3rd party networks
- We aim for a cloud-based, automated production, leveraging APIs and microservices for digital offerings

Superior portfolio – best assets, best markets and disciplined value creation
- We consequently pick the right assets and teams in structurally healthy markets – we don’t make bad deals!
- Our transatlantic presence in Triple A markets makes our portfolio resilient
- We venture into new, entrepreneurial setups for building digital services
- Our global weight & know how enables scale & synergies along the entire value chain

Best team in industry – acting responsibly
- We empower our frontline people locally – always putting the customer first
- we inspire and develop our people to act like entrepreneurs
- We want to make DT a great place to work for digital natives, network engineers and service creators
- Our actions are geared towards protecting the environment & enabling a digital society based on democratic values
# GROUP: Midterm ambition level

<table>
<thead>
<tr>
<th>Metric</th>
<th>Midterm ambition level¹</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>Group: CAGR +1–2%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Total service revenues</td>
<td>Group: CAGR +3–4%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. EBITDA AL</td>
<td>Group: CAGR +3–5%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td></td>
<td>Ex US: CAGR +2–3%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. Core EBITDA AL</td>
<td>Group: CAGR +5–6%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>FCF AL</td>
<td>Group: &gt; €18 bn</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>Ex US: €4 bn</td>
<td>2024e</td>
</tr>
<tr>
<td>Adj. EPS</td>
<td>&gt; €1.75</td>
<td>2024e</td>
</tr>
<tr>
<td>ROCE</td>
<td>&gt; 6.5%</td>
<td>2024e</td>
</tr>
<tr>
<td>Cash Capex</td>
<td>Ex US: ≈€8.2 bn</td>
<td>2024e</td>
</tr>
<tr>
<td>Adj. indirect cost AL</td>
<td>Ex US: -€1.2 bn (net savings)</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Shareholder remuneration policy²</td>
<td>Adj. EPS payout ratio 40–60%, Floor €60 c</td>
<td>2021–2024e</td>
</tr>
</tbody>
</table>

¹ Based on constant exchange rates (average exchange rate 2020 of €1 = US$1.14) and no further changes in the scope of consolidation

² Subject to necessary AGM approval and Board resolution
GROUP: Watch all presentations and Q&A sessions on YouTube

Presentation (incl. Q&A)  Final Q&A session  Wrap-up

YouTube DTCMD21 watchlist with all sessions
GERMANY: Key messages

01 Undisputed market leader
We have delivered, despite a tough IP migration and Covid-19 headwinds. The tailwinds we have created will contribute significantly to growth going forward.

02 Accelerating infrastructure
By 2024 we will have ≈10 mn fiber homes passed and ≈97% 5G coverage. We are quite progressed in sourcing external funding to further enhance our build.

03 Accelerating B2C growth
Convergence and monetizing our base will drive consumer loyalty and revenue growth.

04 Accelerating B2B growth
A rapidly digitalizing economy and our unique position in it will drive B2B revenue growth.

05 Accelerating digitalization
Full stack digitalization will drive a step change in cost efficiency.

06 Accelerating EBITDA & ROCE
We will self-fund our investments through accelerating EBITDA growth to +2.5–3%\textsuperscript{2} and capex efficiency. ROCE will grow to significantly > WACC.

\textsuperscript{2} CAGR 2020–2024e
GERMANY: We will build a future-proof fiber network

Our FTTH rollout in Germany

Homes passed, mn

Run rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Homes passed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>0.6 mn</td>
</tr>
<tr>
<td>2021e</td>
<td>1.2 mn</td>
</tr>
<tr>
<td>2024e</td>
<td>&gt; 2.5 mn</td>
</tr>
<tr>
<td>2030e</td>
<td></td>
</tr>
</tbody>
</table>

+ Ext. funding

Own buildout

Germany covered with FTTH by 2030

OUR STRATEGY

Build speed consistent with pace of demand growth
- Vectoring outperforming competition
- Focus on areas of greatest bandwidth needs
- Clear DT leadership in “terminal” year

Execution leadership
- Regional structure with 13,000 employees
- Building at a pace of > 2.5 mn households p.a.

Flexibility and agility
- Self-funded rollout
- External funding in addition
- Restrict “cherrypicking”
### GERMANY: Midterm ambition level

<table>
<thead>
<tr>
<th>Midterm ambition level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service revenue</strong></td>
<td></td>
</tr>
<tr>
<td>- Mobile service revenue: CAGR 1–2%&lt;sup&gt;1&lt;/sup&gt;</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>- Broadband revenue: CAGR &gt; 4%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>- Wholesale access revenue: stable</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>- Total service revenue: CAGR ≥ 1%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Drivers</strong></td>
<td></td>
</tr>
<tr>
<td>- FTTH homes passed: ≈10 mn</td>
<td>2024e</td>
</tr>
<tr>
<td>- 5G coverage: ≈97%</td>
<td>2024e</td>
</tr>
<tr>
<td>- Adj. indirect costs AL&lt;sup&gt;2&lt;/sup&gt;: Reduction by €0.7 bn</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Financials</strong></td>
<td></td>
</tr>
<tr>
<td>- Revenue: CAGR ≥ 1%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>- Adj. EBITDA AL: CAGR 2.5–3%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>- Cash Capex: ≈€0.5 bn higher</td>
<td>2020–2024e</td>
</tr>
</tbody>
</table>

<sup>1</sup> Incl. MTR regulatory effects  
<sup>2</sup> Germany incl. GHS
EUROPE: Key messages

01 Leading European and fastest growing large-scale telco
EBITDA continuously growing > 2%\(^1\) driven by increasing Service revenues & cost discipline, operating in attractive markets

02 Accelerating with customer centricity & digital
- **B2C**: Best CX, further scaling FMC & increasing HH value
- **B2B**: Profitable growth by driving clients’ digitalization
- **People & Society**: Customer centric culture & organization, thriving for a positive impact on society
- **Network**: Super fast fiber & 5G rollout for best user experience
- **Digital**: Further scaling common digital solutions across Europe

03 Stronger as a region
Leveraging synergies and digitalization, scaling common products & best practices across Europe

04 Significant contributor to DT’s equity value
Continue sustainable growth with EBITDA AL CAGR 1.5–2.5%\(^2\) & ROCE > WACC

\(^1\) CAGR 2017–2020 Adj. EBITDA (AL) \(^2\) CAGR 2020–2024e Adj. EBITDA AL
EUROPE: Strong contributor to DT’s equity value

Strong execution
- Customer growth
- Cost reduction track record
- Highly digital

Attractive portfolio
- Service revenue growth fixed & mobile
- Diversification, offsetting country risks

Well invested
- High & growing Gigabit coverage
- 1 mn FTTH build per year
- Good spectrum position/network leadership

Growing adj. EBITDA AL (organic)
- 13 quarters in a row
- 2020–2024e guidance +1.5–2.5% CAGR

High cash generation
- Cash conversion\(^1\) growing from 48% in 2020 to 57% in 2024e
- Cash Capex stable 2020–2024e

Earning cost of capital
- ROCE > WACC

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\(^1\) \[Adj. EBITDA AL – Cash Capex – Special factors (Cash)] / Adj. EBITDA AL
## EUROPE: Midterm ambition level

<table>
<thead>
<tr>
<th>Midterm ambition level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer centricity</strong></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction: #1 in TRI*M in all markets &amp; brand preference ≥ market share in all countries</td>
<td>2024e</td>
</tr>
<tr>
<td>Employer ranking: TOP 5–10 in employer ranking in all countries</td>
<td>2024e</td>
</tr>
<tr>
<td>5G coverage: &gt; 75%</td>
<td>2024e</td>
</tr>
<tr>
<td>Fiber coverage: 40%, fiber connections: &gt; 3 mn</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Financials</strong></td>
<td></td>
</tr>
<tr>
<td>Revenue growth: CAGR(^1) &gt; 1%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. EBITDA AL growth: CAGR +1.5–2.5%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. indirect cost AL: Reduction by €0.3 bn</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Cash Capex stable</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>ROCE further increasing, ROCE &gt; WACC</td>
<td>2021–2024e</td>
</tr>
</tbody>
</table>

\(^1\) Adjusted for MTR
Mission: Best in the world at connecting customers to their world. #1 in customer choice and customers’ hearts.

01. **Product leadership**
   Expand addressable markets and grow customer relationships

02. **Value leadership**
   Unlock the value potential of synergies and scale

03. **Experience leadership**
   Deliver the best experience from the best team

04. **Industry leading growth**
   Expand addressable markets and grow customer relationships

05. **Deliver substantial enterprise value**
   Faster and bigger synergies while transforming the business

06. **Position for longterm success**
   Sustain 5G leadership, strong brand, and best customer experience

See also the TMUS Analyst Day from March 11, 2021
T-MOBILE US: DELIVERING MORE THAN EXPECTED

Core Adjusted EBITDA

2021: $22.8B-$23.2B
2023: $28B-$29B
2024: $31B-$32B
2026: $36B+

Capital Expenditures

2021: $11.7B-$12.0B
2023: $9B-$10B
2024: $9B-$10B
2026: $9B-$10B

Free Cash Flow

2021: $5.1B-$5.5B
2023: $13B-$14B
2024: $16B-$18B
2026: $18B+

1 T-Mobile is not able to forecast Net income on a forward-looking basis without unreasonable efforts due to the high variability and difficulty in predicting certain items that affect GAAP net income including, but not limited to, Income tax expense, stock-based compensation expense and Interest expense. Core Adjusted EBITDA should not be used to predict Net income as the difference between it and Net income is variable.
## T-MOBILE US: Midterm ambition level

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customers</strong></td>
<td>• Smaller markets and rural market share: nearly 20%</td>
<td>2026e</td>
</tr>
<tr>
<td></td>
<td>• B2B market share: nearly 20%</td>
<td>2026e</td>
</tr>
<tr>
<td></td>
<td>• Home Broadband: 7-8 million</td>
<td>2026e</td>
</tr>
<tr>
<td><strong>Network</strong></td>
<td>• 5G population coverage:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Extended range (mid-band spectrum): 97%</td>
<td>2022e</td>
</tr>
<tr>
<td></td>
<td>• Ultra capacity (mid-band + mmWave spectrum): 250m</td>
<td>2022e</td>
</tr>
<tr>
<td><strong>Financials</strong></td>
<td>• Core adj. EBITDA: $31-32 bn</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>• Capex: $9-10 bn</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>• Free cash flow: $16-18 bn</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>• Leverage: mid-2x core adj. EBITDA</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Shareholder</strong></td>
<td>• Shareholder returns: 60 bn $</td>
<td>2023-2025e</td>
</tr>
</tbody>
</table>

*See also the TMUS Analyst Day from March 11, 2021*
TECHNOLOGY & INNOVATIONS: Key Messages

Review
We delivered our CMD 2018 promises including the DT ‘Superior Production Model’ (All IP Migration, Agile IT Transformation, Integrated Network Leadership).
Going forward, we evolve to an experience-obsessed tech player:

01 Automation, cloudification & disaggregation
We will move towards a high degree of automation. Hyperscaler-like, yet telco-grade.

02 Digitalization & SW/data capabilities
We will continue digitalizing the full stack and continue to enhance the software/data capabilities of our employees.

03 Continued network leadership
Our integrated network leadership will continue to deliver clear business benefits.

04 Green – Energy Efficiency
To support DT’s ambitious climate targets, we will increase energy efficiency in network production by 50%.

05 Experience obsession
Experience-obessed, focused innovation and new products will leverage our superior networks.
TECHNOLOGY & INNOVATIONS: We evolve towards an experience-obsessed tech player

**FROM** a reliable network builder & operator

- Superior Production Model
  - All IP Migration
  - Agile IT Transformation
  - Integrated Network Leadership

**TO** an experience-obsessed tech player

- **Tech player**
  - **01** Network automation, cloudification & disaggregation
  - **02** All value-chain digitalization & SW/data capabilities
  - **03** Continued integrated network leadership

- **04** Green
  - Path to carbon neutrality\(^1\) – Energy efficient

- **05** Experience-obsessed
  - Best connectivity experience
  - Seamless interplay at home
  - Beyond the core

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\(^1\) CO\(_2\) neutral scope 1&2 in 2025, scope 3 in 2040, addressed in RFPs with high priority
# TECHNOLOGY & INNOVATIONS: Midterm ambition level

<table>
<thead>
<tr>
<th>Technology leadership</th>
<th>Midterm ambition level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Commitment to fiber rollout</td>
<td>• GER: 10 mn HH passed</td>
<td>2024e</td>
</tr>
<tr>
<td>• EU: ≈10 mn HH passed</td>
<td>• EU: &gt; 75%</td>
<td>2024e&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>• 5G Pop coverage &amp; network leadership</td>
<td>• GER: ≈97%</td>
<td>2024e</td>
</tr>
<tr>
<td>• EU: &gt; 75%</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• Further enhancing 5G innovation leadership &amp; consumer experience</td>
<td></td>
<td>2024e&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value transformation</th>
<th>IT spend reduction: &gt; €0.2 bn</th>
<th>2020–2024e</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Time-to-market: 2.0 months</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• Agile share of development: 100%</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• Increase degree of cloudified production</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• NT: GER 67%; EU 42%</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• IT: 80%</td>
<td></td>
<td>2024e</td>
</tr>
<tr>
<td>• Adj. indirect cost AL reduction (GER/GHS): €0.7 bn</td>
<td></td>
<td>2020–2024e</td>
</tr>
<tr>
<td>• Technology energy consumption (GER &amp; EU): stable</td>
<td></td>
<td>2020–2024e</td>
</tr>
</tbody>
</table>

<sup>1</sup> AT, CZ, GR, HR, HU, ME, MK, SK (excl. RO & PL; FTTH/B & Docsis3.1)  
<sup>2</sup> AT, CZ, GR, HR, HU, ME, MK, PL, SK (excl. RO)
T-SYSTEMS: Key messages

01. T-Systems’ transformation is progressing
   2018 transformation program has shown progress with EBITDA acceleration in 2019. Clean-up of portfolio resulted in T-Systems as a focused IT services company

02. Covid-19 with severe impact on business in 2020
   Covid-19 crisis impacted T-Systems’ core client base, as a result delayed our transformation. Nonetheless, we have managed the crisis above industry average

03. Strategy:
    Leading European IT service provider
    Going forward we have a clear strategy. We focus on DACH and selected countries, leading with secure cloud and digital solutions and stronger industry orientation

04. Accelerate profitability and competitiveness
   Transformation program re-energized end of 2020, opportunity for value creation is clear going forward

05. Financial outlook
    We are confident growing adj. EBITDA AL by > 5% CAGR 2020–2024e and generate positive Cash contribution in the planning period
T-SYSTEMS: Leading European vertical full-service player

We will focus on select industries with vertical solution while providing compelling portfolio relevant to many industries

- #1 IT Service provider in DACH, plus selected countries as core markets with ability to deliver globally
- Lead in 3–5 industries with focused vertical offerings – along with compelling horizontal portfolio for all industries
- Expand into €1bn - €5bn revenue customer segment while growing existing client base
- Strong “local” partner on eye-level for our clients on their digital transformation journey
- Sovereignty and security at the core of our proposition
## T-SYSTEMS: Midterm ambition level

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Midterm ambition level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue CAGR</td>
<td>slight growth</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. EBITDA AL CAGR</td>
<td>&gt; 5%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Adj. EBITDA AL margin</td>
<td>9%</td>
<td>2024e</td>
</tr>
<tr>
<td>Adj. Indirect cost AL reduction</td>
<td>€0.2 bn</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Cash Capex</td>
<td>stable</td>
<td>2020–2024e</td>
</tr>
<tr>
<td>Cash contribution AL(^1)</td>
<td>Break-even</td>
<td>2023e</td>
</tr>
</tbody>
</table>

\(^1\) Cash contribution AL = Adj. EBITDA AL – Cash Capex – Special factors (Cash)
GROUP DEVELOPMENT: Key messages

01 Superior portfolio
Leading EU Telco plus best US MNO
boosted by massive synergies

02 Successful portfolio management
Track Record: Strato, Scout, TMUS, TMNL, Towers,
FMC

03 No dogma
Focus on what drives value: TMUS, divest-to-invest,
FMC deals

04 Long-term perspective
US took 10 years, TMNL 5 years, said
“no” to several tower deals below 20x

05 Strategic optionality
Strategic review: Towers/TMNL,
additional tower Carve-outs (CZ/SK)

1 Fixed-Mobile Convergence
GROUP DEVELOPMENT: We strive to grow asset values

<table>
<thead>
<tr>
<th>T Mobile (USA)</th>
<th>BT</th>
<th>T Mobile (Netherlands)</th>
<th>GD Towers</th>
<th>DTCP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deal closed</strong></td>
<td><strong>Long-term FTTP regulation</strong></td>
<td><strong>Best network, #1 B2C, fastest B2B growth</strong></td>
<td><strong>Unique portfolio, tier #1 MNO anchor</strong></td>
<td><strong>Top quartile performance</strong></td>
</tr>
<tr>
<td>$32 bn CMD 2018</td>
<td>$76 bn Today</td>
<td>$2.5 bn CMD 2018</td>
<td>$6 bn CMD 2018</td>
<td>€0.5 bn capital gain</td>
</tr>
<tr>
<td>$76 bn Midterm</td>
<td>$1.9 bn Today</td>
<td>€2 bn+ CMD 2018</td>
<td>€6 bn Midterm</td>
<td>3rd Growth Fund – €400 mn</td>
</tr>
<tr>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
</tbody>
</table>

Source: Capital IQ, May 14th, 2021

1 Managed by Digital Transformation Capital Partners
## GROUP DEVELOPMENT: Midterm ambition level

<table>
<thead>
<tr>
<th></th>
<th>Midterm ambition level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TMNL</strong></td>
<td>- # Consumer fixed households: ( \approx 0.9 \text{ mn} )</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>- FMC penetration of branded T-Mobile customer base: &gt; 40%</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>- Digital channel share of customer transactions: &gt; 50%</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>GD Towers</strong></td>
<td>- # New sites: number of new builds: ( \approx 6k )</td>
<td>Cum 2021–2024e</td>
</tr>
<tr>
<td></td>
<td>- # Extensions: amount of site extensions: &gt; 15k</td>
<td>Cum 2021–2024e</td>
</tr>
<tr>
<td></td>
<td>- Growth in rec. 3\text{rd} party business – DT external revenue: CAGR &gt; 3%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td></td>
<td>- Site based Opex AL/site efficiency: Decrease vs. 2020</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Financials</strong></td>
<td>- Revenue: CAGR &gt; 2%(^1)</td>
<td>2020–2024e</td>
</tr>
<tr>
<td></td>
<td>- Adj. EBITDA AL: CAGR &gt; 4%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td></td>
<td>- Cash contribution AL(^2): CAGR &gt; 6%</td>
<td>2020–2024e</td>
</tr>
</tbody>
</table>

\(^1\) Revenue w/o regulatory impacts \(^2\) Cash contribution AL = Adj. EBITDA AL – Cash Capex – Special factors (Cash)
FINANCE: Key messages

01 Delivery
We delivered on what we promised at the last CMD, and will do so again

02 Growth
We will deliver strong growth in all key metrics (Revenue, adj. EBITDA AL, FCF AL, adj. EPS, ROCE)

03 Costs
Our earnings growth is supported by €1.2 bn adj. indirect cost AL savings (ex US) and merger benefits (US)

04 Leverage
We will be back in our comfort zone of 2.25x–2.75x by end of 2024

05 Shareholders
€60 c delivered through peak investment period. Going forward, we are moving to 40–60% payout ratio of adj. EPS while retaining €60 c minimum

06 Bondholders
We are very well funded, and remain committed to unrestricted access to credit markets
FINANCE: We will strongly grow the bottom line

**FCF AL**
- € bn
- CAGR ≈+30%

2020: 6.3
2021e: > 8
2024e: > 18

**Adj. EPS**
- €/share
- CAGR ≈+10%

2020: 1.20
2021e: > 1.1
2024e: > 1.75

**ROCE**
- %
- CAGR ≈+9%

2020: 4.6%
2021e: 4.0%
2024e: > 6.5%

- US merger integration as main driver
- Steady growth from 2021 onwards
- ROCE growth on both sides of the Atlantic

---

1 Before dividend payments and spectrum invest, in 2020 also before Payer Swap & Zero Bond
2 Based on constant exchange rates (average exchange rate 2020 of €1 = US$1.14)
## FINANCE: Midterm ambition level

<table>
<thead>
<tr>
<th>Metric</th>
<th>Ambition Level</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>Group: CAGR +1–2%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Total service revenues</strong></td>
<td>Group: CAGR +3–4%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Adj. EBITDA AL</strong></td>
<td>Group: CAGR +3–5%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td></td>
<td>Ex US: CAGR +2–3%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Adj. Core EBITDA AL</strong></td>
<td>Group: CAGR +5–6%</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>FCF AL</strong></td>
<td>Group: &gt; €18 bn</td>
<td>2024e</td>
</tr>
<tr>
<td></td>
<td>Ex US: €4 bn</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Adj. EPS</strong></td>
<td>&gt; €1.75</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>&gt; 6.5%</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Cash Capex</strong></td>
<td>Ex US: ≈€8.2 bn</td>
<td>2024e</td>
</tr>
<tr>
<td><strong>Adj. indirect cost AL</strong></td>
<td>Ex US: -€1.2 bn (net savings)</td>
<td>2020–2024e</td>
</tr>
<tr>
<td><strong>Shareholder remuneration policy</strong></td>
<td>Adj. EPS payout ratio 40–60%, Floor €60 c</td>
<td>2021e–2024e</td>
</tr>
</tbody>
</table>

1 Based on constant exchange rates (average exchange rate 2020 of €1 = US$1.14) and no further changes in the scope of consolidation
2 Subject to necessary AGM approval and Board resolution
CAPITAL MARKETS DAY 2021 (May 20/21, 2021)

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