

ADDITIONAL INFORMATION

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

SPECIAL FACTORS

The following table presents a reconciliation of EBITDA AL, EBIT, and net profit/loss to the respective figures adjusted for special factors.

Reconciliations are presented for the reporting period, the prior-year period, and the full 2018 financial year:

millions of €

	EBITDA AL Q1 2019	EBIT Q1 2019	EBITDA AL Q1 2018	EBIT Q1 2018	EBITDA AL FY 2018	EBIT FY 2018
EBITDA AL/EBIT	5,500	2,258	5,206	2,171	21,577	8,001
GERMANY	(168)	(168)	(167)	(167)	(598)	(598)
Staff-related measures	(163)	(163)	(160)	(160)	(565)	(565)
Non-staff-related restructuring	(5)	(5)	(6)	(6)	(46)	(46)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0
Other	0	0	(1)	(1)	13	13
UNITED STATES	(99)	(99)	28	28	(160)	(160)
Staff-related measures	(2)	(2)	(2)	(2)	(15)	(15)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(97)	(97)	30	30	(145)	(145)
Impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0
EUROPE	(24)	(24)	(7)	(7)	(122)	(797)
Staff-related measures	(16)	(16)	(5)	(5)	(90)	(90)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(6)	(6)	0	0	(14)	(14)
Impairment losses	0	0	0	0	0	(674)
Other	(2)	(2)	(1)	(1)	(19)	(19)
SYSTEMS SOLUTIONS	(46)	(46)	(38)	(38)	(266)	(322)
Staff-related measures	(34)	(34)	(24)	(24)	(194)	(194)
Non-staff-related restructuring	(1)	(1)	0	0	(4)	(4)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	(56)
Other	(11)	(11)	(14)	(14)	(68)	(68)
GROUP DEVELOPMENT	(6)	(6)	(5)	(5)	(27)	(27)
Staff-related measures	(3)	(3)	(2)	(2)	(6)	(6)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(3)	(3)	(3)	(3)	(21)	(21)
Impairment losses	0	0	0	0	0	0
Other	0	0	(1)	(1)	(1)	(1)
GROUP HEADQUARTERS & GROUP SERVICES	(97)	(97)	(92)	(92)	(322)	(322)
Staff-related measures	(72)	(72)	(76)	(76)	(288)	(288)
Non-staff-related restructuring	(13)	(13)	(15)	(15)	(59)	(59)
Effects of deconsolidations, disposals and acquisitions	(5)	(5)	0	0	(44)	(44)
Impairment losses	0	0	0	0	0	0
Other	(7)	(7)	(1)	(1)	69	69
GROUP	(440)	(440)	(281)	(281)	(1,497)	(2,204)
Staff-related measures	(290)	(290)	(270)	(270)	(1,159)	(1,159)
Non-staff-related restructuring	(19)	(19)	(21)	(21)	(109)	(109)
Effects of deconsolidations, disposals and acquisitions	(111)	(111)	28	28	(223)	(223)
Impairment losses	0	0	0	0	0	(707)
Other	(20)	(20)	(17)	(17)	(6)	(6)
EBITDA AL/EBIT (ADJUSTED FOR SPECIAL FACTORS)	5,940	2,698	5,487	2,452	23,074	10,204
Profit (loss) from financial activities (adjusted for special factors)		(406)		(413)		(2,091)
PROFIT (LOSS) BEFORE INCOME TAXES (ADJUSTED FOR SPECIAL FACTORS)		2,292		2,038		8,114
Income taxes (adjusted for special factors)		(649)		(584)		(2,225)
PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS)		1,643		1,455		5,889
PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS) ATTRIBUTABLE TO						
Owners of the parent (net profit (loss)) (adjusted for special factors)		1,183		1,190		4,545
Non-controlling interests (adjusted for special factors)		460		265		1,344

GROSS AND NET DEBT

Deutsche Telekom considers net debt to be an important performance indicator for investors, analysts, and rating agencies.

millions of €

	Mar. 31, 2019	Dec. 31, 2018	Change	Change %	Mar. 31, 2018
Financial liabilities (current) ^a	14,958	10,527	n.a.	n.a.	8,905
Financial liabilities (non-current) ^a	50,988	51,748	n.a.	n.a.	48,799
Lease liabilities	18,728	n.a.	n.a.	n.a.	n.a.
FINANCIAL LIABILITIES	84,675	62,275	n.a.	n.a.	57,704
Accrued interest	(670)	(719)	49	6.8	(574)
Other	(4,086)	(928)	(3,158)	n.a.	(793)
GROSS DEBT	79,919	60,628	n.a.	n.a.	56,337
Cash and cash equivalents	6,144	3,679	2,465	67.0	3,618
Derivative financial assets	1,459	870	589	67.7	1,271
Other financial assets	440	654	(214)	(32.7)	993
NET DEBT	71,876	55,425	n.a.	n.a.	50,455

^a Financial liabilities included finance lease liabilities in accordance with IAS 17 for the last time as of December 31, 2018 (EUR 2.5 billion).

The new IFRS 16 "Leases" accounting standard has been applied since January 1, 2019. Prior-year comparatives were not adjusted. For more information, please refer to section "Accounting policies" in the interim consolidated financial statements, page 35 et seq.

GLOSSARY

For definitions, please refer to the 2018 Annual Report and the glossary therein, page 276 et seq.

DISCLAIMER

This Report (particularly the section "Forecast") contains forward-looking statements that reflect the current views of Deutsche Telekom's management with respect to future events. They are generally identified by the words "expect," "anticipate," "believe," "intend," "estimate," "aim," "goal," "plan," "will," "seek," "outlook," or similar expressions and include generally any information that relates to expectations or targets for revenue, adjusted EBITDA AL, or other performance measures.

Forward-looking statements are based on current plans, estimates, and projections. 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. They include, for instance, the progress of Deutsche Telekom's staff-related restructuring measures and the impact of other significant strategic or business initiatives, including acquisitions, dispositions, and business combinations.

In addition, movements in exchange rates and interest rates, regulatory rulings, stronger than expected competition, technological change, litigation, and regulatory developments, among other factors, may have a material adverse effect on costs and revenue development.

If these or other risks and uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, Deutsche Telekom's actual results may be materially different from those expressed or implied by such statements. Deutsche Telekom can offer no assurance that its expectations or targets will be achieved.

Without prejudice to existing obligations under capital market law, Deutsche Telekom does not assume any obligation to update forward-looking statements to account for new information or future events or anything else. In addition to figures prepared in accordance with IFRSs, Deutsche Telekom presents alternative performance measures, e.g., EBITDA, EBITDA AL, EBITDA AL margin, adjusted EBITDA, adjusted EBITDA AL, adjusted EBITDA AL margin, adjusted EBIT, adjusted EBIT margin, adjusted net profit/loss, free cash flow, free cash flow AL, gross debt, and net debt.

These measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRSs. Alternative performance measures are not subject to IFRSs or any other generally accepted accounting principles. Other companies may define these terms in different ways. For further information relevant to alternative performance measures, please refer to the 2018 Annual Report, section "Management of the Group," page 38 et seq., or to Deutsche Telekom's Investor Relations website at www.telekom.com/alternative-performance-measures.

The figures shown in this report were rounded in accordance with standard business rounding principles. As a result, the total indicated may not be equal to the precise sum of the individual figures.

Our Interim Group Report (PDF and online) includes references and links to websites with additional information not contained in the Interim Group Report. These references and links are purely of a supplementary nature and are only intended to simplify access to this information. Please note that this information is not part of the Interim Group Report.

FINANCIAL CALENDAR

May 9, 2019	August 8, 2019	November 7, 2019
Publication of the Interim Group Report as of March 31, 2019	Publication of the Interim Group Report as of June 30, 2019	Publication of the Interim Group Report as of September 30, 2019
February 20, 2020	March 26, 2020	May 14, 2020
Press conference on the 2019 financial statements and publication of the 2019 Annual Report	2020 shareholders' meeting	Publication of the Interim Group Report as of March 31, 2020

All dates are subject to change.

For more dates, an updated schedule, and information on webcasts, please go to www.telekom.com/financial-calendar.

CONTACTS

Deutsche Telekom AG
Friedrich-Ebert-Allee 140
53113 Bonn, Germany

Media inquiries:
Corporate Communications
Phone +49 (0) 228 181 49494
Email media@telekom.de

Inquiries relating to the T-Share:
Investor Relations
Phone +49 (0) 228 181 88880
Email investor.relations@telekom.de

Further information on Deutsche Telekom is available at: www.telekom.com

This Interim Group Report can be downloaded from our Investor Relations website at: www.telekom.com/investor-relations

Our Annual Report is available online at:
www.telekom.com/geschaeftsbericht
www.telekom.com/annualreport

The English version of the Interim Group Report for January 1 to March 31, 2019 is a translation of the German version of the Interim Group Report. The German version is legally binding.

This Interim Group Report is a publication of Deutsche Telekom AG.

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