

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-Q3 2019	EBIT Q1-Q3 2019	EBITDA AL Q1-Q3 2018	EBIT Q1-Q3 2018	EBITDA AL FY 2018	EBIT FY 2018
EBITDA AL/EBIT	17,523	7,665	16,516	7,053	21,577	8,001
GERMANY	(354)	(354)	(481)	(481)	(598)	(598)
Staff-related measures	(340)	(340)	(455)	(455)	(565)	(565)
Non-staff-related restructuring	(23)	(23)	(22)	(22)	(46)	(46)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0
Other	9	9	(4)	(4)	13	13
UNITED STATES	(441)	(441)	(59)	(59)	(160)	(160)
Staff-related measures	(6)	(6)	(10)	(10)	(15)	(15)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(435)	(435)	(48)	(48)	(145)	(145)
Impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0
EUROPE	(110)	(110)	(73)	(73)	(122)	(797)
Staff-related measures	(95)	(95)	(60)	(60)	(90)	(90)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(10)	(10)	(9)	(9)	(14)	(14)
Impairment losses	0	0	0	0	0	(674)
Other	(5)	(5)	(4)	(4)	(19)	(19)
SYSTEMS SOLUTIONS	(236)	(263)	(143)	(146)	(266)	(322)
Staff-related measures	(101)	(101)	(89)	(89)	(194)	(194)
Non-staff-related restructuring	(4)	(4)	(1)	(1)	(4)	(4)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	0	0
Impairment losses	0	(27)	0	(3)	0	(56)
Other	(130)	(130)	(53)	(53)	(68)	(68)
GROUP DEVELOPMENT	109	109	(16)	(16)	(27)	(27)
Staff-related measures	(16)	(16)	(4)	(4)	(6)	(6)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	126	126	(11)	(11)	(21)	(21)
Impairment losses	0	0	0	0	0	0
Other	0	0	(1)	(1)	(1)	(1)
GROUP HEADQUARTERS & GROUP SERVICES	(146)	(146)	(214)	(214)	(322)	(322)
Staff-related measures	(167)	(167)	(236)	(236)	(288)	(288)
Non-staff-related restructuring	(32)	(32)	(51)	(51)	(59)	(59)
Effects of deconsolidations, disposals and acquisitions	4	4	(2)	(2)	(44)	(44)
Impairment losses	0	0	0	0	0	0
Other	49	49	75	75	69	69
GROUP	(1,178)	(1,228)	(985)	(989)	(1,497)	(2,204)
Staff-related measures	(726)	(726)	(855)	(855)	(1,159)	(1,159)
Non-staff-related restructuring	(59)	(59)	(74)	(74)	(109)	(109)
Effects of deconsolidations, disposals and acquisitions	(315)	(315)	(70)	(70)	(223)	(223)
Impairment losses	0	(50)	0	(3)	0	(707)
Other	(77)	(77)	14	14	(6)	(6)
EBITDA AL/EBIT (ADJUSTED FOR SPECIAL FACTORS)	18,701	8,893	17,501	8,042	23,074	10,204
Profit (loss) from financial activities (adjusted for special factors)		(1,487)		(1,394)		(2,091)
PROFIT (LOSS) BEFORE INCOME TAXES (ADJUSTED FOR SPECIAL FACTORS)		7,407		6,648		8,114
Income taxes (adjusted for special factors)		(2,036)		(1,897)		(2,225)
PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS)		5,371		4,751		5,889
PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS) ATTRIBUTABLE TO						
Owners of the parent (net profit (loss)) (adjusted for special factors)		3,932		3,749		4,545
Non-controlling interests (adjusted for special factors)		1,439		1,003		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 €	Sept. 30, 2019	Dec. 31, 2018	Change	Change %	Sept. 30, 2018
Financial liabilities (current) ^a	14,148	10,527	n.a.	n.a.	7,319
Financial liabilities (non-current) ^a	55,510	51,748	n.a.	n.a.	53,804
Lease liabilities	20,314	n.a.	n.a.	n.a.	n.a.
FINANCIAL LIABILITIES	89,971	62,275	n.a.	n.a.	61,124
Accrued interest	(731)	(719)	(12)	(1.7)	(674)
Other	(775)	(928)	153	16.5	(840)
GROSS DEBT	88,465	60,628	n.a.	n.a.	59,610
Cash and cash equivalents	6,461	3,679	2,782	75.6	2,235
Derivative financial assets	2,927	870	2,057	n.a.	900
Other financial assets	270	654	(384)	(58.7)	1,002
NET DEBT	78,807	55,425	n.a.	n.a.	55,473

^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 the section "Accounting policies" in the interim consolidated financial statements.

GLOSSARY

For definitions, please refer to the [2018 Annual Report](#) and the glossary therein.

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"](#) or to Deutsche Telekom's website under [Investor Relations](#).

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

November 7, 2019	February 19, 2020	March 26, 2020
Publication of the Interim Group Report as of September 30, 2019	Press conference on the 2019 financial statements and publication of the 2019 Annual Report	2020 shareholders' meeting
May 14, 2020	August 6, 2020	November 5, 2020
Publication of the Interim Group Report as of March 31, 2020	Publication of the Interim Group Report as of June 30, 2020	Publication of the Interim Group Report as of September 30, 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.

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The Interim Group Report for January 1 to September 30, 2019 is a publication of Deutsche Telekom AG and is also available in German. The German version is legally binding.

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:
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