



Deutsche Telekom

INTERIM GROUP REPORT

H1 2024

JANUARY 1 TO JUNE 30



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Deutsche Telekom at a glance

millions of €

	H1 2024	H1 2023	Change %	Q2 2024	Q2 2023	Change %	FY 2023
Revenue and earnings^a							
Net revenue	56,337	55,060	2.3	28,394	27,221	4.3	111,985
Of which: domestic	% 24.1	22.8		24.0	23.0		23.0
Of which: international	% 75.9	77.2		76.0	77.0		77.0
Service revenue	47,573	45,767	3.9	24,088	22,952	4.9	92,919
EBITDA	23,736	35,122	(32.4)	11,976	11,077	8.1	57,777
EBITDA (adjusted for special factors)	24,469	23,138	5.8	12,412	11,622	6.8	46,831
EBITDA AL	20,510	31,780	(35.5)	10,354	9,416	10.0	51,160
EBITDA AL (adjusted for special factors)	21,292	20,002	6.5	10,819	10,038	7.8	40,497
EBITDA AL margin (adjusted for special factors)	% 37.8	36.3		38.1	36.9		36.2
Profit (loss) from operations (EBIT)	11,666	23,222	(49.8)	5,980	5,207	14.8	33,802
Net profit (loss)	4,070	16,899	(75.9)	2,088	1,539	35.6	17,788
Net profit (loss) (adjusted for special factors)	4,716	3,846	22.6	2,477	1,887	31.3	7,940
Earnings per share (basic and diluted)	€ 0.82	3.40	(75.8)	0.42	0.31	36.4	3.57
Adjusted earnings per share (basic and diluted)	€ 0.95	0.77	23.0	0.50	0.38	32.0	1.60
Statement of financial position							
Total assets	296,044	299,701	(1.2)				290,305
Shareholders' equity	92,434	94,399	(2.1)				91,237
Equity ratio	% 31.2	31.5					31.4
Net debt ^b	135,125	136,893	(1.3)				132,279
Cash flows							
Net cash from operating activities	19,894	18,864	5.5	10,280	9,306	10.5	37,298
Cash capex	(8,577)	(9,436)	9.1	(3,859)	(4,611)	16.3	(17,866)
Cash capex (before spectrum investment)	(8,345)	(9,181)	9.1	(3,684)	(4,422)	16.7	(16,591)
Free cash flow (before dividend payments and spectrum investment)	11,610	9,740	19.2	6,624	4,918	34.7	20,912
Free cash flow AL (before dividend payments and spectrum investment)	8,938	7,101	25.9	5,229	3,522	48.5	16,141
Net cash (used in) from investing activities	(8,525)	(2,274)	n.a.	(3,895)	(4,278)	9.0	(10,213)
Net cash (used in) from financing activities	(10,254)	(13,570)	24.4	(8,702)	(7,230)	(20.4)	(25,534)

^a For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management" in the interim Group management report.

^b Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

millions

	June 30, 2024	Mar. 31, 2024	Change June 30, 2024/ Mar. 31, 2024 %	Dec. 31, 2023	Change June 30, 2024/ Dec. 31, 2023 %	June 30, 2023	Change June 30, 2024/ June 30, 2023 %
Fixed-network and mobile customers							
Mobile customers ^a	259.2	255.8	1.3	252.2	2.8	245.9	5.4
Fixed-network lines	25.3	25.3	(0.1)	25.4	(0.3)	25.3	(0.1)
Broadband customers ^b	22.2	22.1	0.4	22.0	0.9	21.7	2.3

^a Including T-Mobile US wholesale customers. During the fourth quarter of 2023, T-Mobile US recognized a base adjustment to reduce wholesale customers by 339 thousand to remove certain customers serviced through its wholesale partners associated with government assistance plans, which are excluded from its customer counts.

^b Excluding wholesale.

For information on the development of business in the operating segments, please refer to the section "Development of business in the operating segments" in the interim Group management report and in the IR back-up on our [Investor Relations website](#).

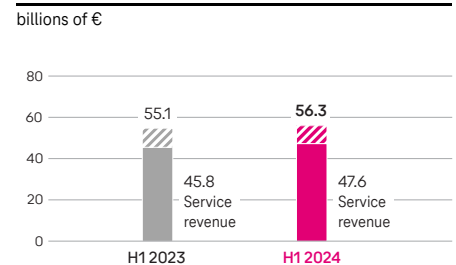
For information on our performance indicators and alternative performance measures, please refer to the section "Management of the Group" in the 2023 combined management report (2023 Annual Report) and to our [Investor Relations website](#).

To our shareholders

Development of selected financial data

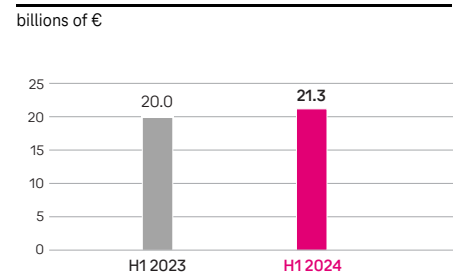
Net revenue, service revenue ^a

- Net revenue increased by 2.3 % to EUR 56.3 billion. On an organic basis, revenue was up 2.5 % against the prior-year level. Service revenue increased by 3.9 % to EUR 47.6 billion; in organic terms, the increase was 4.1 %.
- The Germany segment increased revenue by 3.1 % year-on-year on the back of the strong development of service revenues.
- In the United States segment, revenue grew by 1.3 %; in organic terms, revenue was up 1.5 %, driven in part by the strong development of service revenue.
- Revenue in our Europe segment grew by 6.1 % on account of higher service revenues.
- Revenue in the Systems Solutions segment was up 3.6 % year-on-year, on the back of growth in the Cloud, Digital, and Road Charging portfolio areas.



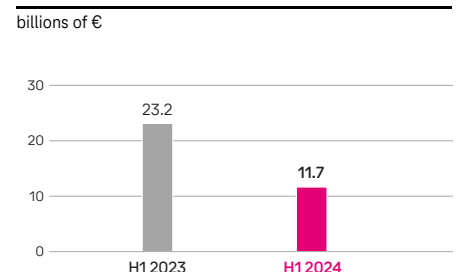
EBITDA AL (adjusted for special factors) ^a

- Adjusted EBITDA AL grew by 6.5 % to EUR 21.3 billion. In organic terms, it increased by 6.2 %.
- In the Germany segment, adjusted EBITDA AL increased by 2.2 % on the back of high-value revenue growth and enhanced cost efficiency.
- In the United States segment, adjusted EBITDA AL was up by 8.2 % due to higher service revenue and lower costs. Adjusted core EBITDA AL grew by 9.4 %.
- Adjusted EBITDA AL in the Europe segment grew by 8.4 % due to a positive net margin.
- In the Systems Solutions segment, adjusted EBITDA AL grew by 3.4 % due to increased revenue in the Cloud area.
- The adjusted EBITDA AL margin improved from 36.3 % to 37.8 %. The adjusted EBITDA AL margin was 40.5 % in the Germany segment, 39.0 % in the United States segment, and 36.1 % in the Europe segment.



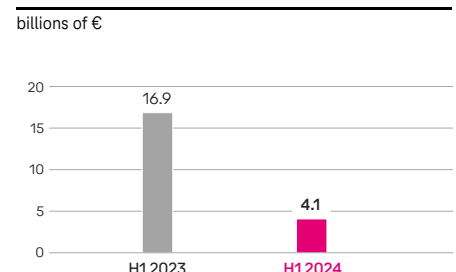
Profit/loss from operations (EBIT) ^a

- EBIT decreased substantially to EUR 11.7 billion, mainly as a result of the gain on deconsolidation from the sale of GD Towers recognized in the prior year.
- Special factors of EUR -0.8 billion had a negative impact on EBITDA AL. The prior-year period included gains on deconsolidation as well as disposals and additions, totaling EUR 12.4 billion on a net basis, primarily from the sale of GD Towers.
- Correspondingly, EBITDA AL declined by 35.5 % to EUR 20.5 billion.
- At EUR 12.1 billion, depreciation, amortization and impairment losses were EUR 0.2 billion higher than in the prior year. The increase primarily related to the United States and Germany operating segments.



Net profit

- Net profit decreased significantly to EUR 4.1 billion, due to the gain on deconsolidation from the sale of GD Towers in the prior year.
- Loss from financial activities decreased by EUR 0.3 billion to EUR 2.7 billion. This was primarily due to the increase in other financial income as a result of higher interest income from the measurement of provisions and liabilities in connection with the subsequent measurement of the provision recognized for the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK).
- Tax expense increased by EUR 1.1 billion to EUR 2.3 billion.
- Profit attributable to non-controlling interests increased by EUR 0.5 billion to EUR 2.6 billion; a trend mainly attributable to the United States segment.
- Adjusted earnings per share rose from EUR 0.77 to EUR 0.95.

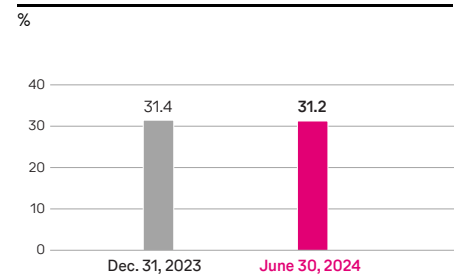


For a reconciliation for the organic development of key figures for the prior-year period, please refer to the section “Additional information.”

^a For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section “Group organization, strategy, and management” in the interim Group management report.

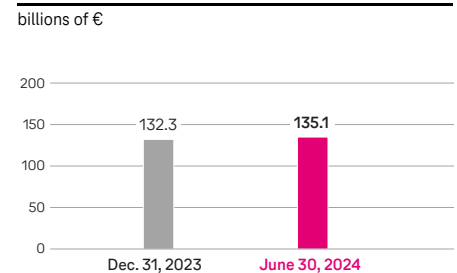
Equity ratio

- The equity ratio decreased by 0.2 percentage points against December 31, 2023 to 31.2 %, due to the increase of EUR 5.7 billion in total assets/total liabilities and shareholders' equity. Shareholders' equity increased by EUR 1.2 billion to EUR 92.4 billion.
- The increase in shareholders' equity is primarily attributable to profit (EUR 6.7 billion) and to other comprehensive income (EUR 3.0 billion).
- Shareholders' equity was reduced in particular by dividend payments to our shareholders (EUR 3.8 billion) and to other shareholders of subsidiaries – including cash dividends paid by T-Mobile US (EUR 1.3 billion), as well as by transactions with owners (EUR 2.6 billion), mainly in connection with T-Mobile US' share buy-backs. Deutsche Telekom AG's share buy-backs (EUR 0.9 billion) also reduced shareholders' equity.



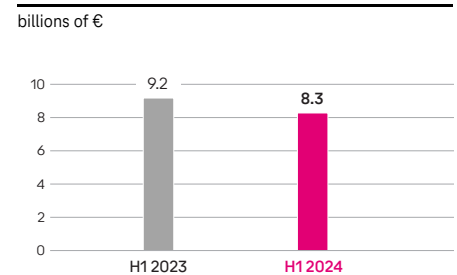
Net debt^b

- Net debt increased by EUR 2.8 billion compared with the end of 2023 to EUR 135.1 billion.
- This increase was attributable primarily to the share buy-back program at T-Mobile US (EUR 5.5 billion), dividend payments – including to non-controlling interests (EUR 4.6 billion), and exchange rate effects (EUR 3.3 billion). Additions of lease liabilities and right-of-use assets (EUR 1.8 billion), corporate transactions (EUR 1.1 billion), and the share buy-back program at Deutsche Telekom AG (EUR 0.9 billion) also had an increasing effect.
- The main factors reducing net debt were free cash flow (before dividend payments and spectrum investment) of EUR 11.6 billion, and EUR 3.5 billion from the sale of T-Mobile US shares by Deutsche Telekom.



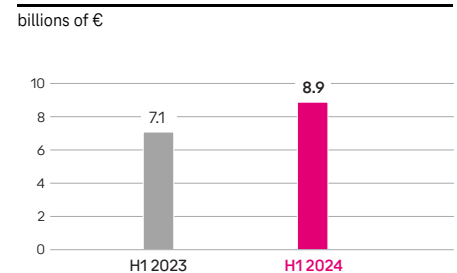
Cash capex (before spectrum investment)

- Cash capex (before spectrum investment) decreased from EUR 9.2 billion to EUR 8.3 billion.
- In the United States segment, cash capex decreased by EUR 1.0 billion, mainly as a result of higher cash outflows for the accelerated build-out of the 5G network in the prior years. By contrast, cash capex in the Germany segment increased by EUR 0.3 billion.
- Cash capex (including spectrum investment) decreased by EUR 0.9 billion to EUR 8.6 billion. In the reporting period, cash outflows for mobile spectrum licenses in the amount of EUR 0.2 billion were recorded in the United States segment. In the prior-year period, payments were made for mobile spectrum licenses in the amount of EUR 0.1 billion in the United States segment, and of EUR 0.2 billion in the Europe segment.



Free cash flow AL (before dividend payments and spectrum investment)

- Free cash flow AL was up by EUR 1.8 billion to EUR 8.9 billion.
- This was attributable to the strong development of the operating business and lower cash capex (before spectrum investment).
- Higher tax payments and net interest payments had an offsetting effect.



For further information, please refer to the section "[Development of business in the Group](#)" in the interim Group management report.

For further information on the development of business in the operating segments, please refer to the section "[Development of business in the operating segments](#)" in the interim Group management report and to the IR back-up on our [Investor Relations website](#).

For further information on our performance indicators and alternative performance measures, please refer to the section "Management of the Group" in the 2023 combined management report ([2023 Annual Report](#)) and to our [Investor Relations website](#).

^b Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

Highlights

For further information on these and other events, please refer to our [media information](#).

For comprehensive information on the T-Share, please visit our [Investor Relations website](#).

Guidance raised for the 2024 financial year

We are raising our guidance for free cash flow AL of the Group for the 2024 financial year. Instead of the previous level of around EUR 18.9 billion, we now expect to post free cash flow AL of around EUR 19.0 billion.

Transactions

Deutsche Telekom AG's share buy-back program. Since January 3, 2024, Deutsche Telekom AG has been buying back shares as part of a buy-back program. The buy-back of up to a total volume of EUR 2 billion will be carried out in several tranches through December 31, 2024. As of June 30, 2024, Deutsche Telekom AG had bought back around 43 million shares with a total volume of EUR 0.9 billion.

For detailed information on the 2024 share buy-back program, please refer to our [Investor Relations website](#).

Acquisition of T-Mobile US shares by Deutsche Telekom. On June 7, 2024, Deutsche Telekom exercised its fixed-price options on shares held by SoftBank to acquire around 7 million T-Mobile US shares for a total purchase price of USD 0.7 billion (EUR 0.6 billion). Deutsche Telekom acquired the shares at an adjusted exercise price of USD 99.51, significantly below the market price.

For further information, please refer to our [media report](#).

T-Mobile US' shareholder return program from September 2023 continued. On September 6, 2023, T-Mobile US announced a USD 19 billion shareholder return program comprising share buy-backs and dividends to be paid out, due to run through December 31, 2024. T-Mobile US paid a second and third cash dividend in the first half of 2024 of USD 0.65 per share in each case, the Board of Directors declared a fourth cash dividend of USD 0.65 per share, and further shares were bought back.

Acquisition of Ka'ena in the United States. On May 1, 2024, T-Mobile US consummated the acquisition of mobile provider Ka'ena. All necessary regulatory approvals had been duly granted and all other closing conditions met.

Agreement on the acquisition of UScellular in the United States. On May 24, 2024, T-Mobile US entered into an agreement on the acquisition of UScellular's wireless operations and specific spectrum licenses. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025.

Agreement on the acquisition of Lumos in the United States. On April 24, 2024, T-Mobile US entered into an agreement with the investment fund EQT on the acquisition of the fiber-to-the-home platform Lumos. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in late 2024/early 2025.

For further information on these transactions, please refer to the sections "Group organization, strategy, and management" and "Development of business in the Group" in the interim Group management report and the sections "Changes in the composition of the Group and other transactions" and "Other transactions that had no effect on the composition of the Group" in the interim consolidated financial statements.

Network build-out

Germany. As of the end of the first half of 2024, our 5G network was available to 97.0 % of the German population, and a total of 8.8 million households and companies can subscribe to a fiber-optic line with us.

Europe. As of the end of the first half of 2024, our national companies covered on average 72.1 % of the population in our European footprint with 5G, and a total of 9.5 million households can access our fiber-optic network offering gigabit speeds.

Employees

Collective agreement. Deutsche Telekom and the trade union ver.di reached a collective agreement in May 2024 for some 58 thousand employees covered by collective agreements, apprentices, and dual students across Germany. Key points agreed were a 6.0 % wage increase effective October 1, 2024 and a monthly salary increase of EUR 190 (employees) or EUR 95 (apprentices and dual students) from August 1, 2025. A premium of EUR 1,550 (EUR 775 for apprentices and dual students) to compensate for inflation will additionally be paid in July 2024.

For further information, please refer to our [media report](#).

Cooperations, partnerships, and major deals

Optical fiber. Deutsche Telekom and the German real estate association **Verband der Immobilienverwalter Deutschland e.V.** signed a joint paper in May 2024 setting out their shared fiber strategy. A central focus will be on building out fiber to buildings comprising individually owned residential units. More than 8 million homes will be able to benefit from our fiber-optic offerings.

In April 2024, we secured a major network build-out deal with **Lidl** to deliver broadband to a large portion of Lidl's stores across Germany in the coming years, many of which via fiber-optic technology. Lidl is our first corporate customer to implement a nationwide transformation strategy to bring itself into the gigabit age.

5G campus networks. Deutsche Telekom's private 5G campus network for **RTL Deutschland** went live in June 2024. The broadcaster is the first in Germany to roll out an independent 5G standalone network for its production studios.

Paper manufacturer **Hamburger Containerboard** is now also operating a 5G campus network from Deutsche Telekom at its Spremberg site in the Lusatia region, with mobile coverage for the entire plant provided by 5G standalone.

T-Systems. In June 2024, the AOK Federal Association of health insurance providers awarded T-Systems a contract to provide and manage secure digital identities (health ID) for AOK's members. The health ID will be the key to accessing all digital solutions offered by AOK.

For further information, please refer to our [media report](#).

T-Mobile US. In the United States, T-Mobile US concluded a ten-year framework agreement with the U.S. Navy in June 2024 to supply wireless communication technology for maritime operations. The contract includes voice, data, fixed wireless access (FWA), Internet of Things, and mobility management solutions. It will help ensure robust and reliable connectivity for government activities.

Products, rate plans, and services

UEFA EURO 2024™. The European soccer championships in Germany from June 14 to July 14, 2024 were a huge success for us as the official partner for telecommunications services and media rights. Over this period, more than 70 million people watched the matches on MagentaTV, the only platform to broadcast all 51 games live. Our mobile network remained stable under high pressure, handling a total of around 260 million gigabytes of data Germany-wide throughout the month of matches. This was helped by the around 750 new 5G antennas we had installed in all ten stadiums to significantly enhance our network capacities. Our mobile customers were able to activate unlimited data via the MeinMagenta app for the entire tournament and benefit permanently from our 5G network at no cost.

For further information, please refer to the topic special on our [website](#).

Separate fiber-optic offerings. We launched our new fiber rate plans on July 2, 2024, all of which offer upload speeds at half that of the download speeds. For instance, the mid-level plan offers 600 Mbit/s for download and 300 Mbit/s for upload. Faster uploading rates are advantageous for data-intensive applications like video conferencing and online gaming.

New 5G smartphone generation. The new T Phone 2 and T Phone 2 Pro smartphones have been available to buy since May 23, 2024 in ten countries across Europe including Germany, as well as at T-Mobile US under the REVVL brand. The new models were developed in partnership with Google and offer major enhancements including a powerful processor, alongside a strong emphasis on sustainability.

For further information, please refer to our [media report](#).

Awards

Networks. We have once again been voted #1 in the [Connect readers' choice 2024](#) (German only) in the categories "mobile network operator," "network operator prepaid cards," "fixed-network operator," and "IPTV services." Our secondary brand congstar won in the category "mobile communications provider." Our national company Hrvatski Telekom has the best mobile network in Croatia according to independent testing by the Croatian authority [HAKOM](#).

Business Customers. We are again overall winner of the [Connect customer barometer internet provider B2B 2024](#) (German only) from April 2024 with our outstanding business customer offerings, in particular in the "customer service" and "brand/provider" categories.

Investor relations. Deutsche Telekom is a winner of the [German Investor Relations Prize 2024](#) (German only) in the category "best IR communication by IR professionals."

For information on awards for responsible corporate governance, please refer to our [website](#) and our [2023 CR Report](#).

Interim Group management report

Group organization, strategy, and management

With regard to our Group organization, strategy, and management, please refer to the explanations in the 2023 combined management report (2023 Annual Report). From the Group's point of view, the following significant events in the first half of 2024 resulted in changes and/or additions.

Group organization

Acquisition of Ka'ena in the United States. On March 9, 2023, T-Mobile US entered into a Merger and Unit Purchase Agreement for the acquisition of 100 % of the outstanding equity of Ka'ena Corporation and its subsidiaries including, among others, Mint Mobile, for a maximum purchase price of USD 1.35 billion. The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. Ka'ena is included in Deutsche Telekom's consolidated financial statements as of May 1, 2024.

At deal close, T-Mobile US made an upfront payment of around USD 1.0 billion (EUR 0.9 billion), comprising a cash component of around USD 0.4 billion (EUR 0.4 billion) and around 3 million ordinary shares of T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price on April 30, 2024. In addition, there is a variable earnout payable on August 1, 2026 if Ka'ena achieves specified performance indicators.

Changes to the segment and organizational structure in 2023

Presentation of GD Towers in the prior year. The sale of the GD Towers business entity was consummated on February 1, 2023. Since that date, GD Towers has no longer been part of the Group. It had been recognized in the interim consolidated financial statements as a discontinued operation from the third quarter of 2022 until its sale. By contrast, the financial performance indicators for the prior year in the interim Group management report contain the value contributions of GD Towers up to the end of January 2023. Please refer to the following table for a breakdown of these performance indicators into the amounts recognized in the consolidated income statement in the first quarter of 2023:

millions of €			
	H1 2023	Of which: continuing operations	Of which: discontinued operation
Net revenue	55,060	55,045	15
Service revenue	45,767	45,770	(4)
EBITDA	35,122	22,121	13,001
Depreciation of right-of-use assets	(2,453)	(2,453)	0
Interest expenses on recognized lease liabilities	(889)	(884)	(5)
EBITDA AL	31,780	18,784	12,996
Special factors affecting EBITDA AL	11,779	(1,145)	12,924
EBITDA AL (adjusted for special factors)	20,002	19,929	73
Depreciation, amortization and impairment losses	(11,900)	(11,900)	0
Profit (loss) from operations (EBIT)	23,222	10,221	13,001
Profit (loss) from financial activities	(2,954)	(2,938)	(16)
Profit (loss) before income taxes	20,269	7,283	12,986
Earnings per share (basic and diluted)	€ 3.40	0.64	2.75
Adjusted earnings per share (basic and diluted)	€ 0.77	0.76	0.01

(Expected) changes to the segment and organizational structure in 2024/2025

Agreement on the acquisition of Lumos in the United States. On April 24, 2024, T-Mobile US entered into an agreement with the investment fund EQT on the acquisition of the fiber-to-the-home platform Lumos. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in late 2024/early 2025. Upon closing, T-Mobile US is expected to invest approximately USD 1.0 billion (EUR 0.9 billion) in the joint venture to acquire a 50 % equity stake and all existing fiber customers, with the funds invested by T-Mobile US being used by Lumos for future fiber builds.

Agreement on the acquisition of UScellular in the United States. On May 24, 2024, T-Mobile US entered into an agreement on the acquisition of UScellular's wireless operations and specific spectrum licenses. The purchase price totals around USD 4.4 billion (EUR 4.1 billion) and comprises a cash component and the transfer of debt of up to USD 2.0 billion (EUR 1.9 billion). The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025.

Agreement on the acquisition of Metronet in the United States. On July 18, 2024, T-Mobile US entered into an agreement with KKR on the acquisition of Metronet and some of its subsidiaries. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in 2025. Upon closing, T-Mobile US is expected to invest approximately USD 4.9 billion (EUR 4.6 billion) in the joint venture to acquire a 50 % equity stake and all existing residential fiber customers.

Governance

By resolution of October 13, 2023, the Supervisory Board of Deutsche Telekom AG appointed Dr. Ferri Abolhassan as the **Board member** responsible for T-Systems for the period from January 1, 2024 to December 31, 2026. Mr. Abolhassan thereby succeeds Adel Al-Saleh, who had asked for his contract to be terminated and left the Group as of December 31, 2023.

In its meeting on December 12, 2023, the Supervisory Board adopted a **new committee structure** to take effect from January 1, 2024. The previous Technology and Innovation Committee has been subsumed under the new Strategy, ESG, and Innovation Committee. In addition, the Audit Committee and the Finance Committee have been merged.

In accordance with the published agenda, on April 10, 2024, the **Shareholders' Meeting** of Deutsche Telekom AG passed resolutions on, among other matters, the approval of the actions of the Board of Management and the Supervisory Board, the selection of the external auditor for the 2024 financial year, the amount of the dividend (EUR 0.77 per dividend-bearing no par value share; EUR 3.8 billion in total), and the change to § 13 of the Articles of Incorporation (remuneration of the Supervisory Board).

The economic environment

This section provides important additional information and explains recent changes in the economic environment compared to those described in the 2023 combined management report ([2023 Annual Report](#)), focusing on macroeconomic developments, the overall economic outlook including the currently prevailing economic risks, and the regulatory environment in the first half of 2024.

Macroeconomic development

The global economic outlook brightened somewhat in the first half of 2024. Global growth was surprisingly robust over the last year. Lower energy prices and declining pressure on supply chains contributed to inflation falling faster than expected. However, a strong global upswing is still not in sight.

In its July 2024 forecast, the International Monetary Fund (IMF) expects global economic output to grow by 3.2 % in the current year compared to growth of 3.3 % in the prior year. The IMF also forecasts growth this year in the economic output of the national economies in our core markets in North America and Europe: of 2.6 % in the United States, 0.9 % in the eurozone, and 0.2 % in Germany.

According to the Bitkom-ifo-Digitalindex, the business climate in Germany's digital sector brightened slightly by the end of the first half of 2024. This was tempered somewhat in June 2024 by a slight deterioration in the index for the current business situation, although business expectations remained well above the prior-month level. The digital economy remains more optimistic than the economy as a whole.

Overall economic outlook

In Germany, stagnant inflation and restrained consumer sentiment are dampening the economic outlook. Unlike other major member states of the European Economic and Monetary Union, Germany may face an economic downturn in the current year. By contrast, the U.S. economy clearly gained momentum in spring 2024. According to the World Bank's forecast, the gross domestic product (GDP) in the United States is expected to grow by up to 2.5 % in 2024. However, significant downside risks continue to weigh on the economic outlook – in particular, the current geopolitical crises carry with them high risks for economic growth and inflation.

Regulation

European Commission publishes white paper. On February 21, 2024, the European Commission published a white paper entitled "How to master Europe's digital infrastructure needs?" This white paper compiles proposals for measures by the European Union in preparation for a planned Digital Networks Act. Deutsche Telekom submitted its view on the proposals on June 28, 2024 during the open consultation process. Legislative initiatives based on the white paper and the responses to the public consultation are expected from 2025.

The white paper identifies future action areas as the build-out of digital networks of the future, managing the transition to new technologies and business models, covering the future need for connectivity, and the safeguarding of economic competitiveness and of secure, resilient infrastructure in the EU. As a result, a far-reaching revision of the current regulatory framework is expected.

Bundesnetzagentur's regulatory procedures based on the decision on access regulation including FTTB/H network access.

On April 10, 2024, the Bundesnetzagentur published a draft consultation for the charges for access to civil engineering infrastructure regulated under the access regulation. After the subsequent national consultation, the Bundesnetzagentur formally notified the European Commission in Brussels of its draft on June 14, 2024. In this draft, a number of charges were increased in Deutsche Telekom's favor. The Bundesnetzagentur issued the final version of the approval on charges on July 17, 2024, without further changes to the notified version. The parallel Bundesnetzagentur regulatory procedure concerning the related reference offer has not yet been decided.

Awarding of spectrum

In the first half of 2024, spectrum in the 26 GHz band and residual spectrum in the 3.4 to 3.8 GHz band were auctioned off in **Austria**. In the 26 GHz band, T-Mobile Austria secured 400 MHz of nationwide spectrum for itself, and in the 3.4 to 3.8 GHz band, 40 MHz in Vienna and 60 MHz in Carinthia, for EUR 10.5 million in total. In the **United States**, the spectrum in the 2.5 GHz band acquired in Auction 108 in September 2022 for around USD 0.3 billion (EUR 0.3 billion) was allocated. The majority of this spectrum was connected immediately. In the **Czech Republic**, the 900/1,800 MHz GSM license expiring in 2024 was extended at a cost of around EUR 28 million for T-Mobile Czech Republic.

In **Germany**, the regulatory authority Bundesnetzagentur consulted on a draft decision concerning the extension of usage rights for the 800 MHz, 1,800 MHz, and 2,600 MHz mobile frequencies, which expire at the end of 2025, by five years. The extension is to replace the originally planned auction to award these frequencies. In return, the draft stipulates requirements such as further coverage obligations for the existing frequency owners as well as the obligation to allow network provider 1&1 to co-use frequencies below the 1 GHz band. The consultation on the draft continued until July 8, 2024; the regulatory authority's final decision is expected in the second half of 2024.

Proceedings to re-award spectrum in the 2,600 MHz band expiring at the end of 2026 and possibly spectrum in the 2,300 MHz band are starting in **Austria**. In **Poland**, the award procedure for the 700 MHz band and potentially also for spectrum in the 26 GHz band could begin in 2024. In **Slovakia**, the procedure (auction) to re-award 900 MHz and 2,100 MHz spectrum originally planned for late 2023 was called into question. Instead, a comprehensive multi-band auction for the 800, 900, 1,500, 2,100, and 2,600 MHz bands expiring in 2025, 2026, and 2028 is under discussion. To enable the multi-band auction to go ahead, the 900 MHz and 2,100 MHz band licenses were extended on a short-term basis.

The following table provides an overview of the main ongoing and planned spectrum awards and auctions as well as license extensions. It also indicates spectrum to be awarded in the near future in various countries.

Main spectrum awards

	Expected start of award procedure	Expected end of award procedure	Frequency ranges	Planned award procedures
Germany	tbd		800/1,800/2,600 MHz	Extension, details tbd
Austria	tbd		2,300 MHz/2,600 MHz	Details tbd
Poland	tbd		700 MHz	Auction or tender procedure ^a , details tbd
Poland	tbd		26 GHz	Details tbd
Slovakia ^b	tbd		800/900/1,500/2,100/2,600 MHz	Auction (new award)

^a Tender procedure (beauty contest auction) offering a competitive selection process for assigning scarce frequencies.

^b Currently, the terms and conditions of the auction are being reviewed and as a result postponement is under discussion.

Agreements on spectrum licenses

On August 8, 2022, T-Mobile US entered into agreements with **Channel 51 License** and **LB License** for the acquisition of spectrum licenses in the 600 MHz band in exchange for a total cash consideration of USD 3.5 billion (EUR 3.3 billion). On March 30, 2023, the contractual parties further agreed that the transaction be divided into two separate tranches. The transfer of the licenses in accordance with the agreements is subject to regulatory approvals and certain other customary closing conditions. On December 29, 2023, the Federal Communications Commission (FCC) approved the transfer of the licenses in the first tranche. The first tranche was concluded on June 24, 2024. The corresponding purchase price payment of USD 2.4 billion (EUR 2.2 billion) was made on August 5, 2024. The second tranche is expected to be concluded in late 2024/early 2025.

On July 1, 2020, T-Mobile US and **DISH Network Corporation** (DISH) reached an agreement on the sale of spectrum licenses, under which DISH agreed to purchase certain 800 MHz spectrum licenses from T-Mobile US for USD 3.6 billion (EUR 3.4 billion). On October 15, 2023, T-Mobile US and DISH modified the agreement to include, among other changes, a non-refundable extension fee of USD 0.1 billion (EUR 0.1 billion) which DISH will pay to T-Mobile US, as well as the requirement that the purchase of the spectrum licenses must be finalized by April 1, 2024. DISH did not exercise its purchase option by April 1, 2024. The extension fee already paid on October 25, 2023 was retained in accordance with the agreement. T-Mobile US is now obligated to put the licenses up for sale at auction and has initiated the corresponding auction process. Should bidding not reach the defined minimum purchase price of USD 3.6 billion by the end of the auction on October 1, 2024, T-Mobile US would be released from its obligation to sell the licenses.

Development of business in the Group

This section provides important additional information and explains recent changes in the significant events and their effects on the development of business in the Group compared to those described in the 2023 combined management report ([2023 Annual Report](#)).

For further information on significant events in the 2023 financial year, please refer to the sections "Group organization," "Management of the Group," and "Development of business in the Group" in the 2023 combined management report ([2023 Annual Report](#)).

Deutsche Telekom AG's share buy-back program. In November 2023, we announced that we will buy back shares in Deutsche Telekom AG in 2024 up to a total purchase price of EUR 2 billion under a share buy-back program. The buy-back commenced on January 3, 2024 and will be carried out in several tranches through December 31, 2024. As of June 30, 2024, Deutsche Telekom AG had bought back around 43 million shares with a total volume of EUR 0.9 billion.

Sale of T-Mobile US shares by Deutsche Telekom. In the first half of 2024, Deutsche Telekom sold a portion of its T-Mobile US share portfolio on the market, without jeopardizing its own majority ownership position in T-Mobile US. As of June 30, 2024, Deutsche Telekom had sold around 23 million T-Mobile US shares with a total volume of EUR 3.5 billion. Deutsche Telekom announced on July 2, 2024 that it was suspending share sales initially until September 26, 2024.

Acquisition of T-Mobile US shares by Deutsche Telekom. On June 7, 2024, Deutsche Telekom exercised fixed-price options agreed in June 2020 on shares in T-Mobile US held by SoftBank to acquire around 7 million additional T-Mobile US shares for a total purchase price of USD 0.7 billion (EUR 0.6 billion). The fixed exercise price originally agreed of USD 101.46 per share was adjusted to USD 99.51 to account for the dividend payments made by T-Mobile US. The agreement allowed Deutsche Telekom to acquire the shares at a discount of around 45 % compared to the closing share price on the exercise date of USD 179.82. Upon completion of the transaction, Deutsche Telekom had exercised all fixed-price options received from SoftBank. The remaining floating options were not exercised and expired in the second quarter of 2024.

T-Mobile US' shareholder return program from September 2023 continued. On September 6, 2023, T-Mobile US announced a shareholder return program of up to USD 19 billion that will run from October 1, 2023 through December 31, 2024. The program comprises share buy-backs and dividends to be paid out. The amount available for share buy-backs will be reduced by the amount of any dividends approved.

On January 24, 2024, the T-Mobile US Board of Directors declared a cash dividend of USD 0.65 per share, which was paid out on March 14, 2024 to the shareholders registered as of close of business on March 1, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On March 15, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. EUR 0.3 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.3 billion to non-controlling interests in T-Mobile US. On June 13, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which will be paid out on September 12, 2024 to the shareholders registered as of close of business on August 30, 2024. Furthermore, T-Mobile US bought back around 36 million shares with a total volume of USD 5.8 billion (EUR 5.5 billion) in the first half of 2024.

As of June 30, 2024, USD 8.7 billion (EUR 8.1 billion) remained available to T-Mobile US under the program.

Results of operations of the Group^a

millions of €	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Net revenue	56,337	55,060	2.3	27,942	28,394	27,221	4.3	111,985
Service revenue	47,573	45,767	3.9	23,485	24,088	22,952	4.9	92,919
EBITDA AL (adjusted for special factors)	21,292	20,002	6.5	10,473	10,819	10,038	7.8	40,497
EBITDA AL	20,510	31,780	(35.5)	10,156	10,354	9,416	10.0	51,160
Depreciation, amortization and impairment losses	(12,070)	(11,900)	(1.4)	(6,074)	(5,996)	(5,869)	(2.2)	(23,975)
Profit (loss) from operations (EBIT)	11,666	23,222	(49.8)	5,686	5,980	5,207	14.8	33,802
Profit (loss) from financial activities	(2,701)	(2,954)	8.6	(1,367)	(1,334)	(1,623)	17.8	(8,845)
Profit (loss) before income taxes	8,965	20,269	(55.8)	4,319	4,646	3,584	29.6	24,957
Income taxes	(2,298)	(1,235)	(86.1)	(1,176)	(1,122)	(961)	(16.7)	(2,964)
Net profit (loss)	4,070	16,899	(75.9)	1,982	2,088	1,539	35.6	17,788
Net profit (loss) (adjusted for special factors)	4,716	3,846	22.6	2,238	2,477	1,887	31.3	7,940
Earnings per share (basic and diluted)	€ 0.82	3.40	(75.8)	0.40	0.42	0.31	36.4	3.57
Adjusted earnings per share (basic and diluted)	€ 0.95	0.77	23.0	0.45	0.50	0.38	32.0	1.60

^a For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

In order to increase the informative value of the prior-year comparatives based on changes to the Company's structure or exchange rate effects, we also describe selected figures in **organic terms**, by adjusting the figures for the prior-year period for changes in the composition of the Group, exchange rate effects, and other effects. Changes in the composition of the Group related mainly to the sale of GD Towers as of February 1, 2023 in the Group Development operating segment, and the sale of the Wireline Business as of May 1, 2023 as well as the acquisition of Ka'ena as of May 1, 2024 in the United States operating segment.

Revenue, service revenue

In the first half of 2024, we generated net revenue of EUR 56.3 billion, which was up EUR 1.3 billion or 2.3 % year-on-year. In organic terms, revenue increased by 2.5 % against the prior-year level, with the changes in the composition of the Group having a net reducing effect of EUR 0.1 billion. Service revenue in the Group increased by EUR 1.8 billion or 3.9 % year-on-year to EUR 47.6 billion. In organic terms, service revenue increased by EUR 1.9 billion or 4.1 %.

Contribution of the segments to net revenue^a

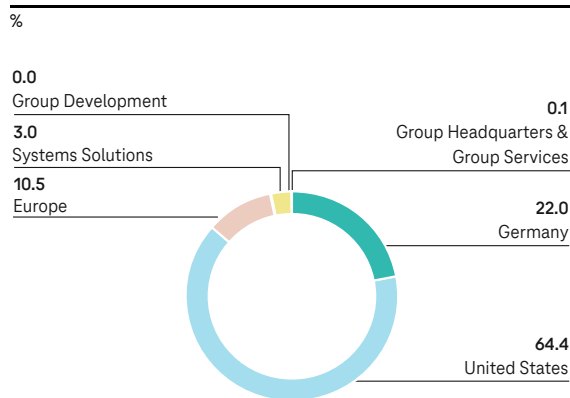
millions of €	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Germany	12,667	12,290	3.1	6,298	6,369	6,150	3.6	25,187
United States	36,291	35,817	1.3	18,009	18,282	17,555	4.1	72,436
Europe	6,032	5,683	6.1	2,959	3,073	2,899	6.0	11,790
Systems Solutions	1,974	1,905	3.6	993	981	959	2.3	3,896
Group Development	6	106	(94.0)	2	4	4	(10.2)	115
Group Headquarters & Group Services	1,107	1,130	(2.0)	546	561	552	1.6	2,305
Intersegment revenue	(1,740)	(1,873)	7.1	(865)	(876)	(898)	2.5	(3,744)
Net revenue	56,337	55,060	2.3	27,942	28,394	27,221	4.3	111,985

^a For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

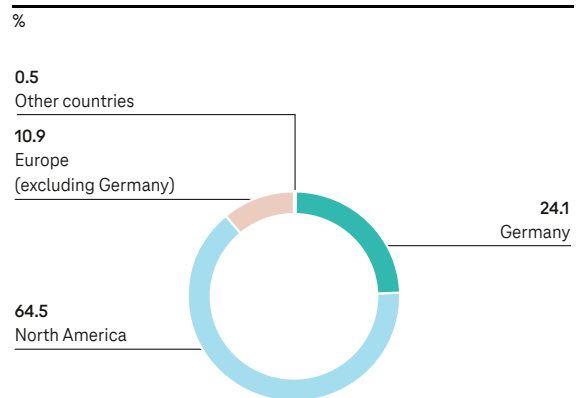
Revenue in our domestic market of Germany was up on the prior-year level, increasing by 3.1%. This was mainly driven by growth in service revenues in the fixed-network core business and in mobile communications. Mobile terminal equipment revenues also had a positive effect on revenue. In our United States operating segment, revenue was up 1.3% against the prior-year level. In organic terms, revenue increased by 1.5%, with an increase in service revenues mainly resulting from higher postpaid revenues. By contrast, terminal equipment revenue fell due to declines in sales and leasing of terminal equipment. In our Europe operating segment, revenue increased by 6.1% year-on-year, primarily as a result of the increase in high-margin service revenues in the mobile business. Contract customer additions also had positive effects on terminal equipment revenues. Revenue in our Systems Solutions operating segment was up 3.6% year-on-year. This positive revenue trend was mainly driven by growth in the Cloud, Digital, and Road Charging portfolio areas.

For further information on revenue development in our segments, please refer to the section “Development of business in the operating segments.”

Contribution of the segments to net revenue^a



Breakdown of revenue by region



^a For further information on net revenue, please refer to the section “Segment reporting” in the interim consolidated financial statements.

Our United States operating segment made by far the largest contribution to net revenue, with 64.4% (H1 2023: 65.0%). The proportion of net revenue generated internationally decreased from 77.2% to 75.9%.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased year-on-year by EUR 1.3 billion or 6.5% to EUR 21.3 billion in the first half of 2024. In organic terms, adjusted EBITDA AL increased by EUR 1.2 billion or 6.2%. Adjusted core EBITDA AL, i.e., excluding terminal equipment leases in the United States, increased by EUR 1.4 billion or 7.2% to EUR 21.2 billion.

Contribution of the segments to adjusted Group EBITDA AL^a

millions of €	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Germany	5,129	5,016	2.2	2,576	2,553	2,528	1.0	10,238
United States	14,169	13,090	8.2	6,932	7,237	6,554	10.4	26,409
Europe	2,176	2,007	8.4	1,069	1,108	1,024	8.2	4,114
Systems Solutions	164	159	3.4	77	87	84	3.9	321
Group Development	(11)	60	n.a.	(6)	(5)	(5)	(5.1)	45
Group Headquarters & Group Services	(326)	(317)	(2.9)	(168)	(158)	(141)	(11.8)	(609)
Reconciliation	(8)	(14)	39.0	(6)	(3)	(5)	39.7	(22)
EBITDA AL (adjusted for special factors)	21,292	20,002	6.5	10,473	10,819	10,038	7.8	40,497

^a For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section “Group organization, strategy, and management.”

Our Germany operating segment contributed to the increase thanks to high-value revenue growth and improved cost efficiency with 2.2 % higher adjusted EBITDA AL. Adjusted EBITDA AL in our United States operating segment increased by 8.2 %. This rise is primarily attributable to the higher service revenue and lower overall costs. Adjusted core EBITDA AL at T-Mobile US increased by EUR 1.2 billion or 9.4 % to EUR 14.1 billion. In our Europe operating segment, adjusted EBITDA AL increased by 8.4 %, with a positive net margin more than sufficient to offset the higher indirect costs. In our Systems Solutions operating segment, adjusted EBITDA AL increased by 3.4 %, mainly due to revenue growth in the Cloud area.

Our EBITDA AL decreased significantly by EUR 11.3 billion year-on-year to EUR 20.5 billion. Special factors affecting EBITDA AL decreased by EUR 12.6 billion to EUR -0.8 billion. In the prior-year period, net income of EUR 12.4 billion had been recorded as special factors under effects of deconsolidations, disposals and acquisitions; EUR 12.9 billion of this related to the deconsolidation of GD Towers, which was partially offset by expenses of EUR 0.6 billion primarily in connection with integration costs incurred as a result of the business combination of T-Mobile US and Sprint. In the first half of 2024, these net expenses totaled EUR 0.2 billion euros, and included additional integration expenses, offset by the extension fees received from DISH for the options to buy mobile spectrum in the United States operating segment, which have now expired. The integration of Sprint was largely completed in the second quarter of 2024. Expenses incurred in connection with staff restructuring were on a par with the prior-year level at EUR -0.6 billion.

For further information on the development of (adjusted) EBITDA AL in our segments, please refer to the section "[Development of business in the operating segments.](#)"

Profit/loss from operations (EBIT)

Group EBIT decreased significantly to EUR 11.7 billion, down EUR 11.6 billion against the level of the prior-year period. This change was primarily due to the deconsolidation gain from the sale of GD Towers in the prior year. At EUR 12.1 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were up EUR 0.2 billion year-on-year in the first half of 2024, due in particular to higher depreciation and amortization. In the United States operating segment, higher depreciation expense in connection with the acceleration of certain technology assets as part of T-Mobile US modernizing its network, technology systems, and platforms was partially offset by lower depreciation of right-of-use assets. In the Germany operating segment, depreciation and amortization increased, partly as a result of the sale and leaseback of passive network infrastructure in connection with the sale of GD Towers. No significant impairment losses were recorded either in the reporting period or in the prior-year period.

For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "[Group organization, strategy, and management.](#)"

Profit before income taxes

Profit before income taxes decreased by EUR 11.3 billion to EUR 9.0 billion for the aforementioned reasons. The loss from financial activities included in this decreased year-on-year from EUR 3.0 billion to EUR 2.7 billion, primarily due to the increase in other financial income as a result of higher interest income from the measurement of provisions and liabilities in connection with the subsequent measurement using actuarial principles of the present value of the provision recognized for the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK).

Net profit, adjusted net profit

Net profit decreased year-on-year by EUR 12.8 billion to EUR 4.1 billion. This change was primarily due to the deconsolidation gain from the sale of GD Towers in the prior year. Tax expense increased by EUR 1.1 billion to EUR 2.3 billion. The tax rate was significantly reduced in the first half of 2023 by the realization of non-taxable income from the sale of GD Towers. Taxes were furthermore reduced in the prior-year period by deferred tax effects arising in connection with the concluded sale-and-leaseback transaction. Profit attributable to non-controlling interests increased by EUR 0.5 billion to EUR 2.6 billion. This increase was primarily attributable to the United States operating segment. Excluding special factors, which had a negative overall effect of EUR 0.6 billion on net profit, adjusted net profit amounted to EUR 4.7 billion, compared with EUR 3.8 billion in the prior-year period.

For further information on tax expense, please refer to the section "[Income taxes](#)" in the interim consolidated financial statements.

Earnings per share, adjusted earnings per share

Earnings per share is calculated as net profit divided by the weighted average number of ordinary shares outstanding, which totaled 4,958 million as of June 30, 2024. This resulted in earnings per share of EUR 0.82, compared with EUR 3.40 in the prior-year period, which was mainly affected by the proceeds from the sale of GD Towers. Earnings per share adjusted for special factors affecting net profit amounted to EUR 0.95 compared with EUR 0.77 in the prior-year period.

Employees

Headcount development

	June 30, 2024	Dec. 31, 2023	Change	Change %	June 30, 2023
FTEs in the Group	200,402	199,652	750	0.4	205,212
Of which: civil servants (in Germany, with an active service relationship)	6,255	6,891	(636)	(9.2)	7,585
Germany	58,780	59,709	(928)	(1.6)	60,596
United States	64,844	62,677	2,167	3.5	66,581
Europe	33,118	32,932	186	0.6	33,645
Systems Solutions	25,759	26,036	(276)	(1.1)	25,976
Group Development	104	108	(4)	(3.5)	103
Group Headquarters & Group Services	17,796	18,190	(394)	(2.2)	18,309

The Group's headcount increased by 0.4 % compared with the end of 2023. The total number of full-time equivalent employees in the United States operating segment increased by 3.5 % compared to December 31, 2023, primarily due to an increase in retail employees to support T-Mobile US' growing customer base, and the Ka'ena Acquisition in the second quarter of 2024. The headcount in our Europe operating segment grew by 0.6 % against the end of the prior year, mainly due to an insourcing measure in connection with the build-out and maintenance of network infrastructure in Croatia. In our Germany operating segment, the number of employees declined by 1.6 % against the end of the prior year. Employees continued to take up socially responsible instruments here as part of staff restructuring activities, such as dedicated retirement and phased retirement. The headcount in our Systems Solutions operating segment was down 1.1 % against year-end 2023, mainly due to a workforce reduction in traditional infrastructure business. The headcount in the Group Headquarters & Group Services segment was down 2.2 % compared with the end of the prior year, mainly due to the continued staff restructuring measures, in particular at Vivento.

Reconciliations of financial performance indicators from the IFRS consolidated financial statements

A reconciliation of the definition of EBITDA to the "after leases" indicator (EBITDA AL) can be found in the following table:

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
EBITDA	23,736	35,122	(32.4)	11,760	11,976	11,077	8.1	57,777
Depreciation of right-of-use assets ^a	(2,333)	(2,453)	4.9	(1,156)	(1,177)	(1,207)	2.5	(4,810)
Interest expenses on recognized lease liabilities ^a	(893)	(889)	(0.4)	(448)	(445)	(453)	1.8	(1,807)
EBITDA AL	20,510	31,780	(35.5)	10,156	10,354	9,416	10.0	51,160
Special factors affecting EBITDA AL	(782)	11,779	n.a.	(317)	(465)	(622)	25.3	10,663
EBITDA AL (adjusted for special factors)	21,292	20,002	6.5	10,473	10,819	10,038	7.8	40,497

^a Excluding finance leases at T-Mobile US.

The following table presents the reconciliation of net profit to **net profit adjusted for special factors**:

millions of €	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Net profit (loss)	4,070	16,899	(75.9)	1,982	2,088	1,539	35.6	17,788
Special factors affecting EBITDA AL	(782)	11,779	n.a.	(317)	(465)	(622)	25.3	10,663
Staff-related measures	(559)	(587)	4.7	(184)	(375)	(355)	(5.7)	(1,485)
Non-staff-related restructuring	(5)	(17)	73.6	(2)	(2)	(7)	69.9	(40)
Effects of deconsolidations, disposals and acquisitions	(203)	12,384	n.a.	(116)	(86)	(240)	64.0	12,187
Impairment losses	0	(8)	100.0	0	0	(7)	100.0	(8)
Reversals of impairment losses	0	0	n.a.	0	0	0	n.a.	0
Other	(16)	7	n.a.	(14)	(2)	(14)	88.7	8
Special factors affecting net profit	136	1,275	(89.3)	61	75	274	(72.6)	(815)
Depreciation, amortization and impairment losses	(316)	(48)	n.a.	(216)	(99)	(31)	n.a.	(189)
Profit (loss) from financial activities	(3)	(2)	(50.1)	(1)	(3)	(2)	(40.2)	(2,742)
Income taxes	271	1,029	(73.7)	146	125	154	(18.7)	1,503
Non-controlling interests	184	296	(37.7)	132	52	154	(66.0)	613
Special factors	(646)	13,053	n.a.	(256)	(390)	(348)	(12.1)	9,848
Net profit (loss) (adjusted for special factors)	4,716	3,846	22.6	2,238	2,477	1,887	31.3	7,940

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

millions of €	EBITDA AL H1 2024	EBIT H1 2024	EBITDA AL H1 2023	EBIT H1 2023	EBITDA AL FY 2023	EBIT FY 2023
EBITDA AL/EBIT	20,510	11,666	31,780	23,222	51,160	33,802
Germany	(397)	(397)	(271)	(271)	(501)	(501)
Staff-related measures	(319)	(319)	(256)	(256)	(484)	(484)
Non-staff-related restructuring	(3)	(3)	(7)	(7)	(18)	(18)
Effects of deconsolidations, disposals and acquisitions	(90)	(90)	1	1	(8)	(8)
Impairment losses	0	0	0	0	0	0
Other	15	15	(9)	(9)	11	11
United States	(155)	(439)	(722)	(732)	(1,569)	(1,556)
Staff-related measures	(19)	(19)	(172)	(172)	(643)	(643)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(122)	(406)	(582)	(564)	(958)	(917)
Impairment losses	0	0	(8)	(36)	(8)	(36)
Other	(14)	(14)	40	40	39	39
Europe	(44)	(44)	(45)	(45)	(94)	(94)
Staff-related measures	(37)	(37)	(38)	(38)	(69)	(69)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	0	0	4	4	1	1
Impairment losses	0	0	0	0	0	0
Other	(8)	(8)	(11)	(11)	(26)	(26)
Systems Solutions	(55)	(66)	(51)	(61)	(144)	(270)
Staff-related measures	(45)	(45)	(40)	(40)	(116)	(116)
Non-staff-related restructuring	0	0	(1)	(1)	(1)	(1)
Effects of deconsolidations, disposals and acquisitions	(1)	(1)	1	1	0	0
Impairment losses	0	(11)	0	(11)	0	(126)
Other	(10)	(10)	(11)	(11)	(27)	(27)
Group Development	3	3	12,947	12,947	13,170	13,170
Staff-related measures	0	0	(3)	(3)	(3)	(3)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	3	3	12,951	12,951	13,173	13,173
Impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0

millions of €	EBITDA AL H1 2024	EBIT H1 2024	EBITDA AL H1 2023	EBIT H1 2023	EBITDA AL FY 2023	EBIT FY 2023
Group Headquarters & Group Services	(133)	(134)	(80)	(81)	(199)	(225)
Staff-related measures	(141)	(141)	(79)	(79)	(169)	(169)
Non-staff-related restructuring	(1)	(1)	(9)	(9)	(21)	(21)
Effects of deconsolidations, disposals and acquisitions	7	7	9	9	(20)	(20)
Impairment losses	0	0	0	0	0	(26)
Other	1	1	(1)	(1)	11	11
Group	(782)	(1,077)	11,779	11,757	10,663	10,525
Staff-related measures	(559)	(559)	(587)	(587)	(1,485)	(1,485)
Non-staff-related restructuring	(5)	(5)	(17)	(17)	(40)	(40)
Effects of deconsolidations, disposals and acquisitions	(203)	(486)	12,384	12,401	12,187	12,228
Impairment losses	0	(11)	(8)	(47)	(8)	(187)
Other	(16)	(16)	7	7	8	8
EBITDA AL/EBIT (adjusted for special factors)	21,292	12,743	20,002	11,465	40,497	23,277
Profit (loss) from financial activities (adjusted for special factors)		(2,677)		(2,925)		(6,053)
Profit (loss) before income taxes (adjusted for special factors)		10,066		8,541		17,225
Income taxes (adjusted for special factors)		(2,569)		(2,264)		(4,467)
Profit (loss) (adjusted for special factors)		7,497		6,276		12,757
Profit (loss) (adjusted for special factors) attributable to						
Owners of the parent (net profit (loss)) (adjusted for special factors)		4,716		3,846		7,940
Non-controlling interests (adjusted for special factors)		2,782		2,431		4,817

Financial position of the Group

Condensed consolidated statement of financial position

millions of €	June 30, 2024	%	Dec. 31, 2023	Change	June 30, 2023
Assets					
Cash and cash equivalents	8,591	2.9	7,274	1,317	8,742
Trade receivables	15,122	5.1	16,157	(1,035)	15,750
Intangible assets	141,641	47.8	136,004	5,638	138,026
Property, plant and equipment	64,860	21.9	65,042	(182)	65,840
Right-of-use assets	32,596	11.0	32,826	(230)	34,312
Investments accounted for using the equity method	4,726	1.6	4,605	121	7,349
Current and non-current financial assets	8,898	3.0	9,593	(695)	10,206
Deferred tax assets	5,522	1.9	6,401	(879)	7,251
Non-current assets and disposal groups held for sale	1,080	0.4	211	869	122
Miscellaneous assets	13,008	4.4	12,193	815	12,102
Total assets	296,044	100.0	290,305	5,739	299,701
Liabilities and shareholders' equity					
Current and non-current financial liabilities	109,126	36.9	104,522	4,604	109,980
Current and non-current lease liabilities	40,270	13.6	40,792	(522)	41,999
Trade and other payables	10,541	3.6	10,916	(375)	10,384
Provisions for pensions and other employee benefits	3,257	1.1	4,060	(803)	3,870
Current and non-current other provisions	7,245	2.4	8,100	(855)	7,159
Deferred tax liabilities	23,510	7.9	21,918	1,592	22,159
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0.0	0	0	0
Miscellaneous liabilities	9,661	3.3	8,759	902	9,752
Shareholders' equity	92,434	31.2	91,237	1,197	94,399
Total liabilities and shareholders' equity	296,044	100.0	290,305	5,739	299,701

Total assets amounted to EUR 296.0 billion as of June 30, 2024, up by EUR 5.7 billion against December 31, 2023. In addition to the acquisition of spectrum licenses from Channel 51, the inclusion of the assets and liabilities from the acquisition of Ka'ena in the United States operating segment, and the issuing of bonds by T-Mobile US, exchange rate effects from the translation of U.S. dollars into euros in particular had an increasing effect on the carrying amount of total assets.

On the assets side, **cash and cash equivalents** increased by EUR 1.3 billion against the end of the prior year to EUR 8.6 billion.

For further information, please refer to the section "[Notes to the consolidated statement of cash flows](#)" in the interim consolidated financial statements.

At EUR 15.1 billion, **trade receivables** decreased by EUR 1.0 billion against the 2023 year-end level, due to lower receivables in the United States and Germany operating segments. By contrast, exchange rate effects, mainly from the translation from U.S. dollars into euros, increased the carrying amount.

Intangible assets increased by EUR 5.6 billion compared to December 31, 2023 to EUR 141.6 billion. Additions increased the carrying amount by EUR 4.8 billion, EUR 2.5 billion of which related to the acquisition of mobile spectrum in the United States operating segment, in particular for the acquisition of the first tranche of spectrum licenses in the 600 MHz band in connection with the agreements in place between T-Mobile US and Channel 51. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 3.8 billion. Effects of changes in the composition of the Group resulting from the acquisition of Ka'ena in the United States operating segment increased the carrying amount by EUR 1.4 billion, EUR 0.7 billion of which related to the goodwill acquired in this connection. By contrast, amortization and impairment losses of EUR 3.4 billion reduced the carrying amount. The reclassifications of intangible assets to non-current assets and disposal groups held for sale reduced the carrying amount by EUR 1.0 billion and arose primarily in connection with agreed transactions concerning the exchange of spectrum licenses in the United States operating segment.

Property, plant and equipment decreased from EUR 65.0 billion as of December 31, 2023 to EUR 64.9 billion. Depreciation and impairment losses totaling EUR 6.0 billion and disposals of EUR 0.2 billion decreased the carrying amount. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 4.9 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 0.9 billion. Reclassifications of lease assets upon expiry of the contractual lease term to property, plant and equipment, primarily for network technology in the United States operating segment, increased the carrying amount by EUR 0.2 billion.

Right-of-use assets decreased by EUR 0.2 billion compared with December 31, 2023 to EUR 32.6 billion. Depreciation and impairment losses reduced the carrying amount by EUR 2.7 billion. The previously mentioned reclassifications of lease assets to property, plant and equipment also reduced the carrying amount by EUR 0.2 billion. The carrying amount was increased by additions of EUR 1.8 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 0.9 billion.

Investments accounted for using the equity method increased by EUR 0.1 billion compared to December 31, 2023, to EUR 4.7 billion, mainly due to a capital increase in the investment in GlasfaserPlus.

Current and non-current **financial assets** decreased by EUR 0.7 billion to EUR 8.9 billion, with the net total of originated loans and receivables decreasing by EUR 0.5 billion, mainly due to lower collateral paid for derivatives due to normal fluctuations in fair value. The carrying amount of the derivatives without a hedging relationship decreased by EUR 0.4 billion, in particular in connection with the options to acquire additional T-Mobile US shares exercised by Deutsche Telekom on June 7, 2024. Exchange rate effects increased the carrying amount of other financial assets by EUR 0.1 billion.

Non-current assets and disposal groups held for sale increased by EUR 0.9 billion to EUR 1.1 billion. This increase is primarily attributable to the transactions agreed between T-Mobile US and other telecommunications companies for the exchange of spectrum licenses to improve mobile network coverage.

Miscellaneous assets increased by EUR 0.8 billion to EUR 13.0 billion. Current and non-current other assets contributed EUR 0.7 billion to this increase, due in part to an increase in various advance payments, mainly in connection with agreements on services for certain mobile communications and fixed-network equipment. In addition, current recoverable income taxes increased by EUR 0.2 billion and contract assets by EUR 0.1 billion. By contrast, inventories decreased by EUR 0.2 billion, due in particular to the sale of mobile terminal equipment, in connection with, among other factors, marketing campaigns in the United States operating segment, partially offset by the stockpiling of mobile terminal equipment in the Germany operating segment.

On the liabilities and shareholders' equity side, current and non-current **financial liabilities** increased by EUR 4.6 billion compared with the end of 2023 to EUR 109.1 billion. Bonds and other securitized liabilities increased overall by EUR 4.9 billion, primarily as a result of USD bonds issued by T-Mobile US with a total volume of USD 3.0 billion (EUR 2.7 billion), the issue of EUR bonds with a volume of EUR 2.0 billion, and the issue of asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion). The carrying amount was also increased by the issue of a EUR bond of EUR 0.7 billion by Deutsche Telekom AG, and exchange rate effects of EUR 2.5 billion. By contrast, the scheduled repayment of a EUR bond of EUR 0.8 billion and a USD bond of USD 2.5 billion (EUR 2.3 billion) reduced the carrying amount. Other non-interest-bearing liabilities increased by EUR 0.4 billion, mainly due to the stake of the cash dividend of USD 0.65 per share – declared by T-Mobile US on June 13, 2024 – attributable to non-controlling interests in T-Mobile US. By contrast, liabilities to banks decreased by EUR 0.3 billion, due in part to the repayment of a loan from the European Investment Bank, liabilities with the right of creditors to priority repayment in the event of default decreased by EUR 0.4 billion, mainly due to the repayment of former Sprint bonds in the United States operating segment, and other interest-bearing liabilities decreased by EUR 0.1 billion.

Current and non-current **lease liabilities** decreased by EUR 0.5 billion to EUR 40.3 billion compared with December 31, 2023. Lease liabilities in the United States operating segment decreased by EUR 1.4 billion, mainly due to the decommissioning of the former Sprint's wireless network and a decline in network and build-out investments, primarily on account of higher capital efficiency resulting from the accelerated build-out of the nationwide 5G network in the prior year. Exchange rate effects, in particular from the translation of U.S. dollars into euros, increased the carrying amount by EUR 1.1 billion.

Trade and other payables decreased by EUR 0.4 billion to EUR 10.5 billion. This was due to lower liabilities in the Europe and Germany operating segments. By contrast, exchange rate effects, in particular from the translation from U.S. dollars into euros, increased the carrying amount.

Provisions for pensions and other employee benefits decreased by EUR 0.8 billion compared with December 31, 2023 to EUR 3.3 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.7 billion to be recognized directly in equity, mainly due to the increase in the fair values of plan assets and the increase in the discount rate compared with December 31, 2023. Benefits paid directly by the employer in the reporting period also contributed to the reduction in the carrying amount.

Current and non-current **other provisions** decreased by EUR 0.9 billion to EUR 7.2 billion compared with the end of 2023. Other provisions for personnel costs decreased by EUR 0.4 billion, primarily in connection with the performance-based remuneration components for the prior year paid out to employees in the first half of 2024 and due to an interest rate-based decline in the carrying amount of the provision recognized for the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Provisions for termination benefits also decreased by EUR 0.2 billion, partly as a result of the program implemented to reduce the workforce in the United States operating segment. Furthermore, provisions for procurement and sales support decreased by EUR 0.1 billion, mainly in connection with the bonuses paid out to sales partners in the United States operating segment, and the provisions for restoration obligations by EUR 0.1 billion.

Miscellaneous liabilities increased by EUR 0.9 billion compared to December 31, 2023 to EUR 9.7 billion, with contract liabilities increasing by EUR 0.5 billion, mainly in connection with the contract liabilities assumed in the acquisition of Ka'ena in the United States operating segment. Furthermore, other liabilities increased by EUR 0.3 billion, mainly due to an increase in liabilities from other taxes. Income tax liabilities increased by EUR 0.1 billion compared with December 31, 2023.

For further information on the acquisition of Ka'ena, please refer to the section "[Changes in the composition of the Group and other transactions](#)" in the interim consolidated financial statements.

Shareholders' equity increased by EUR 1.2 billion as of December 31, 2023 to EUR 92.4 billion, with profit of EUR 6.7 billion and capital increases from share-based payments of EUR 0.3 billion having an increasing effect. Other comprehensive income also increased the carrying amount by EUR 3.0 billion. Income taxes relating to components of other comprehensive income of EUR 0.3 billion had an offsetting effect. Shareholders' equity was reduced in connection with dividend payments for the 2023 financial year to Deutsche Telekom AG shareholders in the amount of EUR 3.8 billion and to other shareholders of subsidiaries in the amount of EUR 1.3 billion. The latter figure includes cash dividends of EUR 1.0 billion paid by T-Mobile US to non-controlling interests, as declared in the reporting period. Transactions with owners reduced the carrying amount by EUR 2.6 billion, due in particular to the T-Mobile US share buy-back program from September 2023. Furthermore, the carrying amount was reduced by Deutsche Telekom AG's share buy-back program that started in January 2024 with share buy-backs of EUR 0.9 billion.

For further information on the statement of financial position, please refer to the section "[Selected notes to the consolidated statement of financial position](#)" in the interim consolidated financial statements.

Calculation of net debt

millions of €

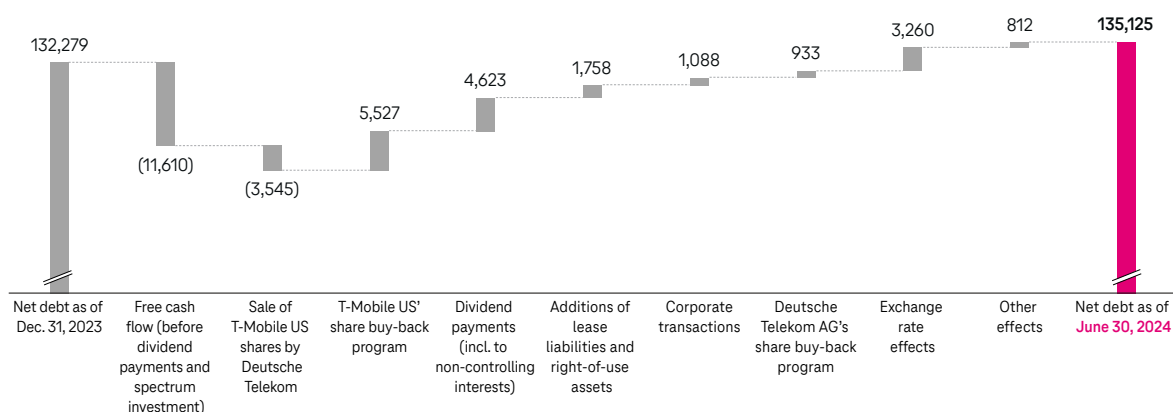
	June 30, 2024	Dec. 31, 2023	Change	Change %	June 30, 2023
Bonds and other securitized liabilities	92,691	87,773	4,918	5.6	91,822
Liabilities to banks	3,272	3,560	(288)	(8.1)	3,610
Other financial liabilities	13,163	13,189	(26)	(0.2)	14,548
Lease liabilities	40,270	40,792	(522)	(1.3)	41,999
Financial liabilities and lease liabilities	149,396	145,314	4,082	2.8	151,979
Accrued interest	(1,077)	(1,009)	(68)	(6.7)	(1,036)
Other	(1,402)	(966)	(436)	(45.2)	(1,045)
Gross debt	146,917	143,339	3,577	2.5	149,898
Cash and cash equivalents	8,591	7,274	1,317	18.1	8,742
Derivative financial assets	1,611	1,780	(169)	(9.5)	2,174
Other financial assets	1,589	2,006	(417)	(20.8)	2,089
Net debt^a	135,125	132,279	2,847	2.2	136,893
Lease liabilities ^b	38,040	38,533	(493)	(1.3)	39,719
Net debt AL	97,085	93,746	3,340	3.6	97,174

^a Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

^b Excluding finance leases at T-Mobile US.

Changes in net debt

millions of €



Net debt increased to EUR 135.1 billion in the first half of 2024, mainly as a result of the T-Mobile US share buy-back program, dividend payments (including to non-controlling interests), and negative exchange rate effects. By contrast, the main factors affecting net debt were free cash flow (before dividend payments and spectrum investment) and the sale of T-Mobile US shares by Deutsche Telekom. Corporate transactions mainly included payments by Deutsche Telekom AG for the acquisition of T-Mobile US shares by exercising existing fixed-price options, and changes in cash and cash equivalents in connection with the acquisition of Ka'ena in the United States. Other effects include spectrum purchases of EUR 0.2 billion, among other things.

Calculation of free cash flow AL

millions of €

	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Net cash from operating activities	19,894	18,864	5.5	9,614	10,280	9,306	10.5	37,298
Cash outflows for investments in intangible assets	(2,681)	(2,441)	(9.8)	(1,378)	(1,303)	(1,254)	(3.8)	(5,560)
Cash outflows for investments in property, plant and equipment	(5,897)	(6,995)	15.7	(3,340)	(2,557)	(3,356)	23.8	(12,306)
Cash capex	(8,577)	(9,436)	9.1	(4,718)	(3,859)	(4,611)	16.3	(17,866)
Spectrum investment	232	255	(9.1)	57	175	189	(7.2)	1,275
Cash capex (before spectrum investment)	(8,345)	(9,181)	9.1	(4,661)	(3,684)	(4,422)	16.7	(16,591)
Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment	61	57	7.2	33	28	34	(17.3)	205
Free cash flow (before dividend payments and spectrum investment)	11,610	9,740	19.2	4,986	6,624	4,918	34.7	20,912
Principal portion of repayment of lease liabilities ^a	(2,672)	(2,639)	(1.3)	(1,277)	(1,395)	(1,395)	0.0	(4,770)
Free cash flow AL (before dividend payments and spectrum investment)	8,938	7,101	25.9	3,708	5,229	3,522	48.5	16,141

^a Excluding finance leases at T-Mobile US.

Free cash flow AL (before dividend payments and spectrum investment) increased by EUR 1.8 billion year-on-year to EUR 8.9 billion. The following effects impacted on this development:

Net cash from operating activities increased by EUR 1.0 billion to EUR 19.9 billion. The strong development of the operating business was offset in part by an increase in tax payments of EUR 0.2 billion and an increase in net interest payments of EUR 0.1 billion, among other effects.

Cash capex (before spectrum investment) decreased by EUR 0.8 billion to EUR 8.3 billion. In the United States operating segment, cash capex decreased by EUR 1.0 billion to EUR 4.3 billion, mainly as a result of higher cash outflows for the accelerated build-out of the 5G network in the prior years. In the Germany operating segment, cash capex totaled around EUR 2.6 billion in the reporting period, EUR 0.3 billion more than in the prior-year period. In the Europe operating segment, cash capex stood at EUR 0.9 billion, which was on a par with the prior-year period. In the Systems Solutions operating segment, cash capex remained on a par with the prior-year period at EUR 0.1 billion.

For further information on the statement of cash flows, please refer to the section "Notes to the consolidated statement of cash flows" in the interim consolidated financial statements.

Development of business in the operating segments

Germany

Customer development

thousands

	June 30, 2024	Mar. 31, 2024	Change June 30, 2024/ Mar. 31, 2024 %	Dec. 31, 2023	Change June 30, 2024/ Dec. 31, 2023 %	June 30, 2023	Change June 30, 2024/ June 30, 2023 %
Mobile customers	65,192	63,284	3.0	61,419	6.1	57,695	13.0
Contract customers	25,838	25,492	1.4	25,171	2.7	24,391	5.9
Prepaid customers	39,353	37,792	4.1	36,248	8.6	33,304	18.2
Fixed-network lines	17,253	17,293	(0.2)	17,342	(0.5)	17,332	(0.5)
Retail broadband lines	15,098	15,057	0.3	15,018	0.5	14,856	1.6
Of which: optical fiber ^a	13,065	12,975	0.7	12,893	1.3	12,486	4.6
Television (IPTV, satellite)	4,514	4,400	2.6	4,327	4.3	4,208	7.3
Unbundled local loop lines (ULLs)	2,181	2,349	(7.2)	2,527	(13.7)	2,877	(24.2)
Wholesale broadband lines	8,481	8,411	0.8	8,307	2.1	8,137	4.2
Of which: optical fiber ^a	7,510	7,429	1.1	7,307	2.8	7,103	5.7

^a Disclosure of the total of all fiber-optic lines (FTTx).

Total

In Germany we continue to be market leader both in terms of fixed-network and mobile revenues. This success is attributable to our high-performance networks, a broad product portfolio, and good service. We want to offer our customers a seamless and technology-neutral telecommunications experience. We regularly adapt our product portfolio to address the needs of our customers.

The fixed-network broadband market hosts a large number of players with differing infrastructures – from national through to regional providers. In order to consolidate our position on the market as Germany's leading telecommunications provider, we continue to add new offerings to our portfolio.

Mobile communications

The number of high-value mobile contract customers under the Telekom and congstar brands grew by 592 thousand customers overall. Sustained high demand for mobile rate plans with data volumes continues to drive this trend. The number of prepaid customers grew by 3.1 million against the start of 2024, particularly with regard to M2M SIM cards used in the automotive industry.

Fixed network

Demand remained high for our fiber-optic-based lines, with the total number increasing to 20.6 million since the end of 2023. This strong growth is driven by demand for higher bandwidths.

The number of retail broadband lines remained at a high level, increasing to 15.1 million compared with December 31, 2023. 48.2 % of the customers have subscribed to a rate plan with speeds of 100 Mbit/s or higher. The number of fixed-network lines stood at 17.3 million.

Wholesale

As of June 30, 2024, fiber-optic-based lines accounted for 70.4 % of all lines – 3.0 percentage points more than at the end of 2023. This growth is a result of the demand for our commitment agreements. Ongoing demand among retail customers for higher-bandwidth lines also contributed to the increase. The number of unbundled local loop lines decreased by 346 thousand compared with the end of the prior year, while fiber-optic-based lines increased by 203 thousand. These developments result partly from the shift to higher-value fiber-optic-based lines and partly from consumers switching to other providers. In addition, our wholesale partners are migrating their retail customers to their own infrastructures. The total number of wholesale lines at the end of June 2024 was 10.7 million.

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	12,667	12,290	3.1	6,298	6,369	6,150	3.6	25,187
Consumers	6,506	6,132	6.1	3,232	3,274	3,055	7.2	12,640
Business Customers ^a	4,265	4,514	(5.5)	2,135	2,130	2,245	(5.1)	9,258
Wholesale ^a	1,617	1,354	19.4	802	815	682	19.5	2,688
Other	278	290	(4.0)	130	149	167	(11.2)	602
Service revenue	11,116	10,901	2.0	5,515	5,601	5,484	2.1	22,096
EBITDA	5,040	4,992	1.0	2,620	2,420	2,509	(3.5)	10,294
Special factors affecting EBITDA	(397)	(271)	(46.5)	(110)	(287)	(167)	(71.5)	(501)
EBITDA (adjusted for special factors)	5,437	5,263	3.3	2,730	2,707	2,676	1.2	10,794
EBITDA AL	4,732	4,745	(0.3)	2,465	2,266	2,360	(4.0)	9,737
Special factors affecting EBITDA AL	(397)	(271)	(46.5)	(110)	(287)	(167)	(71.5)	(501)
EBITDA AL (adjusted for special factors)	5,129	5,016	2.2	2,576	2,553	2,528	1.0	10,238
EBITDA AL margin (adjusted for special factors) %	40.5	40.8		40.9	40.1	41.1		40.6
Depreciation, amortization and impairment losses	(2,162)	(2,090)	(3.4)	(1,071)	(1,091)	(1,054)	(3.5)	(4,220)
Profit (loss) from operations (EBIT)	2,878	2,902	(0.8)	1,549	1,329	1,455	(8.6)	6,073
EBIT margin %	22.7	23.6		24.6	20.9	23.7		24.1
Cash capex	(2,554)	(2,300)	(11.0)	(1,493)	(1,061)	(1,113)	4.7	(4,587)
Cash capex (before spectrum investment)	(2,554)	(2,300)	(11.0)	(1,493)	(1,061)	(1,113)	4.7	(4,587)

^a Since January 1, 2024, certain revenues which were previously assigned to Business Customers have been recognized under Wholesale. Prior-year comparatives were not adjusted retrospectively.

Revenue, service revenue

In the first half of 2024, we generated revenue of EUR 12.7 billion, which was up by 3.1 % against the prior-year period. This was mainly attributable to growth in service revenues of 2.0 %, due to increased revenue in the fixed-network core business, largely driven by broadband and IT business, and to higher mobile service revenues. Another revenue driver was the 11.6 % increase in non-service revenues, primarily from mobile terminal equipment revenues.

Revenue from **Consumers** increased by 6.1% compared with the prior-year period. Revenue from broadband business continued to grow, due in part to the positive effects from customer appreciation for reliable networks and high bandwidths. Volume-driven declines in revenue from voice components continued to impact on traditional fixed-network business. The mobile business increased due to higher service revenues, mainly as a result of positive customer development.

Revenue from **Business Customers** was down 5.5 % against the prior-year period, primarily due to certain revenues being recognized under Wholesale since January 1, 2024. In organic terms, revenue was on a par with the prior-year level at 0.2 %, due in part to the positive trends in IT business and mobile service revenues, with the latter driven mainly by sustained growth in the customer base.

Wholesale revenue was up in the first half of 2024 by 19.4 % year-on-year as a result of the change in disclosure of revenues described under Business Customers. On an organic basis, revenue was slightly higher than in the prior-year period.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased by EUR 0.1 billion or 2.2 % year-on-year. The main reasons for this increase are a sound operational development, driven by high-value revenue growth, and enhanced cost efficiency, primarily as a result of the lower headcount and the ongoing implementation of efficiency enhancement and digitalization measures. This trend was negatively affected by one-time effects, in particular the premium to compensate for inflation under the scope of the collective agreement. Our adjusted EBITDA AL margin amounted to 40.5 %.

EBITDA AL remained at the level of the prior-year period of EUR 4.7 billion. The effects described with regard to adjusted EBITDA AL included special factors in the amount of EUR 0.4 billion, including for socially responsible staff restructuring.

Profit/loss from operations (EBIT)

Profit from operations amounted to EUR 2.9 billion, a decrease of 0.8 % against the first half of the prior year. The positive development of EBITDA was offset by a year-on-year increase of EUR 72 million in depreciation, amortization and impairment losses, which were mainly attributable to the sale and leaseback of passive network infrastructure in Germany in connection with the sale of GD Towers.

Cash capex (before spectrum investment), cash capex

Cash capex increased by EUR 254 million or 11.0 % compared with the prior-year period. Cash capex totaled around EUR 2.6 billion in the first half of 2024, in particular for the fiber-optic build-out. The number of households passed by our fiber-optic network had increased to 8.8 million by the end of June 2024. In mobile communications, 97.0 % of German households can already use 5G.

United States

Customer development

thousands								
	June 30, 2024	Mar. 31, 2024	Change June 30, 2024/ Mar. 31, 2024		Change June 30, 2024/ Dec. 31, 2023		Change June 30, 2024/ June 30, 2023	
			%	Dec. 31, 2023	%	June 30, 2023	%	
Customers	125,893	120,872	4.2	119,700	5.2	116,602	8.0	
Postpaid customers	100,610	99,272	1.3	98,052	2.6	95,086	5.8	
Postpaid phone customers ^a	77,245	76,468	1.0	75,936	1.7	74,132	4.2	
Other postpaid customers ^a	23,365	22,804	2.5	22,116	5.6	20,954	11.5	
Prepaid customers ^b	25,283	21,600	17.1	21,648	16.8	21,516	17.5	

^a In the fourth quarter of 2023, we recognized an additional base adjustment to increase postpaid phone customers by 20 thousand and increase postpaid other customers by 150 thousand due to fewer customers than expected whose service was deactivated as a result of the network shutdowns.

^b In the second quarter of 2024, we acquired 3.5 million prepaid customers through the Ka'ena Acquisition, which includes the impact of certain base adjustments to align the policies of Ka'ena and T-Mobile US.

Customers

At June 30, 2024, the United States operating segment (T-Mobile US) had 125.9 million customers, compared to 119.7 million customers at December 31, 2023. Net customer additions were 2.7 million in the first half of 2024, compared to 3.0 million in the first half of 2023 due to the factors described below.

Postpaid net customer additions were 2.6 million in the first half of 2024, compared to 2.9 million in the first half of 2023. Postpaid net customer additions decreased primarily from lower postpaid other net customer additions, primarily due to lower net additions from High Speed Internet and wearables. The lower net additions from High Speed Internet were primarily driven by increased deactivations from a growing customer base, partially offset by a lower churn rate. This decrease was partially offset by higher net additions from other connected devices. The decrease in postpaid other net customer additions was partially offset by slightly higher postpaid phone net customer additions, primarily due to higher gross additions, mostly offset by increased deactivations from a growing customer base. High Speed Internet net customer additions included in postpaid other net customer additions were 704 thousand and 892 thousand in the first half of 2024 and 2023, respectively.

Prepaid net customer additions were 131 thousand in the first half of 2024, compared to 150 thousand in the first half of 2023. The decrease was primarily driven by continued moderation of prepaid industry growth and lower net additions from High Speed Internet, partially offset by higher gross additions following the Ka'ena Acquisition and lower churn. High Speed Internet net customer additions included in prepaid net customer additions were 107 thousand and 140 thousand in the first half of 2024 and 2023, respectively.

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	36,291	35,817	1.3	18,009	18,282	17,555	4.1	72,436
Service revenue	30,065	28,903	4.0	14,827	15,238	14,428	5.6	58,522
EBITDA	16,493	15,033	9.7	8,031	8,462	7,488	13.0	30,038
Special factors affecting EBITDA	(107)	(516)	79.3	(111)	4	(282)	n.a.	(1,286)
EBITDA (adjusted for special factors)	16,600	15,549	6.8	8,142	8,458	7,770	8.9	31,324
EBITDA AL	14,014	12,368	13.3	6,802	7,212	6,195	16.4	24,840
Special factors affecting EBITDA AL	(155)	(722)	78.5	(130)	(25)	(359)	93.0	(1,569)
EBITDA AL (adjusted for special factors)	14,169	13,090	8.2	6,932	7,237	6,554	10.4	26,409
Core EBITDA AL (adjusted for special factors) ^a	14,112	12,895	9.4	6,900	7,213	6,494	11.1	26,130
EBITDA AL margin (adjusted for special factors) %	39.0	36.5		38.5	39.6	37.3		36.5
Depreciation, amortization and impairment losses	(7,910)	(7,770)	(1.8)	(4,003)	(3,907)	(3,800)	(2.8)	(15,551)
Profit (loss) from operations (EBIT)	8,583	7,262	18.2	4,028	4,555	3,688	23.5	14,487
EBIT margin %	23.7	20.3		22.4	24.9	21.0		20.0
Cash capex	(4,518)	(5,451)	17.1	(2,476)	(2,042)	(2,589)	21.1	(10,053)
Cash capex (before spectrum investment)	(4,327)	(5,360)	19.3	(2,420)	(1,907)	(2,561)	25.5	(9,060)

^a Adjusted core EBITDA AL is distinguished by excluding revenue from terminal equipment leases from adjusted EBITDA AL, thereby presenting operational development undistorted by the withdrawal from the terminal equipment lease business.

Revenue, service revenue

Total revenue for the United States operating segment of EUR 36.3 billion in the first half of 2024 increased by 1.3 %, compared to EUR 35.8 billion in the first half of 2023. In U.S. dollars, T-Mobile US' total revenue also increased by 1.3 % during the same period. Total revenue increased slightly primarily due to higher service revenues, mostly offset by lower equipment revenues. The components of these changes are described below.

Service revenues increased in the first half of 2024 by 4.0 % to EUR 30.1 billion. In U.S. dollars, T-Mobile US' service revenues also increased by 4.0 % during the same period. This increase resulted from higher postpaid revenues, primarily due to higher average postpaid accounts and higher postpaid Average Revenue per Account (ARPA). In addition, service revenues increased from higher prepaid revenues, primarily due to higher average prepaid customers, primarily from the prepaid customers acquired through the Ka'ena Acquisition, partially offset by lower prepaid Average Revenue per User (ARPU). This increase was partially offset by lower wholesale and other service revenues, primarily from lower Wireline revenues due to the sale of the Wireline Business on May 1, 2023, lower MVNO revenues, and lower Affordable Connectivity Program and Lifeline revenues. The decrease in MVNO revenues was primarily due to DISH servicing more of its Boost customers with their standalone network and the migration by Verizon of legacy TracFone customers off of the T-Mobile US network, partially offset by growth in other MVNO partners.

Equipment revenues decreased in the first half of 2024 primarily from a net decrease in the total number of devices sold, driven by lower government assistance programs, prepaid and postpaid upgrade units, partially offset by higher postpaid gross addition related devices. This decrease was partially offset by slightly higher average revenue per device sold, net of promotions, primarily driven by an increase in the high-end phone mix. In addition, equipment revenues decreased due to a decrease in lease revenues, primarily due to a lower number of customer devices under lease as a result of the continued strategic shift in device financing from leasing to equipment installment plans (EIP). The decrease in equipment revenues was partially offset by an increase in liquidation revenue, primarily due to a higher number of in-house liquidated devices, including the impact from the transition of certain device recovery programs from external sources to in-house processing.

Other revenues decreased in the first half of 2024 primarily from the transition of certain device recovery programs from external sources to in-house processing, resulting in a change in presentation to equipment revenues.

Adjusted EBITDA AL, EBITDA AL

In euros, adjusted EBITDA AL increased by 8.2 % to EUR 14.2 billion in the first half of 2024, compared to EUR 13.1 billion in the first half of 2023. The adjusted EBITDA AL margin increased to 39.0 % in the first half of 2024, compared to 36.5 % in the first half of 2023. In U.S. dollars, adjusted EBITDA AL also increased 8.2 % during the same period. Adjusted EBITDA AL increased primarily due to higher service revenues as discussed above, lower costs due to the sale of the Wireline Business on May 1, 2023, lower employee costs, primarily due to reduced headcount, and higher Sprint Merger-related synergies. In addition, adjusted EBITDA AL increased due to lower equipment costs as a result of a net decrease in the number of devices sold, driven by lower government assistance programs, prepaid, and postpaid upgrade units, partially offset by higher postpaid gross addition related devices. The increase in adjusted EBITDA AL was partially offset by lower equipment revenues and lower other revenues as described above, higher average cost per device sold, primarily driven by a shift in the high-end phone mix, an increase in liquidation costs, higher legal expenses, and higher costs as a result of the Ka'ena Acquisition. The increase in liquidation costs was primarily due to a higher number of in-house liquidated devices, including the impact from the transition of certain device recovery programs from external sources to in-house processing. In U.S. dollars, lease revenues decreased as a result of the continued strategic shift in device financing from leasing to EIP by 71.0 % in the first half of 2024.

In euros, adjusted core EBITDA AL increased by 9.4 % to EUR 14.1 billion in the first half of 2024, compared to EUR 12.9 billion in the first half of 2023. In U.S. dollars, adjusted core EBITDA AL also increased by 9.4 % during the same period. The increase was primarily due to the fluctuation in adjusted EBITDA AL as discussed above, excluding the change in lease revenues.

EBITDA AL in the first half of 2024 included special factors of EUR -0.2 billion compared to EUR -0.7 billion in the first half of 2023. The change in special factors was primarily due to lower Sprint Merger-related costs. The change in special factors was also impacted by other special items including certain severance, restructuring, and other expenses, gains and losses, not directly attributable to the Sprint Merger which are not reflective of T-Mobile US' core business activities recognized in the first half of 2023. Overall, EBITDA AL increased by 13.3 % to EUR 14.0 billion in the first half of 2024, compared to EUR 12.4 billion in the first half of 2023, primarily due to the factors described above, including special factors.

Profit/loss from operations (EBIT)

EBIT increased by 18.2 % to EUR 8.6 billion in the first half of 2024, compared to EUR 7.3 billion in the first half of 2023. In U.S. dollars, EBIT increased by 18.1 % during the same period primarily due to higher EBITDA AL, partially offset by higher depreciation, amortization and impairment losses. In U.S. dollars, depreciation, amortization and impairment losses increased by 1.8 % primarily due to higher depreciation expense from the acceleration of certain technology assets as T-Mobile US continues to modernize its network, technology systems, and platforms.

Cash capex (before spectrum investment), cash capex

Cash capex (before spectrum investment) decreased by 19.3 % to EUR 4.3 billion in the first half of 2024, compared to EUR 5.4 billion in the first half of 2023. In U.S. dollars, cash capex (before spectrum investment) decreased by 19.2 % due to a decrease in purchases of property and equipment, primarily due to increased capital efficiencies from accelerated investments in the T-Mobile US nationwide 5G network in previous years.

Cash capex decreased by 17.1 % to EUR 4.5 billion in the first half of 2024, compared to EUR 5.5 billion in the first half of 2023. In U.S. dollars, cash capex also decreased by 17.1 % primarily due to lower purchases of property and equipment as discussed above.

Europe

Customer development

thousands		June 30, 2024	Mar. 31, 2024	Change June 30, 2024/ Mar. 31, 2024 %	Dec. 31, 2023	Change June 30, 2024/ Dec. 31, 2023 %	June 30, 2023	Change June 30, 2024/ June 30, 2023 %
Europe, total^a	Mobile customers	49,287	48,837	0.9	47,853	3.0	47,582	3.6
	Contract customers	27,588	27,406	0.7	27,222	1.3	26,753	3.1
	Prepaid customers	21,699	21,431	1.2	20,631	5.2	20,829	4.2
	Fixed-network lines	8,033	8,021	0.2	8,020	0.2	7,968	0.8
	Broadband customers	7,099	7,046	0.8	6,989	1.6	6,837	3.8
	Television (IPTV, satellite, cable)	4,334	4,311	0.5	4,283	1.2	4,194	3.3
	Unbundled local loop lines (ULL)/Wholesale PSTN	1,537	1,575	(2.4)	1,614	(4.8)	1,690	(9.1)
	Wholesale broadband lines	1,157	1,137	1.7	1,121	3.2	1,078	7.3
Greece	Mobile customers	7,189	7,107	1.2	7,119	1.0	7,325	(1.9)
	Fixed-network lines	2,602	2,611	(0.3)	2,617	(0.6)	2,623	(0.8)
	Broadband customers	2,407	2,406	0.0	2,405	0.1	2,387	0.8
Romania	Mobile customers	3,601	3,661	(1.6)	3,798	(5.2)	4,063	(11.4)
Hungary	Mobile customers	6,389	6,324	1.0	6,246	2.3	6,089	4.9
	Fixed-network lines	1,943	1,938	0.3	1,936	0.4	1,911	1.7
	Broadband customers	1,622	1,609	0.8	1,592	1.9	1,553	4.4
Poland	Mobile customers	12,641	12,575	0.5	12,592	0.4	12,460	1.5
	Fixed-network lines	29	29	0.1	29	0.5	29	(0.7)
	Broadband customers	305	285	6.8	260	17.0	205	48.8
Czech Republic	Mobile customers	6,502	6,492	0.2	6,523	(0.3)	6,464	0.6
	Fixed-network lines	789	773	2.0	763	3.4	741	6.5
	Broadband customers	485	472	2.8	463	4.9	447	8.6
Croatia	Mobile customers	2,408	2,337	3.0	2,336	3.1	2,323	3.6
	Fixed-network lines	868	868	0.0	870	(0.2)	869	(0.1)
	Broadband customers	666	663	0.5	661	0.7	654	1.8
Slovakia	Mobile customers	2,528	2,527	0.0	2,525	0.1	2,480	1.9
	Fixed-network lines	852	854	(0.3)	860	(1.0)	852	0.1
	Broadband customers	659	657	0.2	657	0.2	647	1.9
Austria^a	Mobile customers	6,270	6,088	3.0	4,975	26.0	4,645	35.0
	Fixed-network lines	611	610	0.3	607	0.7	608	0.6
	Broadband customers	667	667	0.0	665	0.3	664	0.5
Other^b	Mobile customers	1,759	1,725	2.0	1,738	1.2	1,733	1.5
	Fixed-network lines	339	338	0.3	338	0.4	336	1.0
	Broadband customers	288	286	0.7	285	1.2	280	3.0

^a Since January 1, 2024, customers of a wholesale service provider are reported as prepaid customers in Austria. Prior-year comparatives were not adjusted retrospectively in this context.

^b "Other": national companies of North Macedonia, Montenegro, and the lines of the GTS Central Europe group in Romania.

Total

In the Europe operating segment, almost all key performance indicators for customer development posted improvement compared with the end of 2023. Our convergent product portfolio generated growth of 2.4 % in FMC customers thanks to ongoing demand. As a consequence, we are working flat out to build out our fixed-network infrastructure with state-of-the-art optical fiber. The number of broadband customers increased by 1.6 %. The number of mobile customers increased by 3.0 %. Our build-out of the 5G network is making good progress.

Mobile communications

We had a total of 49.3 million mobile customers at the end of the first half of 2024 – an increase of 3.0 % compared with the end of 2023. The number of contract customers increased by 1.3 %. The contract customer base grew in almost all of our national companies, but especially in Poland, Greece, Croatia, and Romania. Overall, contract customers accounted for 56.0 % of the total customer base. Our customers benefited from greater coverage with fast mobile broadband – a result of our integrated network strategy. The footprint countries of our operating segment are also making further headway with 5G. As of June 30, 2024, our national companies covered 72.1 % of the population on average with 5G, a further increase against the prior year.

The prepaid customer base grew by 5.2 % compared with the end of 2023. Since January 1, 2024, customers of a wholesale service provider have been reported as prepaid customers in Austria. Without this effect, the number of prepaid customers remained stable compared with the end of the prior year. We convinced a portion of our prepaid customers to switch to higher-value contract rate plans. Furthermore, inactive SIM cards are deactivated from the customer base at regular intervals, as was the case in Romania and Poland.

Fixed network

The broadband business increased by 1.6 % compared with the end of 2023 to a total of 7.1 million customers. This growth is mainly driven by the national companies in Poland, Hungary, and the Czech Republic. By continuing to invest in optical fiber, we are systematically building out our fixed-network infrastructure. As of the end of the first half of 2024, 9.5 million households, which is around 420 thousand additional households, had access to our high-performance fiber-optic network offering gigabit speeds. The number of fixed-network lines subscribed to remained stable at 8.0 million lines as of June 30, 2024.

The TV and entertainment business had 4.3 million customers in total at the end of the first half of 2024, posting growth of 1.2 % compared with the end of the prior year. The TV market is already saturated in many of the countries in our segment, where TV services are offered not only by telecommunications companies, but also by OTT players.

FMC – fixed-mobile convergence and digitalization

Our portfolio of convergent products, MagentaOne, was highly popular with consumers across all of our national companies. As of June 30, 2024, we had 7.9 million FMC customers; this corresponds to growth of 2.4 % compared with the end of the prior year. Almost all of our national companies, but in particular in Poland, Greece, Hungary, and the Czech Republic, contributed to this growth. The customer base in Slovakia was smaller due to optimizations to the FMC product portfolio there. At the end of the first half of 2024, FMC customers accounted for 63.7 % of the broadband customer base. We have also seen rising customer numbers from the marketing of our MagentaOne Business product to business customers.

We continue to expand our digital interaction with customers, which means we can meet customer needs in a more personalized and efficient way, and position products and innovative services on the market more quickly. Our service app is used by 70.0 % of our consumers.

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	6,032	5,683	6.1	2,959	3,073	2,899	6.0	11,790
Greece	1,658	1,523	8.9	812	846	787	7.6	3,189
Romania	133	138	(3.9)	66	67	69	(3.7)	287
Hungary	1,090	966	12.8	525	564	510	10.8	2,031
Poland	797	730	9.1	395	402	365	10.1	1,522
Czech Republic	609	650	(6.2)	301	308	329	(6.4)	1,280
Croatia	480	452	6.1	233	247	230	7.4	956
Slovakia	419	401	4.3	206	213	199	7.0	825
Austria	724	701	3.3	361	363	348	4.1	1,458
Other ^a	152	157	(2.7)	75	77	80	(3.0)	319
Service revenue	5,040	4,715	6.9	2,455	2,585	2,416	7.0	9,739
EBITDA	2,385	2,197	8.5	1,179	1,206	1,109	8.8	4,496
Special factors affecting EBITDA	(44)	(45)	1.2	(19)	(26)	(39)	34.9	(94)
EBITDA (adjusted for special factors)	2,429	2,242	8.3	1,198	1,231	1,148	7.3	4,590
EBITDA AL	2,132	1,962	8.6	1,050	1,082	985	9.9	4,020
Special factors affecting EBITDA AL	(44)	(45)	1.3	(19)	(26)	(39)	34.9	(94)
EBITDA AL (adjusted for special factors)	2,176	2,007	8.4	1,069	1,108	1,024	8.2	4,114
Greece	650	640	1.5	323	327	322	1.5	1,325
Romania	3	8	(67.5)	3	0	5	n.a.	17
Hungary	388	275	41.3	178	210	164	27.9	600
Poland	217	196	10.9	104	113	103	9.8	393
Czech Republic	246	245	0.3	131	115	116	(1.0)	470
Croatia	173	163	6.0	86	87	83	4.7	367
Slovakia	199	170	17.1	96	103	86	19.5	350
Austria	278	263	5.6	138	140	130	7.8	529
Other ^a	22	46	(52.0)	10	12	14	(13.5)	61
EBITDA AL margin (adjusted for special factors) %	36.1	35.3		36.1	36.0	35.3		34.9
Depreciation, amortization and impairment losses	(1,272)	(1,251)	(1.7)	(638)	(634)	(641)	1.0	(2,524)
Profit (loss) from operations (EBIT)	1,112	946	17.6	541	571	468	22.2	1,973
EBIT margin %	18.4	16.6		18.3	18.6	16.1		16.7
Cash capex	(981)	(1,053)	6.8	(484)	(497)	(614)	19.1	(2,049)
Cash capex (before spectrum investment)	(940)	(889)	(5.8)	(483)	(457)	(453)	(0.8)	(1,766)

The contributions of the national companies correspond to their respective unconsolidated financial statements and do not take consolidation effects at operating segment level into account.

^a "Other": national companies in North Macedonia, Montenegro, and the GTS Central Europe group in Romania, as well as the Europe Headquarters.

Revenue, service revenue

Our Europe operating segment generated revenue of EUR 6.0 billion in the first half of 2024, a year-on-year increase of 6.1 %. In organic terms, revenue increased by 6.2 %. Service revenues grew by 6.9 % year-on-year, or by 6.5 % in organic terms.

The organic growth in service revenues was due on the one hand to the strong performance of the mobile business on the back of a larger contract customer base, and higher prices in several countries. Contract customer additions also had positive effects on terminal equipment revenues. On the other hand, the year-on-year increase in fixed-network service revenues additionally contributed to this growth. Our intense focus on the continued build-out of high-speed network infrastructure drove growth in broadband and TV revenues, which more than offset the expected declines in voice telephony revenues. In addition to higher revenues from wholesale, the IT business also made a positive revenue contribution. Regulatory interventions such as the reduction in termination rates had a negative impact on our organic development of revenue in the reporting period.

All countries apart from Romania contributed to the growth in service revenue in organic terms, with our national companies in Greece, Hungary, Poland, and Slovakia recording the strongest development in absolute terms by country.

Revenue from **Consumers** increased in organic terms by 5.7 % year-on-year. In mobile communications, both service revenues and mobile terminal equipment sales were up. In the fixed network, revenue from broadband and TV business increased thanks to our continuous fiber-optic build-out and our TV and entertainment offerings. This more than offset the decline in revenue from voice telephony. The higher number of FMC customers additionally had a positive impact on revenue.

Revenue from **Business Customers** grew on an organic basis by 6.8 % against the prior-year period, with Greece, Hungary, Austria, and Croatia making the largest contribution. All product areas – mobile communications, fixed network, and systems solutions – recorded growth. The mobile contract customer base grew by 2.4 %, with almost all of our national companies, but in particular Poland, Austria, Romania, and Greece contributing to this growth. In the fixed-network business, the number of broadband customers rose by 5.6 %. Fixed-network revenues grew by 3.8 % overall, with the strongest growth recorded in the segment of smaller business customers. This offset the decline in voice telephony revenues in the corporate customer segment in Greece. IT revenue grew strongly compared with the prior-year period by 19.9 %, due to an increase in systems solutions business and data communication, especially in connection with EU-funded projects in Greece's public sector. Digital Infrastructure developed positively as a result of the expansion of capacities and strong growth in the cloud and security solutions business.

Adjusted EBITDA AL, EBITDA AL

The sound operational development in the mobile, fixed-network, and IT businesses more than offset the inflation-induced cost increases. This led to strong year-on-year growth of 8.4 % in adjusted EBITDA AL to EUR 2.2 billion in the first half of 2024. In organic terms, adjusted EBITDA AL grew by 8.5 %, with a positive net margin sufficient to more than offset higher indirect costs that resulted primarily from the inflation-induced increase in salaries.

Looking at the development by country, the increase in adjusted organic EBITDA AL was attributable to positive absolute trends, in particular at our national companies in Hungary, Slovakia, the Czech Republic, and Austria. These increases were partially offset by declines in Romania.

At EUR 2.1 billion, EBITDA AL increased by 8.6 % against the first half of the prior year. The net expense arising from special factors was more or less on a par with the prior-year level.

Development of operations in selected countries

Greece. Revenues in Greece amounted to EUR 1.7 billion in the first half of 2024, a significant year-on-year increase of 8.9 %. This development is largely due to higher service revenues, mainly from IT and wholesale, but also from the mobile, broadband, and TV businesses. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. Traditional voice telephony revenues continued to decline in line with expectations. By contrast, terminal equipment revenues from contract customer additions contributed to the growth in revenue. Our convergence products performed well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 650 million, up 1.5 % year-on-year, driven by a higher net margin. Higher indirect costs, e.g., for energy, reduced the positive effect.

Hungary. Revenue in Hungary totaled EUR 1.1 billion in the first six months of 2024, which corresponds to substantial growth of 12.8 % despite unfavorable exchange rate effects. In organic terms, revenue was up against the prior-year period by 15.7 %. This development was mainly driven by higher mobile and fixed-network service revenues on the back of further growth in the customer base. IT revenues also posted significant growth. Thanks to our increased investments in the build-out of fiber-optic lines, our offers have won over large numbers of customers. This growth in the customer base additionally drove an increase in terminal equipment sales. Our convergence products also continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 388 million, 41.3 % above the prior-year level. In organic terms, adjusted EBITDA AL grew by 45.6 %. This marked increase was due to a significantly higher net margin from the positive development in operating business, as well as to the repeal of the special tax levied on owners of telecommunications cables (utility tax).

Poland. Revenue in Poland increased by 9.1 % compared with the prior-year period to EUR 797 million in the first half of 2024. Excluding positive exchange rate effects, revenue increased moderately by 1.8 %. Mobile service revenues recorded the strongest growth. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. Broadband revenues from the fixed-network business also posted significant increases. Both trends are the result of growth in the respective customer bases. The number of FMC customers increased substantially again, with a corresponding positive impact on revenues. This was partially offset by lower revenues from the IT business. Other revenues were influenced by declining terminal equipment revenues and a positive one-time effect in the prior year.

Adjusted EBITDA AL stood at EUR 217 million, 10.9 % above the prior-year level. In organic terms, adjusted EBITDA AL grew by 3.7 %, driven by a higher net margin.

Czech Republic. Revenue in the Czech Republic stood at EUR 609 million in the first half of 2024, a decrease of 6.2 % against the prior-year period. Excluding negative exchange rate effects, the decrease was 1.0 %. IT and other revenues declined as a result of the termination of a business relationship. Service revenues were up 2.7 %, mainly due to increases in the broadband, TV, and mobile businesses, driven by growth in the respective customer bases. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. The number of FMC customers also grew in the reporting period.

Adjusted EBITDA AL increased by 0.3 % year-on-year to EUR 246 million. In organic terms, earnings grew by 6.0 % on the back of a higher net margin driven by higher mobile and fixed-network service revenues.

Austria. Revenue generated in Austria grew by 3.3 % to reach EUR 724 million in the first six months of 2024. In organic terms, the increase was 3.0 %. This development was driven by higher service revenues from mobile and broadband businesses on account of increases in the respective customer bases. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. The number of FMC customers also grew in the reporting period, contributing to the increase in service revenues. Revenue from IT business increased slightly.

Adjusted EBITDA AL increased significantly by 5.6 % year-on-year to EUR 278 million. In organic terms, earnings grew by 5.2 %, driven mainly by a revenue-related increase in the net margin, which was partially offset by higher indirect costs.

Profit/loss from operations (EBIT)

In our Europe operating segment, EBIT grew by 17.6 % in the first half of 2024 to EUR 1.1 billion, mainly due to the 8.5 % increase in EBITDA. This was partially offset by the 1.7 % increase in depreciation, amortization and impairment losses, especially in Poland.

Cash capex (before spectrum investment), cash capex

In the first six months of 2024, our Europe operating segment reported cash capex (before spectrum investment) of EUR 940 million, up 5.8 % year-on-year, largely due to the timing of the allocation of capital expenditure. Cash capex decreased by 6.8 % due to lower payments for spectrum compared with the prior-year period. We continue to invest in the provision of broadband, fiber-optic technology, and 5G as part of our integrated network strategy.

Systems Solutions

Order entry

millions of €					
	H1 2024	Q1 2024	FY 2023	H1 2023	Change H1 2024/ H1 2023 %
Order entry	1,780	823	3,628	1,500	18.7

Development of business

In the first half of 2024, our systems solutions business continued to focus on growth and future viability.

Order entry in our Systems Solutions operating segment was up by 18.7 % year-on-year in the first half of 2024. This development is mainly attributable to increased order entry in the Cloud portfolio area.

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	1,974	1,905	3.6	993	981	959	2.3	3,896
Of which: external revenue	1,674	1,588	5.4	843	831	796	4.4	3,258
Service revenue	1,920	1,855	3.5	973	947	934	1.4	3,796
EBITDA	155	155	0.0	77	78	82	(5.6)	272
Special factors affecting EBITDA	(55)	(51)	(8.7)	(23)	(32)	(25)	(29.6)	(144)
EBITDA (adjusted for special factors)	210	205	2.2	100	110	107	2.5	416
EBITDA AL	109	108	0.8	54	55	59	(6.8)	177
Special factors affecting EBITDA AL	(55)	(51)	(8.7)	(23)	(32)	(25)	(29.6)	(144)
EBITDA AL (adjusted for special factors)	164	159	3.4	77	87	84	3.9	321
EBITDA AL margin (adjusted for special factors) %	8.3	8.3		7.8	8.9	8.7		8.3
Depreciation, amortization and impairment losses	(118)	(118)	0.2	(59)	(59)	(57)	(3.4)	(344)
Profit (loss) from operations (EBIT)	37	36	0.8	18	19	25	(26.0)	(71)
Special factors affecting EBIT	(66)	(61)	(7.8)	(30)	(37)	(27)	(35.8)	(270)
EBIT (adjusted for special factors)	103	98	5.2	48	55	52	5.9	198
EBIT margin (adjusted for special factors) %	5.2	5.1		4.8	5.6	5.4		5.1
Cash capex	(123)	(120)	(2.7)	(63)	(61)	(59)	(1.9)	(210)
Cash capex (before spectrum investment)	(123)	(120)	(2.7)	(63)	(61)	(59)	(1.9)	(210)

Revenue, service revenue

Revenue in our Systems Solutions operating segment in the first half of 2024 amounted to EUR 2.0 billion, up 3.6 % year-on-year, mainly due to growth in the Cloud, Digital, and Road Charging portfolio areas. External revenue increased by 5.4 %, also driven by the Cloud, Digital, and Road Charging portfolio areas. Service revenue also developed positively, increasing by 3.5 %.

Adjusted EBITDA AL, EBITDA AL

In the first half of 2024, adjusted EBITDA AL at our Systems Solutions operating segment increased by 3.4 % year-on-year to EUR 164 million. The increase in adjusted EBITDA AL is primarily attributable to revenue growth in the Cloud area. EBITDA AL increased by EUR 1 million compared with the prior-year period to EUR 109 million. The expense arising from special factors increased by EUR 4 million year-on-year to EUR 55 million, mainly as a result of higher restructuring costs.

Profit/loss from operations (EBIT), adjusted EBIT

Adjusted EBIT in our Systems Solutions operating segment improved by EUR 5 million year-on-year in the first half of 2024, coming in at EUR 103 million, due to the reasons described under adjusted EBITDA AL, while depreciation, amortization and impairment losses remained stable. EBIT increased slightly year-on-year to EUR 37 million. The expense arising from special factors was EUR 66 million, an increase of EUR 5 million year-on-year.

Cash capex (before spectrum investment), cash capex

Cash capex in the Systems Solutions operating segment totaled EUR 123 million in the first half of 2024, up EUR 3 million against the prior-year period. This trend mainly resulted from higher capital expenditure in the Cloud portfolio area.

Group Development

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	6	106	(94.0)	2	4	4	(10.2)	115
Of which: GD Towers	0	99	(100.0)	0	0	0	n.a.	99
Service revenue	0	0	n.a.	0	0	0	n.a.	0
EBITDA	(9)	13,012	n.a.	(4)	(4)	1	n.a.	13,220
Special factors affecting EBITDA	3	12,947	(100.0)	2	1	6	(88.3)	13,170
EBITDA (adjusted for special factors)	(11)	65	n.a.	(6)	(5)	(5)	(5.1)	50
Of which: GD Towers	0	78	(100.0)	0	0	0	n.a.	78
EBITDA AL	(9)	13,007	n.a.	(4)	(4)	1	n.a.	13,215
Special factors affecting EBITDA AL	3	12,947	(100.0)	2	1	6	(88.3)	13,170
EBITDA AL (adjusted for special factors)	(11)	60	n.a.	(6)	(5)	(5)	(5.1)	45
Of which: GD Towers	0	73	(100.0)	0	0	0	n.a.	73
EBITDA AL margin (adjusted for special factors) %	n.a.	56.4		n.a.	n.a.	n.a.		39.2
Depreciation, amortization and impairment losses	(1)	(1)	15.8	(1)	(1)	0	(19.3)	(2)
Profit (loss) from operations (EBIT)	(10)	13,011	n.a.	(5)	(5)	1	n.a.	13,217
Cash capex	(1)	(19)	93.3	(1)	(1)	(1)	38.8	(24)
Cash capex (before spectrum investment)	(1)	(19)	93.3	(1)	(1)	(1)	38.8	(24)

The sale of the GD Towers business entity was consummated on February 1, 2023. Since that date, GD Towers has no longer been part of the Group. The development of operations for the prior year contains the value contributions up to and including January 2023.

For further information on the presentation of GD Towers in the prior year, please refer to the section "Group organization, strategy, and management."

The comparison of the 2024 financial year with the prior year is significantly influenced by the sale of GD Towers. The gain on deconsolidation resulting from the transaction amounted to EUR 12.9 billion and is included in EBITDA and the associated performance indicators.

The goal of our Group Development operating segment is to actively manage entities and equity investments to grow their value. For this reason, entities such as Deutsche Telekom Capital Partners and Comfort Charge are assigned to this segment.

Group Headquarters & Group Services

Development of operations

millions of €								
	H1 2024	H1 2023	Change %	Q1 2024	Q2 2024	Q2 2023	Change %	FY 2023
Revenue	1,107	1,130	(2.0)	546	561	552	1.6	2,305
Service revenue	476	482	(1.3)	236	240	240	0.0	1,024
EBITDA	(320)	(253)	(26.5)	(138)	(182)	(107)	(70.0)	(522)
Special factors affecting EBITDA	(133)	(80)	(66.1)	(37)	(96)	(38)	n.a.	(199)
EBITDA (adjusted for special factors)	(187)	(173)	(8.2)	(101)	(86)	(69)	(24.3)	(323)
EBITDA AL	(459)	(397)	(15.7)	(205)	(254)	(179)	(41.7)	(808)
Special factors affecting EBITDA AL	(133)	(80)	(66.1)	(37)	(96)	(38)	n.a.	(199)
EBITDA AL (adjusted for special factors)	(326)	(317)	(2.9)	(168)	(158)	(141)	(11.8)	(609)
Depreciation, amortization and impairment losses	(605)	(670)	9.8	(301)	(304)	(317)	4.1	(1,352)
Profit (loss) from operations (EBIT)	(924)	(923)	(0.2)	(439)	(485)	(424)	(14.6)	(1,874)
Cash capex	(395)	(493)	19.9	(199)	(196)	(234)	16.3	(969)
Cash capex (before spectrum investment)	(395)	(493)	19.9	(199)	(196)	(234)	16.3	(969)

Revenue, service revenue

Revenue in our Group Headquarters & Group Services segment decreased in the reporting period by 2.0 %, mainly as a result of lower intragroup revenue from land and buildings due to the ongoing optimization of space. Service revenue was slightly below the prior-year level.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL in the Group Headquarters & Group Services segment declined by EUR 9 million in the reporting period to EUR -326 million. This development was mainly attributable to a decrease in revenues from land and buildings due to the ongoing optimization of space, which was partially offset by lower operating expenses at our Group Services. Overall, special factors negatively affecting EBITDA AL – in particular relating to staff-related measures – totaled EUR 133 million in the reporting period and EUR 80 million in the prior-year period.

Profit/loss from operations (EBIT)

At EUR -924 million, EBIT remained on a par with the prior-year period, largely a result of two contrasting effects: the negative development of EBITDA AL on the one hand, and the decline in depreciation and amortization losses on the other. The latter was driven mainly by lower capitalization in connection with declines in the licensing of the Group-wide ERP system, as well as by fewer commissions of IT projects.

Cash capex (before spectrum investment), cash capex

Cash capex decreased by EUR 98 million year-on-year, primarily due to lower capital expenditure in the Technology and Innovation Board of Management department on account of fewer commissions of IT projects.

Events after the reporting period

Please refer to the section [“Events after the reporting period”](#) in the interim consolidated financial statements.

Forecast

The statements in this section reflect the current views of our management. Contrary to the forecasts published in the 2023 combined management report ([2023 Annual Report](#)) and the [Interim Group Report as of March 31, 2024](#), we now expect free cash flow AL to develop better than expected. Free cash flow AL for full-year 2024 was originally expected to come in at around EUR 18.9 billion. We now expect free cash flow AL to come in at around EUR 19.0 billion. A key factor driving this positive development is higher-than-expected net cash provided by operating activities in the United States operating segment.

All other statements made remain valid. Our planning assumes an unchanged U.S. dollar exchange rate of USD 1.08.

For more information on the business risks, please refer to the section [“Risks and opportunities”](#). For additional information and recent changes in the economic situation, please refer to the section [“The economic environment”](#). Readers are also referred to the [“Disclaimer”](#) at the end of this report.

Risks and opportunities

This section provides important additional information and explains recent changes in the risks and opportunities compared to those described in the 2023 combined management report ([2023 Annual Report](#)). Readers are also referred to the [“Disclaimer”](#) at the end of this report.

Corporate risks

Strategic implementation and integration. In Germany, the legislator adopted the Second Act to Increase the Security of Information Technology Systems, or the IT Security Act 2.0 (IT-Sicherheitsgesetz 2.0), in 2021. All 5G operators must notify the authorities of new critical components and the suppliers thereof in accordance with the catalog of security requirements pursuant to the Telecommunications Act and prior to first-time operation. If the Federal Government has security concerns, it can introduce a blanket ban on using certain manufacturers. Deutsche Telekom itself has long been scrutinizing security-critical components prior to installation and on an ongoing basis once in operation. In July 2024, the Federal Government and Germany's three biggest network operators agreed to replace all Huawei and ZTE components in the 5G core networks by the end of 2026 and the critical management systems of both manufacturers in the 5G access and transport networks by the end of 2029. Deutsche Telekom does not use ZTE components and has already phased out Huawei from its 5G core network. Deutsche Telekom is now developing software for managing and configuring its antennas and transport network to replace the proprietary software from Huawei. This also has the benefit of further driving forward the ongoing implementation of the Open RAN strategy. In other countries, such as Austria, the Czech Republic, and Poland, it is still possible that components from critical infrastructure suppliers will have to be replaced within specific deadlines. On the basis of the agreement with the Federal Government, we are reducing the risk significance of the risk category “Strategic implementation and integration” from very high to high.

Other operational risks. Delays to building fiber-optic infrastructure with build-out partners give rise to uncertainties regarding the timeline and conditions of the future build-out in this regard going forward. We are therefore raising the risk significance of the risk category “Other operational risks” from medium to high.

Litigation and anti-trust proceedings

Claims relating to charges for the shared use of cable ducts. In the claims filed by Vodafone Deutschland GmbH and Vodafone West GmbH against Telekom Deutschland GmbH alleging excessive charges for the use of cable ducts, which were referred by the Federal Court of Justice back to the responsible Higher Regional Courts, the plaintiffs have since updated their demands for relief. Vodafone Deutschland GmbH now puts its claim at around EUR 903 million plus interest for the period from January 2012 to December 2023; Vodafone West now puts its claim at around EUR 538 million plus interest for the period from January 2016 to April 2024. It is currently not possible to estimate the financial impact with sufficient certainty.

Proceedings against T-Mobile US in consequence of the cyberattack on T-Mobile US in August 2021. The derivative action brought in these proceedings by a purported shareholder against the members of the Board of Directors of T-Mobile US and against T-Mobile US as nominal defendant in September 2022 was dismissed in its entirety in May 2024. The plaintiff has appealed against this decision.

Claims for damages against Deutsche Telekom AG, including due to insolvency of Phones4U. After the High Court of Justice in London rejected all claims made by Phones4U against all defendants in 2023 as well as an application for leave to lodge an appeal, Phones4U continued to pursue this application with the Court of Appeal. On March 26, 2024, the Court of Appeal allowed the appeal by Phones4U.

Assessment of the aggregate risk position

The aggregate risk position has improved compared with the risks and opportunities as described in the 2023 combined management report ([2023 Annual Report](#)), primarily due to the agreement with the Federal Government on removing Chinese-made technology from the 5G network. Our challenges continue to include in particular the regulatory factors, economic uncertainties, and intense competition, and the associated pressure on profitability in the telecommunications business, as well as the pressure to change arising from new technologies and strategic transformation. At the time of preparing this report, neither our risk management system nor our management could identify any material risks to the continued existence of Deutsche Telekom AG or a significant Group company as a going concern.

Interim consolidated financial statements

Consolidated statement of financial position

millions of €	June 30, 2024	Dec. 31, 2023	Change	Change %	June 30, 2023
Assets					
Current assets	37,402	36,363	1,039	2.9	37,233
Cash and cash equivalents	8,591	7,274	1,317	18.1	8,742
Trade receivables	15,122	16,157	(1,035)	(6.4)	15,750
Contract assets	2,512	2,426	86	3.6	2,500
Current recoverable income taxes	370	214	156	73.1	204
Other financial assets	4,808	5,453	(644)	(11.8)	5,324
Inventories	2,262	2,419	(157)	(6.5)	2,248
Other assets	2,656	2,210	446	20.2	2,342
Non-current assets and disposal groups held for sale	1,080	211	869	n.a.	122
Non-current assets	258,642	253,942	4,701	1.9	262,468
Intangible assets	141,641	136,004	5,638	4.1	138,026
Property, plant and equipment	64,860	65,042	(182)	(0.3)	65,840
Right-of-use assets	32,596	32,826	(230)	(0.7)	34,312
Capitalized contract costs	3,539	3,511	28	0.8	3,352
Investments accounted for using the equity method	4,726	4,605	121	2.6	7,349
Other financial assets	4,090	4,140	(50)	(1.2)	4,881
Deferred tax assets	5,522	6,401	(879)	(13.7)	7,251
Other assets	1,668	1,413	255	18.1	1,456
Total assets	296,044	290,305	5,739	2.0	299,701
Liabilities and shareholders' equity					
Current liabilities	37,775	36,065	1,710	4.7	39,617
Financial liabilities	11,606	9,620	1,987	20.7	13,547
Lease liabilities	5,502	5,649	(147)	(2.6)	5,394
Trade and other payables	10,541	10,916	(375)	(3.4)	10,384
Income tax liabilities	772	683	89	13.0	943
Other provisions	3,138	3,835	(697)	(18.2)	3,394
Other liabilities	4,010	3,444	566	16.4	3,922
Contract liabilities	2,207	1,919	287	15.0	2,034
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0	0	n.a.	0
Non-current liabilities	165,835	163,003	2,833	1.7	165,685
Financial liabilities	97,520	94,903	2,617	2.8	96,434
Lease liabilities	34,768	35,144	(376)	(1.1)	36,605
Provisions for pensions and other employee benefits	3,257	4,060	(803)	(19.8)	3,870
Other provisions	4,108	4,265	(158)	(3.7)	3,765
Deferred tax liabilities	23,510	21,918	1,592	7.3	22,159
Other liabilities	1,592	1,872	(280)	(15.0)	2,024
Contract liabilities	1,081	840	240	28.6	829
Liabilities	203,610	199,068	4,542	2.3	205,302
Shareholders' equity	92,434	91,237	1,197	1.3	94,399
Issued capital	12,765	12,765	0	0.0	12,765
Treasury shares	(126)	(20)	(106)	n.a.	(28)
	12,639	12,745	(106)	(0.8)	12,737
Capital reserves	56,736	56,786	(50)	(0.1)	59,299
Retained earnings including carryforwards	(16,165)	(29,869)	13,704	45.9	(29,767)
Total other comprehensive income	750	(525)	1,275	n.a.	474
Net profit (loss)	4,070	17,788	(13,718)	(77.1)	16,899
Issued capital and reserves attributable to owners of the parent	58,031	56,925	1,105	1.9	59,642
Non-controlling interests	34,404	34,312	92	0.3	34,757
Total liabilities and shareholders' equity	296,044	290,305	5,739	2.0	299,701

Consolidated income statement

millions of €

	H1 2024	H1 2023	Change %	Q2 2024	Q2 2023	Change %	FY 2023
Net revenue	56,337	55,045	2.3	28,394	27,221	4.3	111,970
Of which: interest income calculated using the effective interest method	333	334	0.0	164	161	1.5	662
Of which: revenue from insurance contracts	2,284	2,269	0.7	1,154	1,126	2.5	4,533
Other operating income	586	628	(6.7)	339	294	15.6	1,384
Changes in inventories	34	22	54.5	8	2	n.a.	(6)
Own capitalized costs	1,292	1,346	(4.0)	641	679	(5.7)	2,721
Goods and services purchased	(22,355)	(22,846)	2.1	(11,115)	(11,118)	0.0	(47,201)
Personnel costs	(9,463)	(9,586)	1.3	(4,914)	(4,716)	(4.2)	(19,077)
Other operating expenses	(2,694)	(2,488)	(8.3)	(1,377)	(1,285)	(7.1)	(5,019)
Impairment losses on financial assets, contract assets, and lease assets	(694)	(524)	(32.4)	(369)	(254)	(45.4)	(1,149)
Gains (losses) from the write-off of financial assets measured at amortized cost	(9)	(4)	(95.8)	(6)	(4)	(46.3)	(14)
Other	(1,992)	(1,959)	(1.7)	(1,002)	(1,028)	2.5	(3,856)
EBITDA	23,736	22,121	7.3	11,976	11,077	8.1	44,772
Depreciation, amortization and impairment losses	(12,070)	(11,900)	(1.4)	(5,996)	(5,869)	(2.2)	(23,975)
Profit (loss) from operations (EBIT)	11,666	10,221	14.1	5,980	5,207	14.8	20,798
Finance costs	(2,846)	(2,869)	0.8	(1,416)	(1,491)	5.0	(5,719)
Interest income	453	385	17.6	229	60	n.a.	870
Interest expense	(3,298)	(3,254)	(1.4)	(1,645)	(1,550)	(6.1)	(6,588)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	(21)	(10)	n.a.	(16)	11	n.a.	(2,766)
Other financial income (expense)	166	(59)	n.a.	98	(143)	n.a.	(345)
Profit (loss) from financial activities	(2,701)	(2,938)	8.1	(1,334)	(1,623)	17.8	(8,829)
Profit (loss) before income taxes	8,965	7,283	23.1	4,646	3,584	29.6	11,968
Income taxes	(2,298)	(1,940)	(18.4)	(1,122)	(961)	(16.7)	(3,672)
Profit (loss) after taxes from continuing operations	6,668	5,343	24.8	3,524	2,623	34.3	8,296
Profit (loss) after taxes from discontinued operation	0	13,691	(100.0)	0	0	n.a.	13,696
Profit (loss)	6,668	19,034	(65.0)	3,524	2,623	34.3	21,992
Profit (loss) attributable to							
Owners of the parent (net profit (loss))	4,070	16,899	(75.9)	2,088	1,539	35.6	17,788
Non-controlling interests	2,598	2,135	21.7	1,437	1,084	32.5	4,204

The GD tower companies, which operated the cell tower business in Germany and Austria and were assigned to the Group Development operating segment, were recognized as a discontinued operation in the interim consolidated financial statements from the third quarter of 2022 until their sale on February 1, 2023.

Earnings per share

		H1 2024	H1 2023	Change %	Q2 2024	Q2 2023	Change %	FY 2023
Profit (loss) from continuing operations attributable to the owners of the parent (net profit (loss))	millions of €	4,070	3,208	26.9	2,088	1,539	35.6	4,092
Profit (loss) from discontinued operation attributable to the owners of the parent (net profit (loss))	millions of €	0	13,691	(100.0)	0	0	n.a.	13,696
Profit (loss) attributable to the owners of the parent (net profit (loss))	millions of €	4,070	16,899	(75.9)	2,088	1,539	35.6	17,788
Adjusted weighted average number of ordinary shares outstanding (basic and diluted)	millions	4,958	4,975	(0.3)	4,948	4,975	(0.5)	4,976
Earnings per share from continuing operations (basic and diluted)	€	0.82	0.64	27.3	0.42	0.31	36.4	0.82
Earnings per share from discontinued operation (basic and diluted)	€	0.00	2.75	(100.0)	0.00	0.00	n.a.	2.75
Earnings per share (basic and diluted)	€	0.82	3.40	(75.8)	0.42	0.31	36.4	3.57

The GD tower companies, which operated the cell tower business in Germany and Austria and were assigned to the Group Development operating segment, were recognized as a discontinued operation in the interim consolidated financial statements from the third quarter of 2022 until their sale on February 1, 2023.

Consolidated statement of comprehensive income

millions of €

	H1 2024	H1 2023	Change	Q2 2024	Q2 2023	Change	FY 2023
Profit (loss)	6,668	19,034	(12,367)	3,524	2,623	901	21,992
Items not subsequently reclassified to profit or loss (not recycled)							
Gains (losses) from the remeasurement of equity instruments	38	(16)	55	32	2	30	(70)
Gains (losses) from the remeasurement of defined benefit plans	742	216	526	651	(179)	831	18
Income taxes relating to components of other comprehensive income	(142)	(15)	(127)	(55)	(37)	(19)	63
	638	184	454	628	(214)	842	12
Items subsequently reclassified to profit or loss (recycled), if certain reasons are given							
Exchange differences on translating foreign operations							
Recognition of other comprehensive income in income statement	0	4	(4)	0	4	(4)	4
Change in other comprehensive income (not recognized in income statement)	2,045	(866)	2,911	640	189	451	(2,094)
Gains (losses) from the remeasurement of debt instruments							
Recognition of other comprehensive income in income statement	553	431	122	257	211	46	921
Change in other comprehensive income (not recognized in income statement)	(517)	(404)	(113)	(257)	(183)	(74)	(838)
Gains (losses) from hedging instruments (designated risk components)							
Recognition of other comprehensive income in income statement	(98)	(39)	(59)	(43)	(21)	(22)	(33)
Change in other comprehensive income (not recognized in income statement)	421	69	351	274	57	217	(251)
Gains (losses) from hedging instruments (hedging costs)							
Recognition of other comprehensive income in income statement	1	1	0	0	0	0	1
Change in other comprehensive income (not recognized in income statement)	(1)	0	(2)	(3)	(12)	9	(25)
Share of profit (loss) of investments accounted for using the equity method							
Recognition of other comprehensive income in income statement	3	0	3	1	0	1	(4)
Change in other comprehensive income (not recognized in income statement)	23	2	20	9	2	6	(22)
Income taxes relating to components of other comprehensive income	(109)	(20)	(89)	(70)	(10)	(60)	69
	2,319	(821)	3,140	808	237	571	(2,273)
Other comprehensive income	2,957	(636)	3,593	1,436	23	1,413	(2,262)
Total comprehensive income	9,624	18,398	(8,773)	4,960	2,646	2,314	19,730
Total comprehensive income attributable to							
Owners of the parent	5,935	16,734	(10,799)	3,205	1,463	1,742	16,531
Non-controlling interests	3,689	1,663	2,026	1,755	1,184	571	3,199

Consolidated statement of changes in equity

millions of €

	Issued capital and reserves attributable to owners of the parent													Total	Non-controlling interests	Total share-holders' equity
	Equity contributed			Consolidated shareholders' equity generated			Total other comprehensive income									
	Issued capital	Treasury shares	Capital reserves	Retained earnings including carry-forwards	Net profit (loss)	Translation of foreign operations	Revaluation surplus	Equity instruments measured at fair value through other comprehensive income (IFRS 9)	Debt instruments measured at fair value through other comprehensive income (IFRS 9)	Hedging instruments: designated risk components (IFRS 9)	Hedging instruments: hedging costs (IFRS 9)	Investments accounted for using the equity method	Taxes			
Balance at January 1, 2023	12,765	(35)	61,532	(34,489)	8,001	221	0	109	(50)	695	35	0	(227)	48,558	38,762	87,320
Changes in the composition of the Group														0	(4)	(4)
Transactions with owners			(2,364)			82			(2)	(32)			11	(2,306)	(5,544)	(7,850)
Unappropriated profit (loss) carried forward				8,001	(8,001)									0	0	0
Dividends				(3,483)										(3,483)	(213)	(3,696)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			131											131	94	225
Share buy-back/shares held in a trust deposit		7												7	0	7
Profit (loss)					16,899									16,899	2,135	19,034
Other comprehensive income				198		(345)		(16)	14	(18)	1	2	(2)	(165)	(472)	(637)
Total comprehensive income								(6)						16,734	1,663	18,398
Transfer to retained earnings				6				(6)						0	0	0
Balance at June 30, 2023	12,765	(28)	59,299	(29,767)	16,899	(41)	0	88	(38)	645	36	2	(218)	59,642	34,757	94,399
Balance at January 1, 2024	12,765	(20)	56,786	(29,869)	17,788	(720)	0	36	(10)	291	12	(26)	(108)	56,925	34,312	91,237
Changes in the composition of the Group														0	0	0
Transactions with owners			(190)			(17)				2			(1)	(205)	(2,433)	(2,638)
Unappropriated profit (loss) carried forward				17,788	(17,788)									0	0	0
Dividends				(3,817)										(3,817)	(1,297)	(5,114)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			140											140	132	272
Share buy-back/shares held in a trust deposit		(106)		(842)										(948)	0	(948)
Profit (loss)					4,070									4,070	2,598	6,668
Other comprehensive income				574		1,015		37	18	290	1	25	(96)	1,865	1,092	2,957
Total comprehensive income														5,935	3,689	9,624
Transfer to retained earnings														0	0	0
Balance at June 30, 2024	12,765	(126)	56,736	(16,165)	4,070	278	0	74	8	583	13	(1)	(205)	58,031	34,404	92,434

Consolidated statement of cash flows

millions of €

	H1 2024	H1 2023	Change	Q2 2024	Q2 2023	Change	FY 2023
Profit (loss) before income taxes	8,965	20,269	(11,304)	4,646	3,584	1,062	24,957
Depreciation, amortization and impairment losses	12,070	11,900	170	5,996	5,869	127	23,975
(Profit) loss from financial activities	2,701	2,954	(253)	1,334	1,623	(289)	8,845
(Profit) loss on the disposal of fully consolidated subsidiaries	0	(12,924)	12,924	0	4	(4)	(12,927)
(Income) loss from the sale of stakes accounted for using the equity method	0	(15)	15	0	0	0	(235)
Other non-cash transactions	378	348	30	249	116	133	543
(Gains) losses from the disposal of intangible assets and property, plant and equipment	13	2	11	11	9	1	43
Change in assets carried as operating working capital	1,526	1,313	213	252	584	(332)	720
Change in other operating assets	(520)	(352)	(168)	(398)	226	(624)	(611)
Change in provisions	(966)	(1,235)	268	(364)	(768)	403	(821)
Change in liabilities carried as operating working capital	(1,159)	(804)	(355)	189	(443)	633	(500)
Change in other operating liabilities	532	765	(233)	265	264	1	212
Income taxes received (paid)	(702)	(468)	(234)	(379)	(299)	(80)	(1,312)
Dividends received	3	4	(1)	3	3	(1)	31
Net payments from entering into, canceling or changing the terms and conditions of interest rate derivatives	7	(31)	38	0	0	0	(94)
Cash generated from operations	22,848	21,725	1,123	11,803	10,773	1,031	42,826
Interest paid	(4,230)	(3,883)	(346)	(2,235)	(2,082)	(153)	(7,729)
Interest received	1,276	1,022	253	712	615	97	2,201
Net cash from operating activities	19,894	18,864	1,030	10,280	9,306	974	37,298
Of which: from discontinued operation	0	80	(80)	0	0	0	80
Cash outflows for investments in							
Intangible assets	(2,681)	(2,441)	(239)	(1,303)	(1,254)	(48)	(5,560)
Property, plant and equipment	(5,897)	(6,995)	1,098	(2,557)	(3,356)	800	(12,306)
Non-current financial assets	(303)	(203)	(100)	(189)	(45)	(144)	(326)
Payments for publicly funded investments in the broadband build-out	(177)	(147)	(30)	(88)	(81)	(7)	(338)
Proceeds from public funds for investments in the broadband build-out	108	117	(9)	82	67	16	444
Changes in cash and cash equivalents in connection with the acquisition of control of subsidiaries and associates	(361)	(4)	(356)	(361)	(4)	(357)	(4)
Proceeds from disposal of							
Intangible assets	0	0	0	0	0	0	95
Property, plant and equipment	61	57	5	28	34	(5)	110
Non-current financial assets	291	143	148	270	107	163	473
Changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	(3)	7,624	(7,627)	1	15	(14)	7,629
Net change in short-term investments and marketable securities and receivables	442	(423)	865	227	241	(14)	(430)
Other	(7)	(1)	(6)	(7)	(1)	(6)	(1)
Net cash (used in) from investing activities	(8,525)	(2,274)	(6,252)	(3,895)	(4,278)	383	(10,213)
Of which: from discontinued operation	0	(17)	17	0	0	0	(17)
Proceeds from issue of current financial liabilities	1,384	813	570	1,370	44	1,326	816
Repayment of current financial liabilities	(5,829)	(6,738)	909	(4,463)	(1,747)	(2,716)	(12,700)
Proceeds from issue of non-current financial liabilities	5,941	9,097	(3,156)	1,975	3,209	(1,234)	10,973
Repayment of non-current financial liabilities	0	(1,976)	1,976	0	0	0	(1,992)
Dividend payments (including to other shareholders of subsidiaries)	(4,623)	(3,564)	(1,059)	(4,272)	(3,558)	(714)	(4,027)
Principal portion of repayment of lease liabilities	(3,301)	(3,201)	(100)	(1,722)	(1,673)	(49)	(5,904)
Deutsche Telekom AG share buy-back	(933)	0	(933)	(481)	0	(481)	0
Cash inflows from transactions with non-controlling entities	3,565	14	3,551	1,843	9	1,834	30
Cash outflows from transactions with non-controlling entities	(6,458)	(8,015)	1,557	(2,952)	(3,513)	561	(12,730)
Net cash (used in) from financing activities	(10,254)	(13,570)	3,316	(8,702)	(7,230)	(1,472)	(25,534)
Of which: from discontinued operation	0	(74)	74	0	0	0	(74)
Effect of exchange rate changes on cash and cash equivalents	202	(71)	273	81	3	78	(68)
Changes in cash and cash equivalents associated with non-current assets and disposal groups held for sale	0	25	(25)	0	28	(28)	25
Net increase (decrease) in cash and cash equivalents	1,317	2,975	(1,658)	(2,235)	(2,171)	(65)	1,507
Cash and cash equivalents, at the beginning of the period	7,274	5,767	1,507	10,827	10,913	(86)	5,767
Cash and cash equivalents, at the end of the period	8,591	8,742	(151)	8,591	8,742	(151)	7,274

As a result of the sales agreement concluded on July 13, 2022, the GD tower companies had been recognized as a discontinued operation from the third quarter of 2022 until their sale on February 1, 2023. In the prior-year period, the consolidated statement of cash flows still included the discontinued operation in the Group Development operating segment. The top line of the consolidated statement of cash flows is profit before income taxes, which in the prior-year period included the profit of both the continuing operations and the discontinued operation. In the consolidated statement of cash flows, the contributions by the GD tower companies have each been stated in a separate "of which" line item.

Significant events and transactions

Accounting policies

In accordance with § 115 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG), Deutsche Telekom AG's half-year financial report comprises interim consolidated financial statements and an interim Group management report as well as a responsibility statement pursuant to § 297 (2) sentence 4 and § 315 (1) sentence 5 of the German Commercial Code (Handelsgesetzbuch – HGB). The interim consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) applicable to interim financial reporting as adopted by the EU as of the reporting date. The interim management report for the Group was prepared in accordance with the German Securities Trading Act.

Statement of compliance

The interim consolidated financial statements for the period ended June 30, 2024 are in compliance with International Accounting Standard (IAS) 34. As permitted by IAS 34, it has been decided to publish a condensed version compared to the consolidated financial statements as of December 31, 2023. All IFRSs applied by Deutsche Telekom AG have been adopted by the European Commission for use within the EU.

In the opinion of the Board of Management, the reviewed half-year financial report includes all standard adjustments to be applied on an ongoing basis that are required to give a true and fair view of the results of operations and financial position of the Group. Please refer to the [notes to the consolidated interim financial statements](#) as of December 31, 2023 for the summary of accounting policies used in the consolidated financial statements.

Initial application of standards, interpretations, and amendments in the reporting period

Pronouncement	Title	To be applied by Deutsche Telekom from	Changes	Impact on the presentation of Deutsche Telekom's results of operations and financial position
IFRSs endorsed by the EU				
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	Jan. 1, 2024	The amendments require a seller-lessee, when subsequently measuring lease liabilities arising from sale-and-leaseback transactions, to determine "lease payments" and "changed lease payments" in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments can particularly affect sale-and-leaseback transactions which include variable lease payments that do not depend on an index or interest rate.	No material impact.
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	Jan. 1, 2024	The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendment also specifies the definition of settlement of a liability.	No material impact.
Amendments to IAS 1	Non-current Liabilities with Covenants	Jan. 1, 2024	The amendments clarify that covenants in loan agreements with which an entity is required to comply only after the reporting date do not affect the classification of a liability on the reporting date as current or non-current. By contrast, covenants with which an entity must comply on or before the reporting date affect the classification.	No material impact.
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	Jan. 1, 2024	The subject of the amendments is supplier finance arrangements, especially reverse factoring arrangements. The amendments created additional disclosure requirements in accordance with IAS 7 and IFRS 7 to increase transparency about the impact that supply finance arrangements have on an entity's liabilities, cash flows, and liquidity risk.	No material impact.

For further information on standards, interpretations, and amendments that have been issued but not yet applied, as well as disclosures on the recognition and measurement of items in the statement of financial position and discretionary decisions and estimation uncertainties, please refer to the section "Summary of accounting policies" in the notes to the consolidated financial statements in the [2023 Annual Report](#).

Changes in accounting policies and changes in the reporting structure

Deutsche Telekom did not make any major changes to its accounting policies or reporting structure in the reporting period.

Development of the economic environment and impact on financial reports

The macroeconomic challenges currently facing society, politics, and business are multi-faceted and often interdependent. The declining rate of inflation and anticipated benchmark interest rate reductions should lead to a moderate economic recovery in the current year. Nevertheless, significant downside risks continue to weigh on the economic outlook – in particular, the current geopolitical crises carry with them high risks for economic growth and inflation. Deutsche Telekom is aware that, in view of the current developments, extrapolating past experience to the future is only possible to a limited extent. Deutsche Telekom is constantly reassessing the challenges and takes them into account in its consolidated financial statements and financial reporting, e.g., when testing the impairment of goodwill, the recognition of deferred taxes, and the measurement of provisions and financial instruments.

Changes in the underlying parameters primarily relate to the exchange rates used for currency translation and to the interest rates for determining defined benefit obligations.

The euro exchange rates of certain significant currencies changed as follows:

€	Rate at the reporting date			Annual average rate	
	June 30, 2024	Dec. 31, 2023	June 30, 2023	H1 2024	H1 2023
	100 Czech korunas (CZK)	3.99776	4.04417	4.20991	3.99611
1,000 Hungarian forints (HUF)	2.53053	2.61507	2.68807	2.56478	2.62377
100 Macedonian denars (MKD)	1.62222	1.62352	1.63422	1.62343	1.62295
100 Polish zlotys (PLN)	23.20490	23.05050	22.52990	23.16090	21.60930
1 U.S. dollar (USD)	0.93502	0.90506	0.92115	0.92495	0.92540

The following key discount rates were used when calculating the present value of defined benefit obligations:

%	June 30, 2024	Dec. 31, 2023
	Germany	3.75
United States	5.60	5.20
Switzerland	1.52	1.43

Changes in the composition of the Group and other transactions

In the first half of 2024, Deutsche Telekom conducted the following transaction, which had a material impact on the composition of the Group.

Acquisition of Ka'ena in the United States

On March 9, 2023, T-Mobile US entered into a Merger and Unit Purchase Agreement for the acquisition of 100 % of the outstanding equity of Ka'ena Corporation and its subsidiaries including, among others, Mint Mobile, for a maximum purchase price of USD 1.35 billion to be paid out 39 % in cash and 61 % in shares of T-Mobile US common stock. On March 13, 2024, T-Mobile US entered into an agreement amending the mechanics of payment, which will result in a nominal increase in the percentage of cash compared to shares of T-Mobile US common stock to be paid out as part of the total purchase price. The purchase price is variable dependent upon specified performance indicators of Ka'ena Corporation and consists of an upfront payment at deal close, subject to certain agreed-upon adjustments, and a variable earnout, payable on August 1, 2026.

The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. Ka'ena is included in Deutsche Telekom's consolidated financial statements as of May 1, 2024. Ka'ena is a provider of prepaid wireless services in the United States under its main brands Ultra Mobile and Mint Mobile, and also offers a selection of mobile devices. The acquisition strengthens the position of T-Mobile US as the leading prepaid wireless carrier by way of brand diversification and expansion of the sales presence, including the acquisition of prepaid customer relationships.

The acquisition meets the conditions for a business combination in accordance with IFRS 3. The purchase price allocation and the measurement of assets, liabilities, and the consideration transferred at the acquisition date had not been finalized as of June 30, 2024.

At closing of the transaction, T-Mobile US made an upfront payment of around USD 1.0 billion (EUR 0.9 billion) (taking into account working capital adjustments and other agreed purchase price adjustments), comprising a cash component of around USD 0.4 billion (EUR 0.4 billion) and around 3 million ordinary shares of T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price as of April 30, 2024. Part of the upfront payment made as of the acquisition date was used to settle the pre-existing wholesale partner relationships with Ka'ena, and as such is not part of the fair value of the consideration transferred.

Based on the upfront payment made, an additional up to USD 0.4 billion (EUR 0.4 billion) in cash and ordinary shares in T-Mobile US shall become payable on August 1, 2026 if Ka'ena achieves specified performance indicators. This includes payments for future services of certain sellers for T-Mobile US in the period after the acquisition, and for the substitution of share-based payment for certain Ka'ena employees.

The preliminary fair value of the consideration transferred amounts to USD 1.2 billion (EUR 1.1 billion) as of the acquisition date, and breaks down as follows:

millions of €	Fair value at the acquisition date
Fair value of the T-Mobile US ordinary shares issued	488
Fair value of the cash component paid on the acquisition date	383
Fair value of the contingent consideration	169
Fair value of the other consideration	24
= Consideration transferred	1,064

The fair value of the contingent consideration was determined on the basis of the discounted cash flow method using the Monte Carlo simulation for the probability of occurrence of different outcomes. This measurement is based on different outcomes that are not observable on the market and, as such, is a Level 3 measurement. The key assumptions comprise Ka'ena's forecast performance indicators, primarily revenue, marketing expenses, and customer metric, their likelihood of occurrence, and the discount rate.

For the fair value of the contingent and other consideration, an other non-current financial liability of USD 0.2 billion (EUR 0.2 billion) was recognized as of the acquisition date.

The preliminary fair values of Ka'ena's acquired assets and assumed liabilities are presented in the following table:

millions of €	Fair value at the acquisition date
Assets	
Current assets	71
Cash and cash equivalents	22
Trade receivables	31
Other financial assets	10
Other assets	4
Inventories	3
Non-current assets	1,423
Goodwill	682
Other intangible assets	685
Of which: customer base	504
Of which: brands	65
Of which: other	116
Right-of-use assets	2
Deferred tax assets	8
Other assets	46
Assets	1,494

millions of €	Fair value at the acquisition date
Liabilities and shareholders' equity	
Current liabilities	260
Lease liabilities	1
Trade and other payables	28
Other provisions	9
Contract liabilities	220
Other liabilities	2
Non-current liabilities	170
Lease liabilities	2
Other provisions	67
Deferred tax liabilities	101
Liabilities	430

The preliminary goodwill is calculated as follows:

millions of €	Fair value at the acquisition date
Consideration transferred	1,064
– Fair value of assets acquired	812
+ Fair value of liabilities assumed	430
= Goodwill	682

The preliminary goodwill comprises the anticipated growth in Ka'ena brands, which is to be generated through the combined business activities, Ka'ena's workforce, and intangible assets that do not qualify for separate recognition. It is expected that the preliminarily recognized goodwill will be deductible from income tax in the amount of EUR 0.1 billion.

The customer base was measured using the multi-period excess earnings method. Under this method, the fair value of the customer base is calculated by determining the present value of earnings after tax attributable to existing customers. The customer base is amortized over an estimated average remaining useful life of 6 years. The brands were measured using the relief-from-royalty method. Under this method, the value of the brand is calculated by making an assumption about which royalty rate would be notionally payable if the company did not own the relevant asset. The brands are amortized over an estimated average remaining useful life of 8 years.

No material transaction-related costs were incurred in connection with the acquisition from a Group perspective. The inclusion of Ka'ena Corporation in the consolidated financial statements has no material impact on Deutsche Telekom's results of operations.

The following transactions will change the composition of the Deutsche Telekom Group in the future:

Agreement on the acquisition of Lumos in the United States

On April 24, 2024, T-Mobile US entered into an agreement with the investment fund EQT on the acquisition of the fiber-to-the-home platform Lumos. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in late 2024/early 2025. Upon closing, T-Mobile US is expected to invest approximately USD 1.0 billion (EUR 0.9 billion) in the joint venture to acquire a 50 % equity stake and all existing fiber customers, with the funds invested by T-Mobile US being used by Lumos for future fiber builds. In addition, T-Mobile US is expected to contribute an additional amount of approximately USD 0.5 billion (EUR 0.5 billion) between 2027 and 2028. Following closing of the transaction, the investment is expected to be included in the consolidated financial statements using the equity method.

Agreement on the acquisition of UScellular in the United States

On May 24, 2024, T-Mobile US entered into an agreement with the United States Cellular Corporation (UScellular), Telephone and Data Systems, Inc., and USCC Wireless Holdings, LLC, under which T-Mobile US will acquire, among other things, substantially all wireless activities of UScellular and specific spectrum licenses for a total purchase price of around USD 4.4 billion (EUR 4.1 billion). The purchase price is to be paid in cash and by way of the assumption of debt of up to USD 2.0 billion (EUR 1.9 billion) under an offer of exchange to certain debtors of UScellular before the closing of the transaction. To the extent that debtors do not participate in the exchange, their bonds will continue to be liabilities of UScellular, and the cash component of the purchase price will increase accordingly. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025. After closing, the acquired activities and assets are expected to be included in the consolidated financial statements as part of a business combination in accordance with IFRS 3. Following closing of the transaction, UScellular will continue to own the remaining spectrum and the cell towers, and T-Mobile US will conclude a 15-year framework license agreement for the lease of at least 2,100 cell towers. Furthermore, the terms of existing lease agreements for around 600 cell towers that T-Mobile US already leases from UScellular will be extended by another 15 years after closing of the transaction.

Agreement on the acquisition of Metronet in the United States

On July 18, 2024, T-Mobile US entered into an agreement with KKR & Co. Inc. to acquire Metronet Holdings, LLC and some of its subsidiaries (Metronet). The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in 2025. Upon closing, T-Mobile US is expected to invest approximately USD 4.9 billion (EUR 4.6 billion) in the joint venture to acquire a 50 % equity stake and all existing residential fiber customers. Following closing of the transaction, the investment is expected to be included in the consolidated financial statements using the equity method.

Other transactions that had no effect on the composition of the Group

Deutsche Telekom AG's shareholder remuneration

On November 2, 2023, the Board of Management announced plans to buy back Deutsche Telekom AG shares up to a total purchase price of EUR 2 billion in the 2024 financial year as part of a share buy-back program. The buy-back commenced on January 3, 2024 and will be carried out in several tranches through December 31, 2024. The purpose of the share buy-back is to recoup part of the dilution effect from Deutsche Telekom AG's 2021 capital increase. The repurchased shares will therefore be canceled. In the period from January 3, 2024 to June 30, 2024, Deutsche Telekom AG bought back around 43 million shares with a total volume of around EUR 0.9 billion under the share buy-back program.

In the period from July 1, 2024 to August 6, 2024, Deutsche Telekom AG bought back around 9 million additional shares with a total volume of around EUR 0.2 billion under the share buy-back program.

T-Mobile US' shareholder return program from September 2023

On September 6, 2023, T-Mobile US announced that its Board of Directors has authorized a shareholder return program of up to USD 19 billion that will run from October 1, 2023 through December 31, 2024. The program comprises additional share buy-backs and dividends to be paid out. The amount available for share buy-backs will be reduced by the amount of any dividends approved by the Board of Directors of T-Mobile US.

In the first half of 2024, T-Mobile US bought back around 36 million shares with a total volume of around USD 5.8 billion (EUR 5.5 billion) under this share buy-back program. On January 24, 2024, the T-Mobile US Board of Directors declared a cash dividend of USD 0.65 per share, which was paid out on March 14, 2024 to the shareholders registered as of close of business on March 1, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On March 15, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. EUR 0.3 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.3 billion to non-controlling interests in T-Mobile US. On June 13, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which will be paid out on September 12, 2024 to the shareholders registered as of close of business on August 30, 2024.

For further information on the overview of dividend payments attributable to non-controlling interests in T-Mobile US, please refer to the section "[Shareholders' equity](#)."

Sale of T-Mobile US shares by Deutsche Telekom

In early 2024, Deutsche Telekom began selling a portion of its T-Mobile US share portfolio on the market, without jeopardizing its control over T-Mobile US. In the period from January 2, 2024 to June 30, 2024, Deutsche Telekom sold around 23 million T-Mobile US shares with a total volume of around EUR 3.5 billion. Deutsche Telekom announced on July 2, 2024 that it was suspending share sales initially until September 26, 2024.

Acquisition of T-Mobile US shares by Deutsche Telekom

On June 7, 2024, Deutsche Telekom exercised fixed-price options agreed in June 2020 on shares in T-Mobile US held by SoftBank to acquire around 7 million additional T-Mobile US shares for a total purchase price of USD 0.7 billion (EUR 0.6 billion). The fixed exercise price originally agreed of USD 101.46 per share was adjusted to USD 99.51 to account for the dividend payments made by T-Mobile US. The agreement allowed Deutsche Telekom to acquire the shares at a discount of around 45 % compared to the closing share price on the exercise date of USD 179.82. Upon completion of the transaction, Deutsche Telekom had exercised all fixed-price options received from SoftBank. The remaining options to buy at a volume-weighted average price (floating options) were not exercised and expired in the second quarter of 2024.

As of June 30, 2024, Deutsche Telekom's stake in T-Mobile US amounted to 46.3 %. Taking the treasury shares held by T-Mobile US into account, Deutsche Telekom had a 50.4 % ownership stake in T-Mobile US as of June 30, 2024. The shares issued to SoftBank are subject to the proxy agreement between SoftBank and Deutsche Telekom. The percentage of T-Mobile US shares for which Deutsche Telekom can exercise voting rights, based on the agreement concluded with SoftBank in connection with the acquisition of Sprint, amounted to 57.4 % as of June 30, 2024.

Selected notes to the consolidated statement of financial position

Trade receivables

At EUR 15.1 billion, trade receivables decreased by EUR 1.0 billion against the 2023 year-end level. This was due to lower receivables in the United States and Germany operating segments. By contrast, positive exchange rate effects, mainly from the translation from U.S. dollars into euros, increased the carrying amount.

Contract assets

The carrying amount of contract assets at the reporting date totaled EUR 2.5 billion compared with EUR 2.4 billion as of December 31, 2023. Contract assets relate to receivables that have not yet legally come into existence, which arise from the earlier – as compared to billing – recognition of revenue, in particular from the sale of goods and merchandise. Furthermore, receivables from long-term construction contracts are recognized under contract assets.

Inventories

The carrying amount of inventories decreased by EUR 0.2 billion against the 2023 year-end level to EUR 2.3 billion. The sale of mobile terminal equipment in connection with, among other factors, marketing campaigns in the United States operating segment reduced the carrying amount, while stockpiling of mobile terminal equipment in the Germany operating segment had an offsetting effect.

Intangible assets

The carrying amount of intangible assets increased by EUR 5.6 billion compared to December 31, 2023 to EUR 141.6 billion. Additions increased the carrying amount by EUR 4.8 billion, EUR 2.5 billion of which related to the acquisition of mobile spectrum in the United States operating segment, in particular for the acquisition of the first tranche of spectrum licenses in the 600 MHz band in connection with the agreements described below between T-Mobile US and Channel 51. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 3.8 billion. Effects of changes in the composition of the Group resulting from the acquisition of Ka'ena in the United States operating segment increased the carrying amount by EUR 1.4 billion, EUR 0.7 billion of which related to the goodwill acquired in this connection. By contrast, amortization and impairment losses of EUR 3.4 billion reduced the carrying amount. The reclassifications of intangible assets to non-current assets and disposal groups held for sale reduced the carrying amount by EUR 1.0 billion and arose primarily in connection with agreed transactions concerning the exchange of spectrum licenses in the United States operating segment.

For further information on the acquisition of Ka'ena, please refer to the section "[Changes in the composition of the Group and other transactions.](#)"

The following transactions will have an impact on the presentation of Deutsche Telekom's results of operations and financial position in the future:

On August 8, 2022, T-Mobile US entered into agreements with Channel 51 License Co LLC and LB License Co, LLC (Sellers) for the acquisition of spectrum licenses in the 600 MHz band in exchange for a total cash consideration of USD 3.5 billion (EUR 3.3 billion). The licenses are to be acquired without any associated network assets. T-Mobile US currently utilizes these licenses under an existing arrangement with the Sellers covering fixed-term spectrum leases. On March 30, 2023, the contractual parties further agreed that the transaction be divided into two separate tranches. The transfer of the licenses in accordance with the agreements is subject to regulatory approvals and certain other customary closing conditions. The Federal Communications Commission (FCC) approved the first tranche of the license transfer on December 29, 2023. It was concluded on June 24, 2024, with the corresponding purchase price payment of USD 2.4 billion (EUR 2.2 billion) being made on August 5, 2024 (after the reporting period). The second tranche is expected to be concluded in late 2024/early 2025.

On September 12, 2023, T-Mobile US agreed with U.S. cable network operator Comcast to acquire spectrum in the 600 MHz band in exchange for total cash consideration of between USD 1.2 billion and USD 3.3 billion (EUR 1.1 billion and EUR 3.1 billion). The transaction is subject to approval by the FCC. At the same time, T-Mobile US and Comcast have agreed exclusive leasing arrangements for these spectrum licenses. The transaction is expected to close in the first half of 2028, pending approval from the FCC.

On July 1, 2020, T-Mobile US and DISH Network Corporation (DISH) reached an agreement on the sale of spectrum licenses, under which DISH agreed to purchase certain 800 MHz spectrum licenses from T-Mobile US for USD 3.6 billion (EUR 3.4 billion). On October 15, 2023, T-Mobile US and DISH modified the agreement to include, among other changes, a non-refundable extension fee of USD 0.1 billion (EUR 0.1 billion), which DISH paid to T-Mobile US on October 25, 2023, as well as the requirement that the purchase of the spectrum licenses must be finalized by April 1, 2024. As of April 1, 2024, DISH had not exercised the purchase option. The already paid extension fee was retained in accordance with the agreement and recognized in profit or loss as other operating income in the second quarter of 2024. T-Mobile US is now obligated to put the licenses up for sale at auction and has initiated the corresponding auction process. Should bidding not reach the defined minimum purchase price of USD 3.6 billion by the end of the auction on October 1, 2024, T-Mobile US would be released from its obligation to sell the licenses.

Property, plant and equipment

The carrying amount of property, plant and equipment decreased from EUR 65.0 billion as of December 31, 2023 to EUR 64.9 billion. Depreciation and impairment losses totaling EUR 6.0 billion and disposals of EUR 0.2 billion decreased the carrying amount. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 4.9 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 0.9 billion. Reclassifications of lease assets upon expiry of the contractual lease term to property, plant and equipment, primarily for network technology in the United States operating segment, increased the carrying amount by EUR 0.2 billion.

Right-of-use assets

The carrying amount of the right-of-use assets decreased by EUR 0.2 billion compared to December 31, 2023 to EUR 32.6 billion. Depreciation and impairment losses reduced the carrying amount by EUR 2.7 billion. The previously mentioned reclassifications of lease assets to property, plant and equipment also reduced the carrying amount by EUR 0.2 billion. The carrying amount was increased by additions of EUR 1.8 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 0.9 billion.

Capitalized contract costs

As of June 30, 2024, the carrying amount of capitalized contract costs remained at the level as of December 31, 2023 of EUR 3.5 billion. The capitalized contract costs primarily relate to the United States and Germany operating segments.

Investments accounted for using the equity method

The carrying amount of investments accounted for using the equity method increased by EUR 0.1 billion compared to December 31, 2023 to EUR 4.7 billion, mainly due to a capital increase in the investment in the GlasfaserPlus entities.

Other financial assets

millions of €	June 30, 2024	Dec. 31, 2023
	Total	Total
Originated loans and receivables	5,990	6,538
Of which: collateral paid	1,303	1,708
Of which: other receivables – publicly funded projects	1,806	1,863
Debt instruments – measured at fair value through profit or loss	590	652
Derivative financial assets	1,611	1,780
Of which: derivatives with a hedging relationship	847	658
Of which: derivatives without a hedging relationship	764	1,122
Equity instruments – measured at fair value through profit or loss	4	4
Equity instruments – measured at fair value through other comprehensive income	495	422
Lease assets	209	197
	8,898	9,593

The carrying amount of current and non-current other financial assets decreased by EUR 0.7 billion compared to December 31, 2023 to EUR 8.9 billion. The net total of originated loans and receivables decreased by EUR 0.5 billion to EUR 6.0 billion, mainly due to lower collateral paid for derivatives owing to normal fluctuations in fair value. The carrying amount of the derivatives without a hedging relationship decreased by EUR 0.4 billion, in particular in connection with the options to acquire additional T-Mobile US shares exercised by Deutsche Telekom on June 7, 2024. Exchange rate effects increased the carrying amount of other financial assets by EUR 0.1 billion.

For information on cash collateral deposited and on derivatives, please refer to the section "[Disclosures on financial instruments.](#)"

Other assets

The carrying amount of current and non-current other assets increased by EUR 0.7 billion to EUR 4.3 billion. As of June 30, 2024, the carrying amount included various advance payments, totaling EUR 3.5 billion (December 31, 2023: EUR 2.9 billion), mainly including advance payments for maintenance, repairs, and in connection with agreements on services for certain mobile communications and fixed-network equipment that do not fall under the scope of IFRS 16.

Non-current assets and disposal groups held for sale

The carrying amount of non-current assets and disposal groups held for sale as of June 30, 2024 was EUR 1.1 billion, up EUR 0.9 billion on the level of December 31, 2023. This increase is primarily attributable to the transactions agreed between T-Mobile US and other telecommunications companies for the exchange of spectrum licenses in order to improve mobile network coverage.

Financial liabilities and lease liabilities

The following table shows the composition and maturity structure of **financial liabilities** as of June 30, 2024:

millions of €	June 30, 2024	Due within 1 year	Due > 1 ≤ 5 years	Due > 5 years	Dec. 31, 2023
Bonds and other securitized liabilities	92,691	6,378	31,462	54,852	87,773
Liabilities to banks	3,272	1,034	1,457	781	3,560
	95,963	7,412	32,919	55,632	91,333
Liabilities with the right of creditors to priority repayment in the event of default	1,703	713	990	0	2,067
Other interest-bearing liabilities	6,539	1,089	2,685	2,764	6,628
Liabilities from deferred interest	1,077	1,077	0	0	1,009
Other non-interest-bearing liabilities	1,353	1,224	84	45	921
Derivative financial liabilities	2,491	91	587	1,813	2,564
	13,163	4,194	4,347	4,622	13,189
Financial liabilities	109,126	11,606	37,265	60,254	104,522
Lease liabilities	40,270	5,502	17,122	17,647	40,792

The carrying amount of current and non-current financial liabilities increased by EUR 4.6 billion compared with year-end 2023 to EUR 109.1 billion, primarily due to the factors described below. This also includes exchange rate effects of EUR 2.7 billion, primarily from the translation of U.S. dollars into euros.

The carrying amount of bonds and other securitized liabilities increased by EUR 4.9 billion to EUR 92.7 billion. The carrying amount was increased by USD bonds issued by T-Mobile US in the reporting period with a total volume of USD 3.0 billion (EUR 2.7 billion) with terms ending between 2029 and 2055 and bearing interest of between 4.85 and 5.50 %, EUR bonds with a volume of EUR 2.0 billion with terms ending between 2029 and 2036 and bearing interest of between 3.55 and 3.85 %, and by asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion) with terms ending in 2029 and bearing interest of 5.05 %. The carrying amount was also increased by the issue of a EUR bond of EUR 0.7 billion by Deutsche Telekom AG, with the term ending in 2036 and bearing interest of 3.25 %. The carrying amount was reduced by the scheduled repayment of a EUR bond in the amount of EUR 0.8 billion and of a USD bond in the amount of USD 2.5 billion (EUR 2.3 billion). In addition, the carrying amount decreased by EUR 0.2 billion in connection with measurement effects from derivatives with a hedging relationship, the offsetting entry for which is posted under bonds and other securitized liabilities. Exchange rate effects increased the carrying amount of bonds and other securitized liabilities by EUR 2.5 billion.

As of June 30, 2024, the carrying amount of liabilities to banks decreased by EUR 0.3 billion against the level of December 31, 2023 to EUR 3.3 billion, mainly due to the repayment of a EIB loan by Deutsche Telekom AG in the amount of EUR 0.4 billion.

The liabilities with the right of creditors to priority repayment in the event of default of EUR 1.7 billion (December 31, 2023: EUR 2.1 billion) relate primarily to bonds issued by Sprint. Collateral was provided for these bonds, hence they constitute a separate class of financial instruments. The main factor reducing the carrying amount was repayments made in the reporting period in the amount of EUR 0.4 billion when translated into euros. At the reporting date, cash and cash equivalents with a carrying amount of EUR 74 million (December 31, 2023: EUR 64 million) when translated into euros were pledged as collateral for these bonds.

The carrying amount of other interest-bearing liabilities decreased by EUR 0.1 billion compared with December 31, 2023 to EUR 6.5 billion. Scheduled repayments by T-Mobile US reduced the carrying amount by EUR 0.3 billion, of which EUR 0.1 billion, when translated into euros, related to payments made in connection with the existing agreement on IP transit services, concluded with Cogent as part of the sale of the Wireline Business. By contrast, the recognition of a liability for the contingent and other consideration paid for the acquisition of Ka'ena increased the carrying amount by EUR 0.2 billion. Exchange rate effects increased the carrying amount of other interest-bearing liabilities by EUR 0.1 billion.

For further information on the acquisition of Ka'ena, please refer to the section "[Changes in the composition of the Group and other transactions.](#)"

The carrying amount of other non-interest-bearing liabilities increased by EUR 0.4 billion to EUR 1.4 billion, mainly due to the stake of the cash dividend of USD 0.65 per share – declared by the Board of Directors of T-Mobile US on June 13, 2024 – attributable to non-controlling interests in T-Mobile US.

For further information on the shareholder return program at T-Mobile US, please refer to the section "[Other transactions that had no effect on the composition of the Group.](#)"

The carrying amount of derivative financial liabilities decreased by EUR 0.1 billion compared with December 31, 2023 to EUR 2.5 billion.

For further information on derivative financial liabilities, please refer to the section "[Disclosures on financial instruments.](#)"

The carrying amount of current and non-current **lease liabilities** decreased by EUR 0.5 billion to EUR 40.3 billion compared with December 31, 2023. Lease liabilities in the United States operating segment decreased by EUR 1.4 billion, mainly due to the decommissioning of the former Sprint's wireless network and a decline in network and build-out investments, primarily on account of higher capital efficiency resulting from the accelerated build-out of the nationwide 5G network in the prior year. Exchange rate effects, in particular from the translation of U.S. dollars into euros, raised the carrying amount by EUR 1.1 billion.

Trade and other payables

The carrying amount of trade and other payables decreased by EUR 0.4 billion to EUR 10.5 billion. This was due to lower liabilities in the Europe and Germany operating segments. By contrast, exchange rate effects, in particular from the translation from U.S. dollars into euros, increased the carrying amount.

Provisions for pensions and other employee benefits

The carrying amount of provisions for pensions and other employee benefits decreased by EUR 0.8 billion compared with December 31, 2023 to EUR 3.3 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.7 billion to be recognized directly in equity, mainly due to the increase in the fair values of plan assets and the increase in the discount rate compared with December 31, 2023. Benefits paid directly by the employer in the reporting period also contributed to the reduction in the carrying amount.

Current and non-current other provisions

The carrying amount of current and non-current other provisions decreased by EUR 0.9 billion compared with the end of 2023 to EUR 7.2 billion. Other provisions for personnel costs decreased by EUR 0.4 billion, primarily in connection with the performance-based remuneration components for the prior year paid out to employees in the first half of 2024 and due to an interest rate-based decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Provisions for termination benefits also decreased by EUR 0.2 billion, partly as a result of the program implemented to reduce the workforce in the United States operating segment. Furthermore, provisions for procurement and sales support decreased by EUR 0.1 billion, mainly in connection with the bonuses paid out to sales partners in the United States operating segment, and the provisions for restoration obligations by EUR 0.1 billion.

Other liabilities

The carrying amount of current and non-current other liabilities increased by EUR 0.3 billion to EUR 5.6 billion, mainly due to an increase in liabilities from other taxes.

Current and non-current contract liabilities

The carrying amount of current and non-current contract liabilities increased by EUR 0.5 billion compared with December 31, 2023 to EUR 3.3 billion. These substantially include deferred revenues. In the United States operating segment, EUR 0.2 billion of the increase resulted from the current contract liabilities assumed in connection with the acquisition of Ka'ena. Furthermore, contract liabilities increased in the Germany operating segment.

For further information on the acquisition of Ka'ena, please refer to the section "[Changes in the composition of the Group and other transactions.](#)"

Shareholders' equity

The carrying amount of shareholders' equity increased by EUR 1.2 billion compared with December 31, 2023 to EUR 92.4 billion, with profit of EUR 6.7 billion and capital increases from share-based payments of EUR 0.3 billion having an increasing effect. Other comprehensive income also increased the carrying amount by EUR 3.0 billion, mainly as a result of currency translation effects of EUR 2.0 billion recognized directly in equity and the remeasurement of defined benefit plans accounting for EUR 0.7 billion, as well as gains from hedging instruments of EUR 0.3 billion. Income taxes relating to components of other comprehensive income of EUR 0.3 billion had an offsetting effect. Shareholders' equity was reduced in connection with dividend payments for the 2023 financial year to Deutsche Telekom AG shareholders in the amount of EUR 3.8 billion and to other shareholders of subsidiaries in the amount of EUR 1.3 billion. The latter figure includes cash dividends of EUR 1.0 billion paid by T-Mobile US to non-controlling interests, as declared in the reporting period. Transactions with owners reduced the carrying amount of shareholders' equity by EUR 2.6 billion, due in particular to the T-Mobile US share buy-back program from September 2023. Furthermore, the carrying amount was reduced by Deutsche Telekom AG's share buy-back program that started in January 2024 with share buy-backs of EUR 0.9 billion.

For further information on Deutsche Telekom AG's share buy-back program and the share buy-back/shareholder return programs at T-Mobile US, please refer to the section "[Other transactions that had no effect on the composition of the Group.](#)"

The following table shows the changes in the composition of the Group and the development of transactions with owners:

	June 30, 2024			Dec. 31, 2023		
	Issued capital and reserves attributable to owners of the parent	Non-controlling interests	Total shareholders' equity	Issued capital and reserves attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Changes in the composition of the Group	0	0	0	0	(4)	(4)
Other effects	0	0	0	0	(4)	(4)
Transactions with owners	(205)	(2,433)	(2,638)	(5,078)	(7,378)	(12,456)
T-Mobile US: Share buy-backs/transfer of shares to SoftBank/share-based payment/Ka'ena Acquisition	(176)	(2,337)	(2,513)	(5,034)	(7,183)	(12,217)
OTE share buy-back	(20)	(44)	(64)	(58)	(119)	(177)
Hrvatski Telekom share buy-back	(1)	(3)	(4)	(3)	(19)	(22)
Magyar Telekom share buy-back	(8)	(49)	(57)	17	(56)	(39)
Other effects	0	0	0	0	0	0

Selected notes to the consolidated income statement

As a result of the sales agreement concluded on July 13, 2022, the GD tower companies had been recognized as a discontinued operation from the third quarter of 2022 until their sale on February 1, 2023. Thus, the contributions by the GD tower companies were no longer included in the individual items of the consolidated income statement in the prior-year period. Instead, profit or loss after taxes was disclosed in aggregate form in the item "Profit/loss after taxes from discontinued operation."

Net revenue

Net revenue breaks down into the following revenue categories:

millions of €	H1 2024	H1 2023
Service revenues	47,573	45,770
Germany	11,116	10,901
United States	30,065	28,903
Europe	5,040	4,715
Systems Solutions	1,920	1,855
Group Development	0	0
Group Headquarters & Group Services	476	482
Reconciliation	(1,044)	(1,085)
Non-service revenues	8,764	9,275
Germany	1,551	1,389
United States	6,226	6,915
Europe	991	969
Systems Solutions	54	50
Group Development	6	7
Group Headquarters & Group Services	631	648
Reconciliation	(696)	(704)
Net revenue	56,337	55,045

The service revenues essentially comprise predictable and/or recurring revenues from Deutsche Telekom's core activities. These relate to revenues that are generated from services (i.e., revenues from fixed and mobile network voice services, incoming and outgoing calls, as well as data services) plus roaming revenues, monthly basic charges and visitor revenues, as well as revenues from the ICT business. Service revenues also include revenues earned in connection with premium services for customers, such as reinsurance for device insurance policies and extended warranties.

In the reporting period, revenue from insurance contracts in the scope of IFRS 17 of EUR 2.3 billion (H1 2023: EUR 2.3 billion) and insurance service expenses of EUR 1.5 billion (H1 2023: EUR 1.5 billion) were recognized in the Group.

Non-service revenues mainly comprise one-time and variable revenues, e.g., revenue from the sale or rental of fixed-network or mobile devices, from value-added services, from application and contract services, revenue with virtual network operators, one-time revenue from the build-out of technical infrastructure, and revenue from vehicle and property leasing.

Net revenue includes revenue from the use of entity assets by others in the scope of IFRS 16 in the amount of EUR 0.5 billion (H1 2023: EUR 0.6 billion). Of the revenue from the use of entity assets by others reported in net revenue, EUR 0.4 billion (H1 2023: EUR 0.4 billion) relates to service revenues and EUR 0.1 billion (H1 2023: EUR 0.2 billion) to non-service revenues.

For information on changes in net revenue, please refer to the section "Development of business in the Group" in the interim Group management report.

Other operating income

millions of €	H1 2024	H1 2023
Income from the reversal of impairment losses on non-current assets	0	1
Income from the disposal of non-current assets	159	135
Income from reimbursements	58	64
Income from insurance compensation	42	90
Income from ancillary services	13	25
Miscellaneous other operating income	313	313
Of which: gains resulting from deconsolidations and from the sale of stakes accounted for using the equity method	0	19
	586	628

Miscellaneous other operating income included, among others, the non-refundable extension fee of EUR 0.1 billion recognized in the United States operating segment, which arose in connection with an agreement on the sale of spectrum licenses concluded between T-Mobile US and DISH Network Corporation (DISH).

For further information on the agreement between T-Mobile US and DISH, please refer to the section "[Intangible assets](#)."

Other operating expenses

millions of €	H1 2024	H1 2023
Impairment losses on financial assets	(694)	(524)
Gains (losses) from the write-off of financial assets measured at amortized cost	(9)	(4)
Other	(1,992)	(1,959)
Legal and audit fees	(235)	(228)
Losses from asset disposals	(172)	(137)
Income (losses) from the measurement of factoring receivables	0	0
Other taxes	(204)	(334)
Cash and guarantee transaction costs	(244)	(307)
Insurance expenses	(96)	(90)
Miscellaneous other operating expenses	(1,041)	(863)
Of which: losses resulting from deconsolidations and from the sale of stakes accounted for using the equity method	0	(4)
	(2,694)	(2,488)

Miscellaneous other operating expenses include expenses of EUR 0.4 billion (H1 2023: EUR 0.3 billion) for data storage in data centers, in cloud applications, or other IT services, and of EUR 0.2 billion (H1 2023: EUR 0.2 billion) for regulatory duties in the United States operating segment.

Depreciation, amortization and impairment losses

At EUR 12.1 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were EUR 0.2 billion higher in the first half of 2024 than in the prior-year period, which was mainly attributable to depreciation and amortization. In the United States operating segment, higher depreciation expense in connection with the acceleration of certain technology assets as part of T-Mobile US modernizing its network, technology systems, and platforms was partly offset by lower depreciation of right-of-use assets. In the Germany operating segment, depreciation and amortization increased, partly as a result of the sale and leaseback of passive network infrastructure in connection with the sale of the GD tower companies. No significant impairment losses were recorded either in the reporting period or in the prior-year period.

Profit/loss from financial activities

Loss from financial activities decreased year-on-year from EUR 2.9 billion to EUR 2.7 billion, which was mainly attributable to the EUR 0.2 billion increase in other financial income, resulting mainly from higher interest income from the measurement of provisions and liabilities. This was attributable to the subsequent measurement using actuarial principles of the present value of the provision recognized for the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Finance costs were on a par with the prior-year period.

For further information, please refer to the section "[Disclosures on financial instruments](#)."

Income taxes

A tax expense of EUR 2.3 billion was recorded in the first half of 2024. The tax amount essentially reflects the shares of the different countries in profit before income taxes and their respective national tax rates.

Profit/loss after taxes from discontinued operation

The sale of the GD tower companies was consummated on February 1, 2023, and these companies have no longer been part of the Group since that date. The development presented in the prior-year period contains the contributions to earnings for the first month of 2023. The following table provides a breakdown of profit/loss after taxes from the discontinued operation:

millions of €	H1 2024	H1 2023
Net revenue	0	15
Other operating income	0	12,923
Changes in inventories	0	0
Own capitalized costs	0	0
Goods and services purchased	0	69
Personnel costs	0	(6)
Other operating expenses	0	0
EBITDA	0	13,001
Depreciation, amortization and impairment losses	0	0
Profit (loss) from operations (EBIT)	0	13,001
Finance costs	0	(14)
Other financial income (expense)	0	(2)
Profit (loss) from financial activities	0	(16)
Profit (loss) before income taxes	0	12,986
Income taxes	0	706
Profit (loss) after taxes from discontinued operation	0	13,691

Earnings contributions by GD tower companies were presented separately in the income statement of the discontinued operation up until their sale. Since Deutsche Telekom largely continues to use the sold passive network infrastructure after consummation of the transaction effective February 1, 2023, the intragroup eliminations of income and expenses between discontinued and continuing operations were disclosed at the level of the discontinued operation. So, for example, goods and services purchased included eliminations of intragroup charging of purchased services of GD tower companies mainly to Telekom Deutschland GmbH. In this way, the net effect was that internal cost allocations are no longer included in Deutsche Telekom's interim consolidated financial statements. Due to continuing contractual relationships, the corresponding expenses for purchased services are also incurred after the sale of the GD tower companies.

In the prior-year period, other operating income of EUR 12.9 billion related to the deconsolidation gain realized from the loss of control over the GD tower companies. Income from income taxes resulted from deferred tax effects arising in connection with the concluded sale-and-leaseback transaction.

Other disclosures

Notes to the consolidated statement of cash flows

Net cash from operating activities

At EUR 19.9 billion, net cash from operating activities was EUR 1.0 billion higher than in the prior-year period. The ongoing strong development of the operating business was offset in part by an increase in tax payments of EUR 0.2 billion and an increase in net interest payments of EUR 0.1 billion, among other effects.

Net cash used in/from investing activities

millions of €	H1 2024	H1 2023
Cash outflows for investments in intangible assets	(2,681)	(2,441)
Cash outflows for investments in property, plant and equipment	(5,897)	(6,995)
Proceeds from the disposal of property, plant and equipment, and intangible assets	61	57
Payments for publicly funded investments in the broadband build-out	(177)	(147)
Proceeds from public funds for investments in the broadband build-out	108	117
Net cash outflows for short-term investments in government bonds	0	(199)
Net cash flows for collateral deposited and hedging transactions	429	(190)
Changes in cash and cash equivalents in connection with the upfront payment made for the Ka'ena Acquisition ^a	(361)	0
Other changes in cash and cash equivalents in connection with the acquisition of control of subsidiaries and associates	0	(4)
Changes in cash and cash equivalents in connection with the sale of the 51 % stake in the GD tower companies ^b	0	7,598
Changes in cash and cash equivalents in connection with the sale of T-Mobile US' fiber-optic-based Wireline Business ^c	0	13
Other changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	(3)	13
Other	(6)	(96)
Net cash (used in) from investing activities	(8,525)	(2,274)
Of which: from discontinued operation	0	(17)

^a Includes, in addition to the cash component of the upfront payment made of EUR 383 million, inflows of cash and cash equivalents in the amount of EUR 22 million.

^b Includes, in addition to the cash inflow of EUR 7,695 million for the sale of the 51 % equity stake, outflows of cash and cash equivalents in the amount of EUR 97 million.

^c Includes, in addition to the cash inflow of EUR 56 million for the sale of the Wireline Business, outflows of cash and cash equivalents in the amount of EUR 43 million.

At EUR 8.6 billion, cash outflows for investments in intangible assets and property, plant and equipment were EUR 0.9 billion lower than in the prior-year period. In the reporting period, cash outflows of EUR 0.2 billion in total were recorded for the acquisition of mobile spectrum licenses in the United States operating segment. In the prior year, this item had included cash outflows for the acquisition of mobile spectrum licenses of EUR 0.1 billion in the United States operating segment and of EUR 0.2 billion in the Europe operating segment. Excluding investments in mobile spectrum licenses, cash outflows for investments in intangible assets and property, plant and equipment were down EUR 0.8 billion year-on-year. Cash outflows in the United States operating segment decreased by EUR 1.0 billion, in particular due to higher cash outflows for investments in prior years for the accelerated build-out of the 5G network. In the Germany operating segment, by contrast, cash outflows increased by EUR 0.3 billion.

Net cash used in/from financing activities

millions of €	H1 2024	H1 2023
Issuance of bonds	5,939	6,011
Repayment of bonds	(3,154)	(4,512)
Commercial paper, net	0	(2,280)
Repayment of EIB loans	(400)	(286)
Overnight borrowings from banks, net	0	(200)
Repayment of liabilities with the right of creditors to priority repayment in the event of default	(413)	(329)
Repayment of liabilities from 5G spectrum acquired in Germany	(85)	(85)
Repayment of financial liabilities for media broadcasting rights	(168)	(148)
Principal portion of repayment of lease liabilities	(3,301)	(3,201)
Changes in cash and cash equivalents in connection with the sale and leaseback of the passive network infrastructure of the GD tower companies	0	3,069
Net cash flows for hedging transactions	0	38
Net cash flows from continuing involvement factoring	(4)	4
Deutsche Telekom AG share buy-back	(933)	0
Dividend payments (including to other shareholders of subsidiaries)	(4,623)	(3,564)
Cash inflows from transactions with non-controlling entities		
Sale of T-Mobile US shares by Deutsche Telekom	3,545	0
T-Mobile US stock options	7	6
Other cash inflows	13	8
	3,565	14
Cash outflows from transactions with non-controlling entities		
Increase of the stake in T-Mobile US	(614)	0
T-Mobile US share buy-back/share-based payment	(5,719)	(7,840)
OTE share buy-back	(62)	(59)
Other payments	(62)	(116)
	(6,458)	(8,015)
Other	(220)	(85)
Net cash (used in) from financing activities	(10,254)	(13,570)
Of which: from discontinued operation	0	(74)

Non-cash transactions

In the reporting period, Deutsche Telekom leased assets with a carrying amount of EUR 1.8 billion, mainly network equipment, cell sites, and land and buildings. These assets are recognized in the statement of financial position under right-of-use assets and the related liabilities under lease liabilities. Future repayments of the liabilities will be recognized in net cash used in/from financing activities. The corresponding additions of right-of-use assets were down EUR 2.3 billion against the prior-year period, mainly due to the leaseback of passive network infrastructure in Germany and Austria under the sale-and-leaseback agreement in connection with the sale of the GD tower companies in the first quarter of 2023 and due to the accelerated build-out of the 5G network in the prior years in the United States operating segment.

Consideration for the acquisition of broadcasting rights is paid by Deutsche Telekom in accordance with the terms of the contract on the date of its conclusion or spread over the term of the contract. Financial liabilities of EUR 0.2 billion were recognized in the reporting period for future consideration for acquired broadcasting rights (prior-year period: EUR 0.1 billion). The payment of the consideration will be recognized in net cash used in/from financing activities.

In connection with the acquisition of Ka'ena in the United States, which was consummated on May 1, 2024, T-Mobile US settled part of the upfront payment in the form of around 3 million ordinary shares in T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price on April 30, 2024. In addition, an other non-current financial liability of USD 0.2 billion (EUR 0.2 billion) was recognized as of the acquisition date for the fair value of the contingent and other consideration payable on August 1, 2026.

For further information on the acquisition of Ka'ena, please refer to the section "[Changes in the composition of the Group and other transactions.](#)"

Segment reporting

The following table provides an overview of Deutsche Telekom's operating segments and the Group Headquarters & Group Services segment for the first half of 2024 and the first half of 2023.

For further information, please refer to the section "Development of business in the operating segments" in the interim Group management report.

The GD tower companies, which operated the cell tower business in Germany and Austria in the Group Development operating segment, had been recognized in the prior-year period as a discontinued operation in the interim consolidated financial statements until their sale effective February 1, 2023.

In accordance with the Company's own principles of segment management, when loans with embedded derivatives are granted internally to Group entities, the derivative component is recognized separately also in the creditor company's segment financial statements and measured at fair value through profit or loss.

Segment information in the first half of the year

millions of €

		Comparative period						Reporting date		
		Net revenue	Inter-segment revenue	Total revenue	Profit (loss) from operations (EBIT)	Depreciation and amortization	Impairment losses	Segment assets ^a	Segment liabilities ^a	Investments accounted for using the equity method ^a
Germany	H1 2024	12,358	308	12,667	2,878	(2,162)	0	52,576	37,742	440
	H1 2023	11,968	322	12,290	2,902	(2,088)	(2)	52,637	38,645	364
United States	H1 2024	36,287	4	36,291	8,583	(7,909)	(1)	209,567	144,348	413
	H1 2023	35,815	2	35,817	7,262	(7,734)	(36)	203,435	138,491	384
Europe	H1 2024	5,936	95	6,032	1,112	(1,269)	(4)	24,392	9,015	48
	H1 2023	5,590	93	5,683	946	(1,248)	(3)	24,237	8,801	42
Systems Solutions	H1 2024	1,674	300	1,974	37	(107)	(11)	4,066	2,966	24
	H1 2023	1,588	317	1,905	36	(107)	(11)	4,016	2,972	22
Group Development	H1 2024	6	1	6	(10)	(1)	0	7,715	322	3,785
	H1 2023	27	79	106	13,011	(1)	0	11,237	3,879	3,777
Group Headquarters & Group Services	H1 2024	75	1,032	1,107	(924)	(604)	0	36,317	47,771	14
	H1 2023	71	1,059	1,130	(923)	(670)	0	40,096	51,607	15
Total from continuing operations and discontinued operation	H1 2024	56,337	1,740	58,077	11,676	(12,052)	(16)	334,632	242,164	4,726
	H1 2023	55,060	1,873	56,933	23,235	(11,849)	(52)	335,659	244,395	4,605
Reconciliation	H1 2024	0	(1,740)	(1,740)	(10)	(2)	0	(38,588)	(38,554)	0
	H1 2023	0	(1,873)	(1,873)	(13)	1	0	(45,354)	(45,327)	0
Consolidated total from continuing operations and discontinued operation	H1 2024	56,337	0	56,337	11,666	(12,054)	(16)	296,044	203,610	4,726
	H1 2023	55,060	0	55,060	23,222	(11,847)	(52)	290,305	199,068	4,605
Discontinued operation	H1 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	H1 2023	(15)	(84)	(99)	(13,001)	0	0	n.a.	n.a.	n.a.
Reconciliation	H1 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	H1 2023	0	84	84	0	0	0	n.a.	n.a.	n.a.
Group total	H1 2024	56,337	0	56,337	11,666	(12,054)	(16)	296,044	203,610	4,726
	H1 2023	55,045	0	55,045	10,221	(11,847)	(52)	290,305	199,068	4,605

^a Figures relate to the reporting dates of June 30, 2024 and December 31, 2023, respectively.

Contingencies

This section provides additional information and explains recent changes in the contingent liabilities and assets as described in the consolidated financial statements for the 2023 financial year.

Claims relating to charges for the shared use of cable ducts. In the claims filed by Vodafone Deutschland GmbH and Vodafone West GmbH against Telekom Deutschland GmbH alleging excessive charges for the use of cable ducts, which were referred by the Federal Court of Justice back to the responsible Higher Regional Courts, the plaintiffs have since updated their demands for relief. Vodafone Deutschland GmbH now puts its claim at around EUR 903 million plus interest for the period from January 2012 to December 2023; Vodafone West now puts its claim at around EUR 538 million plus interest for the period from January 2016 to April 2024. It is currently not possible to estimate the financial impact with sufficient certainty.

Proceedings against T-Mobile US in consequence of the cyberattack on T-Mobile US in August 2021. The derivative action brought in these proceedings by a purported shareholder against the members of the Board of Directors of T-Mobile US and against T-Mobile US as nominal defendant in September 2022 was dismissed in its entirety in May 2024. The plaintiff has appealed against this decision.

Claims for damages against Deutsche Telekom AG, including due to insolvency of Phones4U. After the High Court of Justice in London rejected all claims made by Phones4U against all defendants in 2023 as well as an application for leave to lodge an appeal, Phones4U continued to pursue this application with the Court of Appeal. On March 26, 2024, the Court of Appeal allowed the appeal by Phones4U.

Other financial obligations

The following table provides an overview of Deutsche Telekom's other financial obligations as of June 30, 2024:

millions of €	
	June 30, 2024
Purchase commitments regarding property, plant and equipment	5,201
Purchase commitments regarding intangible assets	6,525
Firm purchase commitments for inventories	7,587
Other purchase commitments and similar obligations	28,652
Payment obligations to the Civil Service Pension Fund	846
Obligations arising in connection with business combinations	5,665
Miscellaneous other obligations	2
	54,477

Purchase commitments regarding intangible assets include, among others, obligations of USD 1.1 billion (EUR 1.0 billion) from the second tranche in connection with the agreement between T-Mobile US and Channel 51 License Co, LLC and LB License Co, LLC, entered into on August 8, 2022, for the acquisition of spectrum licenses in the 600 MHz band. The item also includes obligations arising from the agreement between T-Mobile US and Comcast, entered into on September 12, 2023, for the acquisition of 600 MHz spectrum licenses. In this connection, the maximum purchase price of USD 3.3 billion (EUR 3.1 billion) was included in the disclosure. Other purchase commitments and similar obligations mainly comprise obligations for the procurement of services, such as maintenance and servicing, IT services, marketing measures, and outsourcing. The obligations arising in connection with business combinations mainly relate to obligations from the agreed acquisitions of Lumos of USD 1.0 billion (EUR 0.9 billion) and of UScellular of USD 4.4 billion (EUR 4.1 billion) in the United States operating segment.

For further information on the agreements concluded with Comcast and Channel 51, please refer to the section "[Intangible assets](#)."

For further information on the agreements on the acquisition of Lumos and UScellular in the United States, please refer to the section "[Changes in the composition of the Group and other transactions](#)."

Disclosures on financial instruments

Carrying amounts, amounts recognized, and fair values by class and measurement category

millions of €

	Measurement category in accordance with IFRS 9	Amounts recognized in the statement of financial position in accordance with IFRS 9				
		Carrying amount June 30, 2024	Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss ^a
Assets						
Cash and cash equivalents	AC	8,591	8,591			
Trade receivables		15,122				
At amortized cost	AC	7,206	7,206			
At fair value through other comprehensive income	FVOCI	7,916			7,916	7,916
Other financial assets		8,898				
Originated loans and other receivables		6,580				
At amortized cost	AC	5,990	5,990			6,000
Of which: collateral paid	AC	1,303	1,303			
Of which: publicly funded projects	AC	1,806	1,806			
At fair value through profit or loss	FVTPL	590			590	590
Equity instruments		498				
At fair value through other comprehensive income	FVOCI	495		495		495
At fair value through profit or loss	FVTPL	4			4	4
Derivative financial assets		1,611				
Derivatives without a hedging relationship	FVTPL	764			764	764
Of which: termination rights embedded in bonds issued	FVTPL	154			154	154
Of which: energy forward agreements	FVTPL	197			197	197
Of which: options received from third parties for the purchase or sale of shares in subsidiaries and associates	FVTPL	13			13	13
Derivatives with a hedging relationship	n.a.	847		836	11	847
Of which: energy forward agreements	n.a.	25		25		25
Lease assets	n.a.	209				
Liabilities						
Trade payables	AC	10,541	10,541			
Financial liabilities		109,126				
Bonds and other securitized liabilities	AC	92,691	92,691			88,111
Of which: asset-backed securities collateralized by trade receivables	AC	1,166	1,166			1,163
Liabilities to banks	AC	3,272	3,272			3,160
Liabilities with the right of creditors to priority repayment in the event of default	AC	1,703	1,703			1,654
Other interest-bearing liabilities ^c	AC	6,539	6,539			6,391
Of which: collateral received	AC	41	41			
Liabilities from deferred interest	AC	1,077	1,077			
Other non-interest-bearing liabilities	AC	1,353	1,353			
Of which: puttable shares of non-controlling interests in consolidated partnerships	AC	44	44			
Derivative financial liabilities		2,491				
Derivatives without a hedging relationship	FVTPL	253			253	253
Of which: energy forward agreements	FVTPL	28			28	28
Derivatives with a hedging relationship	n.a.	2,238		246	1,992	2,238
Of which: energy forward agreements	n.a.	85		85		85
Lease liabilities	n.a.	40,270				

^a For energy forward agreements please refer to the detailed comments in the following section.

^b The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

^c For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

millions of €

**Amounts recognized in the statement of financial position in
accordance with IFRS 9**

	Measurement category in accordance with IFRS 9	Carrying amount June 30, 2024	Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss ^a	Fair value June 30, 2024 ^b
Aggregated by measurement category (IFRS 9)							
Assets							
Financial assets at amortized cost	AC	21,787	21,787				6,000
Financial assets at fair value through other comprehensive income with recycling to profit or loss	FVOCI	7,916			7,916		7,916
Financial assets at fair value through other comprehensive income without recycling to profit or loss	FVOCI	495		495			495
Financial assets at fair value through profit or loss	FVTPL	1,358				1,358	1,358
Liabilities							
Financial liabilities at amortized cost	AC	117,176	117,176				99,316
Financial liabilities at fair value through profit or loss	FVTPL	253				253	253

^a For energy forward agreements please refer to the detailed comments in the following section.

^b The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

^c For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

Carrying amounts, amounts recognized, and fair values by class and measurement category

millions of €

	Measurement category in accordance with IFRS 9	Carrying amount Dec. 31, 2023	Amounts recognized in the statement of financial position in accordance with IFRS 9				
			Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss ^a	Fair value Dec. 31, 2023 ^b
Assets							
Cash and cash equivalents	AC	7,274	7,274				
Trade receivables		16,157					
At amortized cost	AC	7,710	7,710				
At fair value through other comprehensive income	FVOCI	8,446			8,446		8,446
Other financial assets		9,593					
Originated loans and other receivables		7,190					
At amortized cost	AC	6,538	6,538				6,550
Of which: collateral paid	AC	1,708	1,708				
Of which: publicly funded projects	AC	1,863	1,863				
At fair value through profit or loss	FVTPL	652				652	652
Equity instruments		426					
At fair value through other comprehensive income	FVOCI	422		422			422
At fair value through profit or loss	FVTPL	4				4	4
Derivative financial assets		1,780					
Derivatives without a hedging relationship	FVTPL	1,122				1,122	1,122
Of which: termination rights embedded in bonds issued	FVTPL	200				200	200
Of which: energy forward agreements	FVTPL	168				168	168
Of which: options received from third parties for the purchase or sale of shares in subsidiaries and associates	FVTPL	431				431	431
Derivatives with a hedging relationship	n.a.	658			643	15	658
Of which: energy forward agreements	n.a.	0					
Lease assets	n.a.	197					
Liabilities							
Trade payables	AC	10,916	10,916				
Financial liabilities		104,522					
Bonds and other securitized liabilities	AC	87,773	87,773				84,266
Of which: asset-backed securities collateralized by trade receivables	AC	677	677				677
Liabilities to banks	AC	3,560	3,560				3,466
Liabilities with the right of creditors to priority repayment in the event of default	AC	2,067	2,067				2,001
Other interest-bearing liabilities	AC	6,628	6,628				6,499
Of which: collateral received	AC	39	39				
Liabilities from deferred interest	AC	1,009	1,009				
Other non-interest-bearing liabilities	AC	921	921				
Of which: puttable shares of non-controlling interests in consolidated partnerships	AC	31	31				
Derivative financial liabilities		2,564					
Derivatives without a hedging relationship	FVTPL	296				296	296
Of which: energy forward agreements	FVTPL	32				32	32
Derivatives with a hedging relationship	n.a.	2,268			435	1,833	2,268
Of which: energy forward agreements	n.a.	53			53		53
Lease liabilities	n.a.	40,792					

^a For energy forward agreements please refer to the detailed comments in the following section.

^b The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

millions of €

	Measurement category in accordance with IFRS 9	Carrying amount Dec. 31, 2023	Amounts recognized in the statement of financial position in accordance with IFRS 9				Fair value through profit or loss ^a	Fair value Dec. 31, 2023 ^b
			Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss			
Aggregated by measurement category (IFRS 9)								
Assets								
Financial assets at amortized cost	AC	21,522	21,522				6,550	
Financial assets at fair value through other comprehensive income with recycling to profit or loss	FVOCI	8,446			8,446		8,446	
Financial assets at fair value through other comprehensive income without recycling to profit or loss	FVOCI	422		422			422	
Financial assets at fair value through profit or loss	FVTPL	1,778				1,778	1,778	
Liabilities								
Financial liabilities at amortized cost	AC	112,874	112,874				96,233	
Financial liabilities at fair value through profit or loss	FVTPL	296				296	296	

^a For energy forward agreements please refer to the detailed comments in the following section.

^b The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

Trade receivables include receivables amounting to EUR 2.0 billion (December 31, 2023: EUR 2.2 billion) due in more than one year. The fair value generally equals the carrying amount.

Disclosures on fair value

Financial instruments measured at fair value

millions of €

	June 30, 2024				Dec. 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Trade receivables								
At fair value through other comprehensive income			7,916	7,916			8,446	8,446
Other financial assets – Originated loans and other receivables								
At fair value through profit or loss	240		350	590	221		431	652
Equity instruments								
At fair value through other comprehensive income	14		481	495	11		411	422
At fair value through profit or loss			4	4			4	4
Derivative financial assets								
Derivatives without a hedging relationship		400	364	764		737	385	1,122
Derivatives with a hedging relationship		822	25	847		658		658
Liabilities								
Derivative financial liabilities								
Derivatives without a hedging relationship		225	28	253		263	33	296
Derivatives with a hedging relationship		2,153	85	2,238		2,215	53	2,268

Of the equity instruments measured at fair value through other comprehensive income and recognized under other financial assets, the instruments presented in the different levels constitute separate classes of financial instruments. In each case, the fair values of the total volume of equity instruments recognized as Level 1 are the price quotations at the reporting date.

The listed bonds and other securitized liabilities are assigned to Level 1 or Level 2 depending on the market liquidity of the relevant instrument. Consequently, issues denominated in euros or U.S. dollars with relatively large nominal amounts are to be classified as Level 1, the rest as Level 2. The fair values of the instruments assigned to Level 1 equal the nominal amounts multiplied by the price quotations at the reporting date. The fair values of the instruments assigned to Level 2 are calculated as the present values of the payments associated with the debts, based on the applicable yield curve and Deutsche Telekom's credit spread curve for specific currencies.

The fair values of liabilities to banks and other interest-bearing liabilities are calculated as the present values of the payments associated with the debts, based on the applicable yield curve and Deutsche Telekom's credit spread curve for specific currencies. The fair values of trade receivables and of originated loans and other receivables are calculated as the present values of the payments associated with the receivables, based on the applicable yield curve and the credit risk of the debtors.

Since there are no market prices available for the derivative financial instruments in the portfolio assigned to Level 2 due to the fact that they are not listed on the market, the fair values are calculated using standard financial valuation models, based entirely on observable inputs. The fair value of derivatives is the price that Deutsche Telekom would receive or have to pay if the financial instrument were transferred at the reporting date. Interest rates of contractual partners relevant as of the reporting date are used in this respect. The middle rates applicable as of the reporting date are used as exchange rates. In the case of interest-bearing derivatives, a distinction is made between the clean price and the dirty price. In contrast to the clean price, the dirty price also includes the interest accrued. The fair values carried correspond to the full fair value or the dirty price.

The equity instruments measured at fair value through other comprehensive income comprise a large number of investments in strategic, unlisted individual positions. Deutsche Telekom considers the chosen measurement through other comprehensive income without recycling to profit or loss to be appropriate because there are no plans to use the investments for short-term profit-taking. At the date of disposal of an investment, the total cumulative gain or loss is reclassified to retained earnings. Acquisitions and disposals are based on business policy investment decisions.

Development of the carrying amounts of the financial assets and financial liabilities assigned to Level 3

millions of €

	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through profit or loss: termination rights embedded in bonds issued	Derivative financial assets at fair value through profit or loss: energy forward agreements	Derivative financial liabilities at fair value through profit or loss: energy forward agreements	Originated loans and other receivables at fair value through profit or loss: contingent consideration receivable
Carrying amount as of January 1, 2024	411	200	169	(32)	420
Additions (including first-time classification as Level 3)	31	11	0	0	0
Decreases in fair value recognized in profit/loss (including losses on disposal)		(74)	(28)	(2)	(85)
Increases in fair value recognized in profit/loss (including gains on disposal)		11	51	5	0
Decreases in fair value recognized directly in equity	(19)				
Increases in fair value recognized directly in equity	55				
Disposals (including last classification as Level 3) ^a	0	0	(1)	2	0
Currency translation effects recognized directly in equity	3	6	6	(1)	0
Carrying amount as of June 30, 2024	481	154	197	(28)	335

^a The disposals under energy forward agreements include billing amounts paid.

The **equity instruments** assigned to Level 3 that are measured at fair value through other comprehensive income and carried under other financial assets are equity investments with a carrying amount of EUR 427 million measured using the best information available at the reporting date. As a rule, Deutsche Telekom considers transactions involving shares in those companies to have the greatest relevance. Transactions involving shares in comparable companies are also considered. The proximity of the relevant transaction to the reporting date, and the question of whether it was conducted at arm's length, are relevant for deciding which information is used for the measurement. Furthermore, the degree of similarity between the object being measured and comparable companies must be taken into consideration. Based on Deutsche Telekom's own assessment, the fair values of the equity investments at the reporting date could be determined with sufficient reliability. For the development of the carrying amounts in the reporting period, please refer to the table above. At the reporting date, no investments were held for sale. In the case of investments with a carrying amount of EUR 151 million, transactions involving shares in these companies took place at arm's length sufficiently close to the reporting date, which is why the share prices agreed in the transactions were to be used without adjustment for the measurement as of the current reporting date. In the case of investments with a carrying amount of EUR 37 million, an analysis of operational indicators (especially revenue, EBIT, and liquidity) revealed that the carrying amounts were equivalent to current fair values. Due to better comparability, previous arm's length transactions involving shares in these companies are preferable to more recent transactions involving shares in similar companies. In the case of investments with a carrying amount of EUR 239 million, for which the last arm's length transactions relating to shares in these companies took place further in the past, a measurement performed more recently relating to shares in similar companies provides the most reliable representation of the fair values. Here, multiples to the reference variable of expected revenue (ranging between 2.9 and 14.0) were applied and a range of equally distributed percentiles in intervals of 16.7 % around the median were taken as a basis. For each investment, the appropriate percentile was used depending on the specific circumstances. If other values had been used for the multiples and for the expected revenue amounts, the calculated fair values would have been different. These hypothetical deviations (sensitivities) are shown in the table below. In addition, non-material individual items with a carrying amount of EUR 54 million when translated into euros are included with differences in value of minor relevance.

The derivatives without a hedging relationship assigned to Level 3 and carried under derivative financial assets relate to **options embedded in bonds issued by T-Mobile US** with a carrying amount of EUR 154 million when translated into euros. This includes options with a carrying amount of EUR 149 million when translated into euros, embedded in USD bonds, and the remaining options with a carrying amount of EUR 5 million embedded in EUR bonds, issued in the reporting period. The options, which can be exercised by T-Mobile US at any time, allow early redemption of the bonds at fixed exercise prices. Observable market prices are available regularly and also at the reporting date for the bonds as entire instruments, but not for the options embedded therein. The termination rights are measured using an option pricing model. Historical interest rate volatilities of bonds issued by T-Mobile US and comparable issuers are used for the measurement because these provide a more reliable estimate at the reporting date than current market interest rate volatilities. The spread curve, which is also unobservable, was derived on the basis of current market prices of bonds issued by T-Mobile US and debt instruments of comparable issuers. Risk-free interest rates and spreads were simulated separately from each other. At the current reporting date, the following interest rate volatility and spreads were used for the various rating levels of the bonds:

Interest rate volatilities and spreads used for USD bonds by rating levels

%	Interest volatility (absolute figure)	Spread
BBB+	0.0 – 0.1	0.9 – 1.2
BBB-	0.0 – 0.1	1.2 – 1.6
BB+	0.0 – 0.1	1.5 – 1.8

For the mean reversion input, which is unobservable, 3 % was used for USD bonds. In our opinion, the values used constitute the best estimate in each case. If other values had been used for interest rate volatility, spread curve, or mean reversion, the calculated fair values would have been different. These hypothetical deviations (sensitivities) are shown in the table below. If the risk-free interest rate had been 50 basis points higher (lower) at the reporting date, the fair value of the options would have been EUR 39 million lower (EUR 49 million higher). In the reporting period, a net expense of EUR 63 million when translated into euros was recognized under the Level 3 measurement in other financial income/expense for unrealized losses for the options in the portfolio at the reporting date. In the reporting period, no option was exercised. Please refer to the table above for the development of the carrying amounts in the reporting period. Due to their distinctiveness, these instruments constitute a separate class of financial instruments.

Sensitivities^a of the carrying amounts of the financial assets and financial liabilities assigned to Level 3 depending on unobservable inputs

millions of €

	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through profit or loss: termination rights embedded in bonds issued	Derivative financial assets at fair value through profit or loss: energy forward agreements	Derivative financial liabilities at fair value through profit or loss: energy forward agreements	Originated loans and other receivables at fair value through profit or loss: contingent consideration receivable
Multiple next-level-up quantile	53				
Multiple next-level-down quantile	(42)				
Expected revenues +10 %	20				
Expected revenues -10 %	(20)				
Interest rate volatility ^b +10 %		18			
Interest rate volatility ^b -10 %		(18)			
Spread curve ^c +50 basis points		(53)			(7)
Spread curve ^c -50 basis points		72			7
Mean reversion ^d +100 basis points		(2)			
Mean reversion ^d -100 basis points		2			
Future energy prices +10 %			47	4	
Future energy prices -10 %			(51)	(4)	
Future energy output +5 %			35	(1)	
Future energy output -5 %			(39)	1	
Future prices for renewable energy credits ^e +100 %			23	2	
Future prices for renewable energy credits ^e from zero			(27)	(2)	
Planned fiber-optic build-out is completed one year earlier than expected					52
Planned fiber-optic build-out is completed one year later than expected					(42)
Actual fiber-optic build-out is 5 % higher than planned each year					38
Actual fiber-optic build-out is 5 % lower than planned each year					(38)

^a Change in the relevant input parameter assuming all other input parameters are unchanged.

^b Interest rate volatility shows the magnitude of fluctuations in interest rates over time (relative change). The larger the fluctuations, the higher the interest rate volatility.

^c The spread curve shows, for the respective maturities, the difference between the interest rates payable by the debtor and the risk-free interest rates. A minimum of zero was set for the spread curve for the sensitivity calculation, i.e., negative spreads are not applicable.

^d Mean reversion describes the assumption that, after a change, an interest rate will revert to its average over time. The higher the selected value (mean reversion speed), the faster the interest rate will revert to its average in the measurement model.

^e Renewable energy credits is the term used for U.S. emission certificates.

With a carrying amount of EUR 197 million when translated into euros, the derivatives without a hedging relationship assigned to Level 3 and carried under derivative financial assets relate to **energy forward agreements** embedded in contracts entered into by T-Mobile US. The same applies to derivative financial liabilities with a carrying amount of EUR 28 million when translated into euros. These agreements consist of two components: the energy forward agreement and the acquisition of renewable energy credits by T-Mobile US. In the case of one energy forward agreement, commercial operation is set to begin in 2025; with the others, it has already begun. Under the energy forward agreements, which are accounted for separately as derivatives, T-Mobile US receives variable amounts based on the actual energy output and the then current energy prices, and pays fixed amounts per unit of energy generated from the start of commercial operations throughout the term of the contract. The energy forward agreements are measured using valuation models because no observable market prices are available. The value of the derivatives is significantly influenced by the future energy output, the future energy prices on the relevant markets, and the future prices of renewable energy credits. The main contract parameters, including the assumptions made for unobservable parameters and periods, are set out in the following table. In our opinion, these assumptions made constitute the best estimate in each case. In the view of T-Mobile US, the contracts were entered into at current market conditions, and the most appropriate parameters for the unobservable inputs were used for measurement purposes. The transaction price at inception was zero in each case. Since the unobservable inputs have a significant influence on the measurement of the derivatives, the respective amount resulting from initial measurement (day 1 gain) – with the exception of the agreements concluded by Sprint that are explained below – was not recognized in profit or loss on initial recognition. Instead, these day 1 gains are amortized in profit or loss on a straight-line basis over the period of commercial energy production. This amortization adjusts the effects from measuring the derivatives in each accounting period using the respective valuation models and updated parameters. All amounts from the measurement of the derivatives are presented in net terms per contract in the statement of financial position (derivative financial assets/liabilities) and in the income statement (other operating income/expenses). Sprint also has agreements of this kind in its portfolio. These were concluded before the business combination with T-Mobile US and, for these agreements too, unobservable inputs have a material influence on the measurement of the derivatives. However, under the requirements for business combinations, the respective amounts resulting from the measurement are recognized as derivative financial assets, as a result of which there are no amounts yet to be amortized for these agreements. On the following reporting dates, the effects from the periodic measurement of the derivatives will be recorded in full in the income statement (other operating expenses or other operating income). At the reporting date, the calculated fair value from Deutsche Telekom's

perspective for one of the energy forward agreements described above is negative and amounts to EUR -7 million when translated into euros. All the rest are positive and amount to EUR 293 million when translated into euros. If other values had been used for future energy prices, future energy output, or future prices of renewable energy credits, the calculated fair values would have been different. These hypothetical deviations (sensitivities) are shown in the table above. In the reporting period, net income of EUR 35 million when translated into euros was recognized under the Level 3 measurement in other operating income/expense for unrealized gains for the derivatives for all the above energy forward agreements. Please refer to the corresponding table for the development of the carrying amounts in the reporting period. The development of the day 1 gain yet to be amortized in the income statement in the reporting period is shown in the following table. The straight-line amortization of the day 1 gains through profit or loss over the period of commercial energy production amounts to a total of EUR 11 million per year when translated into euros. In addition, similar energy forward agreements were concluded in Europe for which, however, no significant volatility in fair value is to be expected. At the reporting date, their carrying amounts when translated into euros were EUR 25 million (assets) and EUR 85 million (liabilities), and they were designated as hedging instruments in hedge relationships. Due to their distinctiveness, the energy forward agreements constitute a separate class of financial instruments.

Main contract parameters of energy forward agreements

	United States
Term of the contract from the start of commercial operation in years	12 to 15
End of the term of contracts for which commercial operation has already begun	2029 to 2035
Expected energy output in GWh per year	4,057
Expected energy prices per MWh for the unobservable portion of the term in €	
On-peak (i.e., times of relatively high energy demand) in €	39 to 128
Off-peak (i.e., times of relatively low energy demand) in €	23 to 94
On-peak/off-peak ratio	52 %
Length of time in years, for which energy prices are regularly observable	up to 10
Length of time in years, for which the prices of renewable energy credits are regularly observable	around 3

Development of the not yet amortized amounts

millions of €	Energy forward agreements in the United States ^a
Measurement amounts on initial recognition	245
Measurement amounts on initial recognition (additions during the reporting period)	0
Measurement amounts amortized in profit or loss in prior periods	(49)
Measurement amounts amortized in profit or loss in the current reporting period	(5)
Currency translation adjustments	11
Disposals in prior periods	(85)
Disposals in the current reporting period	0
Measurement amounts not amortized as of June 30, 2024	117

^a For more details, please refer to the explanations above.

The financial assets assigned to Level 3 (originated loans and other receivables) include the **contingent consideration receivable** from the sale of a 50 % stake in GlasfaserPlus with a carrying amount of EUR 335 million, which arises in stages upon achieving certain fiber-optic build-out milestones and is measured at fair value through profit or loss. Deutsche Telekom measures this receivable on the basis of GlasfaserPlus' current build-out plans and pace. At the current reporting date, it can be assumed that payments will fall due from 2026 to 2031. The spread of the debtor IFM constitutes an unobservable input; at the current reporting date, values of between 0.9 % and 1.3 % were used for the discounting of the individual payments. In our opinion, the assumptions used constitute the best estimate in each case. If other assumptions had been used for the amount and due dates of the payments and for the spread, the calculated fair value would have been different. These hypothetical deviations (sensitivities) are shown in the table above. Please refer to the table above for the development of the carrying amounts in the reporting period. Due to its distinctiveness, this instrument constitutes a separate class of financial instruments. The other financial assets assigned to Level 3 (originated loans and other receivables) with a carrying amount of EUR 15 million relate to immaterial items for which no significant volatility in fair value is to be expected.

For the trade receivables measured at fair value through other comprehensive income assigned to Level 3 and for the **originated loans and other receivables** measured at fair value through profit or loss, the main factor in determining fair value is the credit risk of the relevant counterparties. If the default rates applied as of the reporting date had been 1% higher (lower) with no change in the reference variables, the fair values of the instruments would have been 1% lower (higher). The financial assets assigned to Level 3 include trade receivables measured at fair value through other comprehensive income, for which the credit risk of customers constitutes an unobservable input for the measurement, with a carrying amount of EUR 7,916 million (December 31, 2023: EUR 8,446 million) when translated into euros. As a rule, a credit scoring model is used for receivables paid in installments. The cash flows are discounted on the basis of the weighted average of the original effective interest rates of the financial assets in the relevant portfolio. A weighted average credit-risk spread of 7.36% (December 31, 2023: 6.49%) was applied to the respective receivables portfolios at the reporting date. The credit-risk spreads applied are derived from the expected future credit loss of the relevant portfolio and are updated on an ongoing basis. Changes in the fair value of these trade receivables are also caused by changes in observable market interest rates.

The financial assets measured at fair value through profit or loss and assigned to Level 3 include additional **options acquired from third parties for the purchase of company shares**, with a carrying amount of EUR 13 million. No notable fluctuations in value are expected from these individual items. Due to their distinctiveness, these instruments constitute a separate class of financial instruments.

Disclosures on credit risk

In line with the contractual provisions, in the event of insolvency, all derivatives with a positive or negative fair value that exist with the respective counterparty are offset against each other, leaving a net receivable or liability. The net amounts are normally recalculated every bank working day and offset against each other. When the netting of the positive and negative fair values of all derivatives was positive from Deutsche Telekom's perspective, Deutsche Telekom received unrestricted cash collateral from counterparties pursuant to collateral agreements in the amount of EUR 41 million (December 31, 2023: EUR 39 million). The credit risk was thus reduced by EUR 41 million (December 31, 2023: EUR 37 million) because, on the reporting date, the cash collateral received was offset by corresponding net derivative positions in the same amount. On the basis of these contracts, derivatives with a positive fair value and a total carrying amount of EUR 1,221 million as of the reporting date (December 31, 2023: EUR 981 million) had a residual credit risk of EUR 7 million as of June 30, 2024 (December 31, 2023: EUR 2 million).

When the netting of the positive and negative fair values of all derivatives was negative from Deutsche Telekom's perspective, Deutsche Telekom provided cash collateral in the amount of EUR 1,222 million as of the reporting date (December 31, 2023: EUR 1,642 million) to counterparties pursuant to collateral agreements. The cash collateral paid is offset by corresponding net derivative positions of EUR 1,198 million at the reporting date (December 31, 2023: EUR 1,513 million), which is why it was not exposed to any credit risks in this amount.

On account of its close connection to the corresponding derivatives, the collateral received (paid) constitutes a separate class of financial liabilities (assets). There were no other significant agreements reducing the maximum exposure to the credit risk of financial assets. The maximum exposure to credit risk of the other financial assets thus corresponds to their carrying amounts.

In accordance with the terms of the bonds issued by T-Mobile US, T-Mobile US has the right to terminate the majority of bonds prematurely under specific conditions. The rights of early termination constitute embedded derivatives and are presented separately as derivative financial assets in the consolidated statement of financial position. Since they are not exposed to any credit risk, they constitute a separate class of financial instruments. Please refer to the explanations above for more information on the energy forward agreements for which no material collateral is provided. There is also no credit risk on embedded derivatives held. No collateral is provided for the options acquired from third parties for company shares (see explanations above).

In connection mainly with the procurement of energy, subsidiaries of Deutsche Telekom have deposited additional cash collateral of EUR 5 million when translated into euros as of the reporting date (December 31, 2023: EUR 2 million). At the reporting date, cash and cash equivalents of EUR 74 million (December 31, 2023: EUR 64 million) when translated into euros were pledged as cash collateral for liabilities issued by Sprint with the right of creditors to priority repayment in the event of default. This cash collateral is not exposed to any significant credit risk.

Related-party disclosures

The following significant changes to the related-party disclosures reported in the consolidated financial statements as of December 31, 2023 were in effect as of June 30, 2024.

As of December 31, 2023, the Federal Republic of Germany was both a direct and an indirect shareholder via KfW Bankengruppe and held 30.46 % (December 31, 2022: 30.46 %) of the share capital of Deutsche Telekom AG. As of June 30, 2024, the Federal Republic of Germany and the KfW held a total direct shareholding of 27.80 %. In its last notification of voting rights dated June 5, 2024, the Federal Republic of Germany reported that a total of 28.18 % of the voting rights in Deutsche Telekom AG were attributable to it.

Executive bodies

Board of Management

By resolution of October 13, 2023, Ferri Abolhassan was appointed as the Board member responsible for T-Systems for the period from January 1, 2024 to December 31, 2026. Mr. Abolhassan thereby succeeds Adel Al-Saleh, who had asked for his contract to be terminated and left the Group as of December 31, 2023.

Events after the reporting period

Deutsche Telekom AG's share buy-back program. In the period from July 1, 2024 to August 6, 2024, Deutsche Telekom AG bought back around 9 million shares with a total volume of around EUR 0.2 billion under the share buy-back program.

For more information, please refer to the section "[Other transactions that had no effect on the composition of the Group.](#)"

Agreement on the acquisition of Metronet in the United States. On July 18, 2024, T-Mobile US entered into an agreement with KKR & Co. Inc. to acquire Metronet Holdings, LLC and some of its subsidiaries (Metronet).

For more information, please refer to the section "[Changes in the composition of the Group and other transactions.](#)"

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Bonn, August 8, 2024

Deutsche Telekom AG
The Board of Management

Timotheus Höttges

Dr. Ferri Abolhassan

Birgit Bohle

Srini Gopalan

Dr. Christian P. Illek

Thorsten Langheim

Dominique Leroy

Claudia Nemat

Review report

To Deutsche Telekom AG, Bonn

We have reviewed the condensed consolidated interim financial statements – comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, and selected explanatory notes – and the interim Group management report of Deutsche Telekom AG, Bonn, for the period from January 1 to June 30, 2024 which are part of the half-year financial report pursuant to § (Article) 115 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed consolidated interim financial statements in accordance with the International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU and of the interim Group management report in accordance with the provisions of the German Securities Trading Act applicable to interim Group management reports is the responsibility of the parent company's board of management. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim Group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim Group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additionally observed International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim Group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim Group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements of Deutsche Telekom AG have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU nor that the interim Group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, August 8, 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Christoph Schenk
Wirtschaftsprüfer
(German Public Auditor)

Prof. Dr. Tim Hoffmann
Wirtschaftsprüfer
(German Public Auditor)

Additional information

Reconciliation for the organic development of key figures for the prior-year period ^a

For the organic presentation of figures, prior-period comparatives are adjusted for the effects of changes in the composition of the Group, exchange rate effects, and other effects. This improves the informative value of the prior-year comparatives by taking account of changes to the company's structure or exchange rates.

millions of €

	H1 2024	H1 2023	Change	Change %	Reconciliation to organic figures		Organic change		
					Recon-ciliation H1 2023	Of which: exchange rate effects	Organic H1 2023	Change	Change %
Revenue	56,337	55,060	1,276	2.3	(100)	(8)	54,961	1,376	2.5
Germany	12,667	12,290	377	3.1	(3)	(3)	12,287	379	3.1
United States	36,291	35,817	474	1.3	(74)	(1)	35,744	548	1.5
Europe	6,032	5,683	348	6.1	(7)	(6)	5,677	355	6.2
Systems Solutions	1,974	1,905	69	3.6	7	2	1,912	62	3.2
Group Development	6	106	(100)	(94.0)	(99)	0	7	(1)	(10.9)
Group Headquarters & Group Services	1,107	1,130	(23)	(2.0)	0	0	1,130	(23)	(2.1)
Service revenue	47,573	45,767	1,806	3.9	(57)	(9)	45,710	1,863	4.1
Germany	11,116	10,901	215	2.0	(3)	(3)	10,898	218	2.0
United States	30,065	28,903	1,162	4.0	(74)	6	28,829	1,236	4.3
Europe	5,040	4,715	326	6.9	18	(14)	4,732	308	6.5
Systems Solutions	1,920	1,855	65	3.5	7	2	1,862	58	3.1
Group Development	0	0	0	n.a.	0	0	0	0	n.a.
Group Headquarters & Group Services	476	482	(6)	(1.3)	0	0	482	(6)	(1.3)
EBITDA AL	20,510	31,780	(11,270)	(35.5)	21	1	31,801	(11,291)	(35.5)
Germany	4,732	4,745	(13)	(0.3)	13	0	4,758	(26)	(0.5)
United States	14,014	12,368	1,645	13.3	86	4	12,454	1,559	12.5
Europe	2,132	1,962	170	8.6	(2)	(8)	1,960	172	8.8
Systems Solutions	109	108	1	0.8	3	3	111	(2)	(1.7)
Group Development	(9)	13,007	(13,016)	n.a.	(73)	0	12,935	(12,943)	n.a.
Group Headquarters & Group Services	(459)	(397)	(62)	(15.7)	(4)	1	(401)	(58)	(14.5)
EBITDA AL (adjusted for special factors)	21,292	20,002	1,291	6.5	43	1	20,045	1,248	6.2
Germany	5,129	5,016	113	2.2	13	0	5,029	100	2.0
United States	14,169	13,090	1,079	8.2	108	4	13,198	971	7.4
Europe	2,176	2,007	169	8.4	(2)	(8)	2,005	171	8.5
Systems Solutions	164	159	5	3.4	3	3	162	2	1.5
Group Development	(11)	60	(71)	n.a.	(73)	0	(13)	1	8.8
Group Headquarters & Group Services	(326)	(317)	(9)	(2.9)	(4)	1	(321)	(5)	(1.6)

^a For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management" in the interim Group management report.

Glossary

For definitions, please refer to the [online 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,” “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 IFRS, Deutsche Telekom presents alternative non-GAAP performance measures, e.g., service revenue, EBITDA, EBITDA AL, adjusted EBITDA, adjusted EBITDA AL, adjusted core EBITDA AL, adjusted EBITDA AL margin, adjusted EBIT, EBIT margin, adjusted net profit/loss, adjusted earnings per share, free cash flow, free cash flow AL, gross and net debt, and net debt AL. These measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Alternative performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways.

For further information on alternative performance measures, please refer to the section “Management of the Group” in the 2023 combined management report ([2023 Annual Report](#)) and our [Investor Relations website](#).

The figures shown in this report were rounded in accordance with standard business rounding principles. However, changes were calculated on the basis of non-rounded values. 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

August 8, 2024	October 10/11, 2024	November 14, 2024	
Publication of the Interim Group Report as of June 30, 2024	Capital Markets Day 2024	Publication of the Interim Group Report as of September 30, 2024	
February 26, 2025	April 9, 2025	May 15, 2025	August 7, 2025
Press conference on the 2024 financial year and publication of the 2024 Annual Report	2025 Shareholder's Meeting	Publication of the Interim Group Report as of March 31, 2025	Publication of the Interim Group Report as of June 30, 2025

All dates are subject to change.

For more dates, an updated schedule, and information on webcasts, please visit our [Investor Relations website](#).

Contacts

Deutsche Telekom AG
Friedrich-Ebert-Allee 140
53113 Bonn, Germany
www.telekom.com

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

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

This Interim Group Report for January 1 to June 30, 2024 is a publication of Deutsche Telekom AG and is also available in German. The German version is legally binding.

This Interim Group Report is available [online](#).

Our Annual Report is available [online](#).

Concept: Deutsche Telekom AG

Design & technical implementation:
[nexxar GmbH, Vienna – online annual and sustainability reports](#)