CREDIT OPINION
24 June 2024

Update

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RATINGS

Deutsche Telekom AG

Domicile	Bonn, Germany
Long Term Rating	Baa1
Type	Senior Unsecured - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Deutsche Telekom AG

Update following rating affirmation

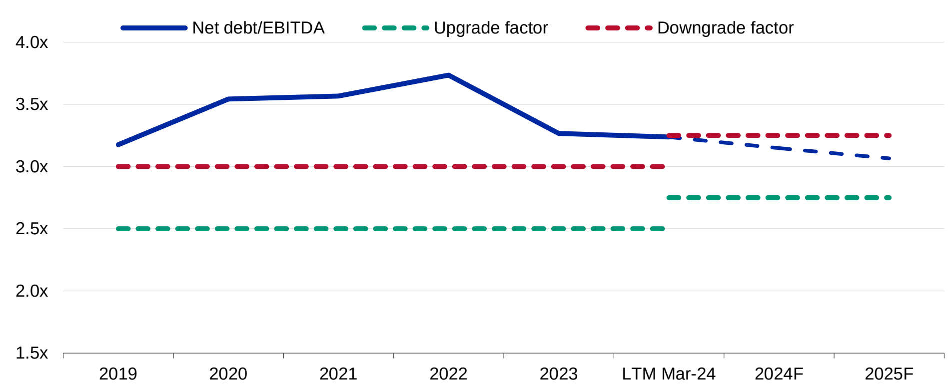
Summary

Deutsche Telekom AG's Baa1 rating primarily reflects the company's large size; geographical diversification; strong market positions; and high capital spending requirements given the low although increasing fibre coverage in Germany.

Deutsche Telekom's rating also factors in management's financial policy, which includes a leverage level of net debt/EBITDA (as reported by the company) between 2.25x and 2.75x (equivalent to Moody's-adjusted net leverage of 2.75x-3.25x); and its excellent liquidity management.

Given Deutsche Telekom's status as a government-related issuer (GRI), the Baa1 rating benefits from a one-notch uplift stemming from our expectation of support from the Government of Germany (Aaa stable).

Exhibit 1
We expect Deutsche Telekom's Moody's-adjusted net debt/EBITDA to move towards 3x by 2025
Evolution of Moody's-adjusted net debt/EBITDA



Note: Given the company's solid track record of operating performance and the improved business risk owing to its sustained increase in scale, we have recently relaxed the thresholds for the current rating category.
All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

» Large size and scale, and broad geographical diversification

» Strong performance of T-Mobile USA

» Good execution of strategy

» Excellent liquidity management, with committed credit lines to cover at least two years of debt maturities

Credit challenges

» Net leverage will likely remain close to the high end of the guidance level for the current rating for at least the next two years.

» Capital spending will remain high because of the ongoing need to enhance broadband capacity in a competitive German market.

Rating outlook

While the outlook is stable, the company is strongly positioned in the Baa1 rating category, because we expect DT's performance to remain very solid, and its leverage to be sustained at management's comfort zone leverage of 2.75x by 2025 (equivalent to a Moody's adjusted leverage below 3.25x).

Factors that could lead to an upgrade

We would consider upgrading Deutsche Telekom's rating to A3 if the group strengthens its credit metrics such that:

» its retained cash flow (RCF)/Moody's-adjusted net debt exceeds 25% and Moody's-adjusted total net debt/EBITDA remains below 2.75x, both on a sustained basis, with an improvement in its business profile and operating conditions.

Factors that could lead to a downgrade

We could downgrade the rating if the company experiences a deterioration in its operating performance, or embarks on an aggressive expansion or acquisition programme, leading to higher financial, business and execution risks, such that its:

» Moody's-adjusted net debt/EBITDA exceeds 3.25x, with no expectation of an improvement over the next 24 months

» Moody's-adjusted RCF/net debt remains at 18% or below on a sustained basis

A rating downgrade could also happen if the government's equity stake falls below 20% because we may no longer apply the Government-Related Issuers methodology to rate Deutsche Telekom.

Key indicators

Exhibit 2
Deutsche Telekom AG

(in € billions)	2019	2020	2021	2022	2023	LTM Mar-24	2024F	2025F
Revenue	80.5	101.0	107.6	114.2	112.0	112.1	114.9	117.7
Debt / EBITDA	3.4x	3.9x	3.8x	3.9x	3.4x	3.5x	3.3x	3.2x
RCF / Net Debt	24.3%	20.8%	22.7%	22.4%	23.9%	23.7%	23.3%	23.7%
(EBITDA - CAPEX) / Interest Expense	3.3x	3.0x	3.0x	2.3x	3.0x	3.1x	3.7x	3.8x
Net Debt / EBITDA	3.2x	3.5x	3.6x	3.7x	3.3x	3.2x	3.1x	3.1x
RCF / Debt	22.9%	18.9%	21.5%	21.6%	22.8%	22.1%	22.3%	22.8%
EBITDA Margin %	33.7%	36.9%	36.9%	34.6%	38.2%	38.7%	40.0%	40.4%
EBITA / Interest Expense	4.6x	3.7x	3.7x	3.3x	3.7x	3.8x	4.5x	4.7x
FCF / Debt	3.0%	-0.4%	2.6%	4.2%	7.4%	7.1%	7.2%	7.2%

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

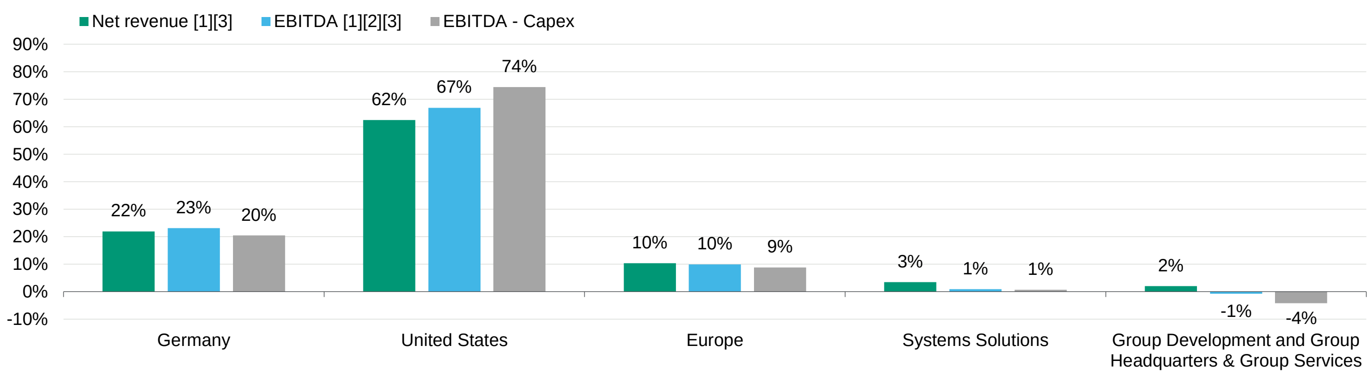
Deutsche Telekom AG mainly operates in Germany (22% of net revenue for the 12 months that ended March 2024) and the US (Aaa negative; 62%), through T-Mobile USA. Deutsche Telekom also retains strong market positions in both the fixed and mobile segments in Greece (Ba1 stable) through OTE (Hellenic Telecommunications Organization), and in a number of Central and Eastern European countries.

For the 12 months that ended March 2024, the company generated €112 billion in revenue and reported €47.4 billion in adjusted EBITDA.[1] Deutsche Telekom is 27.8% owned by the German government (13.8% directly and 14.0% through Germany's state-owned development bank Kreditanstalt für Wiederaufbau [KfW, Aaa stable]).

Exhibit 3

T-Mobile USA's weight in the group is substantial (around two-thirds of net revenue and EBITDA)

Net revenue, EBITDA, and EBITDA minus Capex by business unit (for the 12 months that ended March 2024)



[1] According to the management approach.
[2] Earnings before interest, taxes, depreciation and amortisation, adjusted for special factors.
[3] Intersegment revenue and reconciliation excluded from revenue and EBITDA calculations, respectively.
EBITDA AL = EBITDA after leases.
LTM = Last 12 months.
Source: Company

Recent developments

On May 28, 2024, T-Mobile USA announced that it has agreed to acquire substantially all of UScellular's wireless operations. This includes UScellular's wireless customers and stores, as well as certain specified spectrum assets.[2]

T-Mobile USA's definitive agreement to acquire UScellular's operations and roughly 30% of its spectrum will enhance T-Mobile USA's suburban and rural footprints across the middle and western part of the country, and augment its overall wireless business. However, T-Mobile USA's standalone rating remains unchanged. The total $4.4-billion purchase includes a combination of cash and up to around $2 billion of assumed debt. Pro forma for the UScellular transaction, we expect T-Mobile USA's total Moody's-adjusted debt/EBITDA to remain unchanged at 3.4x at year-end 2024. T-Mobile expects to close the transaction in mid-2025, pending customary conditions and regulatory approvals.

Detailed credit considerations

Deutsche Telekom's large size, broad geographical diversification and convergent strategy in Europe support its rating

Deutsche Telekom benefits from its large scale and geographical diversification because of its strong market positions in a number of countries.

The key markets for the group are Germany and the US, where it operates in the mobile segment through T-Mobile USA. In the US, the company is gradually shifting from top-line growth to higher profitability and free cash flow (FCF) generation. Together with T-Mobile USA's strong contribution to revenue and EBITDA at the group level, FCF generation has grown over past three years and now represents more than two-thirds.

Deutsche Telekom also has strong market positions in Greece (through OTE), Austria, Croatia, Hungary, North Macedonia, Slovakia, Montenegro, the Czech Republic and Poland, where the company operates in both fixed and mobile segments.

Track record of very solid operating performance and synergy execution at T-Mobile USA

As of March 31, 2024, Deutsche Telekom controlled around 58% of the voting rights in T-Mobile USA. On June 10, 2024, Deutsche Telekom announced the acquisition of 6.7 million T-Mobile USA shares through the exercise of the call option on the company's shares held by SoftBank Group Corp. (Ba3 stable). The additional shares represent around 0.6% of T-Mobile USA's outstanding shares and, thus, the transaction solidifies Deutsche Telekom's majority stake.

Nevertheless, although Deutsche Telekom will control and consolidate T-Mobile USA, it will not provide parental support. T-Mobile USA is financially independent and self-funded.

T-Mobile USA's adjusted EBITDA AL increased by 6.1% to €6.9 billion in the first quarter of 2024, despite the 1.4% decline in net revenue, mainly because of exchange-rate effects (a 0.4% increase in organic terms). The EBITDA AL growth was supported by lower overall costs, higher realised synergies from the Sprint merger and positive contribution from service revenue, which grew 2.4% over the same period, driven primarily by higher postpaid revenue from higher average postpaid accounts and postpaid revenue per account. We expect mid-single-digit organic EBITDA growth in 2024 and 2025, mainly underpinned by service revenue evolution and realization of synergies, which will likely reach a full run-rate of $8 billion in 2024 from $6 billion in 2022.

Positive performance in domestic mobile boosts revenue growth

Deutsche Telekom remains the largest telecommunications service provider in Germany, a market subject to strong competition. The company's main advantages are its brand; network quality; and ability to bundle IP television, mobile and broadband through its MagentaEINS offering.

In the mobile segment, Deutsche Telekom has a strong position, with an estimated service revenue market share of 38% as of March 2024. The company mainly competes with Vodafone and Telefonica Deutschland. The main source of competitive risk is Vodafone because of its convergent offerings, compared with Telefonica Deutschland's predominantly mobile-only offerings.

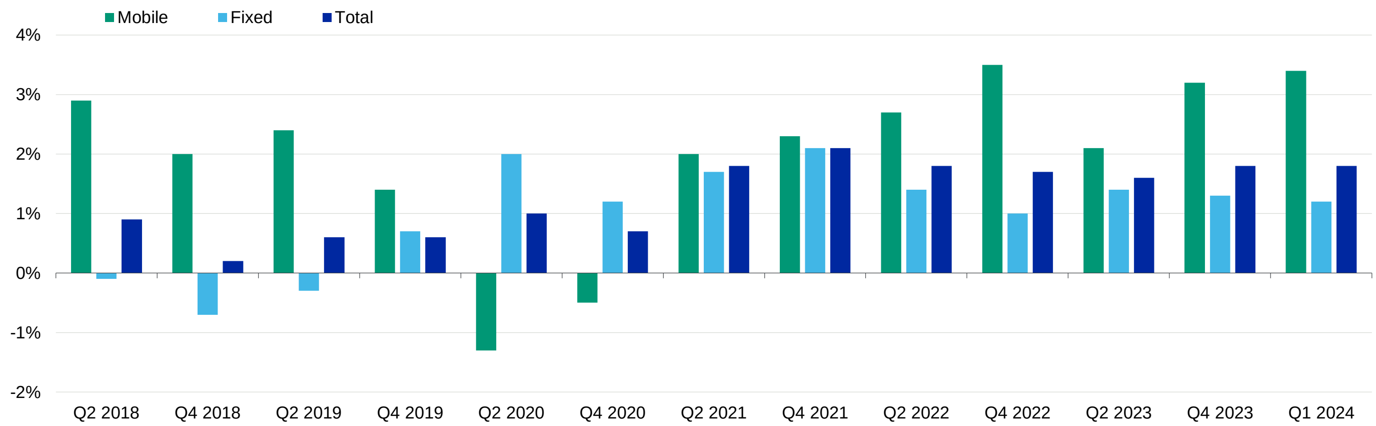
Deutsche Telekom reported a 0.4% year-over-year increase in revenue in Q1 2024, mainly driven by a 2.9% rise in service revenue, particularly on the back of increased fixed network core business as well as higher mobile service revenue. In organic terms, revenue and service revenue increased by 1.6% and 4.1%, respectively.

As Exhibit 4 shows, fixed service revenue grew 1.2% year over year in Q1 2024. Mobile service revenue grew by 3.4%, recording a constant increase after the contract termination with Lebara affecting the first half of 2023.

Exhibit 4

Mobile drove service revenue growth over the past few quarters

Germany: Evolution of Deutsche Telekom's service revenue

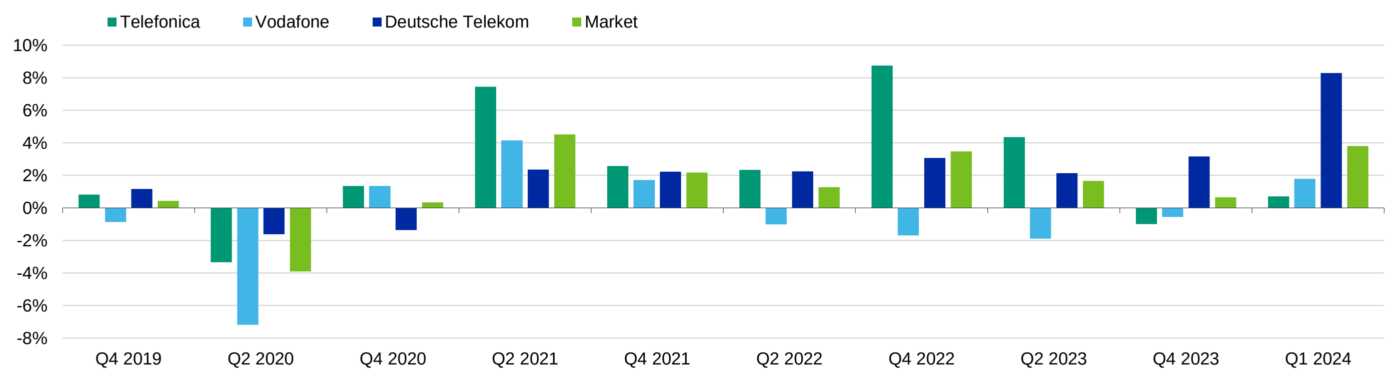


Including the IFRS 15 impact from Q1 2019.
Source: Company filings

Exhibit 5

DT has been growing faster than the market for the last two quarters

Service revenue growth



Market represents the sum of mobile network operators.
Source: Company filings

The company expects its German service revenue to slightly increase in 2024 and 2025, which — along with efficiency measures — will drive EBITDA AL growth of around 3% in 2024 and further in 2025.

Additionally, we expect the group's operating performance in Europe to continue to improve over the next two years, in line with the company's announced ambition to grow its European segment's service revenue and EBITDA AL at compound annual growth rates (CAGR) of more than 1% and 1.5%-2.5%, respectively, by 2024. Management remains focused on cutting costs to mitigate the strain on revenue pressures from competition.

At the group level, we expect a continued improvement in both top line and EBITDA over the next two years because of the ongoing cost-control, increased productivity and technology enhancements, growth in the broadband and TV segments, and a recovery in mobile service revenue. We also expect high inflation and labour costs to continue to weigh on margins. Deutsche Telekom is likely to continue to grow its revenue at a CAGR of around 2.5% over 2023-25. We also expect EBITDA AL to grow by more than 5% (2%-3%, excluding the US) over the same period, driven mainly by top-line growth, synergy execution in the US and total cost savings of €1.2 billion.

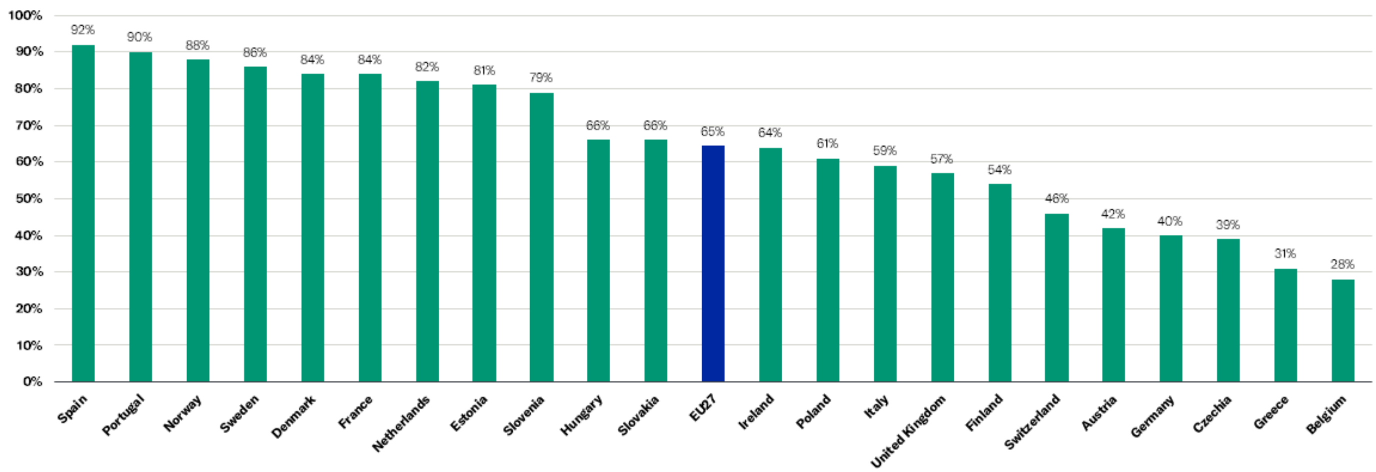
Continued high capital spending requirements to address increasing demand for faster speeds in fixed-line and mobile networks

Deutsche Telekom is implementing a large capital spending programme to modernise its network to deploy next-generation network technology in Europe and the US. The company's investments in Germany are mainly focused on fibre, as well as vectoring and super-vectoring-enabled very high-speed digital subscriber lines (VDSLs). We acknowledge the need to increase fibre coverage in Germany, which remains below the European average. The increasing focus on enhancing this fibre network is a necessary capital-intensive endeavor that the company is undertaking to bolster its infrastructure and maintain its market position in the long run.

Exhibit 6

Germany lags behind the European average with FTTH coverage of 40%

FTTH coverage by country as of September 2023



Source: Moody's Ratings and FTTH Council Europe

In Germany, Deutsche Telekom targets to reach 10 million homes with fibre-to-the-home (FTTH) by year-end 2024 from 8.2 million at the end of March 2024 (5.7 million at the end of March 2023), and more than 25 million by 2030, representing roughly 60% of Germans homes. In the FTTH rollout, Deutsche Telekom will prioritise areas where it has a strong win-back potential. The fibre rollout will also be implemented with co-building, such as its joint venture with EWE AG (Baa1 stable). 5G network coverage reached 96.5% of the population in Germany as of the end of March 2024.

In the rest of European markets, Deutsche Telekom's FTTH target comprises 10 million households with a connection speed of 1 gigabits per second (Gbps) by 2024. FTTH coverage was 36% at the end of March 2024. Coverage on 5G reached 68% as of the same date.

For T-Mobile USA, the 5G network coverage reached 95% of the population at the end of March 2024.

Financial policy balances the intention to keep leverage within guidance and continue to enhance shareholder remuneration

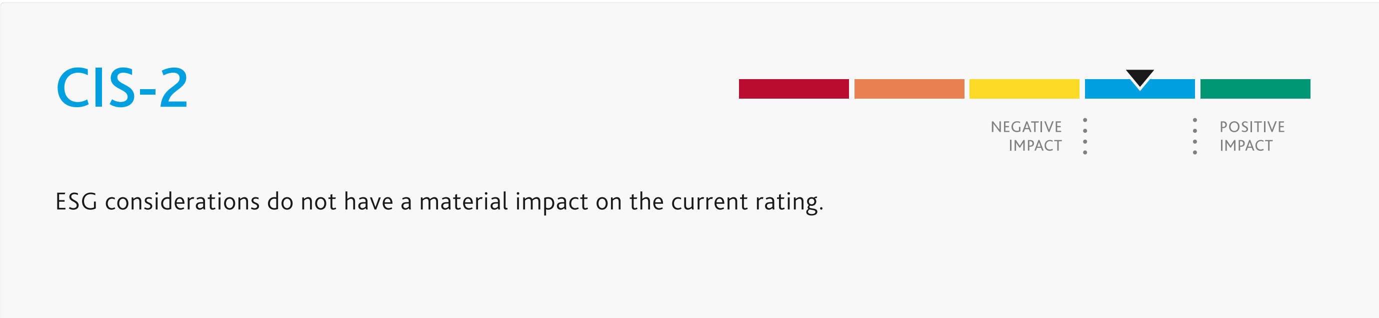
DT's financial policy includes a leverage comfort zone of net debt/EBITDA (as reported by the company) between 2.25x-2.75x (equivalent to a Moody's adjusted net leverage of around 2.75x-3.25x). The company will be holding a Capital Markets Day in October 2024, in which we expect the company to update its financial strategy and key objectives. We expect management to continue to balance its shareholder distribution policy within the financial objectives. This is in line with the November 2023 announced increase of its dividend for 2023 and a €2 billion share buyback programme, which is being implemented in 2024, in recognition of a stronger than expected operating performance.

We expect DT's leverage, in terms of Moody's-adjusted net debt/EBITDA, to reach 3.1x in 2024, and RCF/Net debt to be around 23.5% on a sustainable basis.

ESG considerations

Deutsche Telekom AG's ESG credit impact score is CIS-2

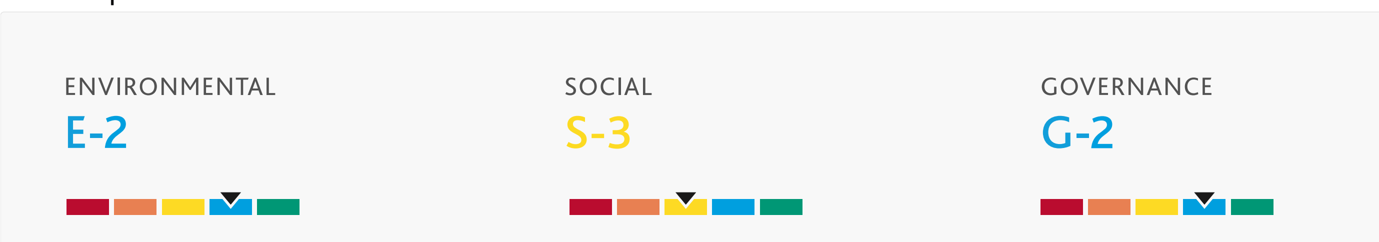
Exhibit 7
ESG credit impact score



Source: Moody's Ratings

DT's **CIS-2** Credit Impact Score indicates that ESG considerations are not material to the rating. The score reflects the company's conservative financial policy and its limited exposure to environmental and social risks.

Exhibit 8
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Deutsche Telekom's **E-2** is in line with the environmental exposure of the telecommunications industry. The nature of its telecommunications activities, with limited exposure to physical climate risk and very low emissions of pollutants and carbon, results in low environmental risk.

Social

Deutsche Telekom's **S-3** reflects DT's exposure to well entrenched labour unions with rigid employee regulations (around 20% of employee base are civil servants) and changing demographic and societal trends towards the use of telecom services. This is partially mitigated through DT's end products and services, as well as the company's which include DT's ability to adapt its services to cater to its customers' requirements. Data security and data privacy issues are prominent in the sector. The company's collection of sensitive consumer data, exposure to cyber security risks and history and frequency of customer data breaches at its US subsidiary, T-Mobile USA, Inc. could negatively impact customer relations and customer behavior, cause churn to spike and potentially attract increased scrutiny from regulators..

Governance

Deutsche Telekom's **G-2** reflects its track record of maintaining strong risk management strategies and conservative financial policies. Deutsche Telekom is a public company, with the German government being the major shareholder (27.8% total participation, of which 14.0% is through KFW). The company was privatised in 1996, with the government gradually reducing its stake to the current 27.8%. Deutsche Telekom has clearly defined metrics in terms of financial policy, within its defined leverage comfort zone (reported net debt/ EBITDA towards 2.75x), which is shared and approved by the board of directors; and has a strong corporate governance protocols and procedures in place. The company's organizational structure score factors in the fact that DT fully consolidates a number of subsidiaries that are not fully owned, mainly T-Mobile USA, Inc. (50.4% owned), OTE in Greece (52.8%), Hrvatski Telekom in Croatia (53.0%), and Magyar Telekom in Hungary (63.6%).

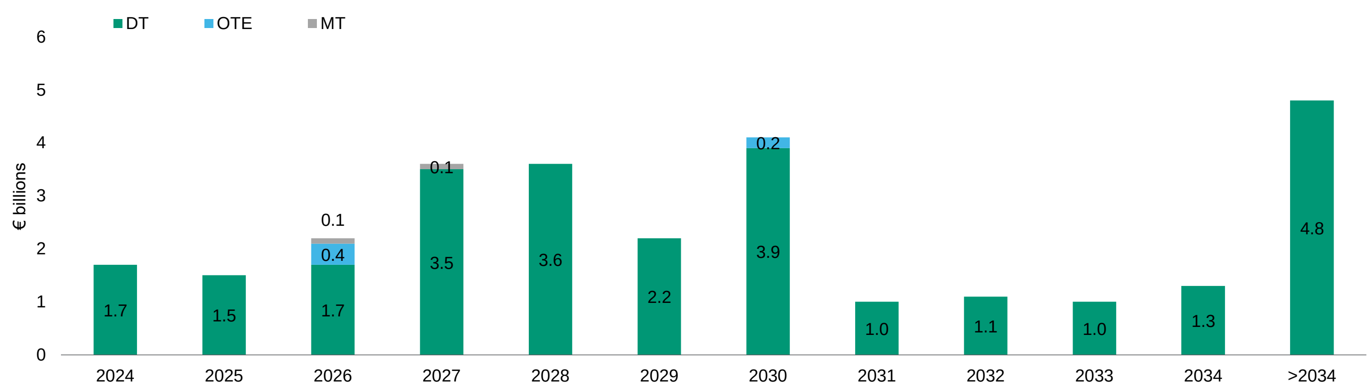
ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

Deutsche Telekom's policy includes maintaining a liquidity reserve that covers debt maturities of at least 24 months. As of March 2024, the company had cash and cash equivalents of €10.8 billion (including T-Mobile USA) and €12.0 billion of bilateral credit facilities (fully undrawn). We expect DT to generate around €10 billion of FCF per annum in 2024 and 2025. Additionally, T-Mobile USA has full availability under its $7.5 billion revolver maturing in 2027.

Exhibit 9

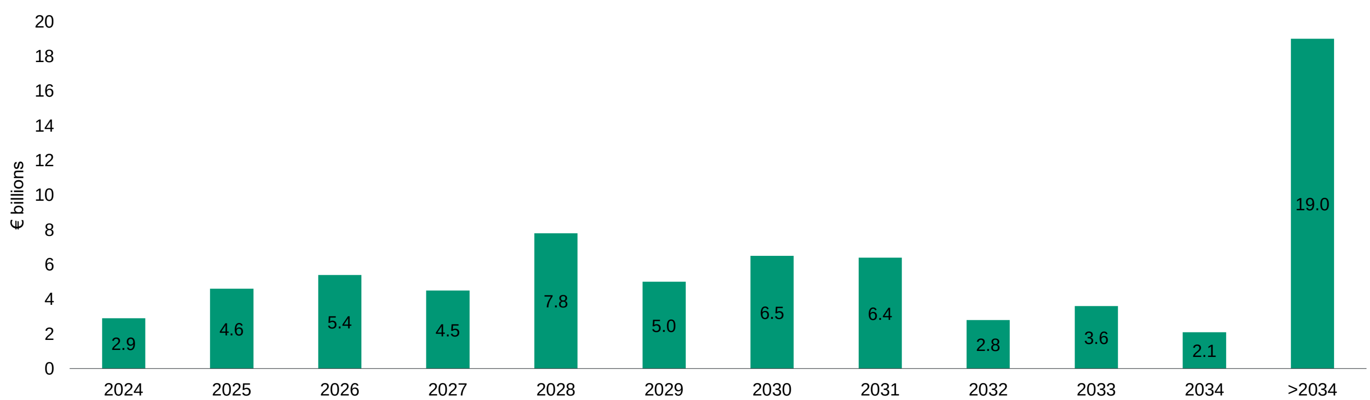
Deutsche Telekom's liquidity sources cover more than two years of debt maturities
Deutsche Telekom's (excluding T-Mobile USA) maturity profile as of 31 March 2024



Source: Company filings

Exhibit 10

T-Mobile USA has a balanced maturity schedule, with €2.9 billion of debt due in 2024
T-Mobile USA's maturity profile as of 31 March 2024



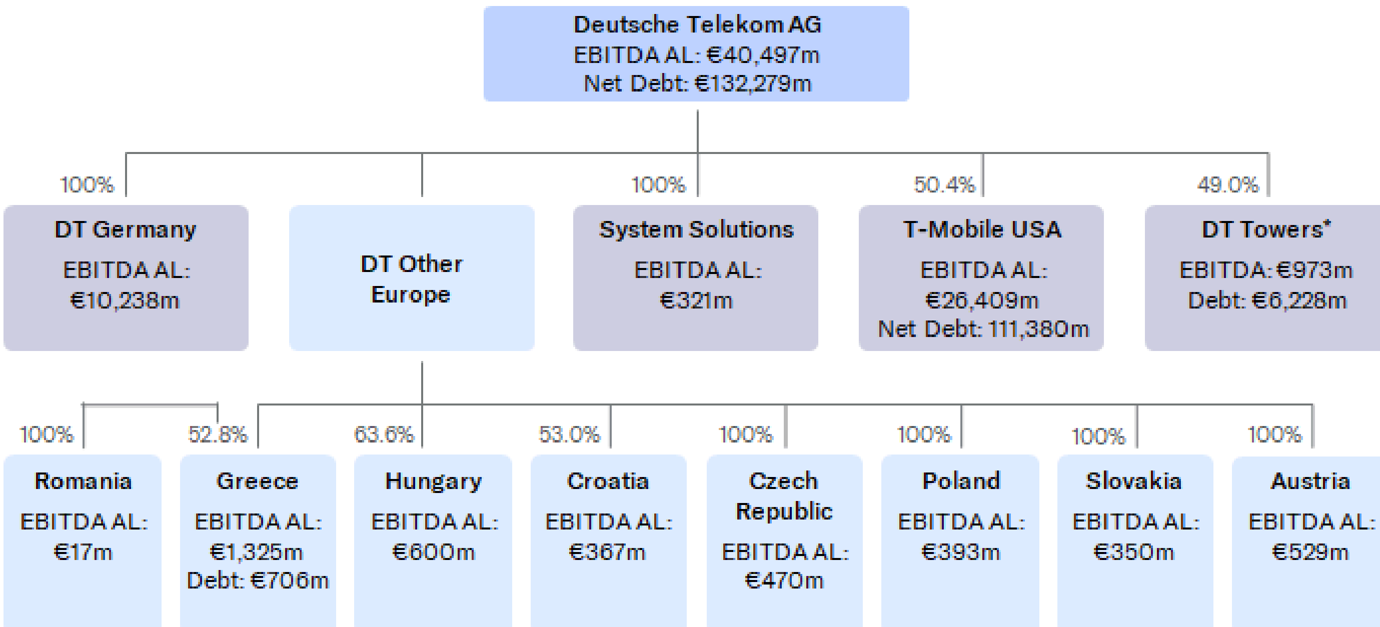
Source: Company filings

Structural considerations

Despite the presence of a significant amount of external debt at T-Mobile USA level, we have not notched down DT's debt ratings for structural subordination. This is because the credit quality of both Deutsche Telekom and T-Mobile USA is aligned, and DT's creditors mainly rely on the cash flow generated by the company outside the US to service debt at the parent level. In addition, we have factored in management's determination to keep T-Mobile USA as a financially independent, self-funded entity.

Exhibit 11

Deutsche Telekom's group structure



*DT Towers is fully deconsolidated from DT's audited accounts. DT Towers' EBITDA and Debt amounts are Moody's Ratings' estimates.
Information presented as reported by the company in 2023 annual accounts. T-Mobile USA ownership percentage presented as reported by the company in March 2024 quarterly accounts.
EBITDA AL is presented adjusted for special factors.
Source: Company

Methodology and scorecard

The scorecard-indicated outcome based on our 12-18-month forward view for Deutsche Telekom is Baa1. The difference between the Baseline Credit Assessment (BCA) of baa2 and the scorecard-indicated outcome of Baa1 is driven by our expectation that leverage will remain in line with the 2.75x-3.25x guidance for the current rating, but also reflects that the company is solidly positioned in the rating category.

The scorecard includes gross debt figures for both leverage and coverage credit metrics per the Telecommunications Service Providers rating methodology. Nevertheless, for analytical purposes, we assess and monitor Deutsche Telekom taking into consideration its net debt figures.

Additionally, for the assessment of Deutsche Telekom, we use the Government-Related Issuers Methodology. Our Baa1 rating for Deutsche Telekom reflects the combination of the following GRI inputs: a BCA of baa2, the Aaa local-currency rating of Germany, low default dependence and the likelihood of the government providing a moderate level of support to the company in the event of need.

Exhibit 12

Rating factors

Deutsche Telekom AG

Telecommunications Service Providers Industry Scorecard	Current LTM Mar-24		Moody's 12-18 month forward view	
Factor 1 : Scale (10%)	**Measure**	**Score**	**Measure**	**Score**
a) Revenue ($ billions)	121.6	Aaa	126.2 - 133.7	Aaa
Factor 2 : Business Profile (25%)				
a) Competitive Position	Aa	Aa	Aa	Aa
b) Market Share	A	A	A	A
Factor 3 : Profitability and Efficiency (10%)				
a) Revenue and Margin Sustainability	A	A	A	A
Factor 4 : Leverage and Coverage (40%)				
a) Debt / EBITDA	3.5x	Ba	3.2x - 3.3x	Ba
b) RCF / Net Debt	23.7%	Ba	23.3% - 23.7%	Ba
c) (EBITDA - CAPEX) / Interest Expense	3.1x	Ba	3.7x - 3.8x	Baa
Factor 5 : Financial Policy (15%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Rating:				
a) Scorecard-Indicated Outcome		Baa1		Baa1
b) Actual BCA Assigned				Baa2
Government-Related Issuer	**Factor**			
a) Baseline Credit Assessment	baa2			
b) Government Local Currency Rating	Aaa			
c) Default Dependence	Low			
d) Support	Moderate			
e) Actual Rating Assigned	Baa1			

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LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 13

Peer comparison

Deutsche Telekom AG

	Deutsche Telekom AG		Orange		Verizon Communications Inc.		BT Group Plc		Vodafone Group Plc		AT&T Inc.	
	Baa1 Stable		Baa1 Positive		Baa1 Stable		Baa2 Stable		Baa2 Stable		Baa2 Stable	
(in $ billions)	FY Dec-23	LTM Mar-24	FY Dec-22	FY Dec-23	FY Dec-23	LTM Mar-24	FY Mar-23	FY Mar-24	FY Mar-23	FY Mar-24	FY Dec-23	LTM Mar-24
Revenue	121	122	46	48	134	134	25	26	39	40	122	122
EBITDA Margin %	38.2%	38.7%	33.7%	32.3%	38.5%	38.5%	37.0%	37.2%	42.1%	39.2%	42.3%	42.0%
Debt / EBITDA	3.4x	3.5x	3.3x	3.3x	3.4x	3.4x	3.3x	3.5x	4.0x	3.8x	3.6x	3.6x
Net Debt / EBITDA	3.3x	3.2x	2.6x	2.8x	3.4x	3.4x	2.8x	3.2x	3.1x	3.2x	3.5x	3.5x
RCF / Debt	22.8%	22.1%	19.5%	20.4%	16.7%	16.9%	23.6%	22.0%	21.4%	22.2%	18.5%	19.1%
RCF / Net Debt	23.9%	23.7%	25.0%	24.8%	16.9%	17.2%	27.8%	24.4%	28.1%	26.4%	19.2%	19.5%
(EBITDA - CAPEX) / Interest Expense	3.0x	3.1x	4.2x	3.4x	3.5x	3.6x	1.6x	1.6x	3.2x	2.0x	3.0x	3.0x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 14

Moody's-Adjusted Debt Reconciliation for Deutsche Telekom AG[1][2]

in EUR millions	FYE Dec-2019	FYE Dec-2020	FYE Dec-2021	FYE Dec-2022	FYE Dec-2023	LTM Mar-2024
As Reported Debt	**83,063.0**	**137,256.0**	**142,068.0**	**147,167.0**	**140,821.0**	**145,154.0**
Non-Standard Public Adjustments	2,624.0	0.0	0.0	0.0	0.0	0.0
Pensions	5,831.0	7,684.0	5,059.0	3,977.5	3,880.5	3,880.5
Securitization	0.0	0.0	2,198.0	2,287.0	2,169.0	2,169.0
Moody's-Adjusted Debt	**91,518.0**	**144,940.0**	**149,325.0**	**153,431.5**	**146,870.5**	**151,203.5**

[1] All figures are calculated using Moody's estimates and standard adjustments.
[2] Periods are Financial Year-End unless indicated. LTM = Last Twelve Months.
Source: Moody's Financial Metrics TM

Exhibit 15

Moody's-adjusted debt reconciliation

Deutsche Telekom AG

(in € millions)	2019	2020	2021	2022	2023	LTM Mar-24
As reported debt	**83,063.0**	**137,256.0**	**142,068.0**	**147,167.0**	**140,821.0**	**145,154.0**
Pensions	5,831.0	7,684.0	5,059.0	3,977.5	3,880.5	3,880.5
Securitization	-	-	2,198.0	2,287.0	2,169.0	2,169.0
Non-Standard Adjustments	2,624.0	-	-	-	-	-
Moody's-adjusted debt	**91,518.0**	**144,940.0**	**149,325.0**	**153,431.5**	**146,870.5**	**151,203.5**

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 16

Moody's-adjusted EBITDA reconciliation

Deutsche Telekom AG

(in € millions)	2019	2020	2021	2022	2023	LTM Mar-24
As reported EBITDA	**27,857.0**	**38,014.0**	**39,834.0**	**44,373.0**	**42,683.0**	**43,298.0**
Pensions	(5.0)	(215.0)	(88.0)	35.0	31.0	31.0
Securitization	-	-	-	74.7	68.0	68.0
Interest Expense	(229.0)	(531.0)	-	-	-	-
Unusual Items	(490.0)	-	-	(4,923.0)	-	-
Moody's-adjusted EBITDA	**27,133.0**	**37,268.0**	**39,746.0**	**39,559.7**	**42,782.0**	**43,397.0**

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 17

Overview on selected historical and forecast Moody's-adjusted financial data

Deutsche Telekom AG

(in € millions)	2019	2020	2021	2022	2023	LTM Mar-24	2024F	2025F
INCOME STATEMENT								
Revenue	80,531	100,999	107,610	114,197	111,970	112,088	114,860	117,667
EBITDA	27,133	37,268	39,746	39,560	42,782	43,397	45,895	47,534
BALANCE SHEET								
Cash & Cash Equivalents	5,363	12,901	7,581	5,680	7,170	10,723	6,000	6,000
Total Debt	91,518	144,940	149,325	153,432	146,871	151,204	150,479	151,723
Net Debt	86,155	132,039	141,744	147,752	139,701	140,481	144,479	145,723
CASH FLOW								
Cash Flow From Operations (CFO)	22,930	24,547	31,459	35,730	37,416	37,472	38,224	38,696
Capital Expenditures	(16,649)	(22,031)	(24,423)	(25,865)	(22,470)	(22,412)	(22,022)	(22,080)
RCF / Net Debt	24.3%	20.8%	22.7%	22.4%	23.9%	23.7%	23.3%	23.7%
Free Cash Flow (FCF)	2,720	(551)	3,891	6,480	10,919	10,688	10,835	10,962
FCF / Net Debt	3.2%	-0.4%	2.7%	4.4%	7.8%	7.6%	7.5%	7.5%
PROFITABILITY								
EBITDA margin %	33.7%	36.9%	36.9%	34.6%	38.2%	38.7%	40.0%	40.4%
INTEREST COVERAGE								
(EBITDA - CAPEX) / Interest Expense	3.3x	3.0x	3.0x	2.3x	3.0x	3.1x	3.7x	3.8x
LEVERAGE								
Net Debt / EBITDA	3.2x	3.5x	3.6x	3.7x	3.3x	3.2x	3.1x	3.1x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Ratings

Exhibit 18

Category	Moody's Rating
DEUTSCHE TELEKOM AG	
Outlook	Stable
Senior Unsecured	Baa1
Commercial Paper	P-2
DEUTSCHE TELEKOM INTERNATIONAL FINANCE B.V.	
Outlook	Stable

Bkd Senior Unsecured	Baa1

Source: Moody's Ratings

Endnotes

1 Reported figures per Deutsche Telekom's management view.

2 Moody's Ratings says T-Mobile spreads wireless footprint with UScellular operations and spectrum acquisition.

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