

H1 2007 Conference call. Deutsche Telekom.

August 9, 2007



Disclaimer.

This presentation contains forward-looking statements that reflect the current views of Deutsche Telekom management with respect to future events. They include statements as to market potential, the “2007 Guidance” statements as well as our dividend outlook. They are generally identified by the words “expect,” “anticipate,” “believe,” “intend,” “estimate,” “aim,” “goal,” “plan,” “will,” “seek,” “outlook” or similar expressions and include generally any information that relates to expectations or targets for revenue, adjusted EBITDA 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, including those described in the sections “Forward-Looking Statements” and “Risk Factors” of the company’s Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. Among the relevant factors are the progress of Deutsche Telekom’s workforce reduction initiative and the impact of other significant strategic or business initiatives, including acquisitions, dispositions and business combinations and cost saving initiatives. In addition, regulatory rulings, stronger than expected competition, technological change, litigation and supervisory 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. Deutsche Telekom does not assume any obligation to update forward-looking statements to take new information or future events into account or otherwise. Deutsche Telekom does not reconcile its adjusted EBITDA guidance to a GAAP measure because it would require unreasonable effort to do so. As a general matter, Deutsche Telekom does not predict the net effect of future special factors because of their uncertainty. Special factors and interest, taxes, depreciation and amortization (including impairment losses) can be significant to the company’s results.

In addition to figures prepared in accordance with IFRS, Deutsche Telekom presents non-GAAP financial performance measures, including EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, adjusted net profit, free cash flow, gross debt and net debt. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial 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 relevant to the interpretation of these terms, please refer to the chapter “Reconciliation of pro forma figures”, which is posted on Deutsche Telekom’s Investor Relations website at www.deutschetelekom.com.

H1 2007. Highlights.

René Obermann, CEO



H1/07 Highlights: Successful start to the new strategy.

- Group revenue up 3.5% to €31 billion – strong international revenue growth (+14.6%)
- Adj. group EBITDA at € 9.6 billion – second quarter 1.8% growth
- International adj. EBITDA growth (+21.8%) continues
- Free cash flow of €2.3 billion (+5%)
- Reported and adj. net income at €1.1 billion (impacted by higher D&A, net financial expense, and taxes)
- Improved competitiveness in Germany
- Asset disposal program continued: €1.2 billion achieved as of today
- “Save for Service” cost cutting plan for 2007: €0.8 billion realized in H1

Management update: Focus, fix and grow.

Improve competitiveness
in Germany

Grow abroad
with mobile

Mobilize
internet and
Web 2.0 trend

Build the ICT
business
With partner(s)

Achievements:

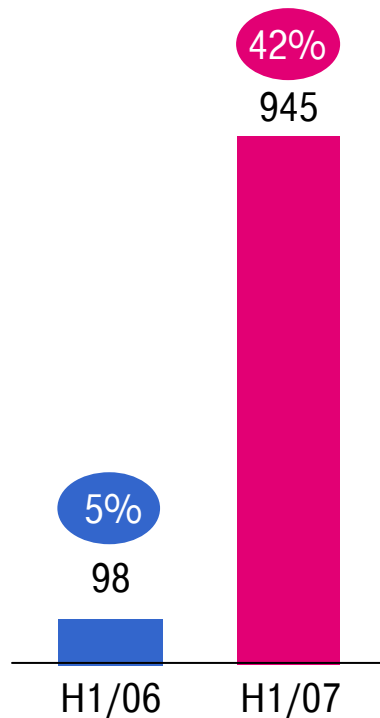
- 2nd quarter DSL retail market share of net adds at 42% – H1 in line with plan
- BFFN cost cutting improves domestic margin in Q2: 1.3 pp sequential improvement
- Robust contract customer growth at T-Mobile Germany: 428k in H1/07
- 2nd brand launched in July
- Telekom Service set up as of July: projected savings increasing to approx. €0.7 billion p.a. by 2010

Improve competitiveness in Germany. Telekom Service - Key achievements.

- Foundation for successful customer-centric organization achieved through Telekom Service agreement
- Implementation of three cost efficient and focused customer service units
- Increase working hours from 34 to 38 h without compensation (50,000 employees)
- Other changes in terms and conditions will increase effective weekly working hours as well
- Salary cut by 6.5% for non-civil servants (31,000 employees), cost/hour reduced by 20-25%
- Variable part of salary increased to up to 20%
- Pay freeze for DTAG employees until YE 2008
- Lower salary entry level: from up to approx. €36,000 to up to approx. €23,000

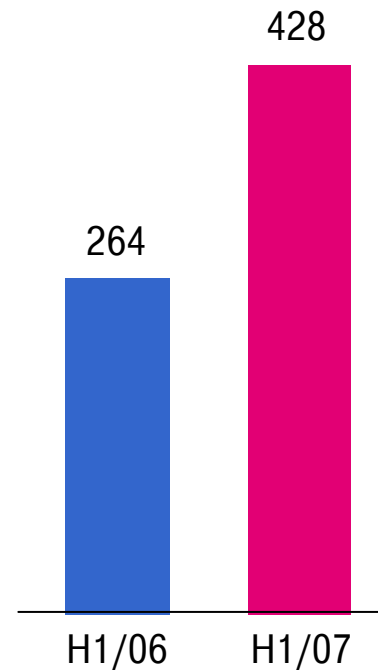
Improve competitiveness in Germany.

Broadband retail market share and net adds (in 000)



- Retail share above 40% in each quarter since Q4/06 (42% in Q2/07)
- Strong growth of new bundled products: +4.2 million in H1/07 to 7.4 million

Contract net adds T-Mobile Germany (in 000)



- T-Mobile's Max flat rate customers now 539k: most successful mobile flat rate plan in Germany
- Contract MOU per customer up more than 10% yoy in H1/07

Save for Service.

- 2007 “Save for Service” target of €2 billion on track
- €0.8 billion actual savings achieved in H1 2007
- Measures for an annual total of €1.4 billion implemented

Savings H1 2007	in € billion
BBFN	0.5
Mobile	0.1
Business Customers	0.1
GHS	0.1
Total	0.8

Personnel: 6,200 net domestic headcount reduction.

- 8,200 domestic headcount reduction¹ in H1 (20,400 employees since start of “32,000 program” in 2006)
 - Of which 5,000 early and partial retirement and severance programs
 - Of which 1,400 turnover and regular retirement
 - Of which 1,800 deconsolidation
- 1,600 new hires mainly in service and sales
- Additional approx. 1,800 contracts for early and partial retirement and severance programs signed as of end of June 2007

¹ Before new hires.

Management update: Focus, fix and grow.

Improve
competitiveness
in Germany

Grow abroad
with mobile

Mobilize
internet and
Web 2.0 trend

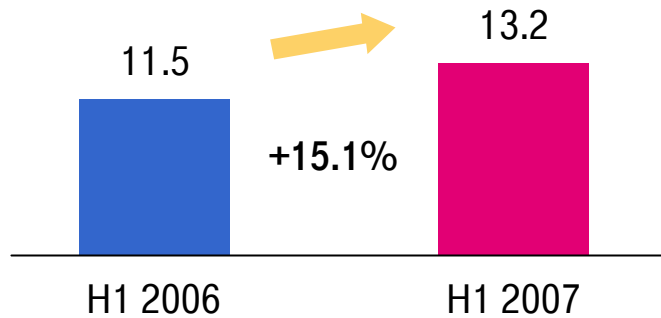
Build the ICT
business
With partner(s)

Achievements:

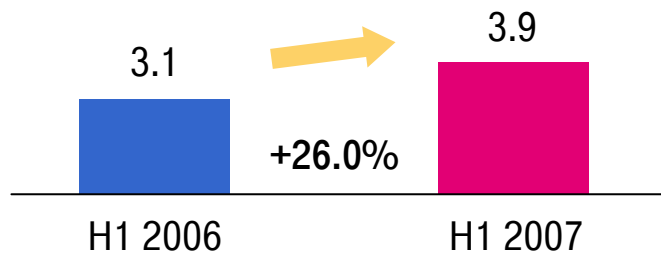
- T-Mobile continues double digit revenue growth (10.5% in H1) and improves margins (0.9 pp yoy in H1)
- Strong contract net adds: 2.5 million in H1/07 (excl. Germany)
- Intended acquisition of Orange NL will significantly improve position in the NL
- T-Mobile HotSpot @ Home launched in the US

Grow abroad with mobile: International revenue and EBITDA development.

Mobile international revenues (€ billion)

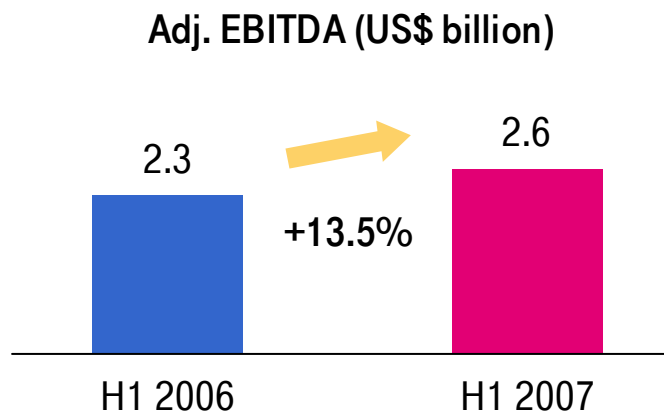
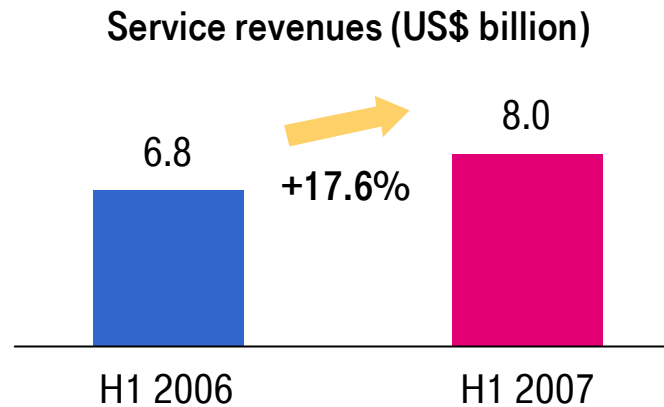


Mobile international adj. EBITDA (€ billion)



- Strong revenue and adj. EBITDA growth continues
- UK EBITDA at €500 million, up from €336 million in H1 06. Margin improved from 15.6% to 21.3%
- Contract customer base increased by 6.5 million in 12 months to 56 million

Grow abroad with mobile: T-Mobile USA: Delivering growth and profitability.



- Total revenue (US\$) up 13.2%
- Adj. EBITDA margin at 29.0% in Q2/07, up from 27.0% in Q1/07
- Strong ARPU in H1/07:
 - Blended: \$51, up from \$50 in H1/06
 - Contract: \$57, up from \$55 in H1/06
- Contract churn at 1.9% in H1/07 (from 2.1%)
- 1.8 million net adds – 77% contract (1.4 million)

Management update: Focus, fix and grow.

Improve competitiveness
in Germany

Grow abroad
with mobile

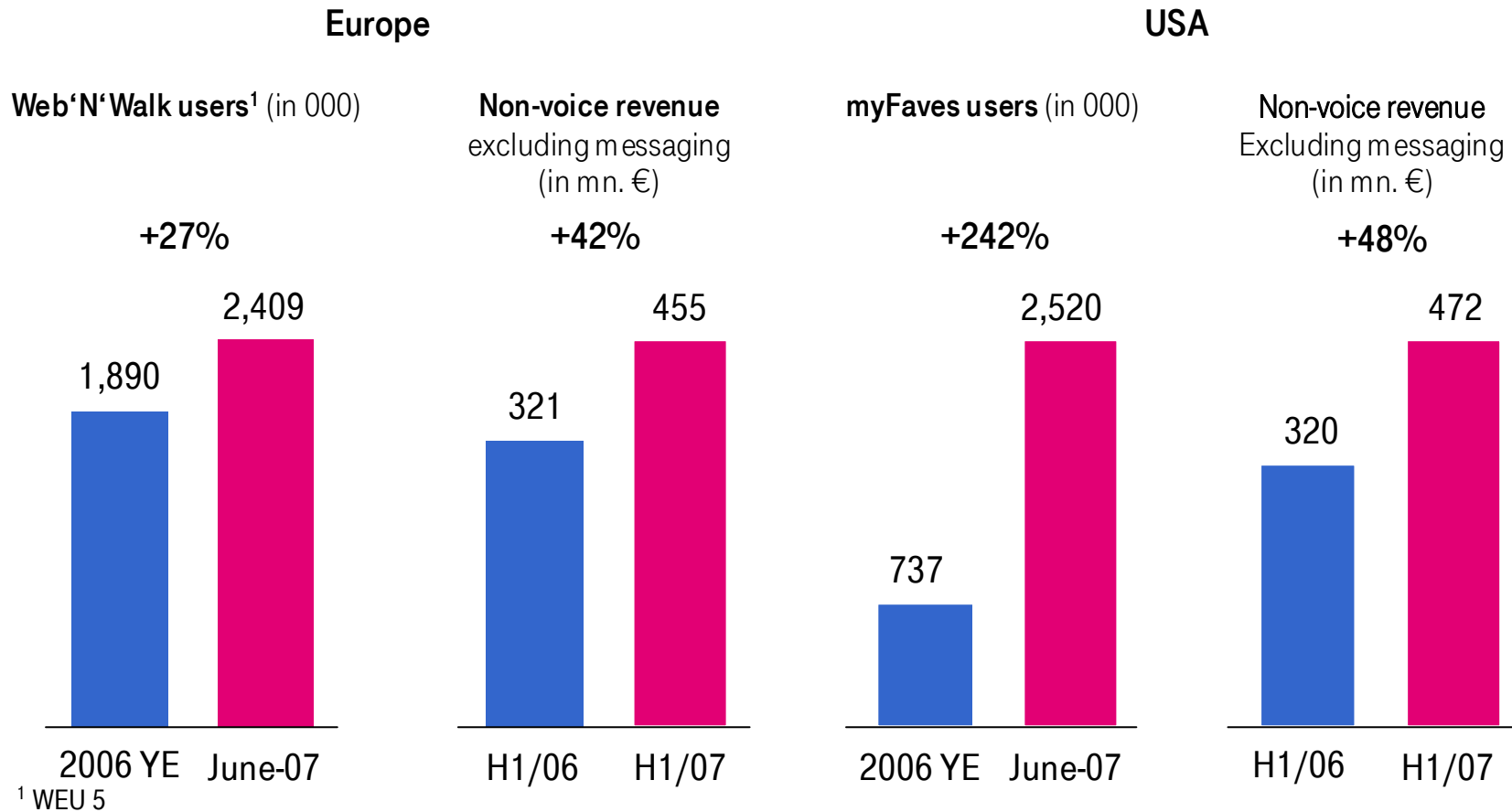
Mobilize
internet and
Web 2.0 trend

Build the ICT
business
With partner(s)

Achievements:

- Total data revenues €2.6 billion in H1/07, up 31.5%
- US data revenues €0.9 billion in H1/07, up 47.6%
- Non-messaging data revenue growth 44.5% to €0.9 billion in H1/07
- UMTS data volume in H1/07 more than 10 times UMTS data volume in H1/06
- 2.4 million web'n'walk customers, +0.5 million in H1/07
- 2.5 million myFaves customers, +1.8 million in H1/07

Mobilize the internet and Web 2.0 trends.



Management update: Focus, fix and grow.

Improve competitiveness
in Germany

Grow abroad
with mobile

Mobilize
internet and
Web 2.0 trend

Build the ICT
business
With partner(s)

Update:

- Full commitment to our business/corporate solutions focused on network-centric ICT services
- Providing critical IT and TC components and processes for our business customers from one source
- Based on our discussions with potential partners we have fine-tuned the core activities we want to pursue in network-centric ICT
- We are now in a position to tailor the scope and structure of the business parts to be partnered, which is a complex process that needs accuracy and due diligence

Asset-disposal program.

- DFMG
 - US Towers
 - Club Internet ✓
 - Ya.com ✓
 - Media & Broadcast
 - DeTelmmobilien
 - Sireo (remaining stake) ✓
 - Real estate ✓
- Progress asset-disposal program:
 - Club Internet sale concluded on June 29
 - €0.9 billion cash-in in H1/07 (incl. real estate)
 - Ya.com sale concluded on July 31
 - €1.2 billion total committed to date

2007 Guidance: We reconfirm our guidance.

- Moderate revenue growth
- Adj. group EBITDA: around €19 billion
- Free cash flow: around €6 billion (incl. real estate sales)

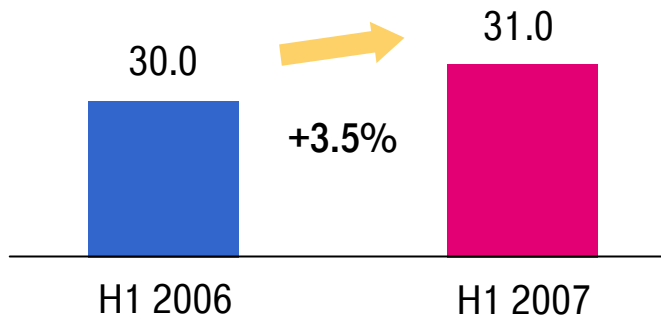
H1 2007. Financials.

Dr. Karl-Gerhard Eick, CFO and Deputy CEO

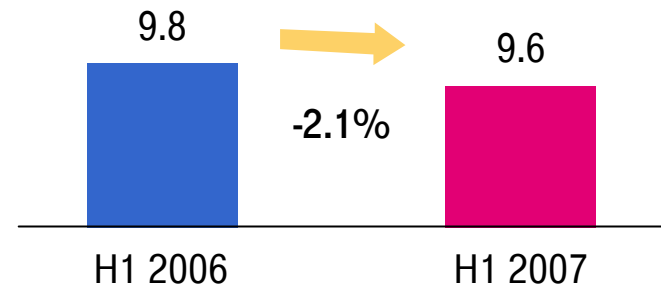


Overview Group financials.

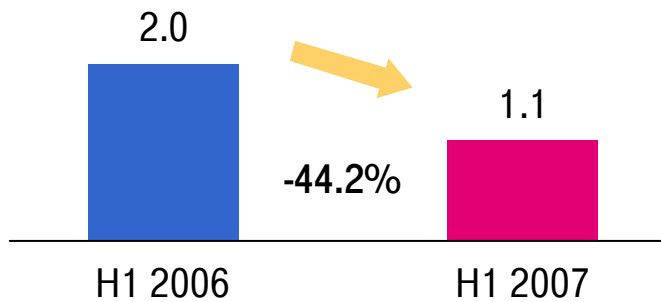
Revenue (€ billion)



Adj. EBITDA (€ billion)



Adj. net Income (€ billion)

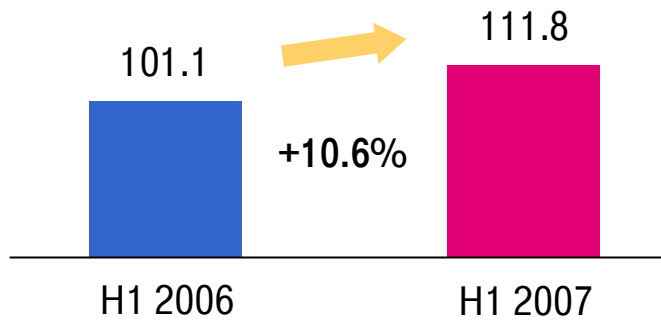


FCF adj. (€ billion)

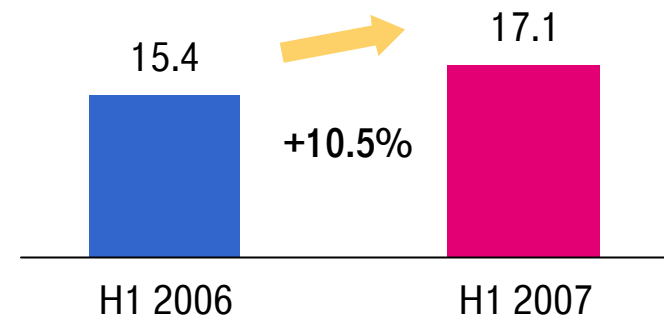


Mobile summary.

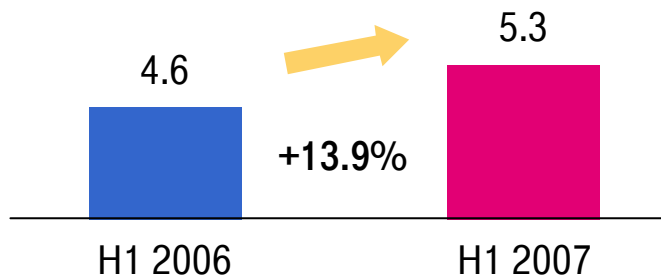
Customers (million)



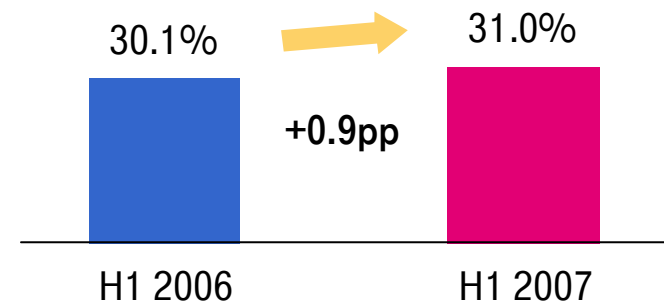
Total revenue (€ billion)



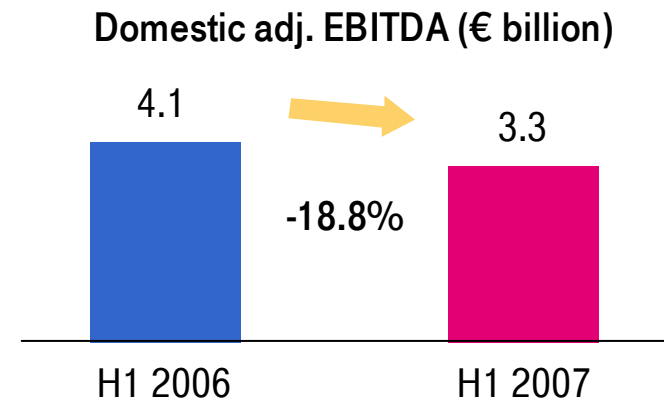
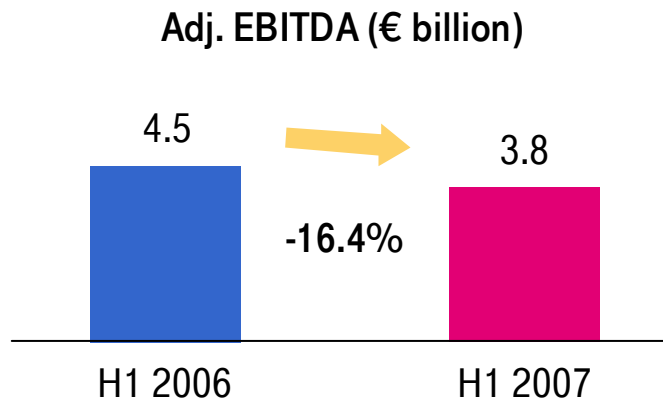
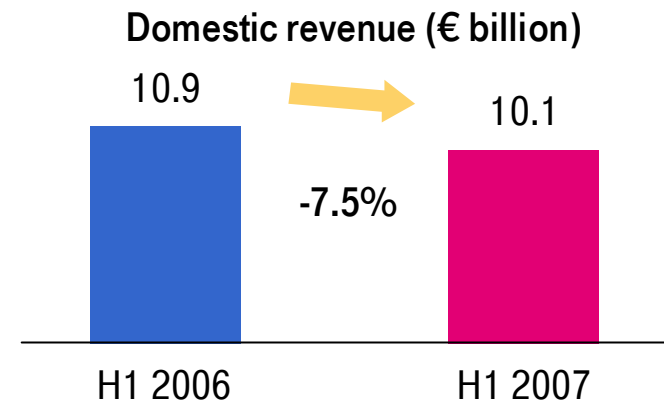
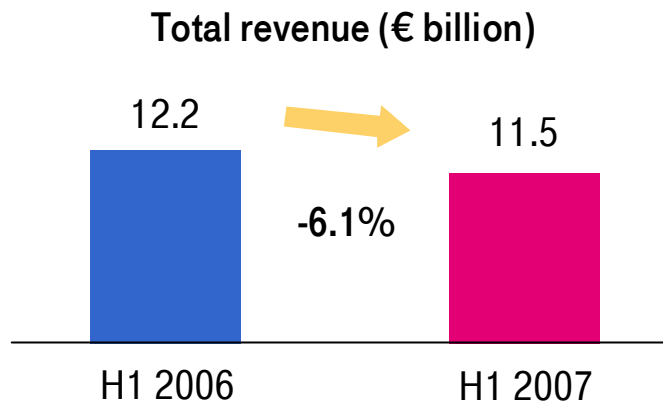
Adj. EBITDA (€ billion)



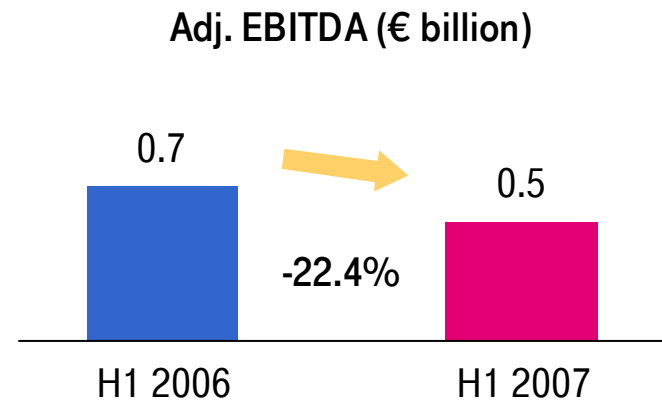
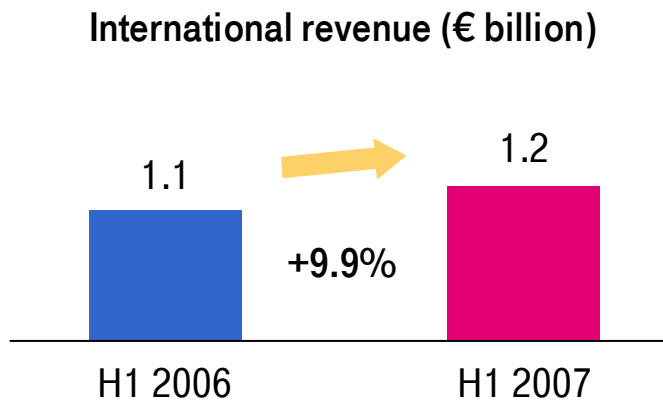
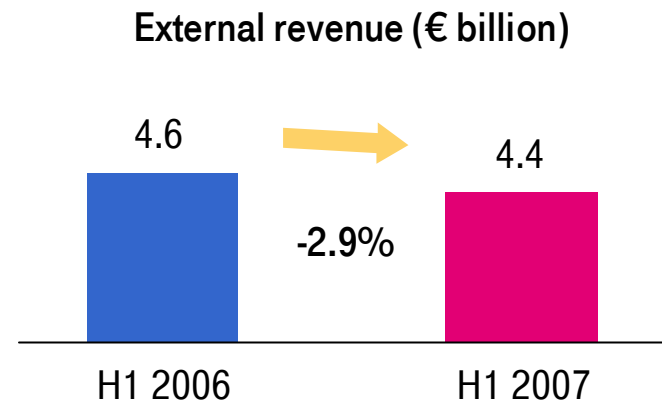
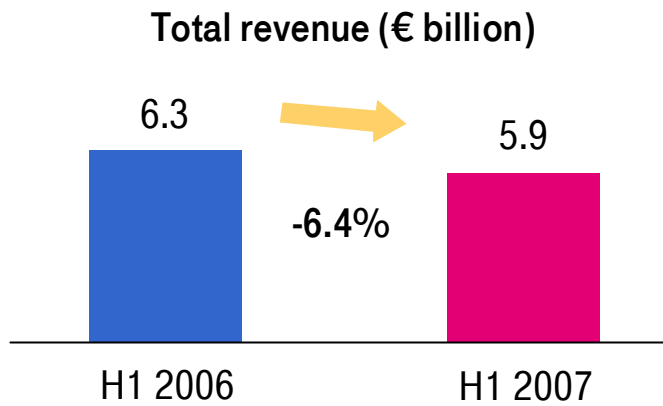
Adj. EBITDA margin (in %)



BBFN Summary.



Business Customers summary.



H1 2007 – Free cash flow.

€ billion	H1/07	H1/06
EBITDA (reported)	9.4	9.6
Non cash items and others	- 0.4	- 0.0
Change in working capital and accruals	- 2.3	- 2.0
- of which restructuring payments	- 1.0	- 0.2
Income taxes paid	- 0.0	- 0.5
Cash generated from operations	6.6	7.1
Net interest payment	- 1.4	- 1.4
Net cash provided by operating activities	5.2	5.7
Investments in PP&E and intangible assets	- 3.6	- 4.0
Proceeds from disposition of assets	0.5	0.4
- of which proceeds from real estate sales	0.4	0.3
Free cash flow	2.2	2.2
Free cash flow adjusted ¹	2.3	2.2

¹ Excl. Centrica.
Rounded figures.

H1 2007 – Net income.

€ billion	H1/07	H1/06	Adj. H1/07	Adj. H1/06
EBITDA	9.4	9.6	9.6	9.8
Depreciation and amortization	- 5.5	- 5.2	- 5.5	- 5.2
Net financial expense	- 1.5	- 1.3	- 1.5	- 1.5
- of which net interest expense	- 1.3	- 1.3	- 1.3	- 1.3
EBT	2.3	3.1	2.6	3.1
Income taxes	- 1.0	- 0.8	- 1.2	- 0.8
Earnings after taxes	1.3	2.3	1.4	2.3
Minorities	- 0.3	- 0.2	- 0.3	- 0.2
Net income	1.1	2.1	1.1	2.1

Rounded figures

H1 2007 –Balance sheet ratios.

€ billion	30.06.2007	31.03.2007
Balance sheet total	124.5	129.4
Shareholders' equity	47.2	50.0
Net debt	40.4	39.1
Gearing	0.9x	0.8x
Equity ratio ¹	37.9%	36.2%

¹ Excl. dividend payout.

Thank you for your attention!