

Deutsche Telekom AG, Bonn

– ISIN DE0005557508 –

– Securities identification code 555 750 –

Dividend Announcement

The ordinary shareholders' meeting on May 3, 2006, resolved to use the unappropriated net income of EUR 3,569,672,664.50 from the 2005 financial year as follows:

Dividend payments amounting to EUR 3,005,257,600.80; this corresponds to EUR 0.72 per individual no par value share carrying dividend rights.

The remaining amount of EUR 564,415,063.70 will be carried forward to the next year.

Dividends will be paid out on May 4, 2006, as follows:

Dividends will be paid by Clearstream Banking AG, Frankfurt am Main, via the depository banks, less 20% capital gains tax and 5.5% solidarity surcharge on the capital gains tax (a total of 21.10%). The capital gains tax and the solidarity surcharge are offset against the income tax or corporate income tax paid by domestic shareholders who are not exempt from these taxes.

The deduction of capital gains tax and the solidarity surcharge on the capital gains tax does not apply to shareholders who have submitted to their depository banks a non-assessment note from the tax authorities. In such cases, the tax credit is also refunded by the paying bank. The same applies in toto or in part to shareholders who have submitted to their depository banks an exemption order as long as the amount of the exemption specified in the order has not been used up by other capital gains.

Bonn, May 2006

**Deutsche Telekom AG
Board of Management**

Deutsche
Telekom 

Dilution Adjustment for Mandatory Convertible Bonds

**Deutsche Telekom International Finance B.V.
EUR 2,288,500,000 Mandatory Convertible
Bonds guaranteed by Deutsche Telekom AG
and due 2006**

In accordance with § 12 of the terms and conditions of the above-mentioned Mandatory Convertible Bonds, Deutsche Telekom International Finance B.V. gives notice that Deutsche Telekom AG, in connection with the payment of a dividend to its shareholders

for the 2005 financial year, shall fulfill each bondholder's entitlement to compensation by way of a dividend compensation payment in cash as defined in the terms and conditions.

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