

DIVIDEND ANNOUNCEMENT

On May 17, 2018, the shareholders' meeting approved the use of EUR 3,082,530,958.65 of the EUR 5,927,230,072.40 unappropriated net income generated in the 2017 financial year for dividend payment of EUR 0.65 per no par value share carrying dividend rights, and the carrying forward of the remaining balance of EUR 2,844,699,113.75.

The dividend will be paid out to shareholders by the depository banks via Clearstream Banking AG from May 22, 2018. The paying agency is Deutsche Bank AG, Frankfurt am Main. As dividends are paid out in full from the tax contribution account (§ 27 Corporation Tax Act, Körperschaftssteuergesetz – KStG) (contributions other than into nominal capital), payment will be made without the deduction of capital gains tax or the solidarity surcharge.

Dividends paid to shareholders in Germany are not subject to taxation. Dividends do not involve tax refunds or tax credits. In the German tax authorities' view the dividend payment reduces the acquisition costs of the shares for tax purposes.

Bonn, May 2018

**Deutsche Telekom AG
The Board of Management**