Deutsche Telekom

INTERIM GROUP REPORT

Q1 2024

JANUARY 1 TO MARCH 31

Connecting
your world.

Contents

In the interest of clarity, we have tended to avoid using a combination of pronouns such as “he/she/they,” etc. with regard to gender.
All references to individuals refer equally to all genders.

Deutsche Telekom at a glance

millions of €

		Q1 2024	Q1 2023	Change %	FY 2023
Revenue and earnings [a]					
Net revenue		27,942	27,839	0.4	111,985
Of which: domestic	%	24.1	22.6		23.0
Of which: international	%	75.9	77.4		77.0
Service revenue		23,485	22,814	2.9	92,919
EBITDA		11,760	24,046	(51.1)	57,777
EBITDA (adjusted for special factors)		12,057	11,516	4.7	46,831
EBITDA AL		10,156	22,364	(54.6)	51,160
EBITDA AL (adjusted for special factors)		10,473	9,963	5.1	40,497
EBITDA AL margin (adjusted for special factors)	%	37.5	35.8		36.2
Profit (loss) from operations (EBIT)		5,686	18,015	(68.4)	33,802
Net profit (loss)		1,982	15,360	(87.1)	17,788
Net profit (loss) (adjusted for special factors)		2,238	1,959	14.2	7,940
Earnings per share (basic and diluted)	€	0.40	3.09	(87.1)	3.57
Adjusted earnings per share (basic and diluted)	€	0.45	0.39	15.4	1.60
Statement of financial position					
Total assets		295,222	303,793	(2.8)	290,305
Shareholders' equity		93,213	98,685	(5.5)	91,237
Equity ratio	%	31.6	32.5		31.4
Net debt [b]		133,116	133,517	(0.3)	132,279
Cash flows					
Net cash from operating activities		9,614	9,558	0.6	37,298
Cash capex		(4,718)	(4,826)	2.2	(17,866)
Cash capex (before spectrum investment)		(4,661)	(4,759)	2.1	(16,591)
Free cash flow (before dividend payments and spectrum investment)		4,986	4,822	3.4	20,912
Free cash flow AL (before dividend payments and spectrum investment)		3,708	3,579	3.6	16,141
Net cash (used in) from investing activities		(4,630)	2,005	n.a.	(10,213)
Net cash (used in) from financing activities		(1,552)	(6,340)	75.5	(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

	Mar. 31, 2024	Dec. 31, 2023	Change Mar. 31, 2024/ Dec. 31, 2023 %	Mar. 31, 2023	Change Mar. 31, 2024/ Mar. 31, 2023 %
Fixed-network and mobile customers					
Mobile customers [a]	255.8	252.2	1.4	248.1	3.1
Fixed-network lines	25.3	25.4	(0.2)	25.3	0.1
Broadband customers [b]	22.1	22.0	0.4	21.6	2.5

[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.

The figures shown in this report were rounded in accordance with standard business rounding principles. As a result, the total indicated may not be equal to the precise sum of the individual figures. Changes were calculated on the basis of millions for greater precision.

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.

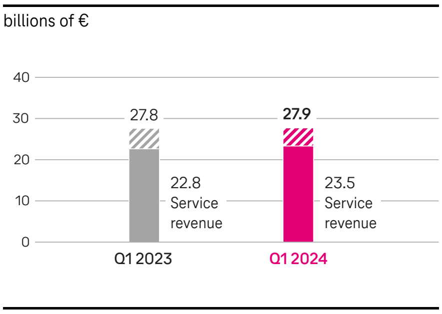
For information on our performance indicators and alternative performance measures, please refer to the section "Management of the Group" in the 2023 combined management report (2023 Annual Report) and to our Investor Relations website.

To our shareholders

Development of selected financial data

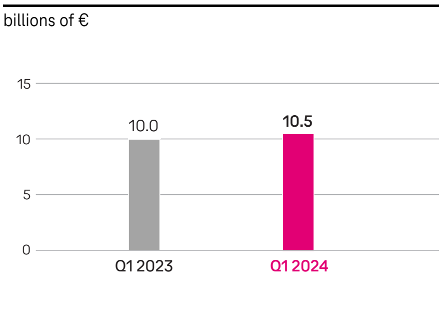
Net revenue, service revenue [a]

- Net revenue increased by 0.4 % to EUR 27.9 billion. On an organic basis, revenue was up 1.6 % against the prior-year level. Service revenue increased by 2.9 % to EUR 23.5 billion; in organic terms, the increase was 4.1 %.
- The Germany segment increased revenue by 2.6 % year-on-year on the back of the strong development of service revenues.
- In the United States segment, revenue declined by 1.4 % due to exchange rate effects; in organic terms, revenue was up 0.4 %, driven in part by the strong development of service revenue.
- Revenue in our Europe segment grew by 6.3 % on account of higher service revenues.
- Revenue in the Systems Solutions segment was up 5.0 % year-on-year, on the back of growth in the Cloud and Road Charging portfolio areas.



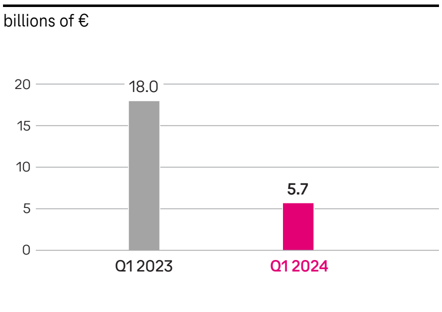
EBITDA AL (adjusted for special factors) [a]

- Adjusted EBITDA AL grew by 5.1 % to EUR 10.5 billion. In organic terms, it increased by 5.8 %.
- In the Germany segment, adjusted EBITDA AL increased by 3.5 % on the back of high-value revenue growth and enhanced cost efficiency.
- In the United States segment, adjusted EBITDA AL was up by 6.1 % due to higher service revenue and lower costs. Adjusted core EBITDA AL grew by 7.8 %.
- Adjusted EBITDA AL in the Europe segment grew by 8.7 % due to a positive net margin.
- In the Systems Solutions segment, adjusted EBITDA AL grew by 2.7 % due to increased revenue in the Cloud portfolio area.
- At 37.5 %, the adjusted EBITDA AL margin held steady at a high level. The adjusted EBITDA AL margin was 40.9 % in the Germany segment, 38.5 % in the United States segment, and 36.1 % in the Europe segment.



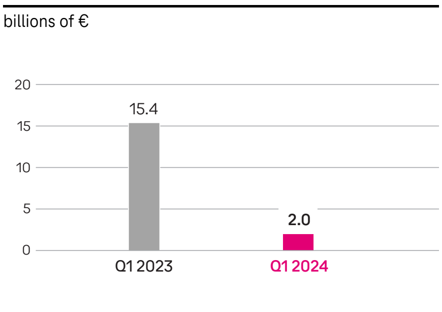
Profit/loss from operations (EBIT) [a]

- EBIT decreased substantially to EUR 5.7 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 -0.3 billion had a negative impact on EBITDA AL. The prior-year quarter included gains on deconsolidation, primarily from the sale of GD Towers, as well as disposals and additions, totaling EUR 12.6 billion.
- Correspondingly, EBITDA AL declined by 54.6 % to EUR 10.2 billion.
- At EUR 6.1 billion, depreciation, amortization and impairment losses were 0.7 % higher than in the prior year, and primarily related to the United States and Germany operating segments.



Net profit

- Net profit decreased significantly to EUR 2.0 billion, due to the gain on deconsolidation from the sale of GD Towers in the prior year.
- Loss from financial activities increased by 2.7 % to EUR -1.4 billion, primarily due to the slight increase in finance costs.
- Tax expense increased by EUR 0.9 billion to EUR 1.2 billion.
- Profit attributable to non-controlling interests increased by EUR 0.1 billion to EUR 1.2 billion; a trend mainly attributable to the United States segment.
- Adjusted earnings per share rose from EUR 0.39 to EUR 0.45.

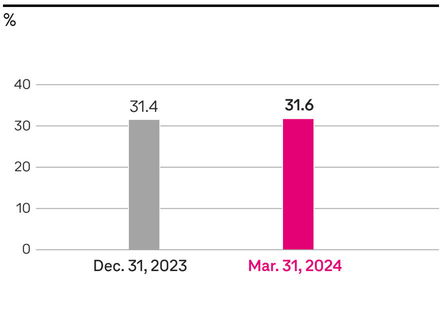


For a reconciliation for the organic development of key figures for the prior-year period, please refer to the section "Additional information."

[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.

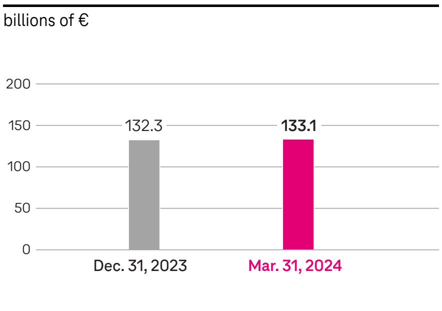
Equity ratio

- The equity ratio increased by 0.2 percentage points against December 31, 2023 to 31.6 %.
- The increase in shareholders' equity from EUR 91.2 billion to EUR 93.2 billion is primarily attributable to profit (EUR 3.1 billion) and to other comprehensive income (EUR 1.5 billion). Capital increases from share-based payments (EUR 0.1 billion) also had an increasing effect.
- Shareholders' equity was reduced in particular by transactions with owners (EUR 1.6 billion), mainly in connection with T-Mobile US' share buy-backs, and by T-Mobile US' dividend payments (EUR 0.7 billion). Deutsche Telekom AG's share buy-backs (EUR 0.5 billion) also reduced shareholders' equity.



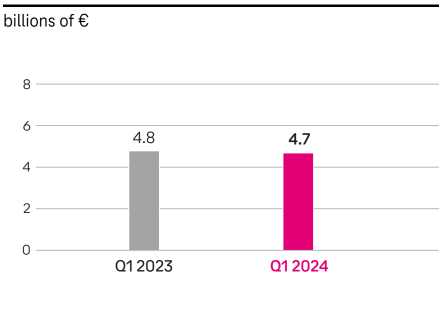
Net debt[b]

- Net debt increased by EUR 0.8 billion compared with the end of 2023 to EUR 133.1 billion.
- This increase was attributable primarily to the share buy-back program at T-Mobile US (EUR 3.3 billion), exchange rate effects (EUR 2.3 billion), and additions of lease liabilities and right-of-use assets (EUR 0.9 billion). Deutsche Telekom AG's share buy-back program (EUR 0.5 billion) and T-Mobile US' dividend payment to non-controlling interests (EUR 0.4 billion) additionally had an increasing effect.
- The main factors reducing net debt were free cash flow (before dividend payments and spectrum investment) of EUR 5.0 billion, and EUR 1.7 billion from the sale of T-Mobile US shares by Deutsche Telekom.



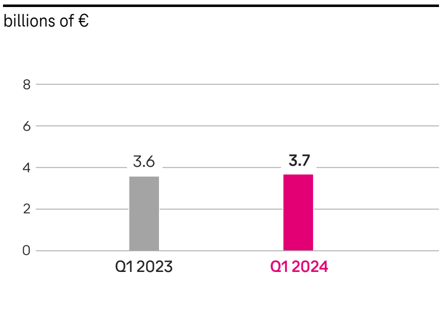
Cash capex (before spectrum investment)

- Cash capex (before spectrum investment) decreased by EUR 0.1 billion to EUR 4.7 billion.
- In the United States segment, cash capex decreased by EUR 0.4 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) also decreased by EUR 0.1 billion to EUR 4.7 billion. In the reporting period, as in the prior-year period, the United States segment acquired spectrum licenses for a total amount of EUR 0.1 billion.



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

- Free cash flow AL was up by EUR 0.1 billion to EUR 3.7 billion.
- The sound business performance had an increasing effect on net cash from operating activities. The moderate reduction in cash capex (before spectrum investment) also had a positive effect.
- By contrast, higher tax payments and payments made in connection with the 2023 workforce reduction program in the United States had a decreasing effect.



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

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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.

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 March 31, 2024, Deutsche Telekom AG had bought back around 21 million shares with a total volume of around EUR 0.5 billion.

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

Sale of T-Mobile US shares by Deutsche Telekom. Since January 2, 2024, Deutsche Telekom has been selling 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 March 31, 2024, Deutsche Telekom had sold around 12 million T-Mobile US shares with a total volume of around EUR 1.8 billion.

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. In the first quarter of 2024, T-Mobile US' Board of Directors declared a second and third cash dividend of USD 0.65 per share each and additional shares were bought back.

For further information on these transactions, please refer to the section "Development of business in the Group" in the interim Group managment report and the section "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 quarter of 2024, our 5G network was available to 96.5 % of the German population, and a total of 8.2 million households and companies can subscribe to a fiber-optic line with us.

For further information on the network build-out in Germany, including WhatsApp channel, please refer to our media report (German only).

Europe. As of the end of the first quarter of 2024, our national companies covered on average 68.2 % of the population in our European footprint with 5G, and a total of 9.3 million households can access our fiber-optic network offering gigabit speeds.

Cooperations, partnerships, and major deals

Fiber-optic cooperations. In the first quarter of 2024, we entered into a partnership with ANTEC Servicepool to jointly provide around 70,000 households of housing companies and owners of buildings across Germany with a fiber-optic line. We also entered into a partnership agreement with communications provider Kabel + Sat Bergen concerning the fiber-optic network – which was built with public funds – of the utilities association Zweckverband Wasserversorgung und Abwasserbehandlung Rügen. It's our first collaboration of this kind and is set to benefit some 11,000 households on the island of Rügen.

Products, rate plans, and services

Mobile World Congress (MWC) 2024. Under our brand claim "Connecting your world," the technologies and innovations we presented at the MWC in Barcelona from February 26 to 29, 2024 mainly related to artificial intelligence (AI). With Magenta AI, we offered a look into the future: on the basis of three design studies, Concept T showed how new technologies can be melded with a traditional router. Together with Qualcomm and Brain.ai, we presented an innovative phone concept: a smartphone without apps, which instead uses an AI-based assistant. For the showcase, real use cases were integrated into our already available T Phone.

For further information, please refer to our media report.

MagentaTV 2.0. Since February 15, 2024, our refined MagentaTV has combined all relevant TV content and streaming services on one platform. The new features include a clearer design, a customizable user interface, a significantly faster platform, and a search function that also supports voice commands.

IoT rate plans for satellite connectivity. Since the end of February 2024, we have been offering connectivity via satellite commercially for the first time, together with our partners Intelsat and Skylo. Customers can choose from two plan packages, each combining terrestrial and satellite-based connectivity. The interaction of all mobile services takes place on the T IoT Hub platform.

For further information, please refer to our media report.

Environment, Social, and Governance

Voluntary reports. Our CR Report illustrates the progress we made in 2023 with our activities and efforts to become more sustainable. Our 2023 HR Factbook offers an extensive insight into the diversity of employees, their skills and potential.

Awards

Brand. BrandZ again rated Deutsche Telekom the most valuable German brand with a brand value of USD 73.5 billion in its February 2024 study Top50 Most Valuable German Brands. Deutsche Telekom remains Europe's most valuable company brand according to the Brand Finance Global 500 study published in January 2024 and made it into the top 10 most valuable brands worldwide.

Networks. Our national companies in Europe once again received accolades for their networks in the first quarter of 2024, including the Ookla® Speedtest Award™ for the fastest mobile network in the Czech Republic (Czech only) and Austria (German only), and the Best in Test Award by Umlaut for the best mobile and fixed network in Croatia.

Service. In March 2024, we were once again the outright winner of industry magazine Connect's mobile hotline test (German only), scoring top marks for our availability, friendliness, and quality of information. We have also received another TÜV seal of quality (German only) for customer satisfaction, awarded on the basis of responses given by our customers to questions on the competence, reliability, and friendliness of our services in a survey conducted by the testing service provider TÜV Rheinland in February 2024.

Business Customers. We are overall winner of the Connect customer barometer mobile B2B Germany 2024 (German only), convincing business customers in particular in the "brand/provider," "network," and "app" categories.

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, there were no significant changes or additions in the first quarter of 2024.

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 not 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 €		Q1 2023	Of which: continuing operations	Of which: discontinued operation
Net revenue		**27,839**	**27,824**	**15**
Service revenue		**22,814**	**22,818**	**(4)**
EBITDA		**24,046**	**11,044**	**13,001**
Depreciation of right-of-use assets		(1,246)	(1,246)	0
Interest expenses on recognized lease liabilities		(435)	(430)	(5)
EBITDA AL		**22,364**	**9,368**	**12,996**
Special factors affecting EBITDA AL		12,401	(523)	12,924
EBITDA AL (adjusted for special factors)		**9,963**	**9,891**	**73**
Depreciation, amortization and impairment losses		(6,030)	(6,030)	0
Profit (loss) from operations (EBIT)		**18,015**	**5,014**	**13,001**
Profit (loss) from financial activities		(1,331)	(1,315)	(16)
Profit (loss) before income taxes		16,685	3,699	12,986
Earnings per share (basic and diluted)	€	3.09	0.34	2.75
Adjusted earnings per share (basic and diluted)	€	**0.39**	**0.39**	**0.01**

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

Agreement on the 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 during certain periods before and after closing and consists of an upfront payment at deal close, subject to certain agreed-upon adjustments, and a variable earnout payable 24 months after the close of the transaction.

The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. At deal close, 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.

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. At 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.

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 quarter of 2024.

Macroeconomic development

The global economic outlook brightened somewhat in the first quarter 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 April 2024 forecast, the International Monetary Fund (IMF) expects global economic output to grow by 3.2 % in the current year, after also growing by 3.2 % 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 2.7 % in the United States, 0.8 % in the eurozone, and 0.2 % in Germany.

According to the Bitkom-ifo-Digitalindex, the digital sector was looking more optimistic at the end of the first quarter of 2024: both the assessment of the current business situation and the business expectations in March were up against the level in the prior month – this marked the first month-on-month rise since July 2023. The digital sector was much more optimistic than the economy as a whole.

Overall economic outlook

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.

Regulation

European Commission published 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. To this end, the general public is invited to express views in an open consultation process that will run until June 30, 2024. 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. The Bundesnetzagentur is expected to make a final decision on charges in summer 2024. The parallel Bundesnetzagentur regulatory procedure concerning the related reference offer has not yet been decided.

Awarding of spectrum
In the first quarter 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 in the first quarter of 2024. The majority of this spectrum was connected immediately.

In **Poland**, the award procedure for the 700 MHz band and, if applicable, for spectrum in the 26 GHz band could also potentially begin in 2024. In **Slovakia** meanwhile, the procedure (auction) to re-award spectrum in the 900 MHz and 2,100 MHz bands originally announced for the end of 2023 is at stake following calls by several parties to re-examine the auction conditions. In the **Czech Republic**, the procedure to extend the 900/1,800 MHz GSM license, which expires in 2024, got underway. In **Germany**, the regulatory authority Bundesnetzagentur is consulting 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 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 will continue until July 8, 2024; the regulatory authority's final decision is expected in the second half of 2024.

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 or auction, details tbd
Poland	Q2 2024		700/800 MHz	Auction or tender procedure [a], details tbd
Poland	Q2 2024		26 GHz	Details tbd
Slovakia [b]	Q2 2024		900/2,100 MHz	New award procedure (auction)
Czech Republic	Started	Q2 2024	900/1,800 MHz	Extension procedure

[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 3.2 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. The Federal Communications Commission (FCC) approved the first tranche of the license transfer on December 29, 2023. T-Mobile US expects the first tranche to be concluded in the second quarter of 2024 with payment of the corresponding purchase price in the third quarter of 2024, and the second tranche 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 3.3 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 will be 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, 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 March 31, 2024, Deutsche Telekom AG had bought back around 21 million shares with a total volume of around EUR 0.5 billion.

Sale of T-Mobile US shares by Deutsche Telekom. Since January 2, 2024, Deutsche Telekom has been selling 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 March 31, 2024, Deutsche Telekom had sold around 12 million T-Mobile US shares with a total volume of around EUR 1.8 billion.

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 will be paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. Furthermore, T-Mobile US bought back around 22 million shares with a total volume of around USD 3.6 billion (EUR 3.3 billion) in the first quarter of 2024.

As of March 31, 2024, USD 11.7 billion (EUR 10.8 billion) remained available to T-Mobile US under the program.

Results of operations of the Group [a]

millions of €		Q1 2024	Q1 2023	Change	Change %	FY 2023
Net revenue		**27,942**	**27,839**	**103**	**0.4**	**111,985**
Service revenue		**23,485**	**22,814**	**671**	**2.9**	**92,919**
EBITDA AL (adjusted for special factors)		**10,473**	**9,963**	**510**	**5.1**	**40,497**
EBITDA AL		10,156	22,364	(12,208)	(54.6)	51,160
Depreciation, amortization and impairment losses		(6,074)	(6,030)	(44)	(0.7)	(23,975)
Profit (loss) from operations (EBIT)		**5,686**	**18,015**	**(12,329)**	**(68.4)**	**33,802**
Profit (loss) from financial activities		(1,367)	(1,331)	(36)	(2.7)	(8,845)
Profit (loss) before income taxes		4,319	16,685	(12,366)	(74.1)	24,957
Income taxes		(1,176)	(274)	(902)	n.a.	(2,964)
Net profit (loss)		1,982	15,360	(13,378)	(87.1)	17,788
Net profit (loss) (adjusted for special factors)		2,238	1,959	279	14.2	7,940
Earnings per share (basic and diluted)	€	0.40	3.09	(2.69)	(87.1)	3.57
Adjusted earnings per share (basic and diluted)	€	**0.45**	**0.39**	**0.06**	**15.4**	**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 with a reducing effect 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 in the United States operating segment. Negative exchange rate effects were primarily attributable to the translation of U.S. dollars to euros.

Revenue, service revenue

In the first quarter of 2024, we generated net revenue of EUR 27.9 billion, which was slightly up EUR 0.1 billion or 0.4 % year-on-year. In organic terms, revenue increased by 1.6 % against the prior-year level, including negative net exchange rate effects of EUR 0.2 billion, 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 0.7 billion or 2.9 % year-on-year to EUR 23.5 billion. In organic terms, service revenue increased by EUR 0.9 billion or 4.1 %.

Contribution of the segments to net revenue [a]

millions of €

	Q1 2024	Q1 2023	Change	Change %	FY 2023
Germany	6,298	6,141	157	2.6	25,187
United States	18,009	18,262	(253)	(1.4)	72,436
Europe	2,959	2,784	175	6.3	11,790
Systems Solutions	993	946	47	5.0	3,896
Group Development	2	102	(100)	(98.0)	115
Group Headquarters & Group Services	546	578	(32)	(5.5)	2,305
Intersegment revenue	(865)	(975)	110	11.3	(3,744)
Net revenue	**27,942**	**27,839**	**103**	**0.4**	**111,985**

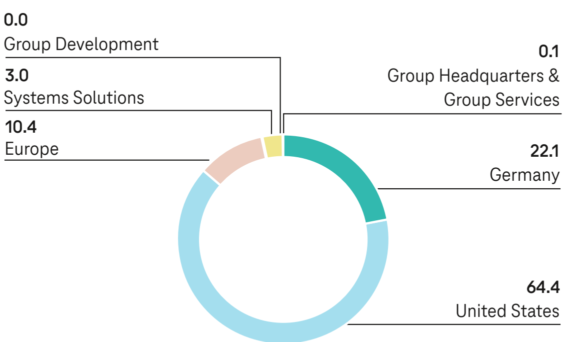
[a] For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

Revenue in our domestic market of Germany was up on the prior-year level, increasing by 2.6 %. 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 down 1.4 % against the prior-year level, due mainly to exchange rate effects. In organic terms, revenue increased by 0.4 %, 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 6.3 % year-on-year. In organic terms, revenue increased by 5.7 %, primarily attributable to 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 5.0 % year-on-year. This positive revenue trend was mainly driven by growth in the Cloud 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."

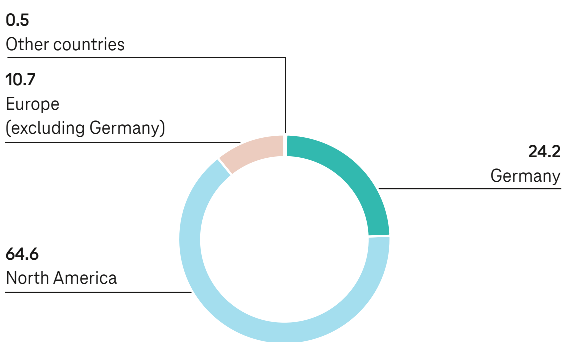
Contribution of the segments to net revenue [a]

%



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.

At 64.4 %, our United States operating segment again provided by far the largest contribution to net revenue of the Group, which was down 1.2 percentage points against the prior-year level. The proportion of net revenue generated internationally also decreased from 77.4 % to 75.8 %.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased year-on-year by EUR 0.5 billion or 5.1 % to EUR 10.5 billion in the first quarter of 2024. In organic terms, adjusted EBITDA AL increased by EUR 0.6 billion or 5.8 %; including negative net exchange rate effects of EUR 0.1 billion. Adjusted core EBITDA AL, i.e., excluding terminal equipment leases in the United States, increased by EUR 0.6 billion or 6.2 % to EUR 10.4 billion.

Contribution of the segments to adjusted Group EBITDA AL [a]

millions of €

	Q1 2024	Q1 2023	Change	Change %	FY 2023
Germany	2,576	2,489	87	3.5	10,238
United States	6,932	6,536	396	6.1	26,409
Europe	1,069	983	86	8.7	4,114
Systems Solutions	77	75	2	2.7	321
Group Development	(6)	65	(71)	n.a.	45
Group Headquarters & Group Services	(168)	(176)	8	4.5	(609)
Reconciliation	(6)	(9)	3	33.3	(22)
EBITDA AL (adjusted for special factors)	**10,473**	**9,963**	**510**	**5.1**	**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 3.5 % higher adjusted EBITDA AL. Adjusted EBITDA AL in our United States operating segment increased by 6.1 %. 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 0.5 billion or 7.8 % to EUR 6.9 billion. In our Europe operating segment, adjusted EBITDA AL increased by 8.7 %. In organic terms, it increased by 8.1 %, 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 2.7 %, mainly due to revenue growth in the Cloud area.

Our EBITDA AL decreased significantly by EUR 12.2 billion year-on-year to EUR 10.2 billion. Special factors affecting EBITDA AL decreased by EUR 12.7 billion to EUR -0.3 billion. In the prior-year period, net income of EUR 12.6 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 offset by expenses of EUR 0.3 billion primarily in connection with integration costs incurred as a result of the business combination of T-Mobile US and Sprint. In the first quarter of 2024, this item included EUR 0.1 billion in further integration costs generated in the United States operating segment. Expenses incurred in connection with staff restructuring were on a par with the prior-year level at EUR 0.2 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 5.7 billion, down EUR 12.3 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 6.1 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were up against the level of the prior-year period in the first quarter of 2024. Depreciation and amortization were slightly higher than in the prior-year period. 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 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 12.4 billion to EUR 4.3 billion. The loss from financial activities increased year-on-year from EUR 1.3 billion to EUR 1.4 billion, primarily due to the slight increase in finance costs.

Net profit, adjusted net profit

Net profit decreased year-on-year by EUR 13.4 billion to EUR 2.0 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 0.9 billion to EUR 1.2 billion. The tax rate was significantly reduced in the first quarter of 2023 by the realization of non-taxable income from the sale of GD Towers. Taxes were furthermore reduced in the prior-year quarter by deferred tax effects arising in connection with the concluded sale-and-leaseback transaction. Profit attributable to non-controlling interests increased by EUR 0.1 billion to EUR 1.2 billion. This increase was primarily attributable to our United States operating segment. Excluding special factors, which had a negative overall effect of EUR 0.3 billion on net profit, adjusted net profit amounted to EUR 2.2 billion, compared with EUR 2.0 billion in the prior year.

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 4,969 million as of March 31, 2024. This resulted in earnings per share of EUR 0.40, compared with EUR 3.09 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 0.45 compared with EUR 0.39 in the prior year.

Employees

Headcount development

	Mar. 31, 2024	Dec. 31, 2023	Change	Change %	Mar. 31, 2023
FTEs in the Group	**201,251**	**199,652**	**1,599**	**0.8**	**207,789**
Of which: civil servants (in Germany, with an active service relationship)	6,668	6,891	(223)	(3.2)	8,095
Germany	59,543	59,709	(166)	(0.3)	60,800
United States	64,053	62,677	1,376	2.2	68,890
Europe	33,529	32,932	597	1.8	33,729
Systems Solutions	26,002	26,036	(34)	(0.1)	25,695
Group Development	104	108	(4)	(3.7)	115
Group Headquarters & Group Services	18,019	18,190	(171)	(0.9)	18,560

The Group's headcount increased by 0.8 % compared with the end of 2023. In our Germany operating segment, the number of employees declined by 0.3 % against the end of the prior year. The total number of full-time equivalent employees in the United States operating segment increased by 2.2 % compared with the end of 2023, primarily due to an increase in retail employees to support T-Mobile US' growing customer base. The headcount in our Europe operating segment grew by 1.8 % 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. The headcount in our Systems Solutions operating segment was down 0.1 % 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 0.9 % compared with the end of the prior year, mainly due to the continued staff restructuring measures 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 €

	Q1 2024	Q1 2023	Change	Change %	FY 2023
EBITDA	11,760	24,046	(12,286)	(51.1)	57,777
Depreciation of right-of-use assets [a]	(1,156)	(1,246)	90	7.2	(4,810)
Interest expenses on recognized lease liabilities [a]	(448)	(435)	(13)	(3.0)	(1,807)
EBITDA AL	**10,156**	**22,364**	**(12,208)**	**(54.6)**	**51,160**
Special factors affecting EBITDA AL	(317)	12,401	(12,718)	n.a.	10,663
EBITDA AL (adjusted for special factors)	**10,473**	**9,963**	**510**	**5.1**	**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 €	Q1 2024	Q1 2023	Change	Change %	FY 2023
Net profit (loss)	**1,982**	**15,360**	**(13,378)**	**(87.1)**	**17,788**
Special factors affecting EBITDA AL	(317)	12,401	(12,718)	n.a.	10,663
Staff-related measures	(184)	(232)	48	20.7	(1,485)
Non-staff-related restructuring	(2)	(10)	8	80.0	(40)
Effects of deconsolidations, disposals and acquisitions	(116)	12,623	(12,739)	n.a.	12,187
Impairment losses	0	(1)	1	100.0	(8)
Reversals of impairment losses	0	0	0	n.a.	0
Other	(14)	21	(35)	n.a.	8
Special factors affecting net profit	61	1,000	(939)	(93.9)	(815)
Depreciation, amortization and impairment losses	(216)	(17)	(199)	n.a.	(189)
Profit (loss) from financial activities	(1)	0	(1)	n.a.	(2,742)
Income taxes	146	876	(730)	(83.3)	1,503
Non-controlling interests	132	141	(9)	(6.4)	613
Special factors	**(256)**	**13,401**	**(13,657)**	**n.a.**	**9,848**
Net profit (loss) (adjusted for special factors)	**2,238**	**1,959**	**279**	**14.2**	**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 Q1 2024	EBIT Q1 2024	EBITDA AL Q1 2023	EBIT Q1 2023	EBITDA AL FY 2023	EBIT FY 2023
EBITDA AL/EBIT	**10,156**	**5,686**	**22,364**	**18,015**	**51,160**	**33,802**
Germany	**(110)**	**(110)**	**(104)**	**(104)**	**(501)**	**(501)**
Staff-related measures	(101)	(101)	(98)	(98)	(484)	(484)
Non-staff-related restructuring	(1)	(1)	(5)	(5)	(18)	(18)
Effects of deconsolidations, disposals and acquisitions	(4)	(4)	6	6	(8)	(8)
Impairment losses	0	0	0	0	0	0
Other	(4)	(4)	(7)	(7)	11	11
United States	**(130)**	**(329)**	**(363)**	**(357)**	**(1,569)**	**(1,556)**
Staff-related measures	(12)	(12)	(74)	(74)	(643)	(643)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(118)	(317)	(328)	(319)	(958)	(917)
Impairment losses	0	0	(1)	(4)	(8)	(36)
Other	0	0	40	40	39	39
Europe	**(19)**	**(19)**	**(5)**	**(5)**	**(94)**	**(94)**
Staff-related measures	(13)	(13)	(5)	(5)	(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	(6)	(6)	(5)	(5)	(26)	(26)
Systems Solutions	**(23)**	**(30)**	**(26)**	**(35)**	**(144)**	**(270)**
Staff-related measures	(19)	(19)	(20)	(20)	(116)	(116)
Non-staff-related restructuring	0	0	(1)	(1)	(1)	(1)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	0	0
Impairment losses	0	(6)	0	(8)	0	(126)
Other	(4)	(4)	(6)	(6)	(27)	(27)
Group Development	**2**	**2**	**12,941**	**12,941**	**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	2	2	12,944	12,944	13,173	13,173
Impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0

millions of €	EBITDA AL Q1 2024	EBIT Q1 2024	EBITDA AL Q1 2023	EBIT Q1 2023	EBITDA AL FY 2023	EBIT FY 2023
Group Headquarters & Group Services	**(37)**	**(37)**	**(42)**	**(42)**	**(199)**	**(225)**
Staff-related measures	(40)	(40)	(32)	(32)	(169)	(169)
Non-staff-related restructuring	(1)	(1)	(5)	(5)	(21)	(21)
Effects of deconsolidations, disposals and acquisitions	3	3	(4)	(4)	(20)	(20)
Impairment losses	0	0	0	0	0	(26)
Other	0	0	(1)	(1)	11	11
Group	**(317)**	**(523)**	**12,401**	**12,398**	**10,663**	**10,525**
Staff-related measures	(184)	(184)	(232)	(232)	(1,485)	(1,485)
Non-staff-related restructuring	(2)	(2)	(10)	(10)	(40)	(40)
Effects of deconsolidations, disposals and acquisitions	(116)	(315)	12,623	12,632	12,187	12,228
Impairment losses	0	(7)	(1)	(13)	(8)	(187)
Other	(14)	(14)	21	21	8	8
EBITDA AL/EBIT (adjusted for special factors)	**10,473**	**6,208**	**9,963**	**5,617**	**40,497**	**23,277**
Profit (loss) from financial activities (adjusted for special factors)		(1,356)		(1,317)		(6,053)
Profit (loss) before income taxes (adjusted for special factors)		**4,853**		**4,301**		**17,225**
Income taxes (adjusted for special factors)		(1,322)		(1,150)		(4,467)
Profit (loss) (adjusted for special factors)		**3,531**		**3,151**		**12,757**
Profit (loss) (adjusted for special factors) attributable to						
Owners of the parent (net profit (loss)) (adjusted for special factors)		2,238		1,959		7,940
Non-controlling interests (adjusted for special factors)		1,293		1,192		4,817

Financial position of the Group

Condensed consolidated statement of financial position

millions of €	Mar. 31, 2024	%	Dec. 31, 2023	Change	Mar. 31, 2023
Assets					
Cash and cash equivalents	10,827	3.7	7,274	3,553	10,913
Trade receivables	15,141	5.1	16,157	(1,016)	15,891
Intangible assets	138,247	46.8	136,004	2,243	138,142
Property, plant and equipment	65,074	22.0	65,042	32	65,532
Right-of-use assets	32,883	11.1	32,826	57	34,524
Investments accounted for using the equity method	4,704	1.6	4,605	99	7,337
Current and non-current financial assets	9,367	3.2	9,593	(226)	10,939
Deferred tax assets	6,052	2.0	6,401	(349)	7,711
Non-current assets and disposal groups held for sale	152	0.1	211	(59)	487
Miscellaneous assets	12,775	4.3	12,192	583	12,317
Total assets	**295,222**	**100.0**	**290,305**	**4,917**	**303,793**
Liabilities and shareholders' equity					
Current and non-current financial liabilities	109,261	37.0	104,522	4,739	108,381
Current and non-current lease liabilities	40,874	13.8	40,792	82	42,454
Trade and other payables	8,334	2.8	10,916	(2,582)	11,106
Provisions for pensions and other employee benefits	3,881	1.3	4,060	(179)	3,676
Current and non-current other provisions	7,649	2.6	8,100	(451)	7,751
Deferred tax liabilities	22,873	7.7	21,918	955	21,835
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0.0	0	0	384
Miscellaneous liabilities	9,137	3.1	8,760	377	9,521
Shareholders' equity	93,213	31.6	91,237	1,976	98,685
Total liabilities and shareholders' equity	**295,222**	**100.0**	**290,305**	**4,917**	**303,793**

Total assets amounted to EUR 295.2 billion as of March 31, 2024, up by EUR 4.9 billion against December 31, 2023. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount, among other factors.

On the assets side, **cash and cash equivalents** increased by EUR 3.6 billion against the end of the prior year to EUR 10.8 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, mainly 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 2.2 billion compared to December 31, 2023 to EUR 138.2 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 2.6 billion. Additions increased the carrying amount by EUR 1.3 billion, EUR 0.1 billion of which related to mobile spectrum in the United States operating segment. Amortization and impairment losses of EUR 1.7 billion reduced the carrying amount.

Property, plant and equipment increased from EUR 65.0 billion as of December 31, 2023 to EUR 65.1 billion. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 2.4 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 0.7 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. By contrast, depreciation and impairment losses totaling EUR 3.1 billion and disposals of EUR 0.1 billion decreased the carrying amount.

Compared with December 31, 2023, **right-of-use assets** increased by EUR 0.1 billion to EUR 32.9 billion. The carrying amount was increased by additions of EUR 0.9 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 0.6 billion. Depreciation and impairment losses reduced the carrying amount by EUR 1.3 billion. The previously mentioned reclassifications of lease assets to property, plant and equipment also reduced the carrying amount by EUR 0.2 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 0.2 billion to EUR 9.4 billion. Originated loans and receivables decreased by EUR 0.3 billion, partly as a result of the decline in receivables in the United States operating segment.

Miscellaneous assets increased by EUR 0.6 billion to EUR 12.8 billion. Current and non-current other assets contributed EUR 0.4 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 equipment. In addition, current recoverable income taxes and contract assets each increased by EUR 0.1 billion.

On the liabilities and shareholders' equity side, current and non-current **financial liabilities** increased by EUR 4.7 billion compared with the end of 2023 to EUR 109.3 billion. Bonds and other securitized liabilities increased overall by EUR 4.6 billion, primarily as a result of senior notes issued by T-Mobile US with a total volume of USD 3.0 billion (EUR 2.7 billion), the issue of a EUR bond by Deutsche Telekom AG with a volume of EUR 0.7 billion, and the issue of asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion) by T-Mobile US. Exchange rate effects additionally increased the carrying amount by EUR 1.7 billion. By contrast, the carrying amount was reduced by the scheduled repayment of a EUR bond in the amount of EUR 0.8 billion. 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 March 15, 2024 – attributable to non-controlling interests in T-Mobile US. Furthermore, liabilities with the right of creditors to priority repayment in the event of default decreased by EUR 0.2 billion, and other interest-bearing liabilities by EUR 0.2 billion.

Current and non-current **lease liabilities** increased by EUR 0.1 billion to EUR 40.9 billion compared with December 31, 2023. Exchange rate effects, in particular from the translation of U.S. dollars into euros, raised the carrying amount by EUR 0.7 billion. By contrast, lease liabilities in the United States operating segment decreased by EUR 0.6 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.

Trade and other payables decreased by EUR 2.6 billion to EUR 8.3 billion, due in particular to lower liabilities in the United States operating segment, which resulted in part from a lower procurement volume, and in the Germany and Europe 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 0.2 billion compared with December 31, 2023 to EUR 3.9 billion, mainly due to the increase in the discount rate against year-end 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 0.5 billion compared with the end of 2023 to EUR 7.6 billion. Other provisions for personnel costs decreased by EUR 0.2 billion, primarily in connection with the bonuses paid out to employees in the United States operating segment and a decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). This is primarily due to an increase in the discount rate. 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. Provisions for termination benefits also decreased by EUR 0.2 billion, mainly as a result of the program implemented to reduce the workforce in the United States operating segment.

Miscellaneous liabilities increased by EUR 0.4 billion compared to December 31, 2023 to EUR 9.1 billion, mainly due to an increase in other liabilities of EUR 0.3 billion, driven primarily by an increase in liabilities from other taxes. Income tax liabilities increased by EUR 0.1 billion compared to December 31, 2023 to EUR 0.8 billion.

Shareholders' equity increased from EUR 91.2 billion as of December 31, 2023 to EUR 93.2 billion, with profit of EUR 3.1 billion and capital increases from share-based payments of EUR 0.1 billion having an increasing effect. Other comprehensive income also increased the carrying amount by EUR 1.5 billion. Effects arose in connection with the T-Mobile US shareholder return program from September 2023 – comprising the share buy-back program and the payment of cash dividends – that reduced the carrying amount of shareholders' equity. The carrying amount of transactions with owners declined by EUR 1.6 billion, due in particular to the share buy-back program at T-Mobile US. In addition, payments of additional cash dividends of USD 0.65 per share in each case, declared in January and March 2024, reduced the carrying amount by EUR 0.7 billion due to payments to non-controlling interests. 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 0.5 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

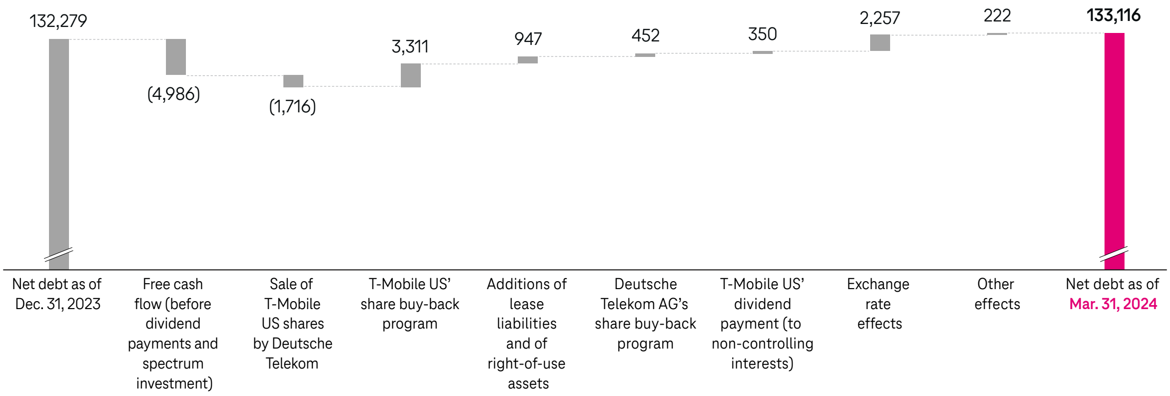
millions of €

	Mar. 31, 2024	Dec. 31, 2023	Change	Change %	Mar. 31, 2023
Bonds and other securitized liabilities	92,359	87,773	4,586	5.2	89,892
Liabilities to banks	3,561	3,560	1	0.0	3,914
Other financial liabilities	13,341	13,189	152	1.2	14,575
Lease liabilities	40,874	40,792	82	0.2	42,736
Financial liabilities and lease liabilities	**150,135**	**145,314**	**4,821**	**3.3**	**151,117**
Accrued interest	(1,128)	(1,009)	(119)	(11.8)	(1,039)
Other	(1,346)	(967)	(379)	(39.2)	(967)
Gross debt	**147,661**	**143,338**	**4,323**	**3.0**	**149,111**
Cash and cash equivalents	10,827	7,274	3,553	48.8	10,913
Derivative financial assets	1,862	1,780	82	4.6	2,240
Other financial assets	1,856	2,005	(149)	(7.4)	2,441
Net debt [a]	**133,116**	**132,279**	**837**	**0.6**	**133,517**
Lease liabilities [b]	38,626	38,533	93	0.2	40,469
Net debt AL	**94,491**	**93,746**	**745**	**0.8**	**93,048**

[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 133.1 billion, mainly as a result of the T-Mobile US share buy-back program and negative exchange rate effects. By contrast, the main factors reducing net debt were free cash flow (before dividend payments and spectrum investment) and the sale of T-Mobile US shares by Deutsche Telekom.

Calculation of free cash flow AL

millions of €

	Q1 2024	Q1 2023	Change	Change %	FY 2023
Net cash from operating activities	**9,614**	**9,558**	**56**	**0.6**	**37,298**
Cash outflows for investments in intangible assets	(1,378)	(1,187)	(191)	(16.1)	(5,560)
Cash outflows for investments in property, plant and equipment	(3,340)	(3,639)	299	8.2	(12,306)
Cash capex	(4,718)	(4,826)	108	2.2	(17,866)
Spectrum investment	57	67	(10)	(14.9)	1,275
Cash capex (before spectrum investment)	**(4,661)**	**(4,759)**	**98**	**2.1**	**(16,591)**
Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment	33	23	10	43.5	205
Free cash flow (before dividend payments and spectrum investment)	**4,986**	**4,822**	**164**	**3.4**	**20,912**
Principal portion of repayment of lease liabilities [a]	(1,277)	(1,244)	(33)	(2.7)	(4,770)
Free cash flow AL (before dividend payments and spectrum investment)	**3,708**	**3,579**	**129**	**3.6**	**16,141**

[a] Excluding finance leases at T-Mobile US.

Free cash flow AL (before dividend payments and spectrum investment) increased by EUR 0.1 billion year-on-year to EUR 3.7 billion. The following effects impacted on this development:

Net cash from operating activities increased by EUR 0.1 billion to EUR 9.6 billion. The strong development of the operating business was offset in part by an increase in tax payments of EUR 0.2 billion, exchange rate effects, and cash outflows from the program implemented by T-Mobile US to reduce the workforce.

Cash capex (before spectrum investment) decreased by EUR 0.1 billion to EUR 4.7 billion. In the United States operating segment, cash capex decreased by EUR 0.4 billion to EUR 2.4 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, capital expenditure totaled around EUR 1.5 billion in the reporting period, EUR 0.3 billion more than in the prior-year period, with much of this figure going towards the fiber-optic build-out. In the Europe operating segment, cash capex stood at EUR 0.5 billion, which was on a par with the prior-year period. In the Systems Solutions operating segment, our capital expenditure 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	Mar. 31, 2024	Dec. 31, 2023	Change Mar. 31, 2024/ Dec. 31, 2023 %	Mar. 31, 2023	Change Mar. 31, 2024/ Mar. 31, 2023 %
Mobile customers	63,284	61,419	3.0	56,067	12.9
Contract customers	25,492	25,171	1.3	24,037	6.1
Prepaid customers	37,792	36,248	4.3	32,030	18.0
Fixed-network lines	17,293	17,342	(0.3)	17,349	(0.3)
Retail broadband lines	15,057	15,018	0.3	14,789	1.8
Of which: optical fiber [a]	12,975	12,893	0.6	12,238	6.0
Television (IPTV, satellite)	4,400	4,327	1.7	4,172	5.5
Unbundled local loop lines (ULLs)	2,349	2,527	(7.0)	3,017	(22.1)
Wholesale broadband lines	8,411	8,307	1.3	8,086	4.0
Of which: optical fiber [a]	7,429	7,307	1.7	7,020	5.8

[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 281 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 1.5 million against the start of 2024, primarily due 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 20.4 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. 47.1 % 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 March 31, 2024, fiber-optic-based lines accounted for 69.0 % of all lines – 1.6 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 178 thousand compared with the end of the prior year, while fiber-optic-based lines increased by 122 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 March 2024 was 10.8 million.

Development of operations

millions of €

		Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue		**6,298**	**6,141**	**157**	**2.6**	**25,187**
Consumers		3,232	3,077	155	5.0	12,640
Business Customers [a]		2,135	2,269	(134)	(5.9)	9,258
Wholesale [a]		802	672	130	19.3	2,688
Other		130	123	7	5.7	602
Service revenue		**5,515**	**5,417**	**98**	**1.8**	**22,096**
EBITDA		2,620	2,483	137	5.5	10,294
Special factors affecting EBITDA		(110)	(104)	(6)	(5.8)	(501)
EBITDA (adjusted for special factors)		2,730	2,587	143	5.5	10,794
EBITDA AL		2,465	2,385	80	3.4	9,737
Special factors affecting EBITDA AL		(110)	(104)	(6)	(5.8)	(501)
EBITDA AL (adjusted for special factors)		**2,576**	**2,489**	**87**	**3.5**	**10,238**
EBITDA AL margin (adjusted for special factors)	%	40.9	40.5			40.6
Depreciation, amortization and impairment losses		(1,071)	(1,036)	(35)	(3.4)	(4,220)
Profit (loss) from operations (EBIT)		**1,549**	**1,447**	**102**	**7.0**	**6,073**
EBIT margin	%	24.6	23.6			24.1
Cash capex		(1,493)	(1,187)	(306)	(25.8)	(4,587)
Cash capex (before spectrum investment)		**(1,493)**	**(1,187)**	**(306)**	**(25.8)**	**(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 quarter of 2024, we generated revenue of EUR 6.3 billion, which was up by 2.6 % against the prior-year quarter. This was mainly attributable to growth in service revenues of 1.8 %, 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 8.1 % increase in non-service revenues, primarily from mobile terminal equipment revenues.

Revenue from **Consumers** increased by 5.0 % compared with the prior-year quarter. 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 5.9 % against the prior-year period, primarily due to certain revenues being recognized under Wholesale since January 1, 2024. In organic terms, revenue fell by 0.6 %, mainly due to a decline in infrastructure business in the public sector and deviating seasonal effects in the project-driven business. Positive trends were recorded once again 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 quarter of 2024 by 19.3 % year-on-year as a result of the change in disclosure of revenues described under Business Customers. On an organic basis, revenue remained at the same level as in the prior-year period.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased by EUR 0.1 billion or 3.5 % year-on-year to EUR 2.6 billion. In organic terms, adjusted EBITDA AL grew by 3.0 %. Our adjusted EBITDA AL margin increased to 40.9 %. 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.

EBITDA AL increased by EUR 0.1 billion to EUR 2.5 billion. The effects described with regard to adjusted EBITDA AL included special factors in the amount of EUR 0.1 billion for socially responsible staff restructuring.

Profit/loss from operations (EBIT)
Profit from operations amounted to EUR 1.5 billion, an increase of 7.0 % against the prior-year quarter. The positive EBITDA trend contributed to this development. Depreciation, amortization and impairment losses were up EUR 35 million against the prior-year period, mainly as a result of 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 306 million, or 25.8 %, compared with the prior-year period. Capital expenditure totaled around EUR 1.5 billion in the first three months of 2024, in particular for the fiber-optic build-out. The number of households passed by our fiber-optic network had increased to 8.2 million by the end of March 2024. In mobile communications, 96.5 % of German households can already use 5G.

United States
Customer development

thousands	Mar. 31, 2024	Dec. 31, 2023	Change Mar. 31, 2024/ Dec. 31, 2023 %	Mar. 31, 2023	Change Mar. 31, 2024/ Mar. 31, 2023 %
Customers	120,872	119,700	1.0	114,917	5.2
Postpaid customers	99,272	98,052	1.2	93,525	6.1
Postpaid phone customers [a]	76,468	75,936	0.7	73,372	4.2
Other postpaid customers [a]	22,804	22,116	3.1	20,153	13.2
Prepaid customers [a]	21,600	21,648	(0.2)	21,392	1.0

[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.

Customers
At March 31, 2024, the United States operating segment (T-Mobile US) had 120.9 million customers, compared to 119.7 million customers at December 31, 2023. Net customer additions were 1.2 million in the first quarter of 2024, compared to 1.3 million in the first quarter of 2023 due to the factors described below.

Postpaid net customer additions were 1.2 million in the first quarter of 2024, compared to 1.3 million in the first quarter 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 was primarily driven by increased deactivations from a growing customer base and lower gross additions driven by sunsetting of promotional pricing in order to maximize long-term value creation, partially offset by a lower churn rate. This decrease was partially offset by higher net additions from other connected devices. High Speed Internet net customer additions included in postpaid other net customer additions were 346 thousand and 445 thousand in the first quarter of 2024 and 2023, respectively.

Prepaid net customer losses were 48 thousand in the first quarter of 2024, compared to additions of 26 thousand in the first quarter of 2023. The losses were primarily due to lower gross additions driven by continued moderation of prepaid industry growth and lower net additions from High Speed Internet. High Speed Internet net customer additions included in prepaid net customer losses and additions were 59 thousand and 78 thousand in the first quarter of 2024 and 2023, respectively.

Development of operations

millions of €		Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue		**18,009**	**18,262**	**(253)**	**(1.4)**	**72,436**
Service revenue		**14,827**	**14,475**	**352**	**2.4**	**58,522**
EBITDA		8,031	7,545	486	6.4	30,038
Special factors affecting EBITDA		(111)	(234)	123	52.6	(1,286)
EBITDA (adjusted for special factors)		8,142	7,779	363	4.7	31,324
EBITDA AL		6,802	6,173	629	10.2	24,840
Special factors affecting EBITDA AL		(130)	(363)	233	64.2	(1,569)
EBITDA AL (adjusted for special factors)		**6,932**	**6,536**	**396**	**6.1**	**26,409**
Core EBITDA AL (adjusted for special factors) [a]		6,900	6,401	499	7.8	26,130
EBITDA AL margin (adjusted for special factors)	%	38.5	35.8			36.5
Depreciation, amortization and impairment losses		(4,003)	(3,970)	(33)	(0.8)	(15,551)
Profit (loss) from operations (EBIT)		**4,028**	**3,575**	**453**	**12.7**	**14,487**
EBIT margin	%	22.4	19.6			20.0
Cash capex		(2,476)	(2,862)	386	13.5	(10,053)
Cash capex (before spectrum investment)		**(2,420)**	**(2,799)**	**379**	**13.5**	**(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 18.0 billion in the first quarter of 2024 decreased by 1.4 %, compared to EUR 18.3 billion in the first quarter of 2023. In U.S. dollars, T-Mobile US' total revenue decreased by 0.2 % during the same period. Total revenue was relatively flat primarily due to lower equipment revenues, offset by higher service revenues. The components of these changes are described below.

Service revenues increased in the first quarter of 2024 by 2.4 % to EUR 14.8 billion. In U.S. dollars, T-Mobile US' service revenues increased by 3.6 % 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). 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 Affordable Connectivity Program and Lifeline revenues, and lower MVNO 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 quarter of 2024 primarily from a decrease in the number of postpaid and prepaid devices sold, including lower upgrades. This decrease was partially offset by slightly higher average revenue per device sold, primarily driven by a shift in the high-end phone mix, mostly offset by an increase in promotions per postpaid device. 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 quarter 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 6.1 % to EUR 6.9 billion in the first quarter of 2024, compared to EUR 6.5 billion in the first quarter of 2023. The adjusted EBITDA AL margin increased to 38.5 % in the first quarter of 2024, compared to 35.8 % in the first quarter of 2023. In U.S. dollars, adjusted EBITDA AL increased 7.3 % 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, as well as lower equipment costs as a result of lower number of postpaid and prepaid devices sold, including lower upgrades. The increase in adjusted EBITDA AL was partially offset by lower equipment revenues and lower other revenues as described above and higher average cost per device sold, primarily driven by a shift in the high-end phone mix and an increase in liquidation costs, primarily due to a higher number of in-house liquidated devices, including 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 76.0 % in the first quarter of 2024.

In euros, adjusted core EBITDA AL increased by 7.8 % to EUR 6.9 billion in the first quarter of 2024, compared to EUR 6.4 billion in the first quarter of 2023. In U.S. dollars, adjusted core EBITDA AL increased by 9.1 % during the same period. The change was primarily due to the fluctuation in adjusted EBITDA AL as discussed above, excluding the change in lease revenues.

EBITDA AL in the first quarter of 2024 included special factors of EUR -0.1 billion compared to EUR -0.4 billion in the first quarter of 2023. The change in special factors was primarily due to lower Sprint Merger-related costs. The change in special factors is also impacted by other special items including certain severance, restructuring, and other expenses and income, not directly attributable to the Sprint Merger which are not reflective of T-Mobile US' core business activities recognized in the first quarter of 2023. Overall, EBITDA AL increased by 10.2 % to EUR 6.8 billion in the first quarter of 2024, compared to EUR 6.2 billion in the first quarter of 2023, primarily due to the factors described above, including special factors.

Profit/loss from operations (EBIT)

EBIT increased to EUR 4.0 billion in the first quarter of 2024, compared to EUR 3.6 billion in the first quarter of 2023. In U.S. dollars, EBIT increased by 14.0 % during the same period primarily due to higher EBITDA AL, partially offset by slightly higher depreciation, amortization and impairment losses. In U.S. dollars, depreciation, amortization and impairment losses increased by 2.0 % 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 13.5 % to EUR 2.4 billion in the first quarter of 2024, compared to EUR 2.8 billion in the first quarter of 2023. In U.S. dollars, cash capex (before spectrum investment) decreased by 12.5 % 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 13.5 % to EUR 2.5 billion in the first quarter of 2024, compared to EUR 2.9 billion in the first quarter of 2023. In U.S. dollars, cash capex decreased by 12.5 % primarily due to lower purchases of property and equipment as discussed above.

Europe
Customer development

thousands		Mar. 31, 2024	Dec. 31, 2023	Change Mar. 31, 2024/ Dec. 31, 2023 %	Mar. 31, 2023	Change Mar. 31, 2024/ Mar. 31, 2023 %
Europe, total [a]	Mobile customers	48,837	47,853	2.1	47,357	3.1
	Contract customers	27,406	27,222	0.7	26,580	3.1
	Prepaid customers	21,431	20,631	3.9	20,777	3.1
	Fixed-network lines	8,021	8,020	0.0	7,932	1.1
	Broadband customers	7,046	6,989	0.8	6,765	4.2
	Television (IPTV, satellite, cable)	4,311	4,283	0.7	4,160	3.6
	Unbundled local loop lines (ULL)/ Wholesale PSTN	1,575	1,614	(2.4)	1,728	(8.9)
	Wholesale broadband lines	1,137	1,121	1.4	1,046	8.7
Greece	Mobile customers	7,107	7,119	(0.2)	7,298	(2.6)
	Fixed-network lines	2,611	2,617	(0.2)	2,624	(0.5)
	Broadband customers	2,406	2,405	0.0	2,375	1.3
Romania	Mobile customers	3,661	3,798	(3.6)	4,062	(9.9)
Hungary	Mobile customers	6,324	6,246	1.2	5,987	5.6
	Fixed-network lines	1,938	1,936	0.1	1,899	2.1
	Broadband customers	1,609	1,592	1.1	1,534	4.9
Poland	Mobile customers	12,575	12,592	(0.1)	12,553	0.2
	Fixed-network lines	29	29	0.0	30	(3.3)
	Broadband customers	285	260	9.6	182	56.6
Czech Republic	Mobile customers	6,492	6,523	(0.5)	6,440	0.8
	Fixed-network lines	773	763	1.3	721	7.2
	Broadband customers	472	463	1.9	440	7.3
Croatia	Mobile customers	2,337	2,336	0.0	2,293	1.9
	Fixed-network lines	868	870	(0.2)	867	0.1
	Broadband customers	663	661	0.3	649	2.2
Slovakia	Mobile customers	2,527	2,525	0.1	2,464	2.6
	Fixed-network lines	854	860	(0.7)	848	0.7
	Broadband customers	657	657	0.0	644	2.0
Austria [a]	Mobile customers	6,088	4,975	22.4	4,566	33.3
	Fixed-network lines	610	607	0.5	607	0.5
	Broadband customers	667	665	0.3	665	0.3
Other [b]	Mobile customers	1,725	1,738	(0.7)	1,693	1.9
	Fixed-network lines	338	338	0.0	336	0.6
	Broadband customers	286	285	0.4	277	3.2

[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.

In the Europe operating segment, almost all key performance indicators for customer development posted moderate improvement compared with the end of 2023. Our convergent product portfolio generated slight growth of 0.5 % 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 0.8 %. The number of mobile customers increased by 2.1 %. Our build-out of the 5G network is making good progress.

Mobile communications
As of March 31, 2024, we had a total of 48.8 million mobile customers in the Europe operating segment, an increase of 2.1 % compared with the end of 2023. The number of contract customers increased slightly by 0.7 %. The contract customer base grew in almost all of our national companies, but especially in Poland, Greece, Hungary, Romania, and Croatia. Overall, contract customers accounted for 56.1 % 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 March 31, 2024, our national companies covered 68.2 % of the population on average with 5G, a further increase against the prior year.

The prepaid customer base grew by 3.9 % compared with the end of 2023. Since January 1, 2024, customers of a wholesale service provider are reported as prepaid customers in Austria. Without this effect, the number of prepaid customers decreased by 1.5 %. 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, which was the case in Romania in the first quarter of 2024.

Fixed network

The broadband business increased slightly by 0.8 % compared with the end of 2023 to a total of 7.0 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 quarter of 2024, 9.3 million households, which is around 200 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 March 31, 2024.

The TV and entertainment business had 4.3 million customers in total at the end of the first quarter of 2024, posting slight growth of 0.7 % 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 March 31, 2024, we had 7.7 million FMC customers; this corresponds to slight growth of 0.5 % 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 quarter of 2024, FMC customers accounted for 63.3 % 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. Around 70 % of our consumers use our service app.

Development of operations

millions of €	Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue	**2,959**	**2,784**	**175**	**6.3**	**11,790**
Greece	812	736	76	10.3	3,189
Romania	66	69	(3)	(4.3)	287
Hungary	525	457	68	14.9	2,031
Poland	395	365	30	8.2	1,522
Czech Republic	301	321	(20)	(6.2)	1,280
Croatia	233	222	11	5.0	956
Slovakia	206	202	4	2.0	825
Austria	361	352	9	2.6	1,458
Other [a]	75	77	(2)	(2.6)	319
Service revenue	**2,455**	**2,298**	**157**	**6.8**	**9,739**

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.

millions of €		Q1 2024	Q1 2023	Change	Change %	FY 2023
EBITDA		1,179	1,088	91	8.4	4,496
Special factors affecting EBITDA		(19)	(5)	(14)	n.a.	(94)
EBITDA (adjusted for special factors)		1,198	1,094	104	9.5	4,590
EBITDA AL		1,050	978	72	7.4	4,020
Special factors affecting EBITDA AL		(19)	(5)	(14)	n.a.	(94)
EBITDA AL (adjusted for special factors)		**1,069**	**983**	**86**	**8.7**	**4,114**
Greece		323	319	4	1.3	1,325
Romania		3	4	(1)	(25.0)	17
Hungary		178	110	68	61.8	600
Poland		104	93	11	11.8	393
Czech Republic		131	129	2	1.6	470
Croatia		86	80	6	7.5	367
Slovakia		96	84	12	14.3	350
Austria		138	133	5	3.8	529
Other [a]		10	31	(21)	(67.7)	61
EBITDA AL margin (adjusted for special factors)	%	36.1	35.3			34.9
Depreciation, amortization and impairment losses		(638)	(610)	(28)	(4.6)	(2,524)
Profit (loss) from operations (EBIT)		**541**	**478**	**63**	**13.2**	**1,973**
EBIT margin	%	18.3	17.2			16.7
Cash capex		(484)	(439)	(45)	(10.3)	(2,049)
Cash capex (before spectrum investment)		**(483)**	**(436)**	**(47)**	**(10.8)**	**(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 3.0 billion in the first three months of 2024, a year-on-year increase of 6.3 %. In organic terms, revenue increased by 5.7 %. Service revenues grew by 6.8 % year-on-year, or by 5.9 % 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, Austria, Slovakia, and Croatia recording the best absolute development by country.

Revenue from **Consumers** increased in organic terms by 5.0 % year-on-year. 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. In mobile communications, too, both service revenues and mobile terminal equipment sales were up. The higher number of FMC customers additionally had a positive impact on revenue.

Revenue from **Business Customers** grew by 5.6 % against the prior year, with Greece, Hungary, Croatia, and Austria making the largest contributions. All product areas – mobile communications, fixed-network, and systems solutions – recorded growth. The mobile contract customer base grew by 2.5 %, with all of our national companies, but in particular Poland, Greece, Hungary, and Austria, contributing to this growth. In the fixed-network business, the number of broadband customers rose by 5.1 %. Fixed-network revenues grew by 2.7 % 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, increasing by 14.5 %, 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 8.7 % in adjusted EBITDA AL in the first three months of 2024. In organic terms, adjusted EBITDA AL grew by 8.1 %, with a positive net margin sufficient to significantly offset the mainly inflation-induced rise in indirect costs.

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, Croatia, and Greece. These increases were partially offset by slight declines in Romania.

At EUR 1.1 billion, EBITDA AL increased by 7.4 % against the prior-year period. The net expense arising from special factors was higher than in the prior year.

Development of operations in selected countries

Greece. Revenues in Greece amounted to EUR 812 million in the first quarter of 2024, a significant year-on-year increase of 10.3 %. This development is largely due to higher service revenues, mainly from IT and wholesale, but also from the mobile, broadband, and TV businesses. Terminal equipment revenues from contract customer additions further contributed to this growth in revenue. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. Our convergence products performed well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 323 million, up 1.3 % year-on-year, driven by a higher net margin.

Hungary. Revenue in Hungary totaled EUR 525 million in the first three months of 2024, which corresponds to substantial growth of 14.9 %. This development was mainly driven by higher mobile and fixed-network service revenues on the back of further growth in the customer base. Thanks to our increased investments in the build-out of fiber-optic lines, our offers have won over large numbers of customers. Our convergence products also continued to perform well, with further customer additions and corresponding revenue. The IT business posted moderate revenue growth as well.

Adjusted EBITDA AL stood at EUR 178 million, 61.8 % above the prior-year level. 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 8.2 % compared with the prior-year period to EUR 395 million in the reporting quarter. Excluding positive exchange rate effects, revenue remained stable in organic terms. 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 characterized by declining terminal equipment revenue and a positive one-time effect in the prior year.

Adjusted EBITDA AL stood at EUR 104 million, 11.8 % above the prior-year quarter. In organic terms, adjusted EBITDA AL grew by 3.4 %, driven by lower indirect costs, in particular as a result of lower energy costs.

Czech Republic. Revenue in the Czech Republic stood at EUR 301 million in the first quarter of 2024, a decrease of 6.2 % against the prior-year period. Excluding negative exchange rate effects, the decrease was 1.1 %, mainly due to a sharp decline in IT revenues as a result of the termination of a business relationship. This was offset by higher service revenues from the mobile, broadband, and TV 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 quarter.

Adjusted EBITDA AL increased by 1.6 % year-on-year to EUR 131 million. In organic terms, earnings grew by 6.9 % on the back of a higher net margin driven by higher mobile and fixed-network service revenues.

Austria. Revenue generated in Austria grew by 2.6 % to reach EUR 361 million in the first three months of 2024. In organic terms, the increase was 2.2 %. This development was driven by higher service revenues from mobile and broadband 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 quarter, contributing to the increase in service revenues. Revenue from IT business increased slightly.

Adjusted EBITDA AL increased by 3.8 % year-on-year to EUR 138 million. In organic terms, earnings grew by 2.5 %, 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 increased by 13.2 % in the first quarter of 2024 to EUR 541 million, mainly due to the 8.4 % increase in EBITDA. This was partially offset by the 4.6 % increase in depreciation, amortization and impairment losses, mainly on account of higher depreciation, amortization and impairment losses in Poland.

Cash capex (before spectrum investment), cash capex

In the first three months of 2024, our Europe operating segment reported cash capex (before spectrum investment) of EUR 483 billion, up 10.8 % year-on-year, largely due to the timing of the allocation of capital expenditure. Cash capex increased by 10.3 % against the prior-year quarter. 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 €	Q1 2024	FY 2023	Q1 2023	Change Q1 2024/ Q1 2023 %
Order entry	823	3,628	754	9.2

Development of business

The first quarter of 2024 continued to be dominated by the focusing of our systems solutions business on growth and future viability.

Order entry in our Systems Solutions operating segment was up by 9.2 % year-on-year in the first quarter of 2024. This development is attributable to increased order entry in the Digital portfolio area.

Development of operations

millions of €		Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue		**993**	**946**	**47**	**5.0**	**3,896**
Of which: external revenue		843	792	51	6.4	3,258
Service revenue		**973**	**921**	**52**	**5.6**	**3,796**
EBITDA		77	72	5	6.9	272
Special factors affecting EBITDA		(23)	(26)	3	11.5	(144)
EBITDA (adjusted for special factors)		100	99	1	1.0	416
EBITDA AL		54	49	5	10.2	177
Special factors affecting EBITDA AL		(23)	(26)	3	11.5	(144)
EBITDA AL (adjusted for special factors)		**77**	**75**	**2**	**2.7**	**321**
EBITDA AL margin (adjusted for special factors)	%	7.8	7.9			8.2
Depreciation, amortization and impairment losses		(59)	(61)	2	3.3	(344)
Profit (loss) from operations (EBIT)		**18**	**11**	**7**	**63.6**	**(71)**
Special factors affecting EBIT		(30)	(35)	5	14.3	(270)
EBIT (adjusted for special factors)		48	46	2	4.3	198
EBIT margin (adjusted for special factors)	%	4.8	4.9			5.1
Cash capex		(63)	(60)	(3)	(5.0)	(210)
Cash capex (before spectrum investment)		**(63)**	**(60)**	**(3)**	**(5.0)**	**(210)**

Revenue, service revenue

Revenue in our Systems Solutions operating segment in the first quarter of 2024 amounted to EUR 1.0 billion, up 5.0 % year-on-year, mainly due to growth in the Cloud (+9.1 %) and Road Charging (+7.2 %) portfolio areas. External revenue increased by 6.4 %, also driven by the Cloud and Road Charging portfolio areas. Service revenue also developed positively, increasing by 5.6 %.

Adjusted EBITDA AL, EBITDA AL

In the first quarter of 2024, adjusted EBITDA AL at our Systems Solutions operating segment increased by 2.7 % year-on-year to EUR 77 million. The increase in adjusted EBITDA AL is primarily attributable to revenue growth in the Cloud area. EBITDA AL increased by EUR 5 million compared with the prior-year period to EUR 54 million. The expense arising from special factors decreased by EUR 3 million year-on-year to EUR 23 million, mainly as a result of lower restructuring costs.

Profit/loss from operations (EBIT), adjusted EBIT

Adjusted EBIT in our Systems Solutions operating segment improved by EUR 2 million year-on-year in the first quarter of 2024, coming in at EUR 48 million, due to the reasons described under adjusted EBITDA AL and as a result of declines in depreciation and amortization. EBIT increased by EUR 7 million year-on-year to EUR 18 million. The expense arising from special factors was EUR 30 million, a decrease of EUR 5 million year-on-year.

Cash capex (before spectrum investment), cash capex

Cash capex in the Systems Solutions operating segment stood at EUR 63 million in the first quarter 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 €

		Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue		**2**	**102**	**(100)**	**(98.0)**	**115**
Of which: GD Towers		0	99	(99)	(100.0)	99
Service revenue		**0**	**0**	**0**	**n.a.**	**0**
EBITDA		(4)	13,011	(13,015)	n.a.	13,220
Special factors affecting EBITDA		2	12,941	(12,939)	(100.0)	13,170
EBITDA (adjusted for special factors)		(6)	70	(76)	n.a.	50
Of which: GD Towers		0	78	(78)	(100.0)	78
EBITDA AL		(4)	13,006	(13,010)	n.a.	13,215
Special factors affecting EBITDA AL		2	12,941	(12,939)	(100.0)	13,170
EBITDA AL (adjusted for special factors)		**(6)**	**65**	**(71)**	**n.a.**	**45**
Of which: GD Towers		0	73	(73)	(100.0)	73
EBITDA AL margin (adjusted for special factors)	%	n.a.	63.7			39.1
Depreciation, amortization and impairment losses		(1)	(1)	0	0.0	(2)
Profit (loss) from operations (EBIT)		**(5)**	**13,010**	**(13,015)**	**n.a.**	**13,217**
Cash capex		(1)	(18)	17	94.4	(24)
Cash capex (before spectrum investment)		**(1)**	**(18)**	**17**	**94.4**	**(24)**

The sale of the GD Towers business entity was consummated on February 1, 2023. Since that date, GD Towers has not 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 €

	Q1 2024	Q1 2023	Change	Change %	FY 2023
Revenue	**546**	**578**	**(32)**	**(5.5)**	**2,305**
Service revenue	**236**	**242**	**(6)**	**(2.5)**	**1,024**
EBITDA	(138)	(146)	8	5.5	(522)
Special factors affecting EBITDA	(37)	(42)	5	11.9	(199)
EBITDA (adjusted for special factors)	(101)	(104)	3	2.9	(323)
EBITDA AL	(205)	(218)	13	6.0	(808)
Special factors affecting EBITDA AL	(37)	(42)	5	11.9	(199)
EBITDA AL (adjusted for special factors)	**(168)**	**(176)**	**8**	**4.5**	**(609)**
Depreciation, amortization and impairment losses	(301)	(354)	53	15.0	(1,352)
Profit (loss) from operations (EBIT)	**(439)**	**(499)**	**60**	**12.0**	**(1,874)**
Cash capex	(199)	(259)	60	23.2	(969)
Cash capex (before spectrum investment)	**(199)**	**(259)**	**60**	**23.2**	**(969)**

Revenue, service revenue
Revenue in our Group Headquarters & Group Services segment decreased in the reporting period by 5.5 %, 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 improved by EUR 8 million in the reporting period to EUR -168 million. This development was mainly attributable to lower operating expenses at our Group Services, which were partially offset by lower revenues from land and buildings due to the ongoing optimization of space.

Profit/loss from operations (EBIT)
EBIT improved by EUR 60 million year-on-year to EUR -439 million, mainly on the back of lower depreciation, amortization and impairment losses, largely due to lower capitalization in connection with declines in the licensing of the Group-wide ERP system. The improvement in EBITDA AL also had a positive effect.

Cash capex (before spectrum investment), cash capex
Cash capex decreased by EUR 60 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), we now expect business to develop better than expected in the United States operating segment. Adjusted EBITDA AL for full-year 2024 was originally expected to come in at USD 30.8 billion in the United States operating segment. We now expect adjusted EBITDA AL for the United States operating segment to come in at around USD 30.9 billion.

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.

Litigation and anti-trust proceedings

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 not changed significantly compared with the risks and opportunities as described in the 2023 combined management report (2023 Annual Report). 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 or developments that threaten 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 €

	Mar. 31, 2024	Dec. 31, 2023	Change	Change %	Mar. 31, 2023
Assets					
Current assets	**38,990**	**36,363**	**2,627**	**7.2**	**40,325**
Cash and cash equivalents	10,827	7,274	3,553	48.8	10,913
Trade receivables	15,141	16,157	(1,016)	(6.3)	15,891
Contract assets	2,481	2,426	55	2.3	2,548
Current recoverable income taxes	308	214	94	43.9	174
Other financial assets	5,199	5,453	(254)	(4.7)	5,466
Inventories	2,417	2,419	(2)	(0.1)	2,659
Other assets	2,465	2,210	255	11.5	2,188
Non-current assets and disposal groups held for sale	152	211	(59)	(28.0)	487
Non-current assets	**256,232**	**253,942**	**2,290**	**0.9**	**263,468**
Intangible assets	138,247	136,004	2,243	1.6	138,142
Property, plant and equipment	65,074	65,042	32	0.0	65,532
Right-of-use assets	32,883	32,826	57	0.2	34,524
Capitalized contract costs	3,522	3,511	11	0.3	3,281
Investments accounted for using the equity method	4,704	4,605	99	2.1	7,337
Other financial assets	4,168	4,140	28	0.7	5,472
Deferred tax assets	6,052	6,401	(349)	(5.5)	7,711
Other assets	1,581	1,413	168	11.9	1,468
Total assets	**295,222**	**290,305**	**4,917**	**1.7**	**303,793**
Liabilities and shareholders' equity					
Current liabilities	**35,141**	**36,065**	**(924)**	**(2.6)**	**39,915**
Financial liabilities	10,944	9,620	1,324	13.8	12,234
Lease liabilities	5,710	5,649	61	1.1	5,485
Trade and other payables	8,334	10,916	(2,582)	(23.7)	11,106
Income tax liabilities	777	683	94	13.8	975
Other provisions	3,474	3,835	(361)	(9.4)	4,006
Other liabilities	3,964	3,444	520	15.1	3,792
Contract liabilities	1,937	1,919	18	0.9	1,931
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0	0	n.a.	384
Non-current liabilities	**166,868**	**163,003**	**3,865**	**2.4**	**165,193**
Financial liabilities	98,317	94,903	3,414	3.6	96,147
Lease liabilities	35,164	35,144	20	0.1	36,969
Provisions for pensions and other employee benefits	3,881	4,060	(179)	(4.4)	3,676
Other provisions	4,175	4,265	(90)	(2.1)	3,745
Deferred tax liabilities	22,873	21,918	955	4.4	21,835
Other liabilities	1,643	1,872	(229)	(12.2)	2,168
Contract liabilities	815	840	(25)	(3.0)	653
Liabilities	**202,009**	**199,068**	**2,941**	**1.5**	**205,108**
Shareholders' equity	**93,213**	**91,237**	**1,976**	**2.2**	**98,685**
Issued capital	12,765	12,765	0	0.0	12,765
Treasury shares	(72)	(20)	(52)	n.a.	(29)
	12,694	**12,745**	**(51)**	**(0.4)**	**12,737**
Capital reserves	56,737	56,786	(49)	(0.1)	60,193
Retained earnings including carryforwards	(12,511)	(29,869)	17,358	58.1	(26,056)
Total other comprehensive income	232	(525)	757	n.a.	305
Net profit (loss)	1,982	17,788	(15,806)	(88.9)	15,360
Issued capital and reserves attributable to owners of the parent	**59,135**	**56,925**	**2,210**	**3.9**	**62,539**
Non-controlling interests	34,078	34,312	(234)	(0.7)	36,147
Total liabilities and shareholders' equity	**295,222**	**290,305**	**4,917**	**1.7**	**303,793**

Consolidated income statement

millions of €	Q1 2024	Q1 2023	Change %	FY 2023
Net revenue	**27,942**	**27,824**	**0.4**	**111,970**
Of which: interest income calculated using the effective interest method	170	172	(1.2)	662
Of which: revenue from insurance contracts	1,130	1,144	(1.2)	4,533
Other operating income	246	334	(26.3)	1,384
Changes in inventories	26	20	30.0	(6)
Own capitalized costs	652	667	(2.2)	2,721
Goods and services purchased	(11,240)	(11,728)	4.2	(47,201)
Personnel costs	(4,549)	(4,870)	6.6	(19,077)
Other operating expenses	(1,317)	(1,202)	(9.6)	(5,019)
Impairment losses on financial assets	(325)	(270)	(20.4)	(1,149)
Gains (losses) from the write-off of financial assets measured at amortized cost	(3)	0	n.a.	(14)
Other	(989)	(931)	(6.2)	(3,856)
EBITDA	**11,760**	**11,044**	**6.5**	**44,772**
Depreciation, amortization and impairment losses	(6,074)	(6,030)	(0.7)	(23,975)
Profit (loss) from operations (EBIT)	**5,686**	**5,014**	**13.4**	**20,798**
Finance costs	(1,430)	(1,378)	(3.8)	(5,719)
Interest income	224	325	(31.1)	870
Interest expense	(1,654)	(1,703)	2.9	(6,588)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	(6)	(20)	70.0	(2,766)
Other financial income (expense)	69	84	(17.9)	(345)
Profit (loss) from financial activities	**(1,367)**	**(1,315)**	**(4.0)**	**(8,829)**
Profit (loss) before income taxes	**4,319**	**3,699**	**16.8**	**11,968**
Income taxes	(1,176)	(979)	(20.1)	(3,672)
Profit (loss) after taxes from continuing operations	**3,143**	**2,720**	**15.6**	**8,296**
Profit (loss) after taxes from discontinued operation	**0**	**13,691**	**(100.0)**	**13,696**
Profit (loss)	**3,143**	**16,411**	**(80.8)**	**21,992**
Profit (loss) attributable to				
Owners of the parent (net profit (loss))	1,982	15,360	(87.1)	17,788
Non-controlling interests	1,161	1,051	10.5	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

		Q1 2024	Q1 2023	Change %	FY 2023
Profit (loss) from continuing operations attributable to the owners of the parent (net profit (loss))	millions of €	1,982	1,669	18.8	4,092
Profit (loss) from discontinued operation attributable to the owners of the parent (net profit (loss))	millions of €	0	13,691	(100.0)	13,696
Profit (loss) attributable to the owners of the parent (net profit (loss))	millions of €	1,982	15,360	(87.1)	17,788
Adjusted weighted average number of ordinary shares outstanding (basic and diluted)	millions	4,969	4,974	(0.1)	4,976
Earnings per share from continuing operations (basic and diluted)	€	**0.40**	**0.34**	**17.6**	**0.82**
Earnings per share from discontinued operation (basic and diluted)	€	**0.00**	**2.75**	**(100.0)**	**2.75**
Earnings per share (basic and diluted)	€	**0.40**	**3.09**	**(87.1)**	**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 €

	Q1 2024	Q1 2023	Change	FY 2023
Profit (loss)	**3,143**	**16,411**	**(13,268)**	**21,992**
Items not subsequently reclassified to profit or loss (not recycled)				
Gains (losses) from the remeasurement of equity instruments	6	(19)	25	(70)
Gains (losses) from the remeasurement of defined benefit plans	90	395	(305)	18
Income taxes relating to components of other comprehensive income	(86)	22	(108)	63
	10	**398**	**(388)**	**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	0	0	4
Change in other comprehensive income (not recognized in income statement)	1,405	(1,055)	2,460	(2,094)
Gains (losses) from the remeasurement of debt instruments				
Recognition of other comprehensive income in income statement	296	221	75	921
Change in other comprehensive income (not recognized in income statement)	(260)	(221)	(39)	(838)
Gains (losses) from hedging instruments (designated risk components)				
Recognition of other comprehensive income in income statement	(55)	(18)	(37)	(33)
Change in other comprehensive income (not recognized in income statement)	147	12	135	(251)
Gains (losses) from hedging instruments (hedging costs)				
Recognition of other comprehensive income in income statement	0	0	0	1
Change in other comprehensive income (not recognized in income statement)	2	13	(11)	(25)
Share of profit (loss) of investments accounted for using the equity method				
Recognition of other comprehensive income in income statement	1	0	1	(4)
Change in other comprehensive income (not recognized in income statement)	14	0	14	(22)
Income taxes relating to components of other comprehensive income	(39)	(10)	(29)	69
	1,511	**(1,058)**	**2,569**	**(2,273)**
Other comprehensive income	**1,521**	**(659)**	**2,180**	**(2,262)**
Total comprehensive income	**4,664**	**15,752**	**(11,088)**	**19,730**
Total comprehensive income attributable to				
Owners of the parent	2,730	15,272	(12,542)	16,531
Non-controlling interests	1,934	480	1,454	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			(1,415)			54			(1)	(18)			6	(1,374)	(3,128)	(4,502)
Unappropriated profit (loss) carried forward				8,001	(8,001)									0	0	0
Dividends														0	(6)	(6)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			76											76	43	120
Share buy-back/shares held in a trust deposit		7												7	0	7
Profit (loss)					15,360									15,360	1,051	16,411
Other comprehensive income				427		(478)		(19)	0	(30)	13		(1)	(88)	(571)	(659)
Total comprehensive income														**15,272**	**480**	**15,752**
Transfer to retained earnings				6				(6)						0	0	0
Balance at March 31, 2023	**12,765**	**(29)**	**60,193**	**(26,056)**	**15,360**	**(202)**	**0**	**85**	**(51)**	**647**	**49**	**0**	**(222)**	**62,539**	**36,147**	**98,685**
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			(95)			(7)				3			(1)	(100)	(1,518)	(1,617)
Unappropriated profit (loss) carried forward				17,788	(17,788)									0	0	0
Dividends														0	(693)	(693)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			46											46	43	89
Share buy-back/shares held in a trust deposit		(52)		(416)										(468)	0	(468)
Profit (loss)					1,982									1,982	1,161	3,143
Other comprehensive income				(14)		680		5	18	70	2	15	(28)	748	773	1,521
Total comprehensive income														**2,730**	**1,934**	**4,664**
Transfer to retained earnings														0	0	0
Balance at March 31, 2024	**12,765**	**(72)**	**56,737**	**(12,511)**	**1,982**	**(47)**	**0**	**41**	**8**	**363**	**14**	**(11)**	**(137)**	**59,135**	**34,078**	**93,213**

Consolidated statement of cash flows

millions of €	Q1 2024	Q1 2023	Change	FY 2023
Profit (loss) before income taxes	4,319	16,685	(12,366)	24,957
Depreciation, amortization and impairment losses	6,074	6,030	44	23,975
(Profit) loss from financial activities	1,367	1,331	36	8,845
(Profit) loss on the disposal of fully consolidated subsidiaries	0	(12,928)	12,928	(12,927)
(Income) loss from the sale of stakes accounted for using the equity method	0	(15)	15	(235)
Other non-cash transactions	129	232	(103)	543
(Gains) losses from the disposal of intangible assets and property, plant and equipment	2	(7)	9	43
Change in assets carried as operating working capital	1,274	729	545	720
Change in other operating assets	(122)	(578)	456	(611)
Change in provisions	(602)	(467)	(135)	(821)
Change in liabilities carried as operating working capital	(1,348)	(360)	(988)	(500)
Change in other operating liabilities	267	501	(234)	212
Income taxes received (paid)	(323)	(169)	(154)	(1,312)
Dividends received	0	0	0	31
Net payments from entering into, canceling or changing the terms and conditions of interest rate derivatives	7	(31)	38	(94)
Cash generated from operations	**11,044**	**10,952**	**92**	**42,826**
Interest paid	(1,995)	(1,802)	(193)	(7,729)
Interest received	564	407	157	2,201
Net cash from operating activities	**9,614**	**9,558**	**56**	**37,298**
Of which: from discontinued operation	0	80	(80)	80
Cash outflows for investments in				
Intangible assets	(1,378)	(1,187)	(191)	(5,560)
Property, plant and equipment	(3,340)	(3,639)	299	(12,306)
Non-current financial assets	(114)	(158)	44	(326)
Payments for publicly funded investments in the broadband build-out	(89)	(66)	(23)	(338)
Proceeds from public funds for investments in the broadband build-out	26	51	(25)	444
Changes in cash and cash equivalents in connection with the acquisition of control of subsidiaries and associates	0	0	0	(4)
Proceeds from disposal of				
Intangible assets	0	0	0	95
Property, plant and equipment	33	23	10	110
Non-current financial assets	21	36	(15)	473
Changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	(5)	7,608	(7,613)	7,629
Net change in short-term investments and marketable securities and receivables	215	(664)	879	(430)
Other	0	0	0	(1)
Net cash (used in) from investing activities	**(4,630)**	**2,005**	**(6,635)**	**(10,213)**
Of which: from discontinued operation	0	(17)	17	(17)
Proceeds from issue of current financial liabilities	14	770	(756)	816
Repayment of current financial liabilities	(1,366)	(4,992)	3,626	(12,700)
Proceeds from issue of non-current financial liabilities	3,966	5,888	(1,922)	10,973
Repayment of non-current financial liabilities	0	(1,976)	1,976	(1,992)
Dividend payments (including to other shareholders of subsidiaries)	(350)	(5)	(345)	(4,027)
Principal portion of repayment of lease liabilities	(1,579)	(1,529)	(50)	(5,904)
Deutsche Telekom AG share buy-back	(452)	0	(452)	0
Cash inflows from transactions with non-controlling entities	1,722	5	1,717	30
Cash outflows from transactions with non-controlling entities	(3,505)	(4,502)	997	(12,730)
Net cash (used in) from financing activities	**(1,552)**	**(6,340)**	**4,788**	**(25,534)**
Of which: from discontinued operation	0	(74)	74	(74)
Effect of exchange rate changes on cash and cash equivalents	121	(74)	195	(68)
Changes in cash and cash equivalents associated with non-current assets and disposal groups held for sale	0	(3)	3	25
Net increase (decrease) in cash and cash equivalents	**3,553**	**5,146**	**(1,593)**	**1,507**
Cash and cash equivalents, at the beginning of the period	**7,274**	**5,767**	**1,507**	**5,767**
Cash and cash equivalents, at the end of the period	**10,827**	**10,913**	**(86)**	**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 § 53 (6) of the Exchange Rules for the Frankfurter Wertpapierbörse (FWB), Deutsche Telekom AG voluntarily publishes a quarterly financial report that comprises interim consolidated financial statements and an interim Group management report. 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 (Wertpapierhandelsgesetz – WpHG).

Statement of compliance

The interim consolidated financial statements for the period ended March 31, 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 quarterly 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 financial statements as of December 31, 2023 for the accounting policies applied for the Group's financial reporting.

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 provisions require a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction 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 requirements for initial measurement of the right-of-use asset have not been amended. By contrast, the change to the subsequent measurement of the lease liability requires variable lease payments that do not depend on an index or interest rate to also be considered in the initial measurement of the lease liability from a sale and leaseback transaction.	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.

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, such as volatile energy prices, inflation, interest rate levels, political developments, including those concerning dealings with Chinese vendors of telecommunications components, and geopolitical tensions. This continues to result in substantial uncertainty in terms of global economic development. 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	
	Mar. 31, 2024	Dec. 31, 2023	Mar. 31, 2023	Q1 2024	Q1 2023
100 Czech korunas (CZK)	3.95383	4.04417	4.25632	3.98826	4.20299
1,000 Hungarian forints (HUF)	2.53869	2.61507	2.63439	2.57533	2.57197
100 Macedonian denars (MKD)	1.62420	1.62352	1.62209	1.62378	1.62307
100 Polish zlotys (PLN)	23.26340	23.05050	21.40140	23.07900	21.23760
1 U.S. dollar (USD)	0.92601	0.90506	0.92018	0.92119	0.93214

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

%	Mar. 31, 2024	Dec. 31, 2023
Germany	3.58	3.49
United States	5.41	5.20
Switzerland	1.48	1.43

Changes in the composition of the Group and other transactions

In the first three months of 2024, Deutsche Telekom did not conduct transactions with any material impact on the composition of the Group.

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

Agreement on the 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 24 months after the close of the transaction.

The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. 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. Since the transaction was consummated so close to the date of preparing the interim consolidated financial statements, it is not yet possible to disclose information on the measurement of the consideration paid, the purchase price allocation, the fair values of the assets acquired and the liabilities assumed, or the goodwill resulting from the transaction. The assets acquired primarily comprised cash and cash equivalents, trade receivables, goodwill, and other intangible assets. The liabilities assumed mainly included trade payables, other provisions, contract liabilities, and deferred tax liabilities.

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. At 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.

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 March 31, 2024, Deutsche Telekom AG bought back around 21 million shares with a total volume of around EUR 0.5 billion under the share buy-back program.

In the period from April 1, 2024 to May 14, 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 period from January 1, 2024 to March 31, 2024, T-Mobile US bought back around 22 million shares with a total volume of around USD 3.6 billion (EUR 3.3 billion) under the 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 will be paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. Furthermore, in the period from April 1, 2024 to April 19, 2024, T-Mobile US bought back around 5 million additional shares with a total volume of around USD 0.9 billion (EUR 0.8 billion) under its share buy-back program.

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 March 31, 2024, Deutsche Telekom sold around 12 million T-Mobile US shares with a total volume of around EUR 1.8 billion.

In the period from April 1, 2024 to May 14, 2024, Deutsche Telekom sold around another 6 million T-Mobile US shares with a total volume of around EUR 0.9 billion.

As of March 31, 2024, Deutsche Telekom's stake in T-Mobile US amounted to 46.9 %. 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 March 31, 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 57.9 % as of March 31, 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 remained unchanged at the 2023 year-end level of EUR 2.4 billion. The sale of high-priced mobile terminal equipment in connection with 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 2.2 billion compared to December 31, 2023 to EUR 138.2 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 2.6 billion. Additions increased the carrying amount by EUR 1.3 billion, EUR 0.1 billion of which related to mobile spectrum in the United States operating segment. Amortization and impairment losses of EUR 1.7 billion reduced the carrying amount.

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 3.2 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. T-Mobile US expects the first tranche to be concluded in the second quarter of 2024 with payment of the corresponding purchase price in the third quarter of 2024, and the second tranche 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 3.3 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 (after the reporting period), DISH had not exercised the purchase option. The already paid extension fee will be 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, 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 increased from EUR 65.0 billion as of December 31, 2023 to EUR 65.1 billion. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 2.4 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, also increased the carrying amount by EUR 0.7 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. By contrast, depreciation and impairment losses totaling EUR 3.1 billion and disposals of EUR 0.1 billion decreased the carrying amount.

Right-of-use assets
The carrying amount of the right-of-use assets increased by EUR 0.1 billion compared to December 31, 2023 to EUR 32.9 billion. The carrying amount was increased by additions of EUR 0.9 billion. Exchange rate effects, primarily from the translation of U.S. dollars into euros, increased the carrying amount by EUR 0.6 billion. Depreciation and impairment losses reduced the carrying amount by EUR 1.3 billion. The previously mentioned reclassifications of lease assets to property, plant and equipment also reduced the carrying amount by EUR 0.2 billion.

Capitalized contract costs
As of March 31, 2024, the carrying amount of capitalized contract costs remained at the level 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 €

	Mar. 31, 2024 Total	Dec. 31, 2023 Total
Originated loans and receivables	6,195	6,538
Of which: collateral paid	1,576	1,708
Of which: other receivables – publicly funded projects	1,857	1,863
Debt instruments – measured at fair value through profit or loss	671	652
Derivative financial assets	1,862	1,780
Of which: derivatives with a hedging relationship	682	658
Of which: derivatives without a hedging relationship	1,180	1,122
Equity instruments – measured at fair value through profit or loss	4	4
Equity instruments – measured at fair value through other comprehensive income	431	422
Lease assets	205	197
	9,367	**9,593**

The carrying amount of current and non-current other financial assets decreased by EUR 0.2 billion compared to December 31, 2023 to EUR 9.4 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 0.4 billion to EUR 4.0 billion. As of March 31, 2024, the carrying amount included various advance payments, totaling EUR 3.3 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 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 March 31, 2024 remained unchanged at the level of December 31, 2023 of EUR 0.2 billion.

Financial liabilities and lease liabilities

The following table shows the composition and maturity structure of **financial liabilities** as of March 31, 2024:

millions of €

	Mar. 31, 2024	Due within 1 year	Due > 1 ≤ 5 years	Due > 5 years	Dec. 31, 2023
Bonds and other securitized liabilities	92,359	5,299	31,557	55,503	87,773
Liabilities to banks	3,561	1,393	1,385	783	3,560
	95,920	**6,692**	**32,942**	**56,286**	**91,333**
Liabilities with the right of creditors to priority repayment in the event of default	1,901	829	1,071	0	2,067
Other interest-bearing liabilities	6,459	1,042	2,608	2,809	6,628
Liabilities from deferred interest	1,128	1,128	0	0	1,009
Other non-interest-bearing liabilities	1,300	1,189	77	34	921
Derivative financial liabilities	2,554	64	632	1,858	2,564
	13,342	**4,252**	**4,388**	**4,701**	**13,189**
Financial liabilities	**109,261**	**10,944**	**37,331**	**60,986**	**104,522**
Lease liabilities	**40,874**	**5,710**	**16,913**	**18,251**	**40,792**

The carrying amount of current and non-current financial liabilities increased by EUR 4.7 billion compared with year-end 2023 to EUR 109.3 billion, primarily due to the factors described below. This also includes exchange rate effects of EUR 1.9 billion, primarily from the translation of U.S. dollars into euros.

The carrying amount of bonds and other securitized liabilities increased by EUR 4.6 billion to EUR 92.4 billion. The carrying amount was increased by senior notes 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 %, and by asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion) with the term 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. 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 1.7 billion.

As of March 31, 2024, the carrying amount of liabilities to banks remained at the level of December 31, 2023 of EUR 3.6 billion.

The liabilities with the right of creditors to priority repayment in the event of default of EUR 1.9 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 0.2 billion when translated into euros. At the reporting date, cash and cash equivalents with a carrying amount of EUR 70 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 0.2 billion compared with December 31, 2023 to EUR 6.5 billion. Scheduled repayments by T-Mobile US reduced the carrying amount by EUR 0.2 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. Exchange rate effects increased the carrying amount of other interest-bearing liabilities by EUR 0.1 billion.

The carrying amount of other non-interest-bearing liabilities increased by EUR 0.4 billion to EUR 1.3 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 March 15, 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 remained unchanged at the level of December 31, 2023 of EUR 2.6 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** increased by EUR 0.1 billion to EUR 40.9 billion compared with December 31, 2023. Exchange rate effects, in particular from the translation of U.S. dollars into euros, raised the carrying amount by EUR 0.7 billion. By contrast, lease liabilities in the United States operating segment decreased by EUR 0.6 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.

Trade and other payables

The carrying amount of trade and other payables decreased by EUR 2.6 billion to EUR 8.3 billion, due in particular to lower liabilities in the United States operating segment, which resulted in part from a lower procurement volume, and to lower liabilities in the Germany and Europe 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 0.2 billion compared with December 31, 2023 to EUR 3.9 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.1 billion to be recognized directly in equity, mainly due to 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 0.5 billion compared with the end of 2023 to EUR 7.6 billion. Other provisions for personnel costs decreased by EUR 0.2 billion, primarily in connection with the bonuses paid out to employees in the United States operating segment and a decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). This is primarily due to an increase in the discount rate. 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. Provisions for termination benefits also decreased by EUR 0.2 billion, mainly as a result of the program implemented to reduce the workforce in the United States operating segment.

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.

Contract liabilities

The carrying amount of current and non-current contract liabilities was at the same level as at December 31, 2023 of EUR 2.8 billion. These substantially include deferred revenues.

Shareholders' equity

The carrying amount of shareholders' equity increased from EUR 91.2 billion as of December 31, 2023 to EUR 93.2 billion, with profit of EUR 3.1 billion and capital increases from share-based payments of EUR 0.1 billion having an increasing effect. Other comprehensive income also increased the carrying amount by EUR 1.5 billion, mainly as a result of currency translation effects of EUR 1.4 billion recognized directly in equity and the remeasurement of defined benefit plans accounting for EUR 0.1 billion, as well as gains from hedging instruments of EUR 0.1 billion. Income taxes relating to components of other comprehensive income of EUR 0.1 billion had an offsetting effect. Effects also arose in connection with the T-Mobile US shareholder return program from September 2023 – comprising the share buy-back program and the payment of cash dividends – that reduced the carrying amount of shareholders' equity. The carrying amount of transactions with owners declined by EUR 1.6 billion, due in particular to the share buy-back program at T-Mobile US. In addition, payments of additional cash dividends of USD 0.65 per share in each case, declared in January and March 2024, reduced the carrying amount by EUR 0.7 billion due to payments to non-controlling interests. 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 0.5 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:

millions of €

	Mar. 31, 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	**(100)**	**(1,518)**	**(1,617)**	**(5,078)**	**(7,378)**	**(12,456)**
T-Mobile US: Share buy-backs/transfer of shares to SoftBank/share-based payment	(94)	(1,505)	(1,599)	(5,034)	(7,183)	(12,217)
OTE share buy-back	(5)	(11)	(17)	(58)	(119)	(177)
Hrvatski Telekom share buy-back	0	(1)	(2)	(3)	(19)	(22)
Magyar Telekom share buy-back	0	0	0	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 €	Q1 2024	Q1 2023
Service revenues	**23,485**	**22,818**
Germany	5,515	5,417
United States	14,827	14,475
Europe	2,455	2,298
Systems Solutions	973	921
Group Development	0	0
Group Headquarters & Group Services	236	242
Reconciliation	(522)	(535)
Non-service revenues	**4,458**	**5,006**
Germany	783	724
United States	3,182	3,787
Europe	503	486
Systems Solutions	20	25
Group Development	2	3
Group Headquarters & Group Services	311	336
Reconciliation	(342)	(355)
Net revenue	**27,942**	**27,824**

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 1.1 billion (Q1 2023: EUR 1.1 billion) and insurance service expenses of EUR 0.8 billion (Q1 2023: EUR 0.7 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 0.2 billion (Q1 2023: EUR 0.4 billion). Of the revenue from the use of entity assets by others reported in net revenue, EUR 0.2 billion (Q1 2023: EUR 0.2 billion) relates to service revenues and EUR 0.1 billion (Q1 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 €	Q1 2024	Q1 2023
Income from the disposal of non-current assets	61	66
Income from reimbursements	30	37
Income from insurance compensation	20	69
Income from ancillary services	8	11
Miscellaneous other operating income	127	150
Of which: gains resulting from deconsolidations and from the sale of stakes accounted for using the equity method	0	19
	246	**334**

Income from insurance compensation in the first quarter of 2023 mainly related to further refunds from insurance companies for expenses incurred in connection with the cyberattack on T-Mobile US in August 2021.

Other operating expenses

millions of €	Q1 2024	Q1 2023
Impairment losses on financial assets	(325)	(270)
Gains (losses) from the write-off of financial assets measured at amortized cost	(3)	0
Other	(989)	(931)
Legal and audit fees	(127)	(90)
Losses from asset disposals	(63)	(59)
Other taxes	(162)	(183)
Cash and guarantee transaction costs	(117)	(156)
Insurance expenses	(44)	(44)
Miscellaneous other operating expenses	(476)	(399)
	(1,317)	**(1,202)**

Miscellaneous other operating expenses include expenses of EUR 0.2 billion (Q1 2023: EUR 0.2 billion) for data storage in data centers, in cloud applications, or other IT services, and of EUR 0.1 billion (Q1 2023: EUR 0.1 billion) for regulatory duties in the United States operating segment.

Depreciation, amortization and impairment losses

At EUR 6.1 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were slightly up against the level of the prior-year period in the first quarter of 2024. Depreciation and amortization were slightly higher than in the prior-year period. 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 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.

Profit/loss from financial activities

Loss from financial activities increased year-on-year from EUR 1.3 billion to EUR 1.4 billion, which was mainly attributable to the slight increase in finance costs. Other financial income remained at the level of the prior-year period, with the decline in gains/losses from financial instruments offset by higher interest income from the measurement of provisions and liabilities. The latter 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).

For further information, please refer to the section “Disclosures on financial instruments.”

Income taxes

A tax expense of EUR 1.2 billion was recorded in the first quarter of 2024. The tax amount 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 not 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 €	Q1 2024	Q1 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 9.6 billion, net cash from operating activities was EUR 0.1 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, exchange rate effects, and cash outflows from the program implemented by T-Mobile US to reduce the workforce.

Net cash used in/from investing activities

millions of €

	Q1 2024	Q1 2023
Cash outflows for investments in intangible assets	(1,378)	(1,187)
Cash outflows for investments in property, plant and equipment	(3,340)	(3,639)
Proceeds from the disposal of property, plant and equipment, and intangible assets	33	23
Payments for publicly funded investments in the broadband build-out	(89)	(66)
Proceeds from public funds for investments in the broadband build-out	26	51
Net cash outflows for short-term investments in government bonds	0	(822)
Net cash flows for collateral deposited and hedging transactions	187	139
Changes in cash and cash equivalents in connection with the sale of the 51 % stake in the GD tower companies [a]	0	7,598
Other changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	(5)	10
Other	(65)	(102)
Net cash (used in) from investing activities	**(4,630)**	**2,005**
Of which: from discontinued operation	0	(17)

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

At EUR 4.7 billion, cash outflows for investments in intangible assets and property, plant and equipment were EUR 0.1 billion lower than in the prior year. As in the prior-year period, in the United States operating segment, mobile spectrum licenses were acquired for a total of EUR 0.1 billion. Excluding investments in mobile spectrum licenses, cash outflows for investments in intangible assets and property, plant and equipment were down EUR 0.1 billion year-on-year. Cash outflows in the United States operating segment decreased by EUR 0.4 billion, in particular due to higher cash outflows for investments in prior years for the accelerated build-out of the 5G network. By contrast, cash outflows increased by EUR 0.3 billion in the Germany operating segment, primarily in connection with the fiber-optic build-out.

Net cash used in/from financing activities

millions of €

	Q1 2024	Q1 2023
Issuance of bonds	3,966	2,819
Repayment of bonds	(830)	(3,411)
Commercial paper, net	0	(2,280)
Repayment of EIB loans	0	(12)
Overnight borrowings from banks, net	0	(200)
Repayment of liabilities with the right of creditors to priority repayment in the event of default	(205)	(123)
Repayment of liabilities from 5G spectrum acquired in Germany	(85)	(85)
Repayment of financial liabilities for media broadcasting rights	(95)	(82)
Principal portion of repayment of lease liabilities	(1,579)	(1,529)
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
Cash flows from continuing involvement factoring, net	(5)	0
Deutsche Telekom AG share buy-back	(452)	0
Dividend payments (including to other shareholders of subsidiaries)	(350)	(5)
Cash inflows from transactions with non-controlling entities		
Sale of T-Mobile US shares by Deutsche Telekom	1,716	0
T-Mobile US stock options	5	4
Other cash inflows	1	1
	1,722	**5**
Cash outflows from transactions with non-controlling entities		
T-Mobile US share buy-back/share-based payment	(3,488)	(4,480)
OTE share buy-back	(16)	(20)
Other payments	(2)	(2)
	(3,505)	**(4,502)**
Other	(132)	(43)
Net cash (used in) from financing activities	**(1,552)**	**(6,340)**
Of which: from discontinued operation	0	(74)

Non-cash transactions

In the reporting period, Deutsche Telekom leased assets totaling EUR 0.9 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. Asset leases were down EUR 1.9 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.

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 0.1 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.

Segment reporting

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

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	Q1 2024	6,146	152	6,298	1,549	(1,071)	0	52,515	38,206	446
	Q1 2023	5,977	164	6,141	1,447	(1,036)	0	52,637	38,645	364
United States	Q1 2024	18,004	5	18,009	4,028	(4,003)	(1)	206,237	142,188	401
	Q1 2023	18,261	1	18,262	3,575	(3,967)	(4)	203,435	138,491	384
Europe	Q1 2024	2,911	48	2,959	541	(636)	(2)	24,327	8,601	42
	Q1 2023	2,741	43	2,784	478	(609)	(1)	24,237	8,801	42
Systems Solutions	Q1 2024	843	150	993	18	(53)	(6)	4,253	3,126	23
	Q1 2023	792	154	946	11	(53)	(8)	4,016	2,972	22
Group Development	Q1 2024	2	0	2	(5)	(1)	0	7,613	244	3,777
	Q1 2023	26	76	102	13,010	(1)	0	11,237	3,879	3,777
Group Headquarters & Group Services	Q1 2024	36	510	546	(439)	(301)	0	38,763	48,078	15
	Q1 2023	42	536	578	(499)	(353)	0	40,096	51,607	15
Total from continuing operations and discontinued operation	**Q1 2024**	**27,942**	**865**	**28,807**	**5,692**	**(6,065)**	**(9)**	**333,708**	**240,443**	**4,704**
	Q1 2023	**27,839**	**975**	**28,813**	**18,022**	**(6,019)**	**(13)**	**335,658**	**244,395**	**4,604**
Reconciliation	Q1 2024	0	(865)	(865)	(6)	1	(1)	(38,486)	(38,434)	0
	Q1 2023	0	(975)	(975)	(7)	3	(1)	(45,353)	(45,327)	1
Consolidated total from continuing operations and discontinued operation	**Q1 2024**	**27,942**	**0**	**27,942**	**5,686**	**(6,064)**	**(10)**	**295,222**	**202,009**	**4,704**
	Q1 2023	**27,839**	**0**	**27,839**	**18,015**	**(6,016)**	**(14)**	**290,305**	**199,068**	**4,605**
Discontinued operation	Q1 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	Q1 2023	(15)	(84)	(99)	(13,001)	0	0	n.a.	n.a.	n.a.
Reconciliation	Q1 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	Q1 2023	0	84	84	0	0	0	n.a.	n.a.	n.a.
Group total	**Q1 2024**	**27,942**	**0**	**27,942**	**5,686**	**(6,064)**	**(10)**	**295,222**	**202,009**	**4,704**
	Q1 2023	**27,824**	**0**	**27,824**	**5,014**	**(6,016)**	**(14)**	**290,305**	**199,068**	**4,605**

[a] Figures relate to the reporting dates of March 31, 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 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 March 31, 2024:

millions of €	Mar. 31, 2024
Purchase commitments regarding property, plant and equipment	5,294
Purchase commitments regarding intangible assets	8,227
Firm purchase commitments for inventories	2,762
Other purchase commitments and similar obligations	30,188
Payment obligations to the Civil Service Pension Fund	852
Obligations arising in connection with business combinations	1,292
Miscellaneous other obligations	2
	48,617

Purchase commitments regarding intangible assets include, among others, obligations 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 in exchange for a total cash consideration of USD 3.5 billion (EUR 3.2 billion). 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. Of the obligations arising in connection with business combinations, USD 1.2 billion (EUR 1.1 billion) relates to obligations arising from the agreed acquisition of Ka'ena in the United States.

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

For further information on the agreed acquisition of Ka'ena, 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	Carrying amount Mar. 31, 2024	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 Mar. 31, 2024 [b]
Assets							
Cash and cash equivalents	AC	**10,827**	10,827				
Trade receivables		**15,141**					
At amortized cost	AC	6,998	6,998				
At fair value through other comprehensive income	FVOCI	8,143			8,143		8,143
Other financial assets		**9,367**					
Originated loans and other receivables		**6,866**					
At amortized cost	AC	6,195	6,195				6,206
Of which: collateral paid	AC	1,576	1,576				
Of which: publicly funded projects	AC	1,857	1,857				
At fair value through profit or loss	FVTPL	671				671	671
Equity instruments		**434**					
At fair value through other comprehensive income	FVOCI	431		431			431
At fair value through profit or loss	FVTPL	4				4	4
Derivative financial assets		**1,862**					
Derivatives without a hedging relationship	FVTPL	1,180				1,180	1,180
Of which: termination rights embedded in bonds issued	FVTPL	182				182	182
Of which: energy forward agreements	FVTPL	210				210	210
Of which: options received from third parties for the purchase or sale of shares in subsidiaries and associates	FVTPL	449				449	449
Derivatives with a hedging relationship	n.a.	682			682	0	682
Lease assets	n.a.	**205**					
Liabilities							
Trade payables	AC	**8,334**	8,334				
Financial liabilities		**109,261**					
Bonds and other securitized liabilities	AC	92,359	92,359				88,677
Of which: asset-backed securities collateralized by trade receivables	AC	1,154	1,154				1,152
Liabilities to banks	AC	3,561	3,561				3,451
Liabilities with the right of creditors to priority repayment in the event of default	AC	1,901	1,901				1,849
Other interest-bearing liabilities	AC	6,459	6,459				6,309
Of which: collateral received	AC	22	22				
Liabilities from deferred interest	AC	1,128	1,128				
Other non-interest-bearing liabilities	AC	1,300	1,300				
Of which: puttable shares of non-controlling interests in consolidated partnerships	AC	34	34				

[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 Mar. 31, 2024	Amounts recognized in the statement of financial position in accordance with IFRS 9				Fair value Mar. 31, 2024[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	Fair value through profit or loss[a]	
Derivative financial liabilities		**2,554**					
Derivatives without a hedging relationship	FVTPL	241				241	241
Of which: energy forward agreements	FVTPL	29				29	29
Derivatives with a hedging relationship	n.a.	2,313			366	1,947	2,313
Of which: energy forward agreements	n.a.	78			78		78
Lease liabilities	n.a.	**40,874**					
Aggregated by measurement category (IFRS 9)							
Assets							
Financial assets at amortized cost	AC	24,020	24,020				6,206
Financial assets at fair value through other comprehensive income with recycling to profit or loss	FVOCI	8,143			8,143		8,143
Financial assets at fair value through other comprehensive income without recycling to profit or loss	FVOCI	431		431			431
Financial assets at fair value through profit or loss	FVTPL	1,855				1,855	1,855
Liabilities							
Financial liabilities at amortized cost	AC	115,042	115,042				100,286
Financial liabilities at fair value through profit or loss	FVTPL	241				241	241

[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.

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

millions of €

			Amounts recognized in the statement of financial position in accordance with IFRS 9				
	Measurement category in accordance with IFRS 9	Carrying amount Dec. 31, 2023	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	1,709	1,709				
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	169				169	169
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
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				

[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 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	Fair value through profit or loss [a]	
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**					
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 2.2 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

When determining the fair value, it is important to maximize the use of current inputs observable in liquid markets for the financial instrument in question and minimize the use of other inputs (e.g., historical prices, prices for similar instruments, prices on illiquid markets). A three-level measurement hierarchy is defined for these purposes. If prices quoted in liquid markets are available at the reporting date for the respective financial instrument, these will be used unadjusted for the measurement (Level 1 measurement). Other input parameters are then irrelevant for the measurement. One such example is shares and bonds that are actively traded on a stock exchange. If quoted prices on liquid markets are not available at the reporting date for the respective financial instrument, but the instrument can be measured using other inputs that are observable on the market at the reporting date, a Level 2 measurement will be applied. The conditions for this are that no major adjustments have been made to the observable inputs and no unobservable inputs are used. Examples of Level 2 measurements are collateralized interest rate swaps, currency forwards, and cross-currency swaps that can be measured using current interest rates or exchange rates. If the conditions for a Level 1 or Level 2 measurement are not met, a Level 3 measurement is applied. In such cases, major adjustments must be made to observable inputs or unobservable inputs must be used.

Financial instruments measured at fair value

millions of €

	Mar. 31, 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			8,143	**8,143**			8,446	**8,446**
Other financial assets – Originated loans and other receivables								
At fair value through profit or loss	242		429	**671**	221		431	**652**
Equity instruments								
At fair value through other comprehensive income	14		417	**431**	11		411	**422**
At fair value through profit or loss			4	**4**			4	**4**
Derivative financial assets								
Derivatives without a hedging relationship		771	409	**1,180**		737	385	**1,122**
Derivatives with a hedging relationship		682		**682**		658		**658**
Liabilities								
Derivative financial liabilities								
Derivatives without a hedging relationship		212	29	**241**		263	33	**296**
Derivatives with a hedging relationship		2,235	78	**2,313**		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)	0	5	0	0	0
Decreases in fair value recognized in profit/loss (including losses on disposal)		(36)	(1)	(1)	(2)
Increases in fair value recognized in profit/loss (including gains on disposal)		8	39	4	0
Decreases in fair value recognized directly in equity	(9)				
Increases in fair value recognized directly in equity	13				
Disposals (including last classification as Level 3)[a]	0	0	(1)	1	0
Currency translation effects recognized directly in equity	2	5	4	(1)	0
Carrying amount as of March 31, 2024	**417**	**182**	**210**	**(29)**	**418**

[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 363 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 87 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 45 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 231 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 3.0 and 10.5) 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 182 million when translated into euros. 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 by rating levels

%	Interest volatility (absolute figure)	Spread
BBB+	0.1 – 0.2	0.9 – 1.4
BBB-	0.1 – 0.2	1.2 – 1.8
BB+	0.1 – 0.2	1.5 – 2.0

For the mean reversion input, which is unobservable, 3 % was used. 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 51 million lower (EUR 77 million higher). In the reporting period, a net expense of EUR 28 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. The changes in value recognized in profit or loss in the reporting period were mainly attributable to fluctuations in the interest rates and historical interest rate volatilities in absolute terms that are relevant for measurement. 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 %		23			
Interest rate volatility [b] -10 %		(15)			
Spread curve [c] +50 basis points		(66)			(9)
Spread curve [c] -50 basis points		104			10
Mean reversion [d] +100 basis points		(2)			
Mean reversion [d] -100 basis points		11			
Future energy prices +10 %			49	5	
Future energy prices -10 %			(53)	(5)	
Future energy output +5 %			37	(1)	
Future energy output -5 %			(42)	1	
Future prices for renewable energy credits [e] +100 %			24	2	
Future prices for renewable energy credits [e] from zero			(29)	(2)	
Planned fiber-optic build-out is completed one year earlier than expected					14
Planned fiber-optic build-out is completed one year later than expected					(48)
Actual fiber-optic build-out is 5 % higher than planned each year					42
Actual fiber-optic build-out is 5 % lower than planned each year					(42)

[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 210 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 29 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 306 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 47 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 market-price changes in the reporting period were attributable to changes in observable and unobservable energy prices and to interest rate effects. 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 amount when translated into euros was EUR 78 million (liability), 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.

	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 €	29 to 149
Off-peak (i.e., times of relatively low energy demand) in €	25 to 158
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 [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	(2)
Currency translation adjustments	9
Disposals in prior periods	(85)
Disposals in the current reporting period	0
Measurement amounts not amortized as of March 31, 2024	**118**

[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 418 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. 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. In the reporting period, a net expense of EUR 2 million was recognized under the Level 3 measurement of the receivable in other operating income/expense for unrealized discounting effects. Please refer to the table above for the development of the carrying amounts in the reporting period. The market-price change in the reporting period is largely attributable to a change in the interest rates that are relevant for measurement. 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 11 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 8,143 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 6.94 % (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 17 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 22 million (December 31, 2023: EUR 39 million). The credit risk was thus reduced by EUR 16 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 1,021 million as of the reporting date (December 31, 2023: EUR 981 million) had a residual credit risk of EUR 5 million as of March 31, 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 1,499 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 1,438 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 shares in a subsidiary of Deutsche Telekom or shares in other companies (see explanations above).

In connection mainly with the procurement of energy, subsidiaries of Deutsche Telekom have deposited additional cash collateral of EUR 6 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 70 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

There were no significant changes as of March 31, 2024 to the related-party disclosures reported in the consolidated financial statements as of December 31, 2023.

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

2024 Shareholders' Meeting. Deutsche Telekom held its annual Shareholders' Meeting in Bonn on April 10, 2024. In accordance with the published agenda, the 2024 Shareholders' Meeting passed resolutions on 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 amendment to § 13 of the Articles of Incorporation (remuneration of the Supervisory Board), and the amount of the dividend (EUR 0.77 per dividend-bearing no par value share; EUR 3.8 billion in total). The dividend was paid out in April 2024.

Deutsche Telekom AG's share buy-back program. In the period from April 1, 2024 to May 14, 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."

Sale of T-Mobile US shares by Deutsche Telekom. In the period from April 1, 2024 to May 14, 2024, Deutsche Telekom sold around 6 million T-Mobile US shares with a total volume of EUR 0.9 billion.

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

T-Mobile US' share buy-back program continued. In the period from April 1, 2024 to April 19, 2024, T-Mobile US bought back around 5 million additional shares with a total volume of USD 0.9 billion (EUR 0.8 billion) under the share buy-back program.

For further information on the share buy-back program at T-Mobile US, please refer to the section "Other transactions that had no effect on the composition of the Group."

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.

For further information, please refer to the section "Changes in the composition of the Group and other transactions."

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

For further information, please refer to the section "Changes in the composition of the Group and other transactions."

Issue of EUR bonds by T-Mobile US. On May 8, 2024, T-Mobile US issued EUR bonds (senior notes) with a total volume of EUR 2.0 billion with terms ending between 2029 and 2036 and bearing interest of between 3.55 % and 3.85 %.

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, May 16, 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 March 31, 2024 which are part of the quarterly 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, May 16, 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 €

					Reconciliation to organic figures		Organic change		
	Q1 2024	Q1 2023	Change	Change %	Reconciliation Q1 2023	Of which: exchange rate effects	Organic Q1 2023	Change	Change %
Revenue	**27,942**	**27,839**	**103**	**0.4**	**(339)**	**(194)**	**27,500**	**442**	**1.6**
Germany	6,298	6,141	157	2.6	(2)	(2)	6,139	159	2.6
United States	18,009	18,262	(253)	(1.4)	(325)	(209)	17,937	72	0.4
Europe	2,959	2,784	175	6.3	14	16	2,799	160	5.7
Systems Solutions	993	946	47	5.0	4	2	951	42	4.4
Group Development	2	102	(100)	(98.0)	(99)	0	3	0	(12.2)
Group Headquarters & Group Services	546	578	(32)	(5.5)	(9)	0	569	(23)	(4.0)
Service revenue	**23,485**	**22,814**	**671**	**2.9**	**(261)**	**(159)**	**22,554**	**931**	**4.1**
Germany	5,515	5,417	98	1.8	(2)	(2)	5,415	100	1.8
United States	14,827	14,475	352	2.4	(281)	(165)	14,194	634	4.5
Europe	2,455	2,298	157	6.8	20	7	2,319	137	5.9
Systems Solutions	973	921	52	5.6	4	2	926	47	5.1
Group Development	0	0	0	n.a.	0	0	0	0	n.a.
Group Headquarters & Group Services	236	242	(6)	(2.5)	0	0	242	(6)	(2.6)
EBITDA AL	**10,156**	**22,364**	**(12,208)**	**(54.6)**	**(61)**	**(69)**	**22,303**	**(12,147)**	**(54.5)**
Germany	2,465	2,385	80	3.4	13	0	2,397	68	2.8
United States	6,802	6,173	629	10.2	(2)	(71)	6,172	630	10.2
Europe	1,050	978	72	7.4	5	1	983	67	6.9
Systems Solutions	54	49	5	10.2	1	1	50	4	8.1
Group Development	(4)	13,006	(13,010)	n.a.	(73)	0	12,934	(12,938)	n.a.
Group Headquarters & Group Services	(205)	(218)	13	6.0	(2)	0	(220)	15	6.7
EBITDA AL (adjusted for special factors)	**10,473**	**9,963**	**510**	**5.1**	**(66)**	**(74)**	**9,898**	**575**	**5.8**
Germany	2,576	2,489	87	3.5	13	0	2,501	75	3.0
United States	6,932	6,536	396	6.1	(6)	(76)	6,530	401	6.1
Europe	1,069	983	86	8.7	5	1	988	81	8.1
Systems Solutions	77	75	2	2.7	1	1	76	1	1.5
Group Development	(6)	65	(71)	n.a.	(73)	0	(8)	1	17.7
Group Headquarters & Group Services	(168)	(176)	8	4.5	(2)	0	(178)	10	5.4

[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 2023 Annual 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. 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

May 16, 2024	August 8, 2024	October 10/11, 2024	November 14, 2024
Publication of the Interim Group Report as of March 31, 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
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

All dates are subject to change.

For more dates, an updated schedule, and information on webcasts, please visit our Investor Relations website.

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This Interim Group Report for January 1 to March 31, 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.

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Design & technical implementation:
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