

Press release

Bonn, February 25, 2011

Deutsche Telekom brings the 2010 financial year to a successful close and expects almost stable development in 2011

- Adjusted EBITDA target achieved, free cash flow guidance exceeded
- Net profit increased almost five-fold compared with 2009
- Increased revenue from German operations in fourth quarter
- Mobile data business increased by almost 30 percent
- Further improvement in margins at T-Systems
- Proposed dividend of EUR 0.70
- Outlook for 2011 promises stability

Deutsche Telekom achieved and, in some cases, even exceeded its financial targets for 2010. The Group recorded adjusted EBITDA of EUR 19.5 billion in the financial year just ended, matching the forecast made at the start of 2010 (excluding the deconsolidated T-Mobile UK that accounted for around EUR 0.5 billion). At EUR 6.5 billion, free cash flow was considerably higher than the EUR 6.2 billion originally expected. Business in Germany was strong, with mobile Internet, smartphones, broadband lines and Internet-based (IPTV) television as the growth drivers.

Net revenue increased by 0.4 percent to EUR 62.4 billion excluding the UK. At EUR 3.4 billion, adjusted net profit was on a par with the 2009 figure.

Unadjusted for special factors, net profit stood at EUR 1.7 billion, a substantial increase from EUR 0.4 billion in the previous year.

"We delivered solid figures in 2010. We have battled through the headwind caused by the economic environment, special taxes in several countries, and stiff competition. I am particularly pleased about the slight increase in revenue," said René Obermann, CEO of Deutsche Telekom. "At the same time, we have started to implement our new strategy and invested in the future. You have to sow before you can reap."

The Group continued to invest heavily in 2010. Cash capex totaled EUR 8.6 billion, around 7 percent less than in 2009. Deutsche Telekom also invested an additional EUR 1.3 billion in new spectrum acquired in the frequency auction in Germany. At the same time, the Company successfully continued its efforts to improve efficiency with the second part of its Save for Service program. Of the gross savings of EUR 4.2 billion planned for the period between 2010 and 2012, savings of EUR 2.4 billion have already been made, which is equivalent to 60 percent of the overall target for the new three-year program. The management invested a substantial portion of this in improving the Company's position on the market, which still leaves a net cost reduction of EUR 1 billion.

Deutsche Telekom underpinned its good credit standing with sound financial indicators. The equity ratio, for example, increased by almost one percentage point to 33.7 percent. This includes expenses for the settlement in Poland, exceptional HR expenses, and the special tax in Hungary, as well as impairment of goodwill and property, plant and equipment in Greece and Romania. Overall, special factors and one-time factors led to a net decline of around EUR 1.3 billion in net profit in the fourth quarter.

In its operating business the Company recorded particularly strong growth in broadband lines, IPTV, and sales of smartphones. Mobile Internet business

was once again a growth driver with mobile data revenues increasing by 29.2 percent to EUR 4.4 billion in 2010. Revenues from T-Systems' business with cloud services also grew.

Based on these results, the Board of Management and Supervisory Board will be proposing to the shareholders' meeting a dividend of EUR 0.70 per share for 2010. Including the completed share buy-backs amounting to EUR 0.4 billion in 2010, total shareholder remuneration will amount to EUR 3.4 billion. This is in line with the Company's shareholder remuneration policy for the years through 2012 that was presented a year ago.

Deutsche Telekom expects earnings to remain almost stable in the 2011 financial year, again excluding the UK. Adjusted EBITDA is expected to remain approximately on a par with the 2010 level and amount to around EUR 19.1 billion in 2011. Free cash flow is expected to remain at the 2010 level of EUR 6.5 billion at least, or to increase slightly. "What we say can be relied on. This applies to both our business and our relationship with employees and shareholders. We stand for a sustainable financial strategy, solid balance sheet ratios, and a consistent dividend policy," explained Timotheus Höttges, CFO of Deutsche Telekom. "The dividend of EUR 0.70 per share – which is, incidentally, tax-free once again for German taxpayers – makes the T-Share an attractive investment."

Germany – revenue increase in the fourth quarter

The Company's Germany operating segment closed the 2010 financial year with a successful fourth quarter, both in the fixed-network business and in mobile communications. Growth was mainly driven by increased sales of smartphones and the corresponding rate plans for using the mobile Internet.

Service revenues in mobile communications increased by 4.4 percent year-on-year to EUR 7.3 billion in 2010, extending Deutsche Telekom's market lead over competitors once again. This was primarily driven by the growth segment of mobile data business, where revenues rose by 36 percent year-on-year to EUR 1.3 billion.

Total revenue from the German mobile communications business was almost 2 percent up year-on-year at EUR 2.1 billion in the fourth quarter. Service revenues increased to an even larger extent, by 3.4 percent. Excluding the effects from the reduction in termination charges, service revenues increased by around 5 percent. Adjusted EBITDA was up slightly year-on-year by 1 percent in the fourth quarter. For the full year 2010, the adjusted EBITDA margin in the mobile communications business rose by 1 percentage point year-on-year to 42.6 percent.

Deutsche Telekom continues to drive forward the expansion of its smartphone portfolio. The share of smartphones sold rose sharply, accounting for 50 percent of all terminal devices sold in the fourth quarter. This is more than 20 percentage points higher than in the prior-year quarter. The fastest-growing group by some margin was devices with the Android operating system.

At EUR 25.1 billion, total revenue from the German business was just slightly down on the prior year by 1.1 percent. However, in the fourth quarter of 2010, total revenue increased by 0.6 percent to EUR 6.4 billion. For the full year 2010, adjusted EBITDA remained stable at the prior-year level and amounted to EUR 9.6 billion.

Revenue in the fixed-network segment decreased by just 0.7 percent year-on-year in the fourth quarter of 2010 compared with around 3 to 6 percent in the preceding quarters. Adjusted EBITDA increased by 1.1 percent year-on-year, which means that the EBITDA margin remained stable again over the

in a direct comparison with its competitors, Deutsche Telekom's Greek mobile subsidiary actually gained market share in the crisis.

By contrast, Deutsche Telekom's companies in Poland and the Netherlands developed very positively. PTC increased its revenue by 4.7 percent in 2010 and, at the same time, its EBITDA margin by 2.5 percentage points to 37.6 percent. At around 140,000, the proportion of new contract customers in the total customer base rose once again.

In the Netherlands, the merger with former Orange NL is showing increasing success. Despite a slight decline of 2.2 percent in revenue, adjusted EBITDA was up 7.2 percent, raising the margin by 2.3 percentage points.

Many foreign subsidiaries felt the effects of decisions by the regulatory authorities on mobile termination charges and roaming fees. The new special tax levied in Hungary had an additional negative impact of EUR 0.1 billion on revenue and adjusted EBITDA. Excluding this factor, adjusted EBITDA at the Magyar Telekom Group remained almost stable in the fourth quarter and the EBITDA margin increased by 2 percentage points to 38 percent. Exchange rate effects, especially of the Polish zloty against the euro, had a positive impact.

The number of broadband customers in the Europe segment increased by 12 percent in 2010 to a total of 4.6 million. The number of users of IPTV rose by more than 50 percent to 654,000. In mobile communications, the proportion of new contracts with smartphones doubled to more than 30 percent in the fourth quarter. The number of mobile contract customers grew by 4 percent to 26.3 million in 2010. In the Europe operating segment, the share of contract customers reached almost 44 percent of the total customer base, 2.8 percentage points more than in 2009. The most encouraging trends in mobile data revenues in 2010 were recorded in Bulgaria and the Netherlands.



USA –Strong data business, disappointing customer development

At T-Mobile USA, the strong growth trends in the promising data business continued in the fourth quarter of 2010. At USD 12.80, average data revenues per user were 25.5 percent higher than in the same period in 2009. The number of smartphones climbed by 1 million net to 8.2 million, exceeding the original target for year-end 2010 of 8 million.

As such, data business made an important contribution to the development of revenue in the fourth quarter. At USD 4.6 billion, the company recorded a slight increase of 0.1 percent in service revenues, the first growth in six quarters. Business with terminal equipment insurance, launched in October 2010, also had a positive impact on revenue of almost USD 0.1 billion. Adjusted EBITDA on the other hand declined by 1.6 percent to USD 1.4 billion. At 25.4 percent, the adjusted EBITDA margin remained almost stable compared to the fourth quarter of 2009.

T-Mobile USA recorded total revenue of USD 21.3 billion for 2010, almost on a par with 2009, and a decrease in adjusted EBITDA of 7.1 percent to USD 5.5 billion. Thanks to the positive development of the U.S. dollar exchange rate, these figures were somewhat better in euros, with total revenue increasing by 4.0 percent to EUR 16.1 billion and adjusted EBITDA decreasing by 2.5 percent to EUR 4.2 billion.

Customer development was disappointing in the fourth quarter. Due to the persistently high churn rate, the company recorded a net loss of 23,000 customers. The contract customer base shrank by 318,000. This issue is the top priority for T-Mobile USA new CEO Philipp Humm's management team: Improving the churn rate is a core target in the implementation of the company's new strategy, which was unveiled in New York in January.

T-Systems – Revenue growth and improved margins

T-Systems saw continued revenue growth and a clear improvement in earnings in the fourth quarter. Total revenue increased by 3.8 percent year-on-year, 9 percent of which was driven by international business. Revenue generated outside the Group climbed by almost 6 percent, primarily due to increased demand for cloud services and growth in the systems integration business.

Total revenue increased by 2.9 percent year-on-year to EUR 9.1 billion in 2010. Revenue generated within the Group decreased by 2.5 percent to EUR 2.6 billion. As a service provider for the Deutsche Telekom Group, T-Systems plays a key role in optimizing IT costs. T-Systems was able to more than offset this decrease with an increase of 5.4 percent in external revenues over the full year.

The increase in adjusted EBIT reflects the significant improvement in profitability, almost doubling to EUR 137 million in the fourth quarter. In 2010, EBIT grew by more than 45 percent compared with 2009. This success is once again based on the Save for Service efficiency enhancement program and the optimized use of assets.

The adjusted EBIT margin stood at 3.7 percent for the full year. In the fourth quarter, it rose to 5.5 percent. Adjusted EBITDA increased to EUR 948 million in 2010, a margin of 10.5 percent. In the fourth quarter of 2010, the margin rose to 12.1 percent.

**Pro forma figures for the fourth quarter and the full year 2010
(adjusted for the deconsolidation of T-Mobile UK effective April 1,
2010)**

In the United Kingdom, the former T-Mobile UK became part of the joint venture with France Télécom's subsidiary Orange UK called Everything Everywhere effective April 1, 2010. In the following tables, revenue, adjusted EBITDA, and adjusted and unadjusted net profit/loss are presented both including and excluding T-Mobile UK to improve the transparency of the development of operations in the full years 2010 and 2009. This presentation is a supplement to the table showing the actual figures.

	Reported		Pro forma		
	FY 2010 millions of EUR	FY 2009 millions of EUR	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Net revenue	62,421	64,602	62,421	62,152	0.4
Adjusted EBITDA	19,473	20,668	19,473	20,168	(3.4)
Net profit	1,695	353	1,744	232	651.3
Adjusted net profit	3,364	3,390	3,413	3,259	4.7

	Reported		Pro forma		
	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %
Net revenue	15,477	16,200	15,477	15,416	0.4
Adjusted EBITDA	4,550	5,070	4,550	4,904	(7.2)
Net loss	(582)	(3)	(607)	(135)	(349.6)
Adjusted net profit	690	905	665	767	(13.3)

Comments on the table:

The full year 2009 and the fourth quarter of 2009 have been adjusted to eliminate the revenue and earnings contribution of T-Mobile UK to adjusted EBITDA, net profit/loss, and adjusted net profit. In order to ensure comparability, the figures for 2009 were not fully adjusted pro forma for 12 months but, instead, from the date of deconsolidation, which took place on April 1. As a result, the pro forma figures for both the full year 2009 and the full year 2010 contain T-Mobile UK for the three months of the first respective quarters. The full year 2010 and the fourth quarter of 2010 have been adjusted to eliminate the Everything Everywhere joint venture's pro-rata contribution to earnings.

The Deutsche Telekom Group at a glance*:

T-Mobile UK no longer fully consolidated since April 1, 2010

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Net revenue	15,477	16,200	(4.5)	62,421	64,602	(3.4)
Of which: domestic	6,985	7,072	(1.2)	27,268	28,033	(2.7)
Of which: international	8,492	9,128	(7.0)	35,153	36,569	(3.9)
Profit (loss) from operations (EBIT)	(176)	1,258	n.a.	5,505	6,012	(8.4)
Adjusted EBIT	1,682	2,340	(28.1)	8,364	9,158	(8.7)
EBITDA	3,383	4,543	(25.5)	17,313	19,906	(13.0)
Adjusted EBITDA	4,550	5,070	(10.3)	19,473	20,668	(5.8)
Adjusted EBITDA margin	29.4%	31.3%	(1.9)%p	31.2%	32.0%	(0.8)%p
Net profit (loss)	(582)	(3)	n.a.	1,695	353	n.a.
Adjusted net profit	690	905	(23.8)	3,364	3,390	(0.8)
Free cash flow (before dividend payments and spectrum investment)	1,733	1,863	(7.0)	6,543	6,969	(6.1)
Net cash from operating activities	5,475	4,431	23.6	14,731	18,271	(19.4)
Cash outflows for investments in property, plant and equipment, and intangible assets (excluding goodwill)	3,840	2,249	70.7	9,851	9,202	7.1
Net debt at reporting date	-	-	-	42,269	40,911	3.3
Number of employees at reporting date	-	-	-	246,777	259,920	(5.1)

Germany operating segment*:

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Total revenue	6,442	6,401	0.6	25,145	25,423	(1.1)
Of which: fixed network	4,642	4,673	(0.7)	18,177	18,736	(3.0)
Of which: mobile communications	2,138	2,101	1.8	8,349	8,109	3.0
Net revenue	6,014	5,985	0.5	23,523	23,813	(1.2)
Profit (loss) from operations (EBIT)	1,048	1,054	(0.6)	4,916	5,062	(2.9)
Adjusted EBIT	1,244	1,282	(3.0)	5,425	5,418	0.1
EBITDA	2,162	2,112	2.4	9,109	9,258	(1.6)
Adjusted EBITDA	2,358	2,340	0.8	9,618	9,607	0.1
Of which: fixed network	1,468	1,452	1.1	6,061	6,247	(3.0)
Of which: mobile communications	891	894	(0.3)	3,559	3,373	5.5
Adjusted EBITDA margin	36.6%	36.3%	0.3%p	38.3%	37.7%	0.6%p
Number of employees (average)	77,680	82,737	(6.1)	79,364	84,584	(6.2)

Comments on the table:

The contributions of the Fixed Network and Mobile Communications segments generally show the unconsolidated view, and do not take consolidation effects at operating segment level into consideration.

Europe operating segment*:

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Total revenue	3,913	5,035	(22.3)	16,840	19,607	(14.1)
Of which: Greece	937	1,099	(14.7)	3,876	3,899	(0.6)
Of which: Romania	287	309	(7.1)	1,165	1,104	5.5
Of which: Hungary	323	442	(26.9)	1,517	1,682	(9.8)
Of which: Poland	475	451	5.3	1,839	1,757	4.7
Of which: Czech Republic	291	293	(0.7)	1,157	1,191	(2.9)
Of which: Croatia	278	276	0.7	1,148	1,161	(1.1)
Of which: Netherlands	427	446	(4.3)	1,767	1,807	(2.2)
Of which: Slovakia	232	240	(3.3)	934	974	(4.1)
Of which: Austria	238	256	(7.0)	983	1,038	(5.3)
Of which: Bulgaria	106	119	(10.9)	422	423	(0.2)
Of which: United Kingdom ^a	-	815	n.a.	783	3,390	(76.9)
Of which: Other ^b	385	359	7.2	1,515	1,462	3.6
Net revenue	3,750	4,886	(23.3)	16,183	18,996	(14.8)
Profit (loss) from operations (EBIT)^c	(478)	138	n.a.	985	140	n.a.
Adjusted EBIT	380	754	(49.6)	2,282	2,583	(11.7)
EBITDA	1,093	1,507	(27.5)	5,142	6,297	(18.3)
Adjusted EBITDA	1,265	1,595	(20.7)	5,748	6,390	(10.0)
Of which: Greece	335	412	(18.7)	1,433	1,447	(1.0)
Of which: Romania	67	66	1.5	281	293	(4.1)
Of which: Hungary	60	153	(60.8)	567	675	(16.0)
Of which: Poland	187	161	16.1	691	616	12.2
Of which: Czech Republic	134	141	(5.0)	551	614	(10.3)
Of which: Croatia	113	111	1.8	507	525	(3.4)
Of which: Netherlands	122	135	(9.6)	461	430	7.2
Of which: Slovakia	82	89	(7.9)	403	439	(8.2)
Of which: Austria	70	78	(10.3)	283	283	0.0
Of which: Bulgaria	45	44	2.3	168	167	0.6

Of which: United Kingdom ^a	-	164	n.a.	167	611	(72.7)
Of which: Other ^b	49	40	22.5	258	279	(7.5)
Adjusted EBITDA margin	32.3%	31.7%	0.6%p	34.1%	32.6%	1.5%p
Number of employees (average)	63,506	71,179	(10.8)	65,435	69,277	(5.5)

Comments on the table:

The figures for the national companies generally correspond to their respective unconsolidated financial statements and do not take consolidation effects at operating segment level into consideration.

a Deconsolidation of T-Mobile UK effective April 1, 2010.

b Other: national companies of Albania, the F.Y.R.O. Macedonia, and Montenegro, as well as ICSS, Europe Headquarters, and T-Mobile International UK up to and including May 2010.

c Including an impairment loss of EUR 1.8 billion recognized on the goodwill of the cash-generating unit T-Mobile UK in the first quarter of 2009.

United States operating segment*:

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Total revenue	3,942	3,658	7.8	16,087	15,471	4.0
Net revenue	3,940	3,655	7.8	16,075	15,457	4.0
Profit (loss) from operations (EBIT)	472	454	4.0	2,092	2,233	(6.3)
Adjusted EBIT	472	454	4.0	2,092	2,233	(6.3)
EBITDA	1,000	935	7.0	4,156	4,261	(2.5)
Adjusted EBITDA	1,000	935	7.0	4,156	4,261	(2.5)
Adjusted EBITDA margin	25.4%	25.6%	(0.2)%p	25.8%	27.5%	(1.7)%p
Number of employees (average)	37,340	39,347	(5.1)	37,795	38,231	(1.1)

Systems Solutions operating segment*:

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Total revenue	2,479	2,388	3.8	9,057	8,798	2.9
Of which: Computing Services	835	807	3.5	3,128	2,925	6.9
Of which: Desktop Services	409	381	7.3	1,461	1,404	4.1
Of which: Systems Integration	503	483	4.1	1,801	1,741	3.4
Of which: Telecommunications	832	874	(4.8)	3,086	3,225	(4.3)
Of which: Other^a	(99)	(156)	36.5	(419)	(497)	15.7
Net revenue	1,714	1,618	5.9	6,411	6,083	5.4
New orders	3,206	3,350	(4.3)	9,281	9,364	(0.9)
Profit (loss) from operations (EBIT)	(5)	(65)	92.3	44	(11)	n.a.
Adjusted EBIT	137	73	87.7	333	229	45.4
EBITDA	162	139	16.5	667	710	(6.1)
Adjusted EBITDA	299	250	19.6	948	923	2.7
Adjusted EBITDA margin	12.1%	10.5%	1.6%p	10.5%	10.5%	(0.0)%p
Number of employees (average)	47,771	46,122	3.6	47,588	45,328	5.0

Comments on the table:

a Non-core activities and consolidation.

Group Headquarters & Shared Services*:

	Q4 2010 millions of EUR	Q4 2009 millions of EUR	Change %	FY 2010 millions of EUR	FY 2009 millions of EUR	Change %
Total revenue	451	587	(23.2)	2,166	2,410	(10.1)
Net revenue	59	56	5.4	229	253	(9.5)
Profit (loss) from operations (EBIT)	(1,226)	(285)	n.a.	(2,479)	(1,249)	(98.5)
Adjusted EBIT	(564)	(196)	n.a.	(1,710)	(1,148)	(49.0)
EBITDA	(986)	(100)	n.a.	(1,639)	(416)	n.a.
Adjusted EBITDA	(324)	(11)	n.a.	(870)	(315)	n.a.
Number of employees (average)	22,229	20,815	6.8	22,312	20,181	10.6

* Deutsche Telekom defines EBITDA as profit/loss from operations before depreciation, amortization, and impairment losses. For a detailed explanation of non-GAAP performance measures, special factors affecting EBITDA, adjusted EBITDA, the adjusted EBITDA margin as well as special factors affecting profit or loss and the adjusted net profit, please refer to the chapter "Reconciliation to pro forma figures" that is posted on Deutsche Telekom's Investor Relations Web site at www.telekom.com.

Development of customer numbers in the fourth quarter of 2010.

Germany operating segment:

	Dec. 31, 2010 thousands	Dec. 31, 2009 thousands	Change thousands	Change %
Fixed network				
Fixed-network lines	24,650	26,236	(1,586)	(6.0)
Retail broadband lines	11,954	11,477	477	42
Wholesale bundled lines	984	1,621	(637)	(39.3)
Unbundled local loop lines (ULLs)	9,498	9,093	405	4.5
Wholesale unbundled lines	1,037	600	437	72.8
Mobile communications				
Mobile customers ^a	34,694	39,136	(4,442)	(11.4)

Comments on the table:

a Deregistration of inactive prepay customers' cards: 4.4 million in FY 2009, 1.5 million in Q1 2010, 2.5 million in Q2 2010, 3.1 million in Q3 2010, 1.2 million in Q4 2010. On April 1, 2010, Telekom Deutschland GmbH began to automatically terminate prepaid cards that have not been topped up for two years and have been inactive for three months.

Europe operating segment:

	Dec. 31, 2010 thousands	Dec. 31, 2009 thousands	Change thousands	Change %
Europe, total^a				
Fixed-network lines	11,337	12,268	(931)	(7.6)
Retail broadband lines	4,353	3,881	472	12.2
Wholesale bundled lines	180	229	(49)	(21.4)
Unbundled local loop lines (ULLs)	1,504	1,083	421	38.9
Wholesale unbundled lines	44	33	11	33.3
Mobile customers ^a	60,100	61,577	(1,477)	(2.4)
Greece				
Fixed-network lines	3,739	4,228	(489)	(11.6)
Broadband lines	1,148	1,113	35	3.1
Mobile customers	7,990	9,218	(1,228)	(13.3)
Romania ^b				
Fixed-network lines	2,597	2,776	(179)	(6.4)
Broadband lines	961	776	185	23.8
Mobile customers	6,849	7,280	(431)	(5.9)
Hungary				
Fixed-network lines	1,652	1,821	(169)	(9.3)
Broadband lines	824	789	35	4.4
Mobile customers	5,208	5,120	88	1.7
Poland				
Mobile customers	13,259	13,500	(241)	(1.8)
Czech Republic				
Fixed-network lines	69	42	27	64.3
Broadband lines	69	42	27	64.3
Mobile customers	5,475	5,464	11	0.2
Croatia				
Fixed-network lines	1,431	1,484	(53)	(3.6)
Broadband lines	629	555	74	13.3
Mobile customers	2,901	2,859	42	1.5
Netherlands				
Fixed-network lines	289	293	(4)	(1.4)
Broadband lines	289	293	(4)	(1.4)
Mobile customers	4,526	4,592	(66)	(1.4)

Slovakia				
Fixed-network lines	1,061	1,101	(40)	(3.6)
Broadband lines	436	391	45	11.5
Mobile customers	2,411	2,376	35	1.5
Austria				
Mobile customers	3,778	3,446	332	9.6
Bulgaria				
Mobile customers	3,920	3,902	18	0.5
Other^c				
Fixed-network lines	498	525	(27)	(5.1)
Broadband lines	220	184	36	19.6
Mobile customers	3,782	3,822	(40)	(1.0)

Comments on the table:

- a For better comparability, the customers of T-Mobile UK, who were transferred to the Everything Everywhere joint venture as of April 1, 2010, following the merger of T-Mobile UK and Orange UK, were subtracted from all historical customer figures.
- b Including the Romanian company Zapp since November 1, 2009.
- c Other: national companies of Albania, the F.Y.R.O. Macedonia, and Montenegro.

United States operating segment:

	Dec 31, 2010 thousands	Dec 31, 2009 thousands	Change thousands	Change %
Mobile customers^a	33,734	33,790	(56)	(0.2)

Comments on the table:

- a One mobile communications card corresponds to one customer.

Net additions in the fourth quarter of 2010.

Germany operating segment:

	Q4 2010 thousands	Q4 2009 thousands	Change thousands	Change %
Fixed network				
Fixed-network lines	(373)	(417)	44	10.6
Retail broadband lines	110	177	(67)	(37.9)
Wholesale bundled lines	(159)	(132)	(27)	(20.5)
Unbundled local loop lines (ULLs)	131	178	(47)	(26.4)
Wholesale unbundled lines	144	83	61	73.5
Mobile communications				
Mobile customers ^a	(188)	(195)	7	3.6

Comments on the table:

a Deregistration of inactive prepay customers' cards: 4.4 million in FY 2009, 1.5 million in Q1 2010, 2.5 million in Q2 2010, 3.1 million in Q3 2010, 1.2 million in Q4 2010. On April 1, 2010, Telekom Deutschland GmbH began to automatically terminate prepaid cards that have not been topped up for two years and have been inactive for three months.

Europe operating segment:

	Q4 2010 thousands	Q4 2009 thousands	Change thousands	Change %
Europe, total^a				
Fixed-network lines	(188)	(211)	(23)	10.9
Retail broadband lines	168	199	(31)	(15.6)
Wholesale bundled lines	(13)	(17)	4	23.5
Unbundled local loop lines (ULLs)	105	112	(7)	(6.3)
Wholesale unbundled lines	5	2	3	n.a.
Mobile customers ^a	(273)	65	(338)	n.a.
Greece				
Fixed-network lines	(120)	(121)	1	0.8
Broadband lines	15	47	(32)	(68.1)
Mobile customers	(340)	154	(494)	n.a.
Romania ^b				
Fixed-network lines	(28)	(56)	28	50.0
Broadband lines	59	26	33	n.a.
Mobile customers	(210)	681	(891)	n.a.
Hungary				
Fixed-network lines	(38)	(49)	11	22.4
Broadband lines	13	11	2	18.2
Mobile customers	62	(87)	149	n.a.
Poland				
Mobile customers	(62)	17	(79)	n.a.
Czech Republic				
Fixed-network lines	16	0	16	-
Broadband lines	16	0	16	-
Mobile customers	15	6	9	n.a.
Croatia				
Fixed-network lines	(6)	(13)	7	53.8
Broadband lines	29	28	1	3.6
Mobile customers	127	(26)	153	n.a.
Netherlands				
Fixed-network lines	1	(3)	4	n.a.
Broadband lines	1	(3)	4	n.a.
Mobile customers	66	(883)	949	n.a.

Slovakia				
Fixed-network lines	(11)	(4)	(7)	n.a.
Broadband lines	13	19	(6)	(31.6)
Mobile customers	4	75	(71)	(94.7)
Austria				
Mobile customers	95	59	36	61.0
Bulgaria				
Mobile customers	34	(64)	98	n.a.
Other^c				
Fixed-network lines	(2)	(7)	5	71.4
Broadband lines	13	15	(2)	(13.3)
Mobile customers	(64)	132	(196)	n.a.

Comments on the table:

- a For better comparability, the customers of T-Mobile UK, who were transferred to the Everything Everywhere joint venture as of April 1, 2010, following the merger of T-Mobile UK and Orange UK, were subtracted from all historical customer figures.
- b Including the Romanian company Zapp since November 1, 2009.
- c Other: national companies of Albania, the F.Y.R.O. Macedonia, and Montenegro.

United States operating segment:

	Q4 2010 thousands	Q4 2009 thousands	Change thousands	Change %
Mobile customers^a	(23)	371	(394)	n.a.

Comments on the table:

- a One mobile communications card corresponds to one customer.

This press release contains forward-looking statements that reflect the current views of Deutsche Telekom management with respect to future events. These also include statements on market potential, statements on finance guidance, as well as on the dividend outlook. They are generally identified by the terms "expect," "anticipate," "believe," "intend," "estimate," "aim for," "goal," "plan," "will," "strive for," "outlook," or similar expressions and often include information that relates to net revenue expectations or targets for adjusted EBITDA, profit or loss, earnings performance, and other indicators, as well as personnel-related measures and workforce adjustments. Forward-looking statements are based on current plans, estimates, and projections. They should therefore be considered with caution. Such statements are subject to risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom's control, including those described in the sections "Forward-Looking Statements" and "Risk Factors" of the Company's Form 20-F annual report filed with the U.S. Securities and Exchange Commission. Among the relevant factors are the progress of Deutsche Telekom's workforce reduction initiative, the restructuring of operating activities in Germany, and the impact of other significant strategic or business initiatives, including acquisitions, dispositions, business combinations, and cost reduction measures. In addition, regulatory decisions, stronger than expected competition, technological change, litigation, and regulatory developments, among other factors, may have a material adverse effect on costs and revenue development. Furthermore, changes in the economic and business environments – for example, the current economic slump – in markets where we, our subsidiaries, and affiliates operate, the enduring instability and volatility on the global financial markets, as well as exchange rate and interest rate fluctuations can also adversely affect our business development and the availability of capital at favorable terms. 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 met. Deutsche Telekom does not assume any obligation to update forward-looking statements to take new information or future events into account or otherwise.

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debt, and net debt. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways. For further information relevant to the interpretation of these terms, please refer to the chapter "Reconciliation of pro forma figures" posted on Deutsche Telekom's website (www.telekom.com) under the link "Investor Relations."

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