



MEDIA INFORMATION

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Deutsche Telekom stays on track for growth in the first quarter of 2024

- Net revenue up 1.6 percent in organic terms to 27.9 billion euros; service revenues up 4.1 percent in organic terms
- Adjusted EBITDA AL up 5.8 percent year-on-year in organic terms to 10.5 billion euros
- Free cash flow AL up 3.6 percent to 3.7 billion euros
- Adjusted net profit up 14.2 percent to 2.2 billion euros
- Germany: MagentaTV success story gains momentum, growth in fiber
- United States: surpasses 5 million High Speed Internet customers for the first time
- Europe: profit growth at record level
- Systems Solutions: positive trend in terms of new deals
- Group guidance for full year confirmed

Deutsche Telekom's growth trajectory continues. Deutsche Telekom got off to a successful start to 2024. Net revenue increased by 1.6 percent in the first quarter in organic terms – i.e., excluding exchange rate fluctuations and changes in the composition of the Group – to 27.9 billion euros. Service revenues grew by as much as 4.1 percent in organic terms to 23.5 billion euros. Adjusted EBITDA AL reached 10.5 billion euros, which corresponds to growth of 5.8 percent in organic terms. At 3.7 billion euros, free cash flow AL was up 3.6 percent on the same period in the prior year.

“Deutsche Telekom is continuing to grow again this year,” said Tim Höttges, CEO of the Group. “I would like to shine a light on the success of our national companies in Europe.”

Adjusted net profit increased 14.2 percent year-on-year to 2.2 billion euros in the first quarter. This corresponds to adjusted earnings per share of 0.45 euros. That is 15.4 percent more than in the first quarter of 2023. Reported net profit of 2.0 billion euros is substantially below the prior-



year figure of 15.4 billion euros. The high figure in the prior year was primarily attributable to a special factor resulting from the sale of the majority stake in GD Towers.

While T-Mobile US raised its guidance slightly, Deutsche Telekom confirmed its guidance outside the United States. Adjusted EBITDA AL for the Group is still expected to reach around 42.9 billion euros. That is around 6 percent more than in the prior year. Free cash flow AL is anticipated to reach around 18.9 billion euros, around 16 percent higher than in the prior year. Adjusted earnings per share is expected to be more than 1.75 euros, up from 1.60 euros in 2023.

Germany: MagentaTV success story gains momentum

Despite the challenges faced due to inflation and intense competition, combined with limited build-out capacities, Deutsche Telekom stays on track in its domestic market. Between January and March, for example, the Company recorded growth in mobile service revenues of 3.4 percent compared with the same period in the prior year, underpinning its clear market leadership in this key metric. Growth in the number of branded mobile contract customers was even stronger than a year earlier, standing at 281,000.

MagentaTV grows ever more popular. The customer base of the television service increased by 73,000 to 4.4 million. Almost 1.1 million customers already use a pure fiber-optic line (FTTH). Net adds are growing steadily from quarter to quarter, reaching 93,000 in the first three months of 2024, up from 65,000 in the prior-year period. The number of new customers with an FTTH line has also gained significant momentum over the 12-month period: while 209,000 net adds were recorded between April 1, 2022 and the end of March 2023, this figure rose to 322,000 in the subsequent 12 months. The aim for the 2024 full year is to reach 450,000. Broadband net adds totaled 39,000 in the first quarter.

In the Germany operating segment, total revenue rose to 6.3 billion euros in the first quarter of 2024, an increase of 2.6 percent. At the same time, adjusted EBITDA AL grew 3.5 percent to 2.6 billion euros. In organic terms, it was 3.0 percent.

United States: surpasses 5 million High Speed Internet customers for the first time

Once again, T-Mobile US delivered industry-leading growth on the U.S. mobile market. The



company recorded net customer additions of 1.2 million, taking the mobile postpaid customer base to 99.3 million. These net adds included 532,000 postpaid phone customers, almost exactly the same number as a year earlier. 405,000 new customers in the quarter opted for the fixed-network substitute product, High Speed Internet, bringing the total number of customers now to 5.2 million.

The key financial ratios also continued their upward trend. Service revenues amounted to 16.1 billion U.S. dollars. This was growth of 3.6 percent, and organic growth of 4.5 percent. Adjusted EBITDA AL came in at 7.5 billion U.S. dollars, an increase of 7.3 percent year-on-year, or 6.2 percent in organic terms.

Europe: profit growth at record level

Adjusted EBITDA AL in the Europe segment recorded organic growth for the 25th consecutive quarter. And at 8.1 percent, this organic growth was higher in the first quarter of 2024 than in any other quarter in this period, taking the total to 1.1 billion euros. Revenue also increased substantially, growing 5.7 percent in organic terms to 3.0 billion euros. This was driven by strong service revenues in both fixed network and mobile communications.

Customer numbers in the European national companies continued to develop positively. The mobile contract customer base increased by 184,000 in the quarter to 27.4 million. The number of broadband lines reached 7.0 million, 57,000 more than three months earlier. The number of TV customers increased by 28,000 to 4.3 million.

Systems Solutions: positive trend in terms of new deals

T-Systems saw order entry increase by 9.2 percent to 823 million euros, thereby continuing the positive trend in new deals from the last quarter of the prior year into the first quarter. This growth was driven by the digital area.

The key financials were also on the up. Total revenue increased by 4.4 percent in organic terms to 993 million euros. Adjusted EBITDA AL was up one million euros against the prior-year figure in organic terms, at 77 million euros, putting it in line with expectations.



The Deutsche Telekom Group at a glance

	Q1 2024 millions of €	Q1 2023 millions of €	Change %	FY 2023 millions of €
Net revenue	27,942	27,839	0.4	111,985
Proportion generated internationally %	75.9	77.4	-1.5p	77.0
Service revenue	23,485	22,814	2.9	92,919
Adjusted EBITDA	12,057	11,516	4.7	46,831
Adjusted EBITDA AL	10,473	9,963	5.1	40,497
Net profit (after non- controlling interests)	1,982	15,360	-87.1	17,788
Adjusted net profit (after non-controlling interests)	2,238	1,959	14.2	7,940
Earnings per share €	0.40	3.09	-87.1	3.57
Adjusted earnings per share €	0.45	0.39	15.4	1.60
Free cash flow AL	3,708	3,579	3.6	16,141
Cash capex ^a	4,718	4,826	-2.2	17,866
Cash capex ^a (before spectrum)	4,661	4,759	-2.1	16,591
Net debt (including leases)	133,116	133,517	-0.3	132,279
Number of employees ^b	201,251	207,789	-3.1	199,652
Of which in Germany	78,191	80,758	-3.2	78,600



Comments on the table

New partners for the cell tower business

On July 13, 2022, Deutsche Telekom agreed to sell a 51.0 percent stake in the tower business companies in Germany and Austria (GD Towers) to DigitalBridge and Brookfield. The transaction was consummated on February 1, 2023. Until this point in time, GD Towers had been included as a fully consolidated entity in the figures of the Deutsche Telekom Group. GD Towers is no longer included in the figures for the first quarter of 2024. In the reported prior-year comparatives (Q1/2023), however, the cell tower business is included for one month. In contrast, GD Towers is not included in the same period for 2023 for statements concerning the organic development of revenue and earnings of the Group.

The sale resulted in a gain on deconsolidation in the first quarter of 2023 of 12.9 billion euros. The stake in the cell tower business retained by Deutsche Telekom of 49.0 percent has been recognized using the equity method since February 1, 2023.

The GD tower company DFMG Deutsche Funkturm GmbH continues to build and operate infrastructure for Deutsche Telekom's mobile network.

- a) Cash outflows for investments in property, plant, and equipment, and intangible assets (excluding goodwill).
- b) At reporting date.



Operating segments: development of operations

	Q1 2024 millions of €	Q1 2023 millions of €	Change %	FY 2023 millions of €
Germany				
Total revenue	6,298	6,141	2.6	25,187
Adjusted EBITDA AL	2,576	2,489	3.5	10,238
United States				
Total revenue	18,009	18,262	-1.4	72,436
<i>in USD</i>	19,550	19,596	-0.2	78,340
Adjusted EBITDA AL	6,932	6,536	6.1	26,409
<i>in USD</i>	7,525	7,014	7.3	28,567
Europe				
Total revenue	2,959	2,784	6.3	11,790
Adjusted EBITDA AL	1,069	983	8.7	4,114
Systems Solutions				
Order entry	823	754	9.2	3,628
Total revenue	993	946	5.0	3,896
Adjusted EBITDA AL	77	75	2.7	321



Operating segments: development of customer numbers in the first quarter of 2024

	Mar. 31, 2024	Dec. 31, 2023	Change thousands	Change %
Germany				
Mobile customers	63,284	61,419	1,865	3.0
Of which contract customers	25,492	25,171	321	1.3
Fixed-network lines	17,293	17,342	-49	-0.3
Broadband lines	15,057	15,018	39	0.3
Of which optical fiber ^a	12,975	12,893	82	0.6
Television (IPTV, satellite)	4,400	4,327	73	1.7
Unbundled local loop lines (ULLs)	2,349	2,527	-178	-7.0
United States				
Customers	120,872	119,700	1,172	1.0
Of which postpaid customers	99,272	98,052	1,220	1.2
Of which prepaid customers	21,600	21,648	-48	-0.2
Europe				
Mobile customers	48,837	47,853	984	2.1
Of which contract customers	27,406	27,222	184	0.7
Fixed-network lines	8,021	8,020	1	0.0
Broadband customers	7,046	6,989	57	0.8
Television (IPTV, satellite, cable)	4,311	4,283	28	0.7

Comments on the table

a) Sum of all FTTx access lines (e.g., FTTC/VDSL, vectoring, and FTTH/B).



Operating segments: development of customer numbers in year-on-year comparison

	Mar. 31, 2024	Mar. 31, 2023	Change thousands	Change %
Germany				
Mobile customers	63,284	56,067	7,217	12.9
Of which contract customers	25,492	24,037	1,455	6.1
Fixed-network lines	17,293	17,349	-56	-0.3
Broadband lines	15,057	14,789	268	1.8
Of which optical fiber ^a	12,975	12,238	737	6.0
Television (IPTV, satellite)	4,400	4,172	228	5.5
Unbundled local loop lines (ULLs)	2,349	3,017	-668	-22.1
United States				
Customers	120,872	114,917	5,955	5.2
Of which postpaid customers	99,272	93,525	5,747	6.1
Of which prepaid customers	21,600	21,392	208	1.0
Europe				
Mobile customers	48,837	47,357	1,480	3.1
Of which contract customers	27,406	26,580	826	3.1
Fixed-network lines	8,021	7,932	89	1.1
Broadband customers	7,046	6,765	281	4.2
Television (IPTV, satellite, cable)	4,311	4,160	151	3.6

Comments on the table

a) Sum of all FTTx access lines (e.g., FTTC/VDSL, vectoring, and FTTH/B).



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