# 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 2024 combined management report (2024 Annual Report). From the Group's point of view, the following significant events in the first three months of 2025 resulted in changes and/or additions.

### Group organization

**Acquisition of Vistar Media in the United States.** On December 20, 2024, T-Mobile US entered into an agreement on the acquisition of 100 % of the outstanding capital stock of Vistar Media, a provider of technology solutions for digital out-of-home advertisements. The transaction was consummated on February 3, 2025. All necessary regulatory approvals had been duly granted and all other closing conditions met. Upon closing, T-Mobile US transferred a cash payment of USD 0.6 billion (EUR 0.6 billion). Vistar Media has been included in the consolidated financial statements as of February 3, 2025.

**Acquisition of Blis in the United States.** On February 18, 2024, T-Mobile US entered into an agreement on the acquisition of 100 % of the outstanding capital stock of Blis, a provider of advertising solutions. The transaction was consummated on March 3, 2025. All necessary regulatory approvals had been duly granted and all other closing conditions met. Upon closing, T-Mobile US transferred a cash payment of USD 0.2 billion (EUR 0.2 billion). Blis has been included in the consolidated financial statements since March 3, 2025.

#### (Expected) changes to the segment and organizational structure in 2025

**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 as part of a joint venture. The transaction was consummated on April 1, 2025. All necessary regulatory approvals had been duly granted and all other closing conditions met. Upon closing, T-Mobile US invested approximately USD 0.9 billion (EUR 0.9 billion) in the company to acquire a 50 % equity stake and the fiber customers, with the funds invested by T-Mobile US being used 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. The shareholding has been included in Deutsche Telekom's consolidated financial statements using the equity method since April 1, 2025.

**Agreement on the acquisition of UScellular in the United States.** On May 24, 2024, T-Mobile US entered into an agreement on the acquisition of UScellular's wireless operations and specific spectrum licenses. The purchase price totals around USD 4.4 billion (EUR 4.1 billion) and comprises a cash component and the transfer of debt of up to USD 2.0 billion (EUR 1.8 billion). The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025.

**Agreement on the acquisition of Metronet in the United States.** On July 18, 2024, T-Mobile US entered into an agreement with KKR to establish a joint venture to acquire the fiber-to-the-home platform Metronet and certain of its affiliates. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025. Upon closing, T-Mobile US is expected to invest approximately USD 4.9 billion (EUR 4.5 billion) in the joint venture to acquire a 50 % equity stake and all existing residential fiber customers, as well as to fund the joint venture.

### Governance

On January 27, 2025, the Supervisory Board resolved to cancel the current appointment of Timotheus Höttges. He was reappointed to the Board of Management prematurely for the period from February 1, 2025 until midnight on December 31, 2028, and was reassigned the department of the **Chair of the Board of Management**.

The Supervisory Board additionally resolved on January 27, 2025 to terminate Srini Gopalan's Board position and to approve his termination agreement effective midnight on February 28, 2025. Srini Gopalan assumed the function of **Chief Operating Officer at T-Mobile US** effective March 1, 2025.

In the same meeting, the Supervisory Board approved the appointment of Rodrigo Diehl to the Board of Management for the period from March 1, 2025 to midnight on February 29, 2028. He was assigned to the **Germany Board department**.

In accordance with the published agenda, on April 9, 2025, 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 2025 financial year, the amount of the dividend (EUR 0.90 per dividend-bearing no par value share; EUR 4.4 billion in total), the change to § 14 of the Articles of Incorporation (possibility of a virtual Shareholders' Meeting), and a new Board of Management remuneration system from the 2025 financial year onward.

For further information on the 2025 Shareholders' Meeting, please refer to our Investor Relations website.

# The economic environment

This section provides important additional information and explains recent changes in the economic environment compared to those described in the 2024 combined management report (2024 Annual Report), focusing on macroeconomic developments, the overall economic outlook including the currently prevailing economic risks, and the regulatory environment in the first three months of 2025.

## Macroeconomic development

Current indicators suggest that the global economy developed robustly overall in the first quarter of 2025. However, the change in political direction in the United States has led to increased volatility in the financial markets and given rise to a tangible increase in uncertainty amongst both companies and private households.

The inflation rate in the United States was at 2.4 % in March 2025, and 2.2 % in the eurozone. While the European Central Bank cut the key interest rates further in February, March, and April 2025, the U.S. Federal Reserve (Fed) held its benchmark interest rate steady in the first third of 2025.

In Germany, the business climate in the digital economy brightened slightly at the start of 2025. The Bitkom-ifo-Digitalindex increased marginally in the first quarter of 2025 against December 2024. The digital economy remains more optimistic than the economy as a whole.

## Overall economic outlook

The trade tariffs announced by the new U.S. government – some of which have already taken effect, some of which have already been revoked – have resulted in a significant shift in the global macroeconomic conditions. The extent to which the trade tariffs that have already taken effect and those further announced will be permanent, or for how long they will apply, or what retaliatory action may be taken, is still unclear.

Spurred by the trade tariffs and immediate market reactions, the global growth forecasts have been revised for 2025. In its April 2025 outlook, the International Monetary Fund (IMF) projects an increase in global economic growth of 2.8 %, down from the previous estimate of 3.3 %. For Germany, the IMF has downgraded its forecast to zero growth, from the slight growth of 0.3 % it had predicted in January 2025. In the United States, too, growth is expected to slow to 1.8 %, down from the 2.7 % initially projected in January 2025. In light of current developments, it cannot be ruled out that the U.S. and other economies could show signs of economic downturn as the year progresses.

The telecommunications industry is not directly affected by trade tariffs and, in the past, has proven to be relatively resilient in the face of economic fluctuations.

## Regulation

**Approval under merger control law for the joint venture Glasfaser NordWest.** Following the Düsseldorf Higher Regional Court's decision to annul the approval issued by the Bundeskartellamt, the Federal Court of Justice overturned this decision on February 25, 2025 and referred the matter back to the Düsseldorf Higher Regional Court. The Düsseldorf Higher Regional Court will now reach a new decision in consideration of the Federal Court of Justice's legal position. Until a final substantive decision is reached on the legality of the Bundeskartellamt's approval, these proceedings have no direct implications for the existence of the joint venture Glasfaser NordWest or for the local fiber build-out.

### Awarding of spectrum

In **Poland**, the auction of frequencies in the 700 MHz and 800 MHz bands ended on March 25, 2025. T-Mobile Polska secured one spectrum block in each band for a total of around EUR 185 million (PLN 781 million).

In **Germany**, the decision of the Bundesnetzagentur on the final award conditions for the 800 MHz, 1,800 MHz, and 2,600 MHz bands was published on March 24, 2025. Instead of an auction, the existing frequency owners have until May 23, 2025 to apply to extend the spectrum usage rights that are due to expire at the end of 2025. In addition, usage right holders are required to fulfill extensive build-out obligations, which include providing coverage for 99.5 % of Germany's surface area. The negotiation requirement with service providers and MVNOs is also being specified in more detail. The extension fee for Telekom Deutschland will be EUR 200 million.

The award rules of the 2019 auction were declared unlawful by the Cologne Administrative Court on August 26, 2024. This ruling initially has no direct impact on our spectrum usage rights in the 2.1 and 3.6 GHz bands awarded in those proceedings, and the spectrum allocations will remain in effect until further notice. The ruling of the Cologne Administrative Court requires the Bundesnetzagentur to reach a new decision regarding the motions submitted by Freenet and EWE Tel in 2018 with respect to the imposition of a service provider obligation (instead of a negotiation obligation). On January 9, 2025, the Bundesnetzagentur filed a complaint against the non-allowance of appeal. If the ruling becomes final and legally binding, the Bundesnetzagentur will have to reach a new decision on the award and auction rules (Decisions III and IV).

Proceedings to re-award spectrum in the 2,600 MHz band expiring at the end of 2026 and spectrum in the 2,300 MHz band are starting in **Austria**. In **Poland**, preparations are under way to extend the 900 MHz licenses in the second half of 2025. If necessary, the procedure to award the 26 GHz band could also begin. In **Slovakia**, the auction for the 800, 900, 2,100, and 2,600 MHz bands expiring in 2025, 2026, and 2028, as well as the new 1,500 MHz band, is expected to begin in June 2025.

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.

| | Expected start of award procedure | Frequency ranges | Planned award procedures |
|---|---|---|---|
| Germany | Started | 800/1,800/2,600 MHz | Extension |
| Austria | Started | 2,300 MHz/2,600 MHz | Details tbd |
| Poland | H2 2025 | 900 MHz | Extension, details tbd |
| Poland | tbd | 26 GHz | Details tbd |
| Slovakia | June 2025 | 800/900/1,500/2,100/2,600 MHz | Auction |

### Agreements on spectrum licenses

On September 10, 2024, T-Mobile US and **N77 License** (N77) entered into an agreement on the sale of spectrum licenses, pursuant to which N77 has the option to purchase all or a portion of T-Mobile US' remaining 3.45 GHz licenses for a range of cash consideration. The number of licenses sold will be determined based upon the amount of committed financing granted to N77. As of March 31, 2025, the licenses concerned were reported as held for sale with a carrying amount of EUR 1.7 billion. The transaction was consummated on April 30, 2025 in exchange for a purchase price of USD 2.0 billion (EUR 1.8 billion), and following regulatory approvals by the U.S. Federal Communications Commission (FCC).

On August 8, 2022, T-Mobile US entered into agreements with **Channel 51 License** and **LB License** (Channel 51) for the acquisition of spectrum licenses in the 600 MHz band in exchange for 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 first tranche of licenses, along with certain additional licenses from the second tranche, was transferred in the 2024 financial year. The transfer of the remaining licenses in accordance with the agreements is subject to regulatory approvals and certain other customary closing conditions. The transaction for the remaining licenses from the second tranche of USD 0.6 billion (EUR 0.6 billion) is expected to close in the second quarter of 2025.

On March 20, 2025, T-Mobile US entered into a non-binding term sheet on the sale of 800 MHz spectrum licenses to **Grain Management** (Grain). Under the agreement, T-Mobile US would receive consideration for the spectrum licenses in the form of a combination of cash and 600 MHz spectrum from Grain. No definitive agreement has been executed so far. The transaction, if finalized, would be subject to approvals by the U.S. Federal Communications Commission (FCC) and certain other customary closing conditions.

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 3.0 billion). The final purchase price will be determined at the time the parties make the required transfer filings with the FCC. At the same time, T-Mobile US and Comcast have concluded exclusive leasing arrangements. The transaction is expected to be closed in the first half of 2028. On January 13, 2025, T-Mobile US and Comcast entered into an amendment to the license purchase agreement pursuant to which T-Mobile US will acquire additional spectrum. As a consequence of the amendment, the total cash consideration amounts to between USD 1.2 billion and USD 3.4 billion (EUR 1.1 billion and EUR 3.1 billion).

## 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 2024 combined management report (2024 Annual Report).

**Deutsche Telekom AG's share buy-back program.** In October 2024, we announced that we will buy back shares in Deutsche Telekom AG in 2025 up to a total purchase price of EUR 2 billion under a further share buy-back program. The buy-back commenced on January 3, 2025 and will be carried out in several tranches through December 31, 2025. As of March 31, 2025, Deutsche Telekom AG had bought back around 13 million shares with a total volume of EUR 0.4 billion.

**T-Mobile US' 2025 shareholder return program.** On December 13, 2024, T-Mobile US announced a further shareholder return program of up to USD 14 billion due to run until December 31, 2025. The program comprises share buy-backs and dividends to be paid out. The amount available for share buy-backs reduces by the amount of any dividends approved by the Board of Directors of T-Mobile US.

In the first quarter of 2025, T-Mobile US bought back around 10 million shares with a total volume of USD 2.5 billion (EUR 2.4 billion) under this program, and paid out a cash dividend of USD 1.0 billion (EUR 1.0 billion). EUR 0.5 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.5 billion to non-controlling interests in T-Mobile US.

## Results of operations of the Group

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Net revenue** | | **29,755** | **27,942** | **1,813** | **6.5** | **115,769** |
| **Service revenue** | | **24,957** | **23,485** | **1,472** | **6.3** | **96,537** |
| **EBITDA AL (adjusted for special factors)** | | **11,297** | **10,473** | **824** | **7.9** | **43,021** |
| EBITDA AL | | 11,173 | 10,156 | 1,017 | 10.0 | 43,815 |
| Depreciation, amortization and impairment losses | | (6,013) | (6,074) | 61 | 1.0 | (24,027) |
| **Profit (loss) from operations (EBIT)** | | **6,766** | **5,686** | **1,080** | **19.0** | **26,277** |
| Profit (loss) from financial activities | | (917) | (1,367) | 450 | 32.9 | (3,319) |
| Profit (loss) before income taxes | | 5,849 | 4,319 | 1,530 | 35.4 | 22,958 |
| Income taxes | | (1,519) | (1,176) | (343) | (29.1) | (5,301) |
| Net profit (loss) | | 2,845 | 1,982 | 863 | 43.5 | 11,209 |
| Net profit (loss) (adjusted for special factors) | | 2,442 | 2,238 | 204 | 9.1 | 9,397 |
| Earnings per share (basic and diluted) | € | 0.58 | 0.40 | 0.18 | 45.7 | 2.27 |
| **Adjusted earnings per share (basic and diluted)** | € | **0.50** | **0.45** | **0.05** | **10.8** | **1.90** |

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 mainly related to the acquisitions in the United States operating segment of Ka'ena as of May 1, 2024, Vistar Media as of February 3, 2025, and Blis as of March 3, 2025. Positive exchange rate effects were primarily attributable to the translation of U.S. dollars to euros.

### Revenue, service revenue

In the first quarter of 2025, we generated net revenue of EUR 29.8 billion, which was up EUR 1.8 billion or 6.5 % year-on-year. In organic terms, revenue increased by 3.8 % against the prior-year level, with exchange rate effects having a net increasing effect of EUR 0.6 billion and effects of changes in the composition of the Group of EUR 0.1 billion. Service revenue in the Group increased by EUR 1.5 billion or 6.3 % year-on-year to EUR 25.0 billion. In organic terms, service revenue increased by 3.5 %.

**Contribution of the segments to net revenue**

millions of €

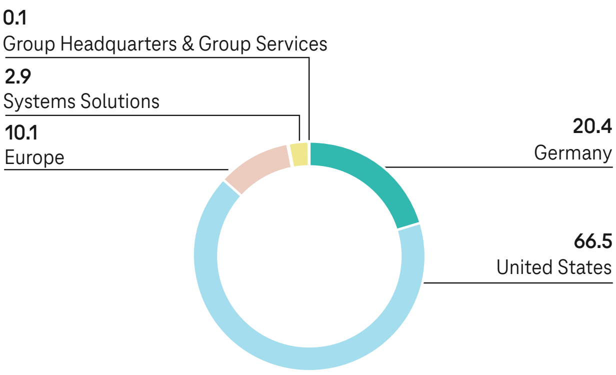
| | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| Germany | 6,219 | 6,298 | (79) | (1.3) | 25,711 |
| United States | 19,800 | 18,009 | 1,791 | 9.9 | 75,046 |
| Europe | 3,053 | 2,959 | 95 | 3.2 | 12,347 |
| Systems Solutions | 1,009 | 993 | 16 | 1.7 | 4,004 |
| Group Development | 2 | 2 | 0 | (7.0) | 10 |
| Group Headquarters & Group Services | 549 | 546 | 2 | 0.5 | 2,226 |
| Intersegment revenue | (877) | (865) | (12) | (1.4) | (3,575) |
| **Net revenue** | **29,755** | **27,942** | **1,813** | **6.5** | **115,769** |

In our domestic market of Germany, revenue declined by 1.3 % year-on-year, mainly due to lower mobile terminal equipment revenues. By contrast, service revenues increased year-on-year. In our United States operating segment, revenue was up 9.9 % against the prior-year level. In organic terms, it increased by 5.6 %, due to both higher service revenues and higher terminal equipment revenues. In our Europe operating segment, revenue increased by 3.2 % year-on-year. In organic terms, it increased by 3.7 %, primarily due to the increase in service revenues in the mobile and fixed-network business. Revenue in our Systems Solutions operating segment was up 1.7 % year-on-year, mainly due to growth in the Digital and Road Charging areas.

For further information, please refer to the section "Development of business in the operating segments."

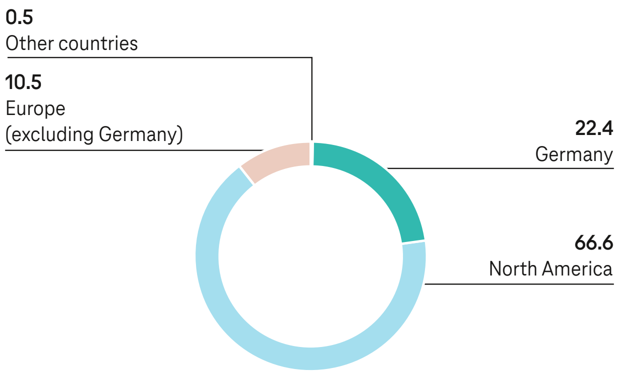
**Contribution of the segments to net revenue [a, b]**

%




**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.
[b] Following the sale of the GD Towers business entity in the 2023 financial year, the Group Development operating segment no longer provides a significant contribution to net revenue.

Our United States operating segment made by far the largest contribution to net revenue, with 66.5 % (Q1 2024: 64.4 %). The proportion of net revenue generated internationally increased to 77.6 % (Q1 2024: 75.8 %).

## Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased year-on-year by EUR 0.8 billion or 7.9 % to EUR 11.3 billion in the first quarter of 2025. In organic terms, adjusted EBITDA AL grew by 5.3 %.

**Contribution of the segments to adjusted Group EBITDA AL**

millions of €

| | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| Germany | 2,634 | 2,576 | 58 | 2.3 | 10,516 |
| United States | 7,623 | 6,932 | 691 | 10.0 | 28,545 |
| Europe | 1,141 | 1,069 | 72 | 6.7 | 4,431 |
| Systems Solutions | 81 | 77 | 3 | 4.4 | 369 |
| Group Development | (8) | (6) | (2) | (30.9) | (32) |
| Group Headquarters & Group Services | (166) | (168) | 2 | 1.4 | (801) |
| Reconciliation | (7) | (6) | (1) | (23.9) | (6) |
| **EBITDA AL (adjusted for special factors)** | **11,297** | **10,473** | **824** | **7.9** | **43,021** |

Our Germany operating segment contributed to the increase thanks to high-value service revenue growth and improved cost efficiency with 2.3 % higher adjusted EBITDA AL. Adjusted EBITDA AL in our United States operating segment increased by 10.0 %, or 6.1 % in organic terms. This rise is primarily attributable to higher service and terminal equipment revenues, offset by increases in some costs. In our Europe operating segment, adjusted EBITDA AL increased by 6.7 % on the back of the sound revenue trend, or 7.2 % in organic terms, with a positive net margin sufficient to more than offset the higher indirect costs. In our Systems Solutions operating segment, adjusted EBITDA AL increased by 4.4 %, mainly due to revenue growth in the Digital and Road Charging areas.

Our EBITDA AL increased significantly by EUR 1.0 billion year-on-year to EUR 11.2 billion. Expenses from special factors affecting EBITDA AL decreased by EUR 0.2 billion to EUR -0.1 billion. In the prior-year period, net expenses of EUR 0.1 billion had been recorded as special factors under effects of deconsolidations, disposals and acquisitions, in connection with integration costs incurred as a result of the business combination of T-Mobile US and Sprint. Other special factors affecting EBITDA AL increased by EUR 0.1 billion compared with the prior-year period. This includes legal-related insurance recoveries recognized in relation to the cyberattack on T-Mobile US in August 2021. Expenses incurred in connection with staff restructuring remained on a par with the prior-year period at EUR 0.2 billion.

For further information, please refer to the section "Development of business in the operating segments."

## Profit/loss from operations (EBIT)

Group EBIT increased significantly to EUR 6.8 billion, up EUR 1.1 billion against the level of the prior-year period. This increase is due in particular to the effects described under adjusted EBITDA AL and EBITDA AL.

At EUR 6.0 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were slightly lower in the first quarter of 2025 than in the prior-year period, by EUR 0.1 billion, due in particular to lower depreciation and amortization. In the United States operating segment, depreciation on property, plant and equipment decreased due to reductions in the useful lives of some non-current technology assets in the prior year in connection with the modernization of network infrastructure and platforms. By contrast, depreciation and amortization increased slightly in the Germany operating segment due to rising volumes in the fiber-optic and mobile communications build-out.

## Profit before income taxes

Profit before income taxes increased by EUR 1.5 billion to EUR 5.8 billion for the aforementioned reasons. Loss from financial activities included in this decreased year-on-year from EUR 1.4 billion to EUR 0.9 billion, mainly due to the increase in the share of profit of associates and joint ventures included in the consolidated financial statements using the equity method to EUR 0.6 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 0.4 billion and EUR 0.2 billion, respectively, on the carrying amounts of the investments in GD Towers and in GlasfaserPlus. These reversals of impairment losses were due to declines in industry-specific financing costs and the resulting lower discount rates, while retaining the existing business plans. Finance costs and other financial income/expense both declined slightly by EUR 0.1 billion.

## Net profit, adjusted net profit

Net profit increased year-on-year by EUR 0.9 billion to EUR 2.8 billion. Tax expense increased by EUR 0.3 billion to EUR 1.5 billion. Profit attributable to non-controlling interests increased by EUR 0.3 billion to EUR 1.5 billion. This increase was primarily attributable to the United States operating segment. Net profit adjusted for special factors amounted to EUR 2.4 billion compared with EUR 2.2 billion in the prior-year period.

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 4,894 million as of March 31, 2025. This resulted in earnings per share of EUR 0.58, up from EUR 0.40 in the prior-year period. Earnings per share adjusted for special factors affecting net profit amounted to EUR 0.50 compared with EUR 0.45 in the prior-year period.

## Employees

### Headcount development

| | Mar. 31, 2025 | Dec. 31, 2024 | Change | Change % | Mar. 31, 2024 |
|---|---|---|---|---|---|
| **FTEs in the Group** | **198,678** | **198,194** | **484** | **0.2** | **201,251** |
| Of which: civil servants (in Germany, with an active service relationship) | 5,587 | 5,801 | (214) | (3.7) | 6,668 |
| Germany | 57,070 | 57,303 | (233) | (0.4) | 59,543 |
| United States | 66,348 | 65,154 | 1,194 | 1.8 | 64,053 |
| Europe | 32,565 | 32,761 | (196) | (0.6) | 33,529 |
| Systems Solutions | 25,584 | 25,691 | (107) | (0.4) | 26,002 |
| Group Development | 96 | 100 | (4) | (3.5) | 104 |
| Group Headquarters & Group Services | 17,014 | 17,184 | (170) | (1.0) | 18,019 |

The Group's headcount remained stable against the end of 2024. The total number of full-time equivalent employees in our United States operating segment as of March 31, 2025, increased by 1.8 % compared to December 31, 2024, primarily due to the Vistar Media and Blis acquisitions in the first quarter of 2025. In our Germany operating segment, the number of employees declined by 0.4 % against the end of the prior year. Employees continued to take up socially responsible instruments as part of staff restructuring activities, such as phased retirement. In our Europe operating segment, the headcount was down by 0.6 % compared with the end of the prior year, in particular in Greece. The headcount in our Systems Solutions operating segment was down 0.4 % against year-end 2024, mainly due to a workforce reduction in traditional infrastructure business. The headcount in the Group Headquarters & Group Services segment was down 1.0 % compared with the end of the prior year, mainly due to the continued staff restructuring measures.

## 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 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| EBITDA | 12,779 | 11,760 | 1,019 | 8.7 | 50,304 |
| Depreciation of right-of-use assets [a] | (1,171) | (1,156) | (15) | (1.3) | (4,703) |
| Interest expenses on recognized lease liabilities [a] | (434) | (448) | 13 | 3.0 | (1,787) |
| **EBITDA AL** | **11,173** | **10,156** | **1,017** | **10.0** | **43,815** |
| Special factors affecting EBITDA AL | (124) | (317) | 193 | 60.9 | 794 |
| **EBITDA AL (adjusted for special factors)** | **11,297** | **10,473** | **824** | **7.9** | **43,021** |

[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 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| **Net profit (loss)** | **2,845** | **1,982** | **863** | **43.5** | **11,209** |
| Special factors affecting EBITDA AL | (124) | (317) | 193 | 60.9 | 794 |
| Staff-related measures | (171) | (184) | 13 | 6.9 | (1,036) |
| Non-staff-related restructuring | (7) | (2) | (5) | n.a. | (20) |
| Effects of deconsolidations, disposals and acquisitions | (23) | (116) | 93 | 80.3 | (746) |
| Impairment losses | 0 | 0 | 0 | n.a. | 0 |
| Reversals of impairment losses | 0 | 0 | 0 | n.a. | 2,630 |
| Other | 78 | (14) | 92 | n.a. | (34) |
| Special factors affecting net profit | 526 | 61 | 465 | n.a. | 1,018 |
| Depreciation, amortization and impairment losses | 0 | (216) | 216 | 100.0 | (407) |
| Profit (loss) from financial activities | 601 | (1) | 602 | n.a. | 2,328 |
| Income taxes | (77) | 146 | (223) | n.a. | (236) |
| Non-controlling interests | 3 | 132 | (129) | (98.1) | (666) |
| **Special factors** | **403** | **(256)** | **658** | **n.a.** | **1,812** |
| **Net profit (loss) (adjusted for special factors)** | **2,442** | **2,238** | **204** | **9.1** | **9,397** |

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 2025 | EBIT Q1 2025 | EBITDA AL Q1 2024 | EBIT Q1 2024 | EBITDA AL FY 2024 | EBIT FY 2024 |
|---|---|---|---|---|---|---|
| **EBITDA AL/EBIT** | **11,173** | **6,766** | **10,156** | **5,686** | **43,815** | **26,277** |
| **Germany** | **(81)** | **(81)** | **(110)** | **(110)** | **(1,056)** | **(1,056)** |
| Staff-related measures | (78) | (78) | (101) | (101) | (576) | (576) |
| Non-staff-related restructuring | (2) | (2) | (1) | (1) | (11) | (11) |
| Effects of deconsolidations, disposals and acquisitions | 0 | 0 | (4) | (4) | (478) | (478) |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | (1) | (1) | (4) | (4) | 9 | 9 |
| **United States** | **13** | **20** | **(130)** | **(329)** | **2,345** | **2,078** |
| Staff-related measures | (29) | (29) | (12) | (12) | (65) | (65) |
| Non-staff-related restructuring | (8) | (1) | 0 | 0 | 0 | 0 |
| Effects of deconsolidations, disposals and acquisitions | (37) | (37) | (118) | (317) | (240) | (507) |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |
| Reversals of impairment losses | 0 | 0 | 0 | 0 | 2,630 | 2,630 |
| Other | 86 | 86 | 0 | 0 | 20 | 20 |
| **Europe** | **(22)** | **(22)** | **(19)** | **(19)** | **(71)** | **(158)** |
| Staff-related measures | (20) | (20) | (13) | (13) | (62) | (62) |
| Non-staff-related restructuring | 0 | 0 | 0 | 0 | 0 | 0 |
| Effects of deconsolidations, disposals and acquisitions | 0 | 0 | 0 | 0 | 29 | 29 |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | (88) |
| Other | (3) | (3) | (6) | (6) | (38) | (38) |
| **Systems Solutions** | **(25)** | **(25)** | **(23)** | **(30)** | **(118)** | **(133)** |
| Staff-related measures | (18) | (18) | (19) | (19) | (92) | (92) |
| Non-staff-related restructuring | 0 | 0 | 0 | 0 | 0 | 0 |
| Effects of deconsolidations, disposals and acquisitions | 0 | 0 | 0 | 0 | (1) | (1) |
| Impairment losses | 0 | 0 | 0 | (6) | 0 | (15) |
| Other | (6) | (6) | (4) | (4) | (25) | (25) |
| **Group Development** | **0** | **0** | **2** | **2** | **(5)** | **(5)** |
| Staff-related measures | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-staff-related restructuring | 0 | 0 | 0 | 0 | 0 | 0 |
| Effects of deconsolidations, disposals and acquisitions | 0 | 0 | 2 | 2 | (5) | (5) |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| **Group Headquarters & Group Services** | **(8)** | **(8)** | **(37)** | **(37)** | **(301)** | **(302)** |
| Staff-related measures | (27) | (27) | (40) | (40) | (242) | (242) |
| Non-staff-related restructuring | 3 | 3 | (1) | (1) | (9) | (9) |
| Effects of deconsolidations, disposals and acquisitions | 15 | 15 | 3 | 3 | (51) | (51) |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 1 | 1 | 0 | 0 | 0 | 0 |

| millions of € | EBITDA AL Q1 2025 | EBIT Q1 2025 | EBITDA AL Q1 2024 | EBIT Q1 2024 | EBITDA AL FY 2024 | EBIT FY 2024 |
|---|---|---|---|---|---|---|
| **Group** | **(124)** | **(117)** | **(317)** | **(523)** | **794** | **424** |
| Staff-related measures | (171) | (171) | (184) | (184) | (1,036) | (1,036) |
| Non-staff-related restructuring | (7) | 0 | (2) | (2) | (20) | (20) |
| Effects of deconsolidations, disposals and acquisitions | (23) | (23) | (116) | (315) | (746) | (1,013) |
| Impairment losses | 0 | 0 | 0 | (7) | 0 | (103) |
| Reversals of impairment losses | 0 | 0 | 0 | 0 | 2,630 | 2,630 |
| Other | 78 | 78 | (14) | (14) | (34) | (34) |
| **EBITDA AL/EBIT (adjusted for special factors)** | **11,297** | **6,883** | **10,473** | **6,208** | **43,021** | **25,853** |
| Profit (loss) from financial activities (adjusted for special factors) | | (1,511) | | (1,356) | | (5,610) |
| **Profit (loss) before income taxes (adjusted for special factors)** | | **5,372** | | **4,853** | | **20,243** |
| Income taxes (adjusted for special factors) | | (1,442) | | (1,322) | | (5,065) |
| **Profit (loss) (adjusted for special factors)** | | **3,930** | | **3,531** | | **15,179** |
| **Profit (loss) (adjusted for special factors) attributable to** | | | | | | |
| Owners of the parent (net profit (loss)) (adjusted for special factors) | | 2,442 | | 2,238 | | 9,397 |
| Non-controlling interests (adjusted for special factors) | | 1,488 | | 1,293 | | 5,782 |

## Financial position of the Group

### Condensed consolidated statement of financial position

millions of €

| | Mar. 31, 2025 | % | Dec. 31, 2024 | Change | Mar. 31, 2024 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and cash equivalents | 17,008 | 5.6 | 8,472 | 8,536 | 10,827 |
| Trade receivables | 15,868 | 5.2 | 16,411 | (543) | 15,141 |
| Intangible assets | 142,654 | 46.8 | 149,115 | (6,461) | 138,247 |
| Property, plant and equipment | 65,075 | 21.3 | 66,612 | (1,537) | 65,074 |
| Right-of-use assets | 30,478 | 10.0 | 32,214 | (1,736) | 32,883 |
| Investments accounted for using the equity method | 8,015 | 2.6 | 7,343 | 672 | 4,704 |
| Current and non-current financial assets | 7,665 | 2.5 | 7,743 | (78) | 9,367 |
| Deferred tax assets | 2,608 | 0.9 | 3,682 | (1,073) | 6,052 |
| Non-current assets and disposal groups held for sale | 2,140 | 0.7 | 256 | 1,883 | 152 |
| Miscellaneous assets | 13,469 | 4.4 | 13,085 | 384 | 12,774 |
| **Total assets** | **304,980** | **100.0** | **304,934** | **47** | **295,222** |
| **Liabilities and shareholders' equity** | | | | | |
| Current and non-current financial liabilities | 116,849 | 38.3 | 112,191 | 4,658 | 109,261 |
| Current and non-current lease liabilities | 38,296 | 12.6 | 40,248 | (1,952) | 40,874 |
| Trade and other payables | 8,854 | 2.9 | 9,489 | (635) | 8,334 |
| Provisions for pensions and other employee benefits | 2,595 | 0.9 | 3,209 | (614) | 3,881 |
| Current and non-current other provisions | 7,246 | 2.4 | 7,868 | (623) | 7,649 |
| Deferred tax liabilities | 23,619 | 7.7 | 24,260 | (641) | 22,873 |
| Liabilities directly associated with non-current assets and disposal groups held for sale | 5 | 0.0 | 0 | 5 | 0 |
| Miscellaneous liabilities | 9,740 | 3.2 | 9,027 | 713 | 9,136 |
| Shareholders' equity | 97,776 | 32.1 | 98,640 | (864) | 93,213 |
| **Total liabilities and shareholders' equity** | **304,980** | **100.0** | **304,934** | **47** | **295,222** |

As of March 31, 2025, our **total assets** amounted to EUR 305.0 billion, which was almost at the level as of December 31, 2024.

On the assets side, **cash and cash equivalents** increased by EUR 8.5 billion against the end of the prior year to EUR 17.0 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 15.9 billion, **trade receivables** decreased by EUR 0.5 billion against the 2024 year-end level. This was the result of lower receivables in the United States operating segment due to a lower number of new contracts with equipment installment plans. Furthermore, receivables declined in the Germany operating segment. Exchange rate effects, mainly from the translation of U.S. dollars into euros, also decreased the carrying amount. By contrast, effects of changes in the composition of the Group from the acquisitions of Vistar Media and Blis in the United States operating segment increased the carrying amount of receivables.

**Intangible assets** decreased by EUR 6.5 billion compared to December 31, 2024 to EUR 142.7 billion. Exchange rate effects of EUR 5.1 billion, primarily from the translation of U.S. dollars into euros, and depreciation, amortization and impairment losses of EUR 1.7 billion decreased the carrying amount. Reclassifications of intangible assets to non-current assets and disposal groups held for sale also reduced the carrying amount by EUR 2.0 billion. Of this, EUR 1.7 billion related to the agreement between T-Mobile US and N77. Investments increased the carrying amount by EUR 1.6 billion, EUR 0.2 billion of which related to the acquisition of mobile spectrum in the United States operating segment. Effects of changes in the composition of the Group resulting from the acquisition of Vistar Media and Blis in the United States operating segment increased the carrying amount by EUR 0.8 billion, with goodwill accounting for EUR 0.4 billion of this.

For further information on the agreement between T-Mobile US and N77, please refer to "Agreements on spectrum licenses" under "The economic environment."

For further information on the acquisitions of Vistar Media and Blis, please refer to the section "Group organization, strategy, and management."

**Property, plant and equipment** decreased by EUR 1.5 billion compared with December 31, 2024 to EUR 65.1 billion. Depreciation and impairment losses totaling EUR 2.9 billion, exchange rate effects of EUR 1.1 billion, primarily from the translation of U.S. dollars into euros, and disposals of EUR 0.1 billion decreased the carrying amount. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 2.5 billion. Reclassifications of right-of-use 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.

**Right-of-use assets** decreased by EUR 1.7 billion compared with December 31, 2024 to EUR 30.5 billion. Depreciation and impairment losses reduced the net carrying amount by EUR 1.4 billion. Furthermore, exchange rate effects, primarily from the translation of U.S. dollars into euros, reduced the carrying amount by EUR 1.0 billion. The previously mentioned reclassifications to property, plant and equipment also reduced the carrying amount by EUR 0.2 billion. The carrying amount was increased by additions of EUR 0.8 billion.

**Investments accounted for using the equity method** increased by EUR 0.7 billion compared to December 31, 2024, to EUR 8.0 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 0.4 billion and EUR 0.2 billion, respectively, on the carrying amounts of the investments in GD Towers and in GlasfaserPlus. These reversals of impairment losses were due to declines in industry-specific financing costs and the resulting lower discount rates, while retaining the existing business plans.

Current and non-current **financial assets** decreased by EUR 0.1 billion to EUR 7.7 billion. The carrying amount of the derivatives without a hedging relationship decreased by EUR 0.2 billion, in particular in connection with the measurement of cross-currency swaps. Exchange rate effects also reduced the carrying amount by EUR 0.1 billion. The net total of originated loans and receivables increased by EUR 0.2 billion.

**Non-current assets and disposal groups held for sale** increased by EUR 1.9 billion to EUR 2.1 billion. EUR 1.7 billion of the increase related to the agreement for the sale of spectrum licenses between T-Mobile US and N77, and EUR 0.2 billion to the exchange of spectrum licenses agreed between T-Mobile US and other telecommunications companies.

**Miscellaneous assets** increased by EUR 0.4 billion to EUR 13.5 billion. EUR 0.2 billion of this increase was attributable to higher inventories of high-value mobile terminal equipment in the United States operating segment. Current and non-current other assets also contributed EUR 0.2 billion to this increase, due in part to an increase in receivables from other taxes.

On the liabilities and shareholders' equity side, current and non-current **financial liabilities** increased by EUR 4.7 billion compared with the end of 2024 to EUR 116.8 billion.

Bonds and other securitized liabilities increased by a total of EUR 4.4 billion, mainly due to USD bonds of USD 3.5 billion (EUR 3.3 billion) issued by T-Mobile US and EUR bonds of EUR 2.8 billion. The carrying amount was also increased by the issue of EUR bonds of EUR 1.5 billion by Deutsche Telekom AG. Exchange rate effects decreased the carrying amount of bonds and other securitized liabilities by EUR 3.3 billion.

Liabilities to banks increased by EUR 1.2 billion, mainly due to T-Mobile US utilizing a credit line backed by an export credit agency (ECA Facility) to finance network equipment-related purchases amounting to EUR 0.9 billion. Other interest-bearing liabilities decreased by EUR 0.4 billion and liabilities with the right of creditors to priority repayment in the event of default by EUR 0.3 billion.

Current and non-current **lease liabilities** decreased by EUR 2.0 billion compared with December 31, 2024 to EUR 38.3 billion. Lease liabilities decreased by EUR 0.5 billion in the United States operating segment, mainly due to a lower number of new contracts following the decommissioning of the former Sprint's wireless network and other synergies from the Sprint Merger. Exchange rate effects, in particular from the translation of U.S. dollars into euros, reduced the carrying amount by EUR 1.3 billion. Lease liabilities in the Germany operating segment and in the Group Headquarters & Group Services segment decreased by a total of EUR 0.2 billion.

**Trade and other payables** decreased by EUR 0.6 billion to EUR 8.9 billion. This was due to lower liabilities in the United States, Europe, and Germany operating segments. Exchange rate effects, in particular from the translation from U.S. dollars into euros, also decreased the carrying amount. By contrast, effects of changes in the composition of the Group from the acquisitions of Vistar Media and Blis in the United States operating segment increased the carrying amount.

**Provisions for pensions and other employee benefits** decreased by EUR 0.6 billion compared with December 31, 2024 to EUR 2.6 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.5 billion to be recognized directly in equity, mainly due to the increase in the discount rate and in the fair values of plan assets compared with December 31, 2024. 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 0.6 billion to EUR 7.2 billion compared with the end of 2024. Other provisions for personnel costs decreased by EUR 0.4 billion, primarily in connection with the bonuses paid out to employees in the United States operating segment and an interest rate-based decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Furthermore, provisions for procurement and sales support and provisions for restoration obligations each decreased by EUR 0.1 billion.

**Miscellaneous liabilities** increased by EUR 0.7 billion compared to December 31, 2024 to EUR 9.7 billion, with other liabilities increasing by EUR 0.3 billion, mainly due to an increase in liabilities from other taxes. In addition, income tax liabilities increased by EUR 0.3 billion and contract liabilities by EUR 0.1 billion.

**Shareholders' equity** decreased by EUR 0.9 billion as of December 31, 2024 to EUR 97.8 billion, with transactions with owners reducing shareholders' equity by EUR 2.4 billion. This mainly related to the T-Mobile US 2025 share buy-back program. Other comprehensive income decreased the carrying amount by EUR 2.0 billion. Dividend payments to other shareholders of subsidiaries reduced shareholders' equity by EUR 0.5 billion. This included cash dividends paid by T-Mobile US to non-controlling interests, as declared in the reporting period. Furthermore, the carrying amount was reduced by Deutsche Telekom AG's share buy-back program that started in January 2025 with share buy-backs of EUR 0.4 billion, with profit of EUR 4.3 billion and capital increases from share-based payments of EUR 0.1 billion having an increasing effect.

For further information, please refer to the section "Selected notes to the consolidated statement of financial position" in the interim consolidated financial statements.

### Calculation of net debt

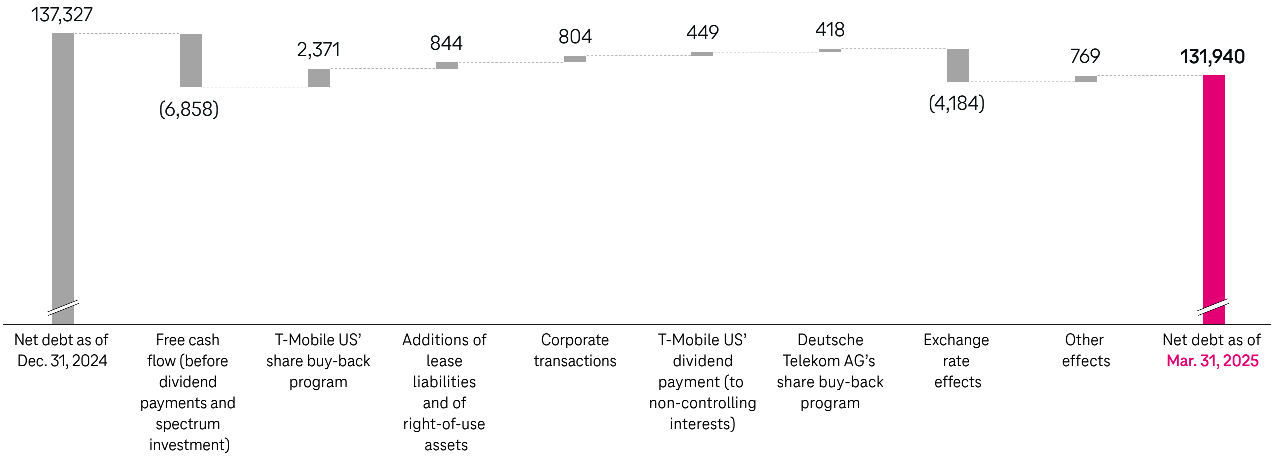
millions of €

| | Mar. 31, 2025 | Dec. 31, 2024 | Change | Change % | Mar. 31, 2024 |
|---|---|---|---|---|---|
| Bonds and other securitized liabilities | 99,042 | 94,678 | 4,364 | 4.6 | 91,205 |
| Asset-backed securities collateralized by trade receivables | 1,711 | 1,506 | 205 | n.a. | 1,154 |
| Liabilities to banks | 3,470 | 2,284 | 1,186 | 52.0 | 3,561 |
| Other financial liabilities | 12,626 | 13,723 | (1,097) | (8.0) | 13,341 |
| Lease liabilities | 38,299 | 40,248 | (1,949) | (4.8) | 40,874 |
| **Financial liabilities and lease liabilities** | **155,148** | **152,439** | **2,709** | **1.8** | **150,135** |
| Accrued interest | (1,183) | (1,158) | (25) | (2.1) | (1,128) |
| Other | (1,933) | (2,184) | 251 | 11.5 | (1,347) |
| **Gross debt** | **152,032** | **149,097** | **2,935** | **2.0** | **147,661** |
| Cash and cash equivalents | 17,008 | 8,472 | 8,536 | n.a. | 10,827 |
| Derivative financial assets | 1,430 | 1,585 | (155) | (9.8) | 1,862 |
| Other financial assets | 1,654 | 1,713 | (59) | (3.4) | 1,856 |
| **Net debt** [a] | **131,940** | **137,327** | **(5,387)** | **(3.9)** | **133,116** |
| Lease liabilities [b] | 36,218 | 38,011 | (1,793) | (4.7) | 38,626 |
| **Net debt AL** | **95,723** | **99,316** | **(3,594)** | **(3.6)** | **94,491** |

[a] Including net debt reported under assets and 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 decreased by EUR 5.4 billion in the first quarter of 2025 to EUR 131.9 billion, due to free cash flow (before dividend payments and spectrum investment) and exchange rate effects. By contrast, the main factors increasing net debt were the share buy-back program at T-Mobile US, additions to lease liabilities and to right-of-use assets, and the corporate transactions in the United States operating segment. Other effects included the acquisition of spectrum of EUR 0.1 billion.

## Calculation of free cash flow AL

millions of €

| | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| **Net cash from operating activities** | **11,172** | **9,614** | **1,558** | **16.2** | **39,874** |
| Cash outflows for investments in intangible assets | (1,289) | (1,378) | 89 | 6.4 | (7,973) |
| Cash outflows for investments in property, plant and equipment | (3,191) | (3,340) | 149 | 4.5 | (11,198) |
| Cash capex | (4,480) | (4,718) | 238 | 5.0 | (19,171) |
| Spectrum investment | 137 | 57 | 80 | n.a. | 3,209 |
| Cash capex (before spectrum investment) | **(4,343)** | **(4,661)** | **318** | **6.8** | **(15,962)** |
| Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment | 29 | 33 | (4) | (12.6) | 190 |
| **Free cash flow (before dividend payments and spectrum investment)** | **6,858** | **4,986** | **1,872** | **37.5** | **24,102** |
| Principal portion of repayment of lease liabilities [a] | (1,208) | (1,277) | 69 | 5.4 | (4,946) |
| **Free cash flow AL (before dividend payments and spectrum investment)** | **5,650** | **3,708** | **1,942** | **52.4** | **19,156** |

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

**Free cash flow AL** (before dividend payments and spectrum investment) increased by EUR 1.9 billion year-on-year to EUR 5.6 billion. The following effects impacted on this development:

Net cash from operating activities increased by EUR 1.6 billion to EUR 11.2 billion as a result of the strong development of the operating business. Lower cash outflows in connection with the integration of Sprint in the United States also had an increasing effect, as did lower tax payments of EUR 0.2 billion. By contrast, the increase in net interest payments of EUR 0.1 billion had a reducing effect.

**Cash capex** (before spectrum investment) decreased by EUR 0.3 billion to EUR 4.3 billion. In the Germany operating segment, cash capex totaled around EUR 1.2 billion in the reporting year, a decline of EUR 0.2 billion compared with the prior-year period. This was primarily due to the timing of the allocation of investments in the fiber build-out. In the United States operating segment, cash capex decreased by EUR 0.1 billion to EUR 2.3 billion. In the Europe operating segment, cash capex stood at EUR 0.5 billion, which was on a par with the prior-year period. We continue to invest here in the provision of broadband and fiber-optic technology and in 5G as part of our integrated network strategy. In the Systems Solutions operating segment, cash capex remained on a par with the prior-year period at EUR 0.1 billion.

A decrease of EUR 0.1 billion in cash outflows – in particular in the United States operating segments – for the repayment of lease liabilities had an increasing effect on free cash flow AL.

For further information, 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, 2025 | Dec. 31, 2024 | Change Mar. 31, 2025/ Dec. 31, 2024 % | Mar. 31, 2024 | Change Mar. 31, 2025/ Mar. 31, 2024 % |
|---|---|---|---|---|---|
| Mobile customers | 69,788 | 68,553 | 1.8 | 63,284 | 10.3 |
| Contract customers | 26,802 | 26,532 | 1.0 | 25,492 | 5.1 |
| Prepaid customers | 42,986 | 42,021 | 2.3 | 37,792 | 13.7 |
| Fixed-network lines | 17,067 | 17,155 | (0.5) | 17,293 | (1.3) |
| Retail broadband lines | 15,145 | 15,152 | 0.0 | 15,057 | 0.6 |
| Of which: optical fiber [a] | 13,255 | 13,213 | 0.3 | 12,975 | 2.2 |
| Television (IPTV, satellite) | 4,675 | 4,638 | 0.8 | 4,400 | 6.2 |
| Unbundled local loop lines (ULLs) | 1,797 | 1,887 | (4.8) | 2,349 | (23.5) |
| Wholesale broadband lines | 8,594 | 8,587 | 0.1 | 8,411 | 2.2 |
| Of which: optical fiber [a] | 7,624 | 7,602 | 0.3 | 7,429 | 2.6 |

[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.

#### Mobile communications

Our Germany operating segment had a total of 69.8 million mobile customers as of March 31, 2025. The number of high-value mobile contract customers under the Telekom and congstar brands grew by 274 thousand customers overall against December 31, 2024. Sustained high demand for mobile rate plans with data volumes continues to drive this trend. The prepaid customer base grew by 2.3 % against the end of 2024, driven in particular by the M2M SIM cards used in the automotive industry.

#### Fixed network

Demand for our fiber optic-based lines has risen slightly since the end of 2024, with the total number of lines growing to 20.9 million. This growth is driven by demand for higher bandwidths.

The number of retail broadband lines remained stable against the end of 2024 at a total of 15.1 million customers. Around 52 % of the customers have subscribed to a rate plan with speeds of 100 Mbit/s or higher. The rise in demand for our TV content drove growth in our TV customer base of 37 thousand against year-end 2024, an increase of 0.8 %. The number of fixed-network lines stood at 17.1 million.

### Wholesale

As of March 31, 2025, fiber-optic-based lines accounted for 73.4 % of all lines – an increase of 0.8 percentage points against the end of 2024. 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 90 thousand compared with the end of the prior year, while fiber-optic-based lines increased by 22 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 March 31, 2025 was 10.4 million.

## Development of operations

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | | **6,219** | **6,298** | **(79)** | **(1.3)** | **25,711** |
| Consumers | | 3,199 | 3,232 | (33) | (1.0) | 13,174 |
| Business customers | | 2,128 | 2,135 | (7) | (0.3) | 8,727 |
| Wholesale | | 797 | 802 | (5) | (0.7) | 3,249 |
| Other | | 96 | 130 | (33) | (25.7) | 561 |
| **Service revenue** | | **5,591** | **5,515** | **75** | **1.4** | **22,480** |
| EBITDA | | 2,708 | 2,620 | 89 | 3.4 | 10,082 |
| Special factors affecting EBITDA | | (81) | (110) | 29 | 26.4 | (1,056) |
| EBITDA (adjusted for special factors) | | 2,789 | 2,730 | 60 | 2.2 | 11,138 |
| EBITDA AL | | 2,553 | 2,465 | 87 | 3.5 | 9,459 |
| Special factors affecting EBITDA AL | | (81) | (110) | 29 | 26.4 | (1,056) |
| **EBITDA AL (adjusted for special factors)** | | **2,634** | **2,576** | **58** | **2.3** | **10,516** |
| EBITDA AL margin (adjusted for special factors) | % | 42.4 | 40.9 | | | 40.9 |
| Depreciation, amortization and impairment losses | | (1,106) | (1,071) | (35) | (3.2) | (4,384) |
| **Profit (loss) from operations (EBIT)** | | **1,603** | **1,549** | **54** | **3.5** | **5,698** |
| EBIT margin | % | 25.8 | 24.6 | | | 22.2 |
| Cash capex | | (1,249) | (1,493) | 243 | 16.3 | (4,782) |
| **Cash capex (before spectrum investment)** | | **(1,249)** | **(1,493)** | **243** | **16.3** | **(4,782)** |

### Revenue, service revenue

Total revenue in our Germany operating segment decreased in the first quarter of 2025 by 1.3 % year-on-year to EUR 6.2 billion, driven mainly by lower mobile terminal equipment revenues. By contrast, service revenues grew by 1.4 % year-on-year, due to growth in the mobile and fixed-network businesses, largely driven by broadband and TV business.

Revenue from **Consumers** declined by 1.0 % year-on-year due to lower mobile terminal equipment revenue. The fixed-network business continued to perform well, characterized by sustained broadband revenue growth driven by a number of positive factors, including customer appreciation for reliable networks and high bandwidths as well as our TV offerings. This development more than offset the decline in voice components. Mobile service revenues also trended positively, in line with customer development.

Revenue from **Business Customers** remained at the same level as in the prior-year period. Lower mobile terminal equipment revenue was offset by service revenues, primarily due to the development in the mobile business. The fixed-network business remained stable.

**Wholesale** revenue declined by 0.7 % year-on-year in the first quarter of 2025.

### Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased by EUR 58 billion or 2.3 % year-on-year. The main reasons for this increase are high-value service revenue growth and enhanced cost efficiency, primarily as a result of the lower headcount and the ongoing implementation of efficiency enhancement and digitalization measures. Our adjusted EBITDA AL margin amounted to 42.4 %.

At EUR 2.6 billion, EBITDA AL increased by 3.5 % against the prior-year period, due to the effects described under adjusted EBITDA AL and lower year-on-year expenses arising from special factors. Special factors in the first quarter of 2025 amounted to EUR 81 million, and mainly related to socially responsible staff restructuring measures.

**Profit/loss from operations (EBIT)**
Profit from operations amounted to EUR 1.6 billion, an increase of 3.5 % year-on-year, driven in particular by the positive trend in EBITDA. This was offset by an increase of 3.2 % in depreciation, amortization and impairment losses, mainly resulting from rising volumes in the fiber-optic and mobile communications build-out, and from higher investments in licenses.

**Cash capex (before spectrum investment), cash capex**
Cash capex (before spectrum investment) decreased by EUR 243 million or 16.3 % compared with the prior-year period, primarily due to the timing of the allocation of investments in the fiber build-out. The number of households passed by our fiber-optic network had increased to 10.5 million by the end of the first quarter of 2025. In mobile communications, 98.3 % of German households can already use 5G.

## United States

### Customer development

| thousands | Mar. 31, 2025 | Dec. 31, 2024 | Change Mar. 31, 2025/ Dec. 31, 2024 % | Mar. 31, 2024 | Change Mar. 31, 2025/ Mar. 31, 2024 % |
|---|---|---|---|---|---|
| Customers | 130,910 | 129,528 | 1.1 | 120,872 | 8.3 |
| Postpaid customers | 105,455 | 104,118 | 1.3 | 99,272 | 6.2 |
| Postpaid phone customers | 79,508 | 79,013 | 0.6 | 76,468 | 4.0 |
| Other postpaid customers | 25,947 | 25,105 | 3.4 | 22,804 | 13.8 |
| Prepaid customers [a] | 25,455 | 25,410 | 0.2 | 21,600 | 17.8 |

[a] In the second quarter of 2024, we acquired 3.5 million prepaid customers through the Ka'ena Acquisition, which includes the impact of certain base adjustments to align the policies of Ka'ena and T-Mobile US.

**Customers**
At March 31, 2025, the United States operating segment (T-Mobile US) had 130.9 million customers, compared to 129.5 million customers at December 31, 2024. Net customer additions were 1.4 million in the first quarter of 2025, compared to 1.2 million in the first quarter of 2024 due to the factors described below.

**Postpaid net customer** additions were 1.3 million in the first quarter of 2025, compared to 1.2 million in the first quarter of 2024. Postpaid net customer additions increased primarily from higher postpaid other net customer additions, partially offset by lower postpaid phone net customer additions. Postpaid other net additions increased primarily due to higher net additions from other connected devices (including SyncUP and IoT), higher net additions from mobile internet devices and higher net additions from High Speed Internet. This increase was partially offset by increased deactivations from a growing customer base and lower net additions from wearables. Postpaid phone net customer additions decreased primarily due to higher churn, primarily driven by the temporary impact of current year rate plan optimizations, increased deactivations from a growing customer base and lower prepaid to postpaid migrations. This decrease was partially offset by higher gross additions. High Speed Internet net customer additions included in postpaid other net customer additions were 387 thousand and 346 thousand in the first quarter of 2025 and 2024, respectively.

**Prepaid net customer** additions were 45 thousand in the first quarter of 2025, compared to losses of 48 thousand in the first quarter of 2024. The increase was primarily driven by higher net additions following the Ka'ena Acquisition and lower prepaid to postpaid migrations, partially offset by continued moderation of prepaid industry growth. High Speed Internet net customer additions included in prepaid net customer additions and losses were 37 thousand and 59 thousand in the first quarter of 2025 and 2024, respectively.

## Development of operations

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | | **19,800** | **18,009** | **1,791** | **9.9** | **75,046** |
| **Service revenue** | | **16,081** | **14,827** | **1,254** | **8.5** | **61,143** |
| EBITDA | | 8,874 | 8,031 | 842 | 10.5 | 35,869 |
| Special factors affecting EBITDA | | 20 | (111) | 131 | n.a. | 2,432 |
| EBITDA (adjusted for special factors) | | 8,853 | 8,142 | 711 | 8.7 | 33,437 |
| EBITDA AL | | 7,636 | 6,802 | 834 | 12.3 | 30,890 |
| Special factors affecting EBITDA AL | | 13 | (130) | 143 | n.a. | 2,345 |
| **EBITDA AL (adjusted for special factors)** | | **7,623** | **6,932** | **691** | **10.0** | **28,545** |
| EBITDA AL margin (adjusted for special factors) | % | 38.5 | 38.5 | | | 38.0 |
| Depreciation, amortization and impairment losses | | (3,926) | (4,003) | 77 | 1.9 | (15,546) |
| **Profit (loss) from operations (EBIT)** | | **4,947** | **4,028** | **919** | **22.8** | **20,323** |
| EBIT margin | % | 25.0 | 22.4 | | | 27.1 |
| Cash capex | | (2,390) | (2,476) | 86 | 3.5 | (11,410) |
| **Cash capex (before spectrum investment)** | | **(2,325)** | **(2,420)** | **95** | **3.9** | **(8,248)** |

### Revenue, service revenue

Total revenue for the United States operating segment of EUR 19.8 billion in the first quarter of 2025 increased by 9.9 %, compared to EUR 18.0 billion in the first quarter of 2024. In U.S. dollars, T-Mobile US' total revenue increased by 6.6 % during the same period. Total revenue increased primarily due to higher service and equipment revenues. The components of these changes are described below.

**Service revenues** increased in the first quarter of 2025 by 8.5 % to EUR 16.1 billion. In U.S. dollars, T-Mobile US' service revenues increased by 5.1 % during the same period. This increase resulted from higher postpaid revenues, primarily due to higher postpaid Average Revenue per Account (ARPA) and higher average postpaid accounts. In addition, service revenues increased from higher prepaid revenues. Prepaid revenues increased primarily due to higher average prepaid customers, primarily from the prepaid customers acquired through the Ka'ena Acquisition, partially offset by lower prepaid Average Revenue per User (ARPU). The increase in service revenues was partially offset by lower wholesale and other service revenues, primarily from lower MVNO revenues, including the impact from the Ka'ena Acquisition and lower DISH and TracFone MVNO revenues and lower Affordable Connectivity Program revenues.

**Equipment revenues** increased in the first quarter of 2025 primarily from an increase in device sales revenue, primarily from higher average revenue per device sold, net of promotions. The increase in average revenue per device sold, net of promotions was primarily driven by an increase in the high-end phone mix, including the impact of higher postpaid device upgrades and lower Assurance Wireless device sales. The increase in equipment revenues was also driven by an increase in liquidation revenue, primarily due to an increase in the high-end phone mix and a higher number of liquidated devices.

**Other revenues** were essentially flat.

### Adjusted EBITDA AL, EBITDA AL

In euros, adjusted EBITDA AL increased by 10.0 % to EUR 7.6 billion in the first quarter of 2025, compared to EUR 6.9 billion in the first quarter of 2024. The adjusted EBITDA AL margin was 38.5 % in the first quarter of 2025 and 2024. In U.S. dollars, adjusted EBITDA AL increased by 6.6 % during the same period. Adjusted EBITDA AL increased primarily due to higher service revenues and higher equipment revenues, as discussed above. This increase was partially offset by higher equipment costs, primarily from higher average cost per device sold, primarily driven by an increase in the high-end phone mix, including the impact of higher postpaid device upgrades and lower Assurance Wireless device sales. The increase in adjusted EBITDA AL was also partially offset by an increase in liquidation costs, primarily due to an increase in the high-end phone mix and a higher number of liquidated devices, and higher payroll and benefit related expenses.

EBITDA AL in the first quarter of 2025 included special factors of EUR 13 million compared to EUR -130 million in the first quarter of 2024. The change in special factors was primarily due to lower Sprint Merger-related costs and legal-related insurance recoveries recognized in the first quarter of 2025 related to the August 2021 cyberattack. Overall, EBITDA AL increased by 12.3 % to EUR 7.6 billion in the first quarter of 2025, compared to EUR 6.8 billion in the first quarter of 2024, primarily due to the factors described above, including special factors.

**Profit/loss from operations (EBIT)**

EBIT increased by 22.8 % to EUR 4.9 billion in the first quarter of 2025, compared to EUR 4.0 billion in the first quarter of 2024. In U.S. dollars, EBIT increased by 19.1 % during the same period primarily due to higher EBITDA AL. In U.S. dollars, depreciation, amortization and impairment losses decreased by 4.9 % in the same period primarily due to higher depreciation expense from the acceleration of certain technology assets in the prior year.

**Cash capex (before spectrum investment), cash capex**

Cash capex (before spectrum investment) decreased by 3.9 % to EUR 2.3 billion in the first quarter of 2025, compared to EUR 2.4 billion in the first quarter of 2024. In U.S. dollars, cash capex (before spectrum investment) decreased by 6.1 % during the same period 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 3.5 % to EUR 2.4 billion in the first quarter of 2025, compared to EUR 2.5 billion in the first quarter of 2024. In U.S. dollars, cash capex decreased by 5.7 % during the same period primarily due to lower purchases of property and equipment as discussed above.

# Europe

## Customer development

| thousands | | Mar. 31, 2025 | Dec. 31, 2024 | Change Mar. 31, 2025/ Dec. 31, 2024 % | Mar. 31, 2024 | Change Mar. 31, 2025/ Mar. 31, 2024 % |
|---|---|---|---|---|---|---|
| Europe, total | Mobile customers | 49,790 | 49,722 | 0.1 | 48,837 | 2.0 |
| | Contract customers [a] | 26,934 | 26,811 | 0.5 | 26,263 | 2.6 |
| | Prepaid customers [a] | 22,856 | 22,911 | (0.2) | 22,574 | 1.2 |
| | Fixed-network lines | 8,087 | 8,076 | 0.1 | 8,021 | 0.8 |
| | Broadband customers [b] | 7,241 | 7,173 | 0.9 | 6,996 | 3.5 |
| | Television (IPTV, satellite, cable) | 4,409 | 4,410 | 0.0 | 4,311 | 2.3 |
| | Unbundled local loop lines (ULL) /Wholesale PSTN | 1,398 | 1,445 | (3.3) | 1,575 | (11.2) |
| | Wholesale broadband lines | 1,196 | 1,182 | 1.2 | 1,137 | 5.1 |
| Greece | Mobile customers | 7,137 | 7,143 | (0.1) | 7,107 | 0.4 |
| | Fixed-network lines | 2,568 | 2,581 | (0.5) | 2,611 | (1.6) |
| | Broadband customers [b] | 2,351 | 2,352 | 0.0 | 2,356 | (0.2) |
| Romania | Mobile customers | 3,444 | 3,517 | (2.1) | 3,661 | (5.9) |
| Hungary | Mobile customers | 6,464 | 6,454 | 0.2 | 6,324 | 2.2 |
| | Fixed-network lines | 1,961 | 1,958 | 0.1 | 1,938 | 1.2 |
| | Broadband customers | 1,666 | 1,654 | 0.8 | 1,609 | 3.5 |
| Poland | Mobile customers | 12,951 | 12,865 | 0.7 | 12,575 | 3.0 |
| | Fixed-network lines | 28 | 28 | (0.1) | 29 | (1.8) |
| | Broadband customers | 402 | 359 | 12.0 | 285 | 40.9 |
| Czech Republic | Mobile customers | 6,524 | 6,510 | 0.2 | 6,492 | 0.5 |
| | Fixed-network lines | 856 | 835 | 2.5 | 773 | 10.7 |
| | Broadband customers | 524 | 512 | 2.3 | 472 | 11.0 |
| Croatia | Mobile customers | 2,472 | 2,477 | (0.2) | 2,337 | 5.8 |
| | Fixed-network lines | 864 | 867 | (0.4) | 868 | (0.5) |
| | Broadband customers | 669 | 669 | 0.0 | 663 | 0.9 |
| Slovakia | Mobile customers | 2,548 | 2,534 | 0.6 | 2,527 | 0.8 |
| | Fixed-network lines | 853 | 849 | 0.5 | 854 | (0.1) |
| | Broadband customers | 665 | 664 | 0.1 | 657 | 1.2 |
| Austria | Mobile customers | 6,529 | 6,428 | 1.6 | 6,088 | 7.2 |
| | Fixed-network lines | 614 | 615 | (0.1) | 610 | 0.8 |
| | Broadband customers | 669 | 669 | (0.1) | 667 | 0.3 |
| Other [c] | Mobile customers | 1,721 | 1,796 | (4.2) | 1,725 | (0.2) |
| | Fixed-network lines | 342 | 342 | (0.1) | 338 | 1.2 |
| | Broadband customers | 295 | 294 | 0.3 | 286 | 2.9 |

[a] In Poland, a hybrid prepaid-postpaid rate plan portfolio for contract customers was reclassified as of January 1, 2025. Since then, around 1 million customers that were previously reported as contract customers have been classified as prepaid customers. Comparatives have been adjusted retrospectively.

[b] In Greece, the broadband customer base was reduced as of January 1, 2025 as a result of a revised definition. Comparatives have been adjusted retrospectively.

[c] "Other": national companies of North Macedonia, Montenegro, and the lines of the GTS Central Europe group in Romania.

### Total

In the Europe operating segment, almost all key performance indicators for customer development posted improvement compared with the end of 2024. Our convergent product portfolio generated growth of 1.8 % in FMC customers thanks to ongoing demand. The number of mobile customers remained stable. Our build-out of the 5G network is making good progress. The build-out of our fixed-network infrastructure with state-of-the-art optical fiber is our priority. The number of broadband customers increased by 0.9 %.

**Mobile communications**

In our Europe operating segment, the overall number of mobile customers as of March 31, 2025 remained stable against the prior-year-end at 49.8 million. The number of contract customers increased slightly by 0.5 %. All national companies except for Hungary contributed to this growth, especially Greece, Poland, the Czech Republic, and Slovakia. Overall, contract customers accounted for 54.1 % of the total customer base. Our customers benefit 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 the end of the first quarter of 2025, our national companies covered 79.0 % of the population on average with 5G, a further increase against the prior year.

The prepaid customer base declined slightly by 0.2 % compared with the end of 2024. We convinced a portion of our prepaid customers to switch to higher-value contract rate plans.

**Fixed network**

The broadband business increased by 0.9 % compared with the end of 2024 to a total of 7.2 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 2025, around 10.4 million households (39.5 % coverage) have access to our high-performance fiber-optic network offering gigabit speeds. Compared with the end of 2024, we have won around 200 thousand new subscriptions. As of the end of the first quarter of 2025, the number of fixed-network lines subscribed to was on a par with the prior-year level at 8.1 million.

The TV and entertainment business had a total of 4.4 million customers as of March 31, 2025, which was stable against 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, 2025, we had 8.3 million FMC customers; this corresponds to growth of 1.8 % compared with the end of the prior year. Almost all of our national companies, but in particular Greece, Poland, Hungary, and the Czech Republic, contributed to this absolute growth. We have also seen a modest rise in 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. Our service app is used by 71.1 % of our consumers.

## Development of operations

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | | **3,053** | **2,959** | **95** | **3.2** | **12,347** |
| Greece | | 819 | 812 | 7 | 0.8 | 3,334 |
| Romania | | 61 | 66 | (5) | (8.0) | 263 |
| Hungary | | 548 | 525 | 23 | 4.3 | 2,238 |
| Poland | | 423 | 395 | 28 | 7.1 | 1,660 |
| Czech Republic | | 308 | 301 | 7 | 2.3 | 1,238 |
| Croatia | | 247 | 233 | 14 | 6.0 | 1,012 |
| Slovakia | | 216 | 206 | 11 | 5.2 | 864 |
| Austria | | 367 | 361 | 6 | 1.5 | 1,494 |
| Other [a] | | 80 | 75 | 5 | 6.3 | 315 |
| **Service revenue** | | **2,564** | **2,455** | **109** | **4.4** | **10,239** |
| EBITDA | | 1,248 | 1,179 | 69 | 5.8 | 4,869 |
| Special factors affecting EBITDA | | (22) | (19) | (4) | (20.1) | (71) |
| EBITDA (adjusted for special factors) | | 1,270 | 1,198 | 72 | 6.0 | 4,939 |
| EBITDA AL | | 1,118 | 1,050 | 68 | 6.5 | 4,360 |
| Special factors affecting EBITDA AL | | (22) | (19) | (4) | (20.1) | (71) |
| **EBITDA AL (adjusted for special factors)** | | **1,141** | **1,069** | **72** | **6.7** | **4,431** |
| Greece | | 329 | 323 | 6 | 1.8 | 1,346 |
| Romania | | 0 | 3 | (3) | (99.9) | 1 |
| Hungary | | 221 | 178 | 43 | 24.2 | 768 |
| Poland | | 113 | 104 | 8 | 7.9 | 435 |
| Czech Republic | | 137 | 131 | 6 | 4.7 | 506 |
| Croatia | | 88 | 86 | 2 | 2.8 | 384 |
| Slovakia | | 102 | 96 | 6 | 6.3 | 389 |
| Austria | | 140 | 138 | 2 | 1.4 | 546 |
| Other [a] | | 10 | 10 | 1 | 8.5 | 54 |
| EBITDA AL margin (adjusted for special factors) | % | 37.4 | 36.1 | | | 35.9 |
| Depreciation, amortization and impairment losses | | (631) | (638) | 7 | 1.1 | (2,622) |
| **Profit (loss) from operations (EBIT)** | | **616** | **541** | **75** | **13.9** | **2,247** |
| EBIT margin | % | 20.2 | 18.3 | | | 18.2 |
| Cash capex | | (575) | (484) | (91) | (18.9) | (1,919) |
| **Cash capex (before spectrum investment)** | | **(504)** | **(483)** | **(21)** | **(4.3)** | **(1,872)** |

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 3.1 billion in the first quarter of 2025, a year-on-year increase of 3.2 %. In organic terms, revenue increased by 3.7 %. Service revenues grew by 4.4 % year-on-year, or by 5.0 % in organic terms, with our national companies in Hungary, Poland, Croatia, Greece, and Slovakia recording the strongest developments in absolute terms by country.

Organic service revenue growth was due to the strong performance of the mobile business on the back of a larger contract customer base and higher revenue per customer. Fixed-network service revenues also increased year-on-year. 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. The IT business also made a positive contribution to revenue.

Service revenues from **Consumers** increased in organic terms by 4.4 % against the prior-year period. In mobile communications, service revenues increased as a result of both a higher contract customer base and higher revenue per customer. 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 addition, a higher number of FMC customers had a positive impact on revenue development.

Service revenues from **Business Customers** grew on an organic basis by 6.0 % against the prior-year period, with Greece, Hungary, Poland, and Croatia making the largest contribution. All product areas – mobile communications, fixed network, and IT – recorded growth. The mobile contract customer base grew by 2.2 %, with almost all of our national companies, but in particular Poland, Romania, Austria, Croatia, and Greece, contributing to this growth. In the fixed-network business, the number of broadband customers rose by 5.3 %, with Greece, the Czech republic, Poland, and Hungary making the largest contributions. Fixed-network service revenues grew on an organic basis by 2.9 % overall, with the strongest growth recorded in the segment of smaller business customers. IT revenues increased substantially by 11.0 % year-on-year in organic terms, due to an increase in business with digital infrastructure. This trend was mainly driven by Greece, Hungary, Croatia, and Poland. Revenues from security products and cloud solutions decreased due to seasonal effects.

**Adjusted EBITDA AL, EBITDA AL**

The sound operational revenue trend resulted in strong growth of 6.7 % in adjusted EBITDA AL in the first quarter of 2025, to EUR 1.1 billion. In organic terms, adjusted EBITDA AL grew by 7.2 %. Looking at the development by country, this increase was attributable to positive absolute trends, in particular in Hungary, the Czech Republic, Slovakia, Greece, and Poland. These increases were partially offset by declines in Romania. A positive net margin was sufficient to more than offset higher indirect costs overall. These were affected in part by higher personnel costs as a result of the inflation-induced increases in salaries. The revocation of the supplementary telecommunications tax imposed in Hungary as of January 1, 2025 had an offsetting effect.

At EUR 1.1 billion, EBITDA AL increased by 6.5 % against the prior-year period. The expense arising from special factors increased slightly year-on-year.

**Development of operations in selected countries**

**Greece.** Revenue in Greece amounted to EUR 819 million in the first quarter of 2025, a year-on-year increase of 0.8 %. In organic terms, revenues increased by 1.5 %. This development is largely due to higher service revenues, mainly from IT, but also from the mobile businesses. Revenue in the fixed-network business declined slightly year-on-year. In addition to the expected decline in revenues in traditional voice telephony, declines were also recorded in wholesale business. Higher revenues in the TV and broadband business had an offsetting effect. Our convergence products continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 329 million, up 1.8 % year-on-year. In organic terms, the increase was 1.9 %, driven by a higher net margin.

**Hungary.** Revenue in Hungary totaled EUR 548 million in the first quarter of 2025, which corresponds to growth of 4.3 % despite unfavorable exchange rate effects. In organic terms, revenue was up significantly against the prior-year period by 8.7 %. This development was driven mainly by the mobile business, in part on the back of higher revenue per customer, and by higher service revenues in the fixed-network business, mainly in broadband business. Thanks to our increased investments in the build-out of fiber-optic lines, our offers have won over large numbers of customers. IT revenues also posted significant growth. Our convergence products continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 221 million, 24.2 % above the level of the prior-year period. In organic terms, adjusted EBITDA AL grew by 29.5 %. This substantial increase was due to a significantly higher net margin from the positive development in operating business, as well as to the revocation of the supplementary telecommunications tax as of January 1, 2025.

**Poland.** In the first quarter of 2025, revenue in Poland totaled EUR 423 million, an increase of 7.1 %. Excluding positive exchange rate effects, revenue increased by 3.8 %. Mobile service revenues recorded the strongest growth here, driven by a growing higher contract customer base. Broadband revenues from the fixed-network business also posted significant increases, likewise as a result of a growing customer base. The IT business recorded much higher revenue growth. The number of FMC customers increased substantially again, with a corresponding positive impact on revenues.

Adjusted EBITDA AL stood at EUR 113 million, 7.9 % above the level of the prior-year period. In organic terms, adjusted EBITDA AL grew by 4.7 %, due to a higher net margin, which more than offset the increase in indirect costs.

**Czech Republic.** Revenue in the Czech Republic stood at EUR 308 million in the first quarter of 2025, an increase of 2.3 % against the level of the prior-year period. Service revenues increased by 2.6 %, mainly due to increases in the fixed network business, particularly the broadband and TV businesses. Mobile revenues also recorded positive growth rates, driven by growth in the respective customer bases. The number of FMC customers likewise grew in the reporting period with corresponding revenues. This was offset by slight declines in IT revenues.

Adjusted EBITDA AL increased by 4.7 % year-on-year to EUR 137 million, on the back of a higher net margin driven by higher mobile and fixed-network service revenues. This was partially offset by an increase in indirect costs.

**Austria.** Revenue generated in Austria increased by 1.5 % to EUR 367 million in the first quarter of 2025. This development was driven by higher service revenues from the mobile business on account of an increase in the customer base. The broadband business also recorded growth as a result of a slightly larger customer base and higher revenue per customer. The number of FMC customers grew in the reporting period with corresponding revenues. Revenue in the IT business remained stable.

Adjusted EBITDA AL increased by 1.4 % year-on-year to EUR 140 million. These earnings are driven by higher revenue and a one-time effect in direct costs, offset by higher indirect costs, in part for personnel and energy.

### Profit/loss from operations (EBIT)

In our Europe operating segment, EBIT increased by 13.9 % in the first quarter of 2025 to EUR 616 million, mainly due to the 5.8 % increase in EBITDA. Depreciation, amortization and impairment losses were down slightly on the prior-year period.

### Cash capex (before spectrum investment), cash capex

In the first quarter of 2025, our Europe operating segment reported cash capex (before spectrum investment) of EUR 504 million, up 4.3 % year-on-year. This increase is attributable to both higher investments and the timing of their allocation. Cash capex increased by 18.9 % compared with the prior-year period due to cash outflows for the acquisition of spectrum in Poland. 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 2025 | FY 2024 | Q1 2024 | Change Q1 2025/ Q1 2024 % |
|---|---|---|---|---|
| Order entry | 963 | 4,020 | 823 | 17.0 |

### Development of business

In the reporting period, our systems solutions business continued to focus on growth and future viability.

Order entry in our Systems Solutions operating segment was up by 17.0 % year-on-year in the first quarter of 2025. This development is mainly attributable to increased order entry in the Cloud, Digital, and Road Charging portfolio areas.

## Development of operations

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | | **1,009** | **993** | **16** | **1.7** | **4,004** |
| Of which: external revenue | | 850 | 843 | 7 | 0.8 | 3,377 |
| **Service revenue** | | **1,008** | **973** | **35** | **3.6** | **3,883** |
| EBITDA | | 79 | 77 | 2 | 2.7 | 344 |
| Special factors affecting EBITDA | | (25) | (23) | (1) | (5.7) | (118) |
| EBITDA (adjusted for special factors) | | 104 | 100 | 3 | 3.4 | 462 |
| EBITDA AL | | 56 | 54 | 2 | 3.9 | 251 |
| Special factors affecting EBITDA AL | | (25) | (23) | (1) | (5.7) | (118) |
| **EBITDA AL (adjusted for special factors)** | | **81** | **77** | **3** | **4.4** | **369** |
| EBITDA AL margin (adjusted for special factors) | % | 8.0 | 7.8 | | | 9.2 |
| Depreciation, amortization and impairment losses | | (61) | (59) | (2) | (3.3) | (237) |
| **Profit (loss) from operations (EBIT)** | | **18** | **18** | **0** | **0.8** | **107** |
| EBIT margin | % | 1.8 | 1.8 | | | 2.7 |
| Cash capex | | (57) | (63) | 6 | 9.5 | (229) |
| **Cash capex (before spectrum investment)** | | **(57)** | **(63)** | **6** | **9.5** | **(229)** |

### Revenue, service revenue

Revenue in our Systems Solutions operating segment in the first quarter of 2025 amounted to EUR 1.0 billion, up 1.7 % year-on-year, mainly due to growth in the Digital and Road Charging portfolio areas. External revenue increased by 0.8 %, also driven by the Digital and Road Charging portfolio areas. Service revenue also developed positively, increasing by 3.6 %.

### Adjusted EBITDA AL, EBITDA AL

In the first quarter of 2025, adjusted EBITDA AL at our Systems Solutions operating segment increased by 4.4 % year-on-year to EUR 81 million. The increase in adjusted EBITDA AL is mainly attributable to revenue growth in the Digital and Road Charging areas. EBITDA AL increased by EUR 2 million compared with the prior-year period to EUR 56 million. The expense arising from special factors increased by EUR 2 million year-on-year to EUR 25 million, mainly as a result of higher restructuring costs.

### Profit/loss from operations (EBIT)

EBIT in our Systems Solutions operating segment remained unchanged against the prior-year period at EUR 18 million. The operational improvement was offset by higher depreciation, amortization and impairment losses.

### Cash capex (before spectrum investment), cash capex

Cash capex in the Systems Solutions operating segment stood at EUR 57 million in the first quarter of 2025, down EUR 6 million against the prior-year period. This trend mainly resulted from lower capital expenditure in the Digital portfolio area.

## Group Development

### Development of operations

millions of €

| | | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | | **2** | **2** | **0** | **(7.0)** | **10** |
| **Service revenue** | | **0** | **0** | **0** | **n.a.** | **0** |
| EBITDA | | (9) | (4) | (5) | n.a. | (36) |
| Special factors affecting EBITDA | | 0 | 2 | (3) | n.a. | (5) |
| EBITDA (adjusted for special factors) | | (8) | (6) | (2) | (30.9) | (32) |
| EBITDA AL | | (9) | (4) | (5) | n.a. | (36) |
| Special factors affecting EBITDA AL | | 0 | 2 | (3) | n.a. | (5) |
| **EBITDA AL (adjusted for special factors)** | | **(8)** | **(6)** | **(2)** | **(30.9)** | **(32)** |
| EBITDA AL margin (adjusted for special factors) | % | n.a. | n.a. | | | n.a. |
| Depreciation, amortization and impairment losses | | (1) | (1) | 0 | (35.7) | (3) |
| **Profit (loss) from operations (EBIT)** | | **(9)** | **(5)** | **(5)** | **n.a.** | **(39)** |
| Cash capex | | (1) | (1) | 0 | 27.6 | (4) |
| **Cash capex (before spectrum investment)** | | **(1)** | **(1)** | **0** | **27.6** | **(4)** |

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. The segment currently does not provide a significant contribution to the Group's operational development. We therefore provide no corresponding explanation for this segment.

## Group Headquarters & Group Services

### Development of operations

millions of €

| | Q1 2025 | Q1 2024 | Change | Change % | FY 2024 |
|---|---|---|---|---|---|
| **Revenue** | **549** | **546** | **2** | **0.5** | **2,226** |
| **Service revenue** | **243** | **236** | **7** | **2.9** | **972** |
| EBITDA | (115) | (138) | 23 | 17.0 | (816) |
| Special factors affecting EBITDA | (8) | (37) | 29 | 78.2 | (301) |
| EBITDA (adjusted for special factors) | (106) | (101) | (6) | (5.5) | (515) |
| EBITDA AL | (174) | (205) | 31 | 15.2 | (1,103) |
| Special factors affecting EBITDA AL | (8) | (37) | 29 | 78.2 | (301) |
| **EBITDA AL (adjusted for special factors)** | **(166)** | **(168)** | **2** | **1.4** | **(801)** |
| Depreciation, amortization and impairment losses | (287) | (301) | 14 | 4.6 | (1,242) |
| **Profit (loss) from operations (EBIT)** | **(402)** | **(439)** | **37** | **8.5** | **(2,058)** |
| Cash capex | (210) | (199) | (10) | (5.3) | (833) |
| **Cash capex (before spectrum investment)** | **(210)** | **(199)** | **(10)** | **(5.3)** | **(833)** |

#### Revenue, service revenue

Revenue and service revenue in our Group Headquarters & Group Services segment were slightly up against the prior-year period in the first quarter of 2025.

#### Adjusted EBITDA AL, EBITDA AL

In the first quarter of 2025, adjusted EBITDA AL was slightly up against the level of the prior-year period at EUR -166 million. Overall, special factors negatively affecting EBITDA AL – in particular due to staff-related measures – totaled EUR 8 million in the reporting period and EUR 37 million in the prior-year period.

#### Profit/loss from operations (EBIT)

The year-on-year improvement in EBIT by EUR 37 million to EUR -402 million was largely due to the positive development of EBITDA. Furthermore, depreciation, amortization and impairment losses decreased, mainly due to a lower capitalization rate for own capitalized costs in connection with IT projects.

**Cash capex (before spectrum investment), cash capex**
Cash capex increased by EUR 10 million year-on-year, primarily due to higher cash capex for vehicles.

# 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 forecast published in the 2024 combined management report (2024 Annual Report), we now expect to post higher adjusted EBITDA AL. Adjusted EBITDA AL for full-year 2025 was originally expected to come in at around EUR 44.9 billion. We now expect adjusted EBITDA AL for the Group to come in at around EUR 45.0 billion in the 2025 financial year. This is largely attributable to stronger-than-expected development of adjusted EBITDA AL in the United States operating segment, which we now anticipate at USD 32.4 billion, up from USD 32.3 billion. Due to the increased guidance for adjusted EBITDA AL, we now expect to record free cash flow AL for the Group (before dividend payments and spectrum investment) of around EUR 20.0 billion, up from our previous guidance of around EUR 19.9 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 2024 combined management report (2024 Annual Report). Readers are also referred to the "Disclaimer" at the end of this report.

## Corporate risks

### Strategic risks

**Market environment, Germany.** Our Germany operating segment is facing market risks in the Consumers, Business Customers, and Wholesale segments due to an increasingly strained market environment (particularly with competition) and uncertain economic trends amid geopolitical challenges (e.g., trade tariffs). This trend could continue in the medium term, in which case we would have to raise the risk significance of the risk category "Market environment, Germany" from low to medium.

### Operational risks

**Procurement and suppliers.** Deutsche Telekom's supply chains could be negatively impacted by a number of factors, such as geopolitical tensions, cyberattacks, and supply chain restructuring. At T-Mobile US, in certain areas such as terminal equipment, there are few suppliers who can provide adequate support, which may lead to unfavorable contract terms, decreased flexibility to switch to alternative third parties, and supply shortages. The new U.S. administration has imposed import tariffs on all countries set at varying rates. Suppliers could pass on the increased costs to T-Mobile US. We are therefore raising the risk significance of the risk category "Procurement and suppliers" from medium to high.

### Litigation and anti-trust proceedings

**Claims relating to charges for the shared use of cable ducts.** In the claims filed by Vodafone Deutschland GmbH and Vodafone West GmbH against Telekom Deutschland GmbH alleging excessive charges for the use of cable ducts, which were referred by the Federal Court of Justice back to the responsible Higher Regional Courts, the plaintiff Vodafone Deutschland has since updated its demands for relief. Vodafone Deutschland now puts its claim at around EUR 980 million plus interest for the period from January 2012 to December 2024. It is currently not possible to estimate the financial impact with sufficient certainty.

**Proceedings against T-Mobile US in consequence of the cyberattack on T-Mobile US in August 2021.** The derivative action brought against the members of the Board of Directors of T-Mobile US and against T-Mobile US as nominal defendant in September 2022 was further dismissed in its entirety in appeal proceedings in the first quarter of 2025.

**Class action relating to shareholder return programs of T-Mobile US.** On February 25, 2025, a shareholder class action and derivative action was filed in the Delaware Court of Chancery against Deutsche Telekom AG, T Mobile US, and all of T-Mobile US' directors, asserting breach of fiduciary duties relating to the 2022 share buy-back program and the 2023–2024 shareholder return program of T-Mobile US. It is currently not possible to estimate the resulting claim and financial risk of these proceedings with sufficient certainty.

## Assessment of the aggregate risk position

The aggregate risk position has deteriorated compared with the risks and opportunities as described in the 2024 combined management report (2024 Annual Report) due to the increasingly tense market environment in Germany and growing geopolitical uncertainty, particularly amid the introduction of trade tariffs. 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 to the continued existence of Deutsche Telekom AG or a significant Group company as a going concern.