

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 2025 combined management report ([2025 Annual Report](#)). From the Group's point of view, the following significant events in the first three months of 2026 resulted in changes and/or additions.

Group organization

Corporate culture

In 2026, we further developed our corporate culture into "T-Style." While this entailed some adaptations to the existing Guiding Principles, our fundamental values as a company remain unchanged. Our six **Guiding Principles** are:

- Delight our customers
- We won't stop (previously: Get things done)
- Act with respect & integrity
- One team, together (previously: Team together – team apart)
- I am T – count on me
- Stay curious and grow

Segment structure

Reassignment of Comfortcharge. As of January 1, 2026, Deutsche Telekom reassigned the responsibility for business and profit and loss for Comfortcharge GmbH, which is a provider of e-mobility charging infrastructure, from the Group Development operating segment to the Group Headquarters & Group Services segment. This restructuring will bundle Deutsche Telekom's mobility services. Prior-year comparatives have not been adjusted retrospectively for either of the segments affected.

Planned changes in the United States operating segment

Agreement on the acquisition of i3 Broadband in the United States. On April 24, 2026, T-Mobile US entered into an agreement with an affiliate of Wren House to establish a joint venture that will acquire i3 Broadband, one of Wren House's existing fiber portfolio companies. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to be concluded in the second half of 2026. Upon closing, T-Mobile US is expected to invest USD 0.7 billion (EUR 0.6 billion) to acquire a 50 % equity interest in the joint venture and substantially all existing residential fiber customers.

Agreements on the acquisition of GoNetspeed and Greenlight Networks in the United States. On April 25, 2026, T-Mobile US entered into agreements with affiliates of Oak Hill to establish a joint venture that will acquire and combine GoNetspeed and Greenlight Networks, two of Oak Hill's existing fiber portfolio companies. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to be concluded in the first half of 2027. Upon closing, T-Mobile US is expected to invest USD 2.0 billion (EUR 1.7 billion) to acquire a 50 % equity interest in the joint venture and substantially all existing residential fiber customers.

Management of the Group

Transition to postpaid accounts in the United States operating segment. Beginning with the first quarter of 2026, our United States operating segment (T-Mobile US) reporting will transition from total number of postpaid and prepaid customers to total number of postpaid accounts. From T-Mobile US' perspective, this transition aligns to its long-held priority on growing high-value accounts, which they believe is the best reflection of value creation versus customers. Prior to the transition, as of December 31, 2025, our United States operating segment reporting included 142.4 million total postpaid and prepaid customers instead of 34.2 million postpaid accounts.

A postpaid account is generally defined as a billing account that generates revenue. Postpaid accounts generally consist of customers that are qualified for postpaid service utilizing phones, 5G broadband gateways, fiber connections, mobile internet devices (including tablets and hotspots), wearables, DIGITS and other connected devices (including SyncUP and IoT), where they generally pay after receiving service.

The reporting of our other operating segments remains unaffected by this. In the Germany and Europe operating segments, we continue to report customer numbers for mobile communications, fixed network, and broadband.

Change to the definition of service revenue. Our service revenues essentially comprise predictable and/or recurring revenues from Deutsche Telekom's core activities. Since January 1, 2026, certain wholesale voice transit revenues have no longer been included in service revenues due to their unpredictable or non-recurring nature. Prior-year comparatives in both of the affected segments, Germany and Europe, were adjusted retrospectively.

Governance

The Supervisory Board resolved on March 23, 2026 to terminate Dr. Abdurazak Mudesir's position as the Board member responsible for the **Product and Technology Board department** and to approve his termination agreement effective midnight on March 31, 2026. Dr. Christian Illek is temporarily assuming Dr. Mudesir's duties alongside his role as Chief Financial Officer until a successor is found.

In accordance with the published agenda, on April 1, 2026, 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 2026 financial year, the cancellation of the 2022 Authorized Capital and the creation of the 2026 Authorized Capital, the change to § 13 of the Articles of Incorporation (remuneration of the Supervisory Board), and the amount of the dividend (EUR 1.00 per dividend-bearing no par value share; EUR 4.8 billion in total). The dividend was paid out in April 2026.

The economic environment

This section provides important additional information and explains recent changes in the economic environment compared to those described in the 2025 combined management report ([2025 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 2026.

Macroeconomic development

The global economy initially demonstrated robust growth in the first quarter of 2026, buoyed by upticks in industry and trade volumes and in investments in technology prior to the escalation of the conflict in the Middle East. The intensification of the Iran conflict has had a detrimental impact on the macroeconomic conditions. Rising oil and gas prices, more volatile commodity and financial markets, and expectations of further inflation have left their mark on the economic outlook. The risks are likewise mounting for global supply chains.

Germany's overall economic development lost momentum at the start of 2026. While isolated sentiment indicators suggested initial signs of stabilization, these did not fully reflect the effects of the emerging conflict in the Middle East. Inflation rose to 2.7 % in March 2026 and is expected to remain elevated at least for the time being due to the increase in oil and gas prices. In addition, in March 2026 the IWH Bankruptcy Update reported a rise in corporate insolvencies in Germany. By contrast, the United States economy started the year relatively strongly, with consumer spending and investments in technology proving the major drivers. At the same time, the first signs of a slowdown in consumer sentiment began to appear. Inflation in the United States was at 3.3 % in March 2026.

The eurozone experienced inconsistent economic development. While momentum remained restrained overall, the recent MSCI decision to reclassify the MSCI Greek Indexes to Developed Market status in May 2027 marked a major milestone in Greece's economic recovery. This reclassification is expected to strengthen global visibility of the capital market, as well as the investor base and the liquidity of the Athens market, which could ultimately also prove beneficial for Deutsche Telekom's subsidiary OTE as an Athens Stock Exchange listed company.

Overall economic outlook

The global economic outlook has deteriorated as a result of the Iran conflict. The International Monetary Fund (IMF) cut its growth forecasts in the April 2026 outlook, with global growth in 2026 now expected to fall to 3.1 %, eurozone growth to 1.1 %, and U.S. growth to 2.3 %, while inflation in 2026 is anticipated to be higher than previously expected. These forecasts are based on the assumption that the current disruptions to the energy markets will gradually fade over the course of the year. However, the risks posed by geopolitical uncertainty, possible further energy price surges, sustained disruptions to global supply chains, and further pressure on the financial markets remain elevated. Irrespective of this, the telecommunications industry has so far proven to be resilient in the face of economic fluctuations.

Regulation

Telecommunications Act reform in Germany. On March 2, 2026, the Federal Ministry for Digital Transformation and Government Modernisation (BMDS) advanced a draft bill for an act amending the Telecommunications Act (TKG). We welcome the approaches presented in the draft, which aim to accelerate fiber-optic and mobile network build-out and reduce red tape. The planned simplification of permit procedures and access to properties to fully build-out with optical fiber, as well as the open access obligation, are positive steps. At the same time, we feel there is room for improvement. The draft not only contains numerous exceptions to the open access obligation, but also rules which have the potential to delay or even block the fiber build-out. Yet other proposed rules would lead to sensitive network infrastructure data essentially being stored in the public domain.

The legislative process is expected to conclude by the end of the year and could still entail extensive changes to the draft as it currently stands. We will continue to closely monitor developments and strive to both avert risks for Deutsche Telekom and leverage further opportunities.

Bundesnetzagentur's regulatory procedures based on the decision on access regulation including FTTB/H network access. On July 17, 2024, the Bundesnetzagentur published the approval on the regulated charges for access to civil engineering infrastructure. These charges were valid until December 31, 2025 and will be redefined in the second quarter of 2026 with retroactive effect from January 1, 2026. In the parallel Bundesnetzagentur regulatory procedure concerning the related standard offer, the first partial decision was issued on November 14, 2024 and the draft of the second partial decision was published on March 25, 2026. The procedure is expected to reach its final conclusion in the third quarter of 2026. Our standard offer for the FTTB/H wholesale products with Ethernet handoff also continues to be under review by the Bundesnetzagentur. In May 2025, the first partial decision was issued, requiring us to make changes to the wholesale agreement. These changes are currently being made to the procedure and agreement before our related standard offer is also terminated by the issue of the second partial decision in the first half of 2026.

Awarding of spectrum

In **Hungary**, Magyar Telekom spectrum allocations for 2x10 MHz in the 2,100 MHz band were renewed through 2042 at a cost of EUR 30.5 million (HUF 11 billion) on March 24, 2026. In **Austria**, the auction for the reallocation of spectrum in the 2,600 MHz band expiring at the end of 2026 as well as new spectrum in the 2,300 MHz band ended on April 10, 2026. T-Mobile Austria secured 60 MHz in the 2,300 MHz band and 2x20 MHz in the 2,600 MHz band for around EUR 13 million.

In **Germany**, the award rules of the 2019 auction were declared unlawful by the Cologne Administrative Court on August 26, 2024. The Bundesnetzagentur consulted the market on how to proceed regarding the new decision until January 12, 2026. It considers possible options to be either a confirmation of its previous decision, with amended reasons, which would leave the 2019 auction unaffected, or a reallocation of the spectrum in a new award procedure. In both scenarios, we expect Deutsche Telekom to still have sufficient spectrum usage rights in the 2.1 GHz and 3.6 GHz bands to ensure the best possible coverage for its customers.

In the **United States**, the Federal Communications Commission (FCC) began the procedure to re-auction 200 licenses in the AWS-3 bands (Auction 113). The FCC has scheduled the auction to begin on June 2, 2026. Furthermore, on November 20, 2025, the FCC started the procedure for the auction of spectrum in the 3.98 to 4.2 GHz range. This auction of at least 100 MHz to 180 MHz of spectrum must be completed by July 2027. No definitive auction date has yet been set. In **Greece**, the regulator began the procedure to re-award the spectrum allocations that will expire in mid-2027 in the 900 MHz and 1,800 MHz bands. In **Poland**, the procedure to award the 26 GHz band could also begin, if necessary. In the **Czech Republic**, the national regulator began the consultation process on the 26 GHz band; no award is expected in the near future. In **Hungary**, the regulator has started preparations for an extension of the licenses expiring in mid-2029 in the 800 MHz, 1,800 MHz, and 2,600 MHz bands.

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
Greece	tbd	900 MHz/1,800 MHz	Auction, details tbd
Poland	tbd	26 GHz	Details tbd
Czech Republic	tbd	26 GHz	Details tbd
Hungary	tbd	800 MHz/1,800 MHz/2,600 MHz	Extension, details tbd
United States	June 2, 2026	1,695–1,710 MHz/ 1,755–1,780 MHz/ 2,155–2,180 MHz	Auction (ascending clock auction ^a)
United States	tbd	3.98–4.2 GHz	Auction, details tbd

^a Multi-round auction with ascending bids.

Agreements on spectrum licenses

On May 30, 2025, T-Mobile US entered into an agreement on the sale of 800 MHz spectrum licenses to affiliates of **Grain Management** (Grain) in exchange for cash consideration of USD 2.9 billion (EUR 2.5 billion) and the receipt of Grain's 600 MHz spectrum licenses. It has been further agreed that T-Mobile US may additionally receive a share of future proceeds from transactions entered into by Grain that monetize the 800 MHz spectrum licenses, subject to certain terms and conditions. Since May 30, 2025, the licenses concerned have been reported as held for sale with a carrying amount of EUR 3.1 billion. The transaction is subject to FCC approvals and certain other customary closing conditions, and is expected to be concluded in 2026.

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 1.0 billion and EUR 2.8 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. 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 1.0 billion and EUR 3.0 billion). The acquisition of a portion of the spectrum licenses with a value of approximately USD 45 million (EUR 39 million) is expected in 2026. The acquisition of the remaining licenses is then expected to close in the first half of 2028.

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 2025 combined management report ([2025 Annual Report](#)).

Deutsche Telekom AG's 2026 share buy-back program

In November 2025, Deutsche Telekom AG announced a new share buy-back program with a total volume of up to EUR 2 billion for the 2026 financial year. The buy-back commenced on January 5, 2026 and will be carried out in several tranches through the end of 2026.

As of March 31, 2026, Deutsche Telekom AG had bought back 15.6 million shares with a total volume of EUR 0.5 billion.

On April 21, 2026, the Board of Management of Deutsche Telekom AG resolved to cancel 55.4 million shares that had been bought back in the 2025 financial year under the share buy-back program, and to decrease the share capital accordingly. The cancellation of these 55.4 million shares was completed on April 29, 2026.

T-Mobile US' 2026 shareholder return program

On December 11, 2025, T-Mobile US had announced a new shareholder return program with a total volume of up to USD 14.6 billion for the 2026 financial year, comprising share buy-backs and dividends to be paid out, due to run through December 31, 2026. The amount available for share buy-backs is reduced by the amount of any dividends approved by the Board of Directors of T-Mobile US. On April 23, 2026, T-Mobile US announced that its Board of Directors had authorized an increase in the total volume of the program to up to USD 18.2 billion.

As of March 31, 2026, T-Mobile US had bought back 23.3 million shares with a total volume of USD 4.9 billion (EUR 4.2 billion) and paid out cash dividends of USD 1.1 billion (EUR 1.0 billion). EUR 0.5 billion of the cash dividends was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US.

Results of operations of the Group

millions of €					
	Q1 2026	Q1 2025	Change	Change %	FY 2025
Net revenue	29,870	29,755	115	0.4	119,081
Service revenue^a	25,039	24,829	209	0.8	98,854
EBITDA AL (adjusted for special factors)	11,521	11,297	224	2.0	44,244
EBITDA AL	10,492	11,173	(682)	(6.1)	42,452
Depreciation, amortization and impairment losses	(6,436)	(6,013)	(423)	(7.0)	(24,009)
Profit (loss) from operations (EBIT)	5,843	6,766	(923)	(13.6)	24,822
Profit (loss) from financial activities	(1,611)	(917)	(694)	(75.7)	(5,323)
Profit (loss) before income taxes	4,232	5,849	(1,617)	(27.6)	19,499
Income taxes	(1,137)	(1,519)	382	25.2	(4,573)
Net profit (loss)	2,043	2,845	(802)	(28.2)	9,609
Net profit (loss) (adjusted for special factors)	2,601	2,442	159	6.5	9,747
Earnings per share (basic and diluted)	€ 0.42	0.58	(0.16)	(27.2)	1.97
Adjusted earnings per share (basic and diluted)	€ 0.54	0.50	0.04	7.9	2.00

^a As of January 1, 2026, the definition of service revenue was changed. Prior-year comparatives were adjusted retrospectively.

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 the change in 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. Negative exchange rate effects were primarily attributable to the translation of U.S. dollars to euros. Positive effects of changes in the composition of the Group mainly related to the corporate transactions concluded in the prior year in the United States operating segment (primarily UScellular and Metronet).

Revenue, service revenue

In the first quarter of 2026, we generated net revenue of EUR 29.9 billion, which was up EUR 0.1 billion or 0.4 % year-on-year. In organic terms, revenue increased by 4.7 % against the prior-year level, with exchange rate effects having a net decreasing effect of EUR 2.1 billion and effects of changes in the composition of the Group an increasing effect of EUR 0.8 billion. Service revenue in the Group increased by EUR 0.2 billion or 0.8 % year-on-year to EUR 25.0 billion. In organic terms, service revenue increased by 4.6 %.

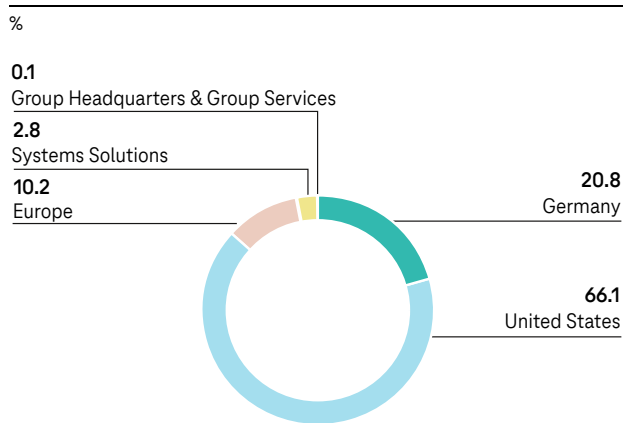
Contribution of the segments to net revenue

millions of €					
	Q1 2026	Q1 2025	Change	Change %	FY 2025
Germany	6,340	6,219	120	1.9	25,610
United States	19,744	19,800	(56)	(0.3)	78,097
Europe	3,089	3,053	35	1.2	12,652
Systems Solutions	1,026	1,009	17	1.6	4,103
Group Development	0	2	(2)	(83.1)	9
Group Headquarters & Group Services	524	549	(25)	(4.6)	2,163
Intersegment revenue	(851)	(877)	26	2.9	(3,553)
Net revenue	29,870	29,755	115	0.4	119,081

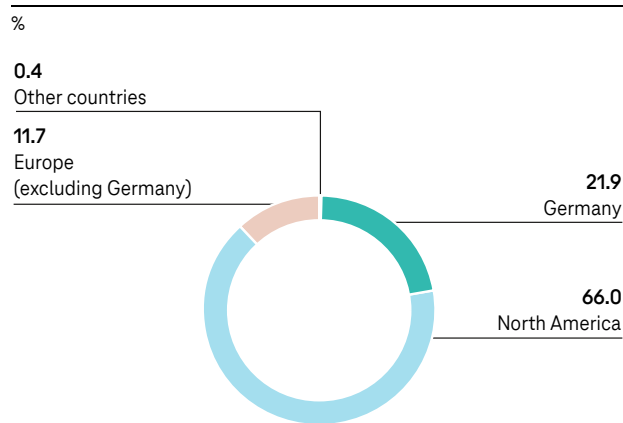
In our home market of Germany, revenue was up 1.9 % against the prior-year level. In organic terms, it increased by 2.1 %, mainly due to higher mobile and fixed-network service revenues. Non-service revenues also increased, in part on the back of higher terminal equipment revenues. In our United States operating segment, revenue was down 0.3 % against the prior-year level, with negative exchange rate effects having a strong decreasing effect and the corporate transactions completed in the prior year having an increasing effect. In organic terms, revenue increased by 6.1 %, due to both higher service revenues and higher terminal equipment revenues. In our Europe operating segment, revenue increased by 1.2 % year-on-year. In organic terms, it increased by 2.1 %, primarily due to the increase in service revenues in the IT business, as well as in the mobile and fixed-network business. Revenue in our Systems Solutions operating segment was up 1.6 % year-on-year, mainly due to growth in the Digital area.

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 ^c



^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.

^c The calculation of the international share was adjusted effective September 30, 2025. The prior-year comparative was adjusted retrospectively from 77.6 % to 78.6 %.

Our United States operating segment made by far the largest contribution to net revenue, with 66.1 % (Q1 2025: 66.5 %). The proportion of net revenue generated internationally decreased to 78.1 % (Q1 2025: 78.6 %) ^c.

Adjusted EBITDA AL, EBITDA AL

In the first quarter of 2026, we generated adjusted EBITDA AL of EUR 11.5 billion, which was up 2.0 % or EUR 0.2 billion year-on-year. In organic terms, adjusted EBITDA AL increased by 7.5 %, with exchange rate effects having a net decreasing effect of EUR 0.8 billion and changes in the composition of the Group having a positive effect of EUR 0.2 billion.

Contribution of the segments to adjusted Group EBITDA AL

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Germany	2,699	2,634	65	2.5	10,694
United States	7,738	7,623	115	1.5	29,252
Europe	1,196	1,141	55	4.8	4,677
Systems Solutions	84	81	3	4.0	427
Group Development	(6)	(8)	2	22.5	(34)
Group Headquarters & Group Services	(185)	(166)	(19)	(11.6)	(768)
Reconciliation	(4)	(7)	3	41.1	(3)
EBITDA AL (adjusted for special factors)	11,521	11,297	224	2.0	44,244

Our Germany operating segment contributed to the increase thanks to high-value service revenue growth and improved cost efficiency with 2.5 % higher adjusted EBITDA AL. Adjusted EBITDA AL in our United States operating segment increased by 1.5 %. In organic terms, it increased by 10.0 %. 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 4.8 %. In organic terms, it increased by 3.5 %, mainly on the back of the strong operational revenue trend as well as a positive net margin. Adjusted EBITDA AL also increased by 4.0 % in our Systems Solutions operating segment, mainly due to revenue growth and enhanced efficiency in the Digital area.

Our EBITDA AL decreased by EUR 0.7 billion year-on-year to EUR 10.5 billion. This was primarily due to expenses from special factors affecting EBITDA AL, which increased by EUR 0.9 billion against the prior-year period to EUR 1.0 billion, with expenses incurred in connection with staff restructuring increasing by EUR 0.4 billion year-on-year, partly in connection with the 2025–2026 Workforce Transformation at T-Mobile US. Expenses recognized as a special factor under effects of deconsolidations, disposals, and acquisitions increased by EUR 0.1 billion. These mainly related to integration expenses arising from the UScellular Acquisition in the United States operating segment in the prior year. Depreciation of and impairment losses on right-of-use assets recognized as a special factor increased by EUR 0.3 billion. This was the result of integration measures, primarily arising from accelerated depreciation of certain assets assumed in connection with the UScellular Acquisition by T-Mobile US. Expenses from other special factors affecting EBITDA AL increased by EUR 0.2 billion. They include expenses for network restructuring measures at T-Mobile US.

For further information, please refer to the section “[Development of business in the operating segments](#).”

Profit/loss from operations (EBIT)

Group EBIT decreased to EUR 5.8 billion, down EUR 0.9 billion against the level of the prior-year period, due in part to the effects described under EBITDA AL.

Higher depreciation, amortization and impairment losses on intangible assets, property, plant and equipment and right-of-use assets in the first quarter of 2026, which increased by EUR 0.4 billion to EUR 6.4 billion, mainly due to higher depreciation and amortization in the United States operating segment, also decreased Group EBIT. This resulted from non-current assets assumed in connection with the UScellular Acquisition and the correspondingly higher depreciation base as well as the continued build-out of the 5G network. Depreciation and amortization also increased in the United States operating segment due to accelerated depreciation of certain network and technology assets. This accelerated depreciation was made as part of integration and restructuring activities and mainly related to assets assumed in connection with the UScellular Acquisition.

Profit before income taxes

Profit before income taxes decreased by EUR 1.6 billion to EUR 4.2 billion. Loss from financial activities included in this increased year-on-year by EUR 0.7 billion to EUR 1.6 billion, due to the EUR 0.7 billion decrease in the share of profit of associates and joint ventures included in the consolidated financial statements using the equity method. This was primarily attributable to reversals of impairment losses recognized in the prior-year 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. Furthermore, the share of profit of associates and joint ventures included in the consolidated financial statements accounted for using the equity method was reduced by proportionate losses from T-Mobile US' investments in Metronet and Lumos. Finance costs and other financial income/expense remained stable.

Net profit, adjusted net profit

Net profit decreased year-on-year by EUR 0.8 billion to EUR 2.0 billion. The tax expense decreased by EUR 0.4 billion to EUR 1.1 billion. Profit attributable to non-controlling interests decreased by EUR 0.4 billion to EUR 1.1 billion. This decline was primarily attributable to the United States operating segment. Adjusted net profit amounted to EUR 2.6 billion compared with EUR 2.4 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 4,830 million as of March 31, 2026. This resulted in earnings per share of EUR 0.42, down from EUR 0.58 in the prior-year period. Adjusted earnings per share amounted to EUR 0.54 compared with EUR 0.50 in the prior-year period.

Employees

Headcount development

	Mar. 31, 2026	Dec. 31, 2025	Change	Change %	Mar. 31, 2025
FTEs in the Group	196,586	198,079	(1,493)	(0.8)	198,678
Of which: civil servants (in Germany, with an active service relationship)	4,647	4,759	(112)	(2.4)	5,587
Germany	54,772	55,089	(317)	(0.6)	57,070
United States	69,076	70,036	(960)	(1.4)	66,348
Europe	31,077	31,300	(223)	(0.7)	32,565
Systems Solutions	25,217	25,124	94	0.4	25,584
Group Development	77	94	(18)	(18.7)	96
Group Headquarters & Group Services	16,366	16,436	(69)	(0.4)	17,014

The Group's headcount decreased by 0.8 % against year-end 2025, mainly on account of the reduced workforce at T-Mobile US. The total number of full-time equivalent employees in our United States operating segment as of March 31, 2026, decreased by 1.4 % compared to December 31, 2025, primarily due to the impact of the 2025–2026 Workforce Transformation. In our Germany operating segment, the number of employees declined by 0.6 % 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 0.7 % compared with the end of the prior year, in particular in Greece and Poland. The headcount in our Systems Solutions operating segment was up 0.4 % against year-end 2025, largely due to the workforce increase in India. The headcount in the Group Headquarters & Group Services segment was down 0.4 % 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 2026	Q1 2025	Change	Change %	FY 2025
EBITDA	12,278	12,779	(501)	(3.9)	48,831
Depreciation of right-of-use assets ^a	(1,379)	(1,171)	(209)	(17.8)	(4,689)
Interest expenses on recognized lease liabilities ^a	(407)	(434)	27	6.3	(1,691)
EBITDA AL	10,492	11,173	(682)	(6.1)	42,452
Special factors affecting EBITDA AL	(1,030)	(124)	(906)	n.a.	(1,792)
EBITDA AL (adjusted for special factors)	11,521	11,297	224	2.0	44,244

^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 2026	Q1 2025	Change	Change %	FY 2025
Net profit (loss)	2,043	2,845	(802)	(28.2)	9,609
Special factors affecting EBITDA AL	(1,030)	(124)	(906)	n.a.	(1,792)
Staff-related measures	(535)	(171)	(364)	n.a.	(1,099)
Non-staff-related restructuring	(4)	(7)	3	44.1	(57)
Effects of deconsolidations, disposals and acquisitions	(110)	(23)	(87)	n.a.	(405)
Depreciation and impairment losses on right-of-use assets	(251)	0	(251)	n.a.	(47)
Reversals of impairment losses	0	0	0	n.a.	0
Other	(130)	78	(207)	n.a.	(184)
Special factors affecting net profit	472	526	(55)	(10.4)	1,653
Depreciation, amortization and impairment losses	(257)	0	(257)	n.a.	(119)
Profit (loss) from financial activities	1	601	(599)	(99.8)	794
Income taxes	341	(77)	418	n.a.	633
Non-controlling interests	386	3	383	n.a.	345
Special factors	(558)	403	(961)	n.a.	(139)
Net profit (loss) (adjusted for special factors)	2,601	2,442	159	6.5	9,747

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 2026	EBIT Q1 2026	EBITDA AL Q1 2025	EBIT Q1 2025	EBITDA AL FY 2025	EBIT FY 2025
EBITDA AL/EBIT	10,492	5,843	11,173	6,766	42,452	24,822
Germany	(126)	(126)	(81)	(81)	(466)	(466)
Staff-related measures	(121)	(121)	(78)	(78)	(440)	(440)
Non-staff-related restructuring	(4)	(4)	(2)	(2)	(13)	(13)
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	(20)	(20)
Depreciation, amortization and impairment losses	0	0	0	0	0	0
Reversals of impairment losses	0	0	0	0	0	0
Other	(1)	(1)	(1)	(1)	7	7
United States	(818)	(1,067)	13	20	(917)	(988)
Staff-related measures	(341)	(341)	(29)	(29)	(288)	(288)
Non-staff-related restructuring	0	0	(8)	(1)	(41)	(17)
Effects of deconsolidations, disposals and acquisitions	(106)	(106)	(37)	(37)	(417)	(417)
Depreciation, amortization and impairment losses	(251)	(500)	0	0	(20)	(115)
Reversals of impairment losses	0	0	0	0	0	0
Other	(120)	(120)	86	86	(151)	(151)
Europe	(24)	(24)	(22)	(22)	(124)	(146)
Staff-related measures	(22)	(22)	(20)	(20)	(66)	(66)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	(20)	(20)
Depreciation, amortization and impairment losses	0	0	0	0	(27)	(50)
Reversals of impairment losses	0	0	0	0	0	0
Other	(2)	(2)	(3)	(3)	(10)	(10)
Systems Solutions	(28)	(28)	(25)	(25)	(175)	(175)
Staff-related measures	(19)	(19)	(18)	(18)	(150)	(150)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	0	0	0	0	5	5
Depreciation, amortization and impairment losses	0	0	0	0	0	0
Reversals of impairment losses	0	0	0	0	0	0
Other	(9)	(9)	(6)	(6)	(29)	(29)

millions of €

	EBITDA AL Q1 2026	EBIT Q1 2026	EBITDA AL Q1 2025	EBIT Q1 2025	EBITDA AL FY 2025	EBIT FY 2025
Group Development	(5)	(5)	0	0	35	35
Staff-related measures	0	0	0	0	1	1
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(5)	(5)	0	0	34	34
Depreciation, amortization and impairment losses	0	0	0	0	0	0
Reversals of impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0
Group Headquarters & Group Services	(29)	(29)	(8)	(8)	(146)	(146)
Staff-related measures	(32)	(32)	(27)	(27)	(155)	(155)
Non-staff-related restructuring	0	0	3	3	(2)	(2)
Effects of deconsolidations, disposals and acquisitions	1	1	15	15	13	13
Depreciation, amortization and impairment losses	0	0	0	0	0	0
Reversals of impairment losses	0	0	0	0	0	0
Other	2	2	1	1	(1)	(1)
Group	(1,030)	(1,279)	(124)	(117)	(1,792)	(1,886)
Staff-related measures	(535)	(535)	(171)	(171)	(1,099)	(1,099)
Non-staff-related restructuring	(4)	(4)	(7)	0	(57)	(33)
Effects of deconsolidations, disposals and acquisitions	(110)	(110)	(23)	(23)	(405)	(405)
Depreciation, amortization and impairment losses	(251)	(500)	0	0	(47)	(165)
Reversals of impairment losses	0	0	0	0	0	0
Other	(130)	(130)	78	78	(184)	(184)
EBITDA AL/EBIT (adjusted for special factors)	11,521	7,121	11,297	6,883	44,244	26,708
Profit (loss) from financial activities (adjusted for special factors)		(1,605)		(1,511)		(6,092)
Profit (loss) before income taxes (adjusted for special factors)		5,517		5,372		20,616
Income taxes (adjusted for special factors)		(1,478)		(1,442)		(5,206)
Profit (loss) (adjusted for special factors)		4,039		3,930		15,410
Profit (loss) (adjusted for special factors) attributable to						
Owners of the parent (net profit (loss)) (adjusted for special factors)		2,601		2,442		9,747
Non-controlling interests (adjusted for special factors)		1,438		1,488		5,662

Financial position of the Group

Condensed consolidated statement of financial position

millions of €

	Mar. 31, 2026	%	Dec. 31, 2025	Change	Mar. 31, 2025
Assets					
Cash and cash equivalents	8,887	3.0	7,818	1,069	17,008
Trade receivables	16,751	5.7	16,842	(91)	15,868
Intangible assets	135,310	46.1	133,650	1,660	142,654
Property, plant and equipment	64,536	22.0	64,791	(255)	65,075
Right-of-use assets	28,424	9.7	28,579	(155)	30,478
Investments accounted for using the equity method	11,241	3.8	11,087	154	8,015
Current and non-current financial assets	8,316	2.8	8,557	(241)	7,665
Deferred tax assets	673	0.2	660	13	2,608
Non-current assets and disposal groups held for sale	3,670	1.3	3,150	520	2,140
Miscellaneous assets	15,692	5.3	14,635	1,057	13,469
Total assets	293,500	100.0	289,769	3,731	304,980
Liabilities and shareholders' equity					
Current and non-current financial liabilities	112,801	38.4	110,339	2,463	116,849
Current and non-current lease liabilities	36,167	12.3	36,384	(217)	38,296
Trade and other payables	9,418	3.2	9,581	(164)	8,854
Provisions for pensions and other employee benefits	1,825	0.6	1,883	(58)	2,595
Current and non-current other provisions	7,969	2.7	7,918	51	7,246
Deferred tax liabilities	23,488	8.0	22,291	1,197	23,619
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0.0	0	0	5
Miscellaneous liabilities	9,806	3.3	9,142	664	9,740
Shareholders' equity	92,028	31.4	92,231	(204)	97,776
Total liabilities and shareholders' equity	293,500	100.0	289,769	3,731	304,980

As of March 31, 2026, our **total assets** amounted to EUR 293.5 billion, which was up EUR 3.7 billion against the level as of December 31, 2025. Exchange rate effects, primarily from the translation from U.S. dollars into euros, in particular had an increasing effect on the carrying amount of total assets.

On the assets side, **cash and cash equivalents** increased by EUR 1.1 billion against the end of the prior year to EUR 8.9 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 16.8 billion, **trade receivables** decreased by EUR 0.1 billion against the 2025 year-end level, with receivables declining in the Germany operating segment. By contrast, receivables increased slightly in the Europe operating segment. In the United States operating segment, receivables remained more or less on a par with the level as of December 31, 2025, despite an increasing exchange rate effect.

Intangible assets increased by EUR 1.7 billion compared to December 31, 2025 to EUR 135.3 billion. Exchange rate effects increased the carrying amount by EUR 2.5 billion. Investments also increased it by EUR 1.4 billion, with EUR 0.1 billion of this relating to investments in mobile spectrum. Amortization and impairment losses of EUR 1.7 billion reduced it. Reclassifications of intangible assets to non-current assets and disposal groups held for sale also reduced the carrying amount by EUR 0.4 billion. This related to agreements concluded in the reporting period for the exchange of spectrum licenses in the United States operating segment.

Property, plant and equipment decreased by EUR 0.3 billion compared with December 31, 2025 to EUR 64.5 billion. Depreciation and impairment losses reduced the carrying amount by EUR 3.2 billion. The carrying amount was increased by additions of EUR 2.4 billion, primarily in connection with the network modernization and the network build-out (broadband, fiber-optic, and mobile infrastructure), as well as exchange rate effects of EUR 0.6 billion.

Right-of-use assets decreased by EUR 0.2 billion compared with December 31, 2025 to EUR 28.4 billion. Depreciation and impairment losses reduced the net carrying amount by EUR 1.6 billion, while additions totaling EUR 0.9 billion and exchange rate effects of EUR 0.5 billion increased it.

Investments accounted for using the equity method increased from EUR 11.1 billion at December 31, 2025 to EUR 11.2 billion. A capital increase at our investment in GlasfaserPlus and exchange rate effects increased the carrying amount, while proportionate losses from T-Mobile US' investments in Metronet and Lumos had a decreasing effect.

Current and non-current **financial assets** decreased by EUR 0.2 billion to EUR 8.3 billion, with the net total of originated loans and receivables decreasing by EUR 0.3 billion. This was mainly due to lower receivables from collateral agreements as surety for credit risks in connection with forward-payer swaps due to normal fluctuations in fair value (EUR 0.2 billion), and payments received from GD Towers in connection with dividends from shareholders' equity (EUR 0.2 billion).

Non-current assets and disposal groups held for sale increased by EUR 0.5 billion compared with December 31, 2025 to EUR 3.7 billion. EUR 0.4 billion of the increase resulted from agreements concluded in the reporting period for the exchange of spectrum licenses in the United States operating segment. The carrying amount also included spectrum licenses of EUR 3.1 billion in connection with the sale agreed between T-Mobile US and Grain.

Other assets increased by EUR 1.1 billion compared to December 31, 2025 to EUR 15.7 billion. Current and non-current other assets contributed EUR 0.9 billion to this increase, due in part to an increase in defined benefit assets as well as higher receivables from other taxes. Capitalized contract costs increased by EUR 0.1 billion.

On the liabilities and shareholders' equity side, current and non-current **financial liabilities** increased by EUR 2.5 billion compared with the end of 2025 to EUR 112.8 billion, mainly due to exchange rate effects.

Bonds and other securitized liabilities increased by EUR 1.8 billion. USD bonds amounting to EUR 1.7 billion issued by T-Mobile US and EUR bonds of EUR 2.5 billion, as well as CHF bonds of EUR 0.3 billion issued by Deutsche Telekom AG, increased the carrying amount. By contrast, the carrying amount was reduced by scheduled repayments of USD bonds of EUR 2.4 billion by T-Mobile US and of a EUR bond of EUR 0.4 billion of Deutsche Telekom AG, as well as by the early repayment of a USD bond of EUR 1.3 billion by T-Mobile US.

Liabilities collateralized by existing and anticipated trade receivables (including asset-backed securities) increased by EUR 0.9 billion to EUR 2.6 billion. These were liabilities of T-Mobile US. The carrying amount was increased by issues of EUR 1.3 billion. By contrast, early repayments of EUR 0.4 billion had a decreasing effect on the carrying amount.

Current and non-current **lease liabilities** decreased by EUR 0.2 billion compared with December 31, 2025 to EUR 36.2 billion. In the Germany and United States operating segments, lease liabilities decreased by EUR 0.1 billion in each case. Lease liabilities in the United States operating segment declined by EUR 0.7 billion, mainly due to the lower number of new contracts and the decommissioning of defunct cell sites and network technology. Exchange rate effects of EUR 0.6 billion reduced the carrying amount.

Trade and other payables decreased by EUR 0.2 billion to EUR 9.4 billion. This was due to lower liabilities in the United States and Europe operating segments. Liabilities increased in the Germany and Systems Solutions operating segments, with exchange rate effects also increasing the carrying amount.

Provisions for pensions and other employee benefits decreased by EUR 0.1 billion compared with December 31, 2025 to EUR 1.8 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.4 billion to be recognized directly in equity, mainly due to the increase in the fair values of plan assets and the increase in the discount rate compared with December 31, 2025. Benefits paid directly by the employer in the reporting period of EUR 0.2 billion also contributed to the reduction in the carrying amount. The EUR 0.5 billion increase in the pension surplus at Deutsche Telekom AG compared with December 31, 2025 had an increasing effect, which resulted in an additional defined benefit asset under other non-current assets.

Current and non-current **other provisions** increased by EUR 0.1 billion compared with the end of 2025 to EUR 8.0 billion, mainly due to exchange rate effects. Provisions for termination benefits increased in particular in connection with the 2025–2026 Workforce Transformation at T-Mobile US. By contrast, other provisions for personnel costs and the provisions for sales and procurement support decreased in connection with the bonuses paid out to employees and sales partners in the United States operating segment.

Miscellaneous liabilities increased by EUR 0.7 billion compared to December 31, 2025 to EUR 9.8 billion, with other liabilities increasing by EUR 0.4 billion, mainly due to an increase of EUR 0.4 billion in liabilities from other taxes. By contrast, liabilities in connection with publicly-funded projects in the Germany operating segment decreased by EUR 0.1 billion. Income tax liabilities increased by EUR 0.2 billion and contract liabilities by EUR 0.1 billion.

Shareholders' equity decreased by EUR 0.2 billion as of December 31, 2025 to EUR 92.0 billion. Transactions with owners reduced shareholders' equity by EUR 4.3 billion, and related mainly to the buy-back of shares by T-Mobile US. The carrying amount was also reduced by Deutsche Telekom AG's 2026 share buy-back program with share buy-backs of EUR 0.5 billion. Furthermore, cash dividends paid by T-Mobile US to non-controlling interests, as declared in the reporting period, reduced shareholders' equity by EUR 0.4 billion, while profit of EUR 3.1 billion and capital increases from share-based payments of EUR 0.2 billion had an increasing effect. Other comprehensive income also increased the carrying amount by EUR 1.7 billion.

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 €

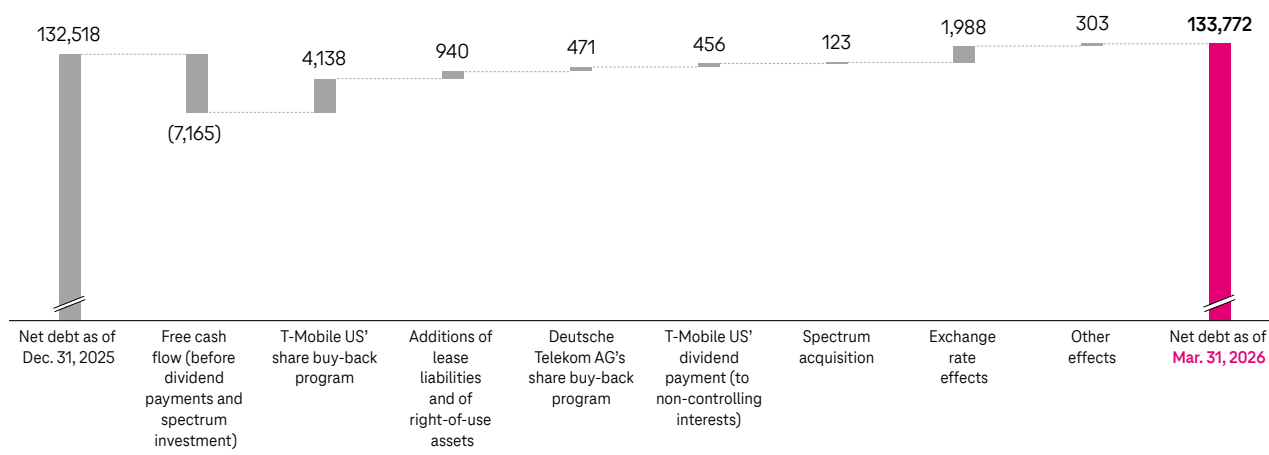
	Mar. 31, 2026	Dec. 31, 2025	Change	Change %	Mar. 31, 2025
Bonds and other securitized liabilities	93,818	91,980	1,838	2.0	99,042
Liabilities collateralized by existing and anticipated trade receivables (including asset-backed securities)	2,601	1,698	903	n.a.	1,711
Liabilities to banks	4,365	4,414	(49)	(1.1)	3,470
Other financial liabilities	12,018	12,247	(229)	(1.9)	12,626
Lease liabilities	36,167	36,384	(217)	(0.6)	38,299
Financial liabilities and lease liabilities	148,968	146,722	2,246	1.5	155,148
Accrued interest	(1,231)	(1,197)	(34)	(2.9)	(1,183)
Other	(2,004)	(1,922)	(82)	(4.3)	(1,933)
Gross debt	145,733	143,603	2,129	1.5	152,032
Cash and cash equivalents	8,887	7,818	1,069	13.7	17,008
Derivative financial assets	1,439	1,399	39	2.8	1,430
Other financial assets	1,635	1,868	(233)	(12.5)	1,654
Net debt ^a	133,772	132,518	1,254	0.9	131,940
Lease liabilities ^b	34,272	34,451	(178)	(0.5)	36,218
Net debt AL	99,499	98,067	1,432	1.5	95,723

^a Including, where it exists, 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 €



Calculation of free cash flow AL

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Net cash from operating activities	10,875	11,172	(297)	(2.7)	40,627
Cash outflows for investments in intangible assets	(1,289)	(1,289)	0	0.0	(6,942)
Cash outflows for investments in property, plant and equipment	(2,641)	(3,191)	550	17.2	(12,314)
Cash capex	(3,930)	(4,480)	550	12.3	(19,256)
Spectrum investment	123	137	(14)	(10.3)	1,071
Investments in the acquisition of customer bases	0	0	0	n.a.	1,322
Cash capex (before spectrum investment) ^a	(3,807)	(4,343)	536	12.3	(16,864)
Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment	97	29	68	n.a.	2,075
Proceeds from the disposal of spectrum	0	0	0	n.a.	(1,777)
Proceeds from the disposal of intangible assets (excluding goodwill and spectrum) and property, plant and equipment	97	29	68	n.a.	298
Net cash outflows for investments in intangible assets (excluding goodwill and spectrum) and property, plant and equipment ^a	(3,710)	(4,314)	604	14.0	(16,566)
Free cash flow (before dividend payments and spectrum investment) ^{a, b}	7,165	6,858	307	4.5	24,061
Principal portion of repayment of lease liabilities ^c	(1,478)	(1,208)	(270)	(22.4)	(4,515)
Free cash flow AL (before dividend payments and spectrum investment) ^{a, b}	5,687	5,650	37	0.7	19,546

^a Excluding cash outflows for investments made by T-Mobile US to acquire customer bases.

^b Excluding proceeds from the disposal of spectrum due to the sale of spectrum licenses by T-Mobile US.

^c Excluding finance leases at T-Mobile US.

Free cash flow AL (before dividend payments and spectrum investment) increased slightly against the prior-year period to EUR 5.7 billion. The following effects impacted on this development:

Net cash from operating activities declined by EUR 0.3 billion to EUR 10.9 billion. The continued strong development of operations was offset by negative exchange rate effects and higher cash outflows for integration measures as a result of corporate transactions completed in the prior year (primarily the UScellular Acquisition) and for the 2025–2026 Workforce Transformation in the United States operating segment.

Cash capex (before spectrum investment) decreased by EUR 0.5 billion to EUR 3.8 billion. In the Germany operating segment, cash capex totaled EUR 0.8 billion in the reporting period, EUR 0.4 billion less than in the prior-year period. This was primarily due to the timing of investments in the fiber build-out. In the United States operating segment, cash capex stood at EUR 2.3 billion, EUR 0.1 billion less than in the prior-year period due to exchange rate effects. Excluding these effects, cash outflows in the United States operating segment increased, in particular due to higher investments in the continued network build-out and additional capex as a result of the UScellular Acquisition. In the Europe operating segment, cash capex decreased slightly against the level of the prior-year period to EUR 0.5 billion. Cash capex also decreased slightly in the Systems Solutions operating segment.

Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment increased by EUR 0.1 billion.

An increase of EUR 0.3 billion in cash outflows – in particular in the Germany and United States operating segments – for the repayment of lease liabilities reduced 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, 2026	Dec. 31, 2025	Change Mar. 31, 2026/ Dec. 31, 2025 %	Mar. 31, 2025	Change Mar. 31, 2026/ Mar. 31, 2025 %
Mobile customers	75,320	74,490	1.1	69,788	7.9
Contract customers	27,924	27,740	0.7	26,802	4.2
Prepaid customers (incl. M2M)	47,396	46,750	1.4	42,986	10.3
Fixed-network lines	16,712	16,796	(0.5)	17,067	(2.1)
Retail broadband lines	15,100	15,103	0.0	15,145	(0.3)
Of which: optical fiber ^a	13,412	13,370	0.3	13,255	1.2
Television (IPTV, satellite)	4,775	4,747	0.6	4,675	2.1
Wholesale lines	9,985	10,077	(0.9)	10,391	(3.9)
Wholesale broadband lines	8,479	8,536	(0.7)	8,594	(1.3)
Of which: optical fiber ^a	7,596	7,617	(0.3)	7,624	(0.4)
Unbundled local loop lines (ULLs)	1,506	1,541	(2.3)	1,797	(16.2)

^a Disclosure of the total of all fiber-optic lines (FTTx).

Total

In Germany, we maintained our market leadership in terms of both fixed-network and mobile revenues. This success is attributable to our high-performance networks, a broad product portfolio, and excellent service quality. Our goal is to deliver our customers a seamless and technology-neutral telecommunications experience. In pursuit of this, we continually adapt our product portfolio to address the needs of our customers.

Mobile communications

Our Germany operating segment had a total of 75.3 million mobile customers as of March 31, 2026. The number of high-value mobile contract customers under the Telekom and congstar brands grew by 200 thousand customers overall against year-end 2025. Sustained demand for rate plans with data allowances continues to drive this trend. The prepaid customer base grew by 1.4 %, driven mainly by the M2M SIM cards used in the automotive industry.

Fixed network

The total number of fiber-optic-based lines was 21.0 million as of March 31, 2026, reflecting sustained demand for higher bandwidths. The number of retail broadband lines remained stable against the end of 2025 at a total of 15.1 million customers. Around 57 % 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 28 thousand against year-end 2025, an increase of 0.6 %. The number of fixed-network lines decreased by 0.5 % to 16.7 million lines on account of the decline in the voice product.

Wholesale

The number of wholesale lines declined as of March 31, 2026. This trend results partly from consumers switching to other providers and partly from our wholesale partners migrating their retail customers to their own infrastructures. Fiber-optic-based wholesale broadband lines accounted for 76.1 % of all lines – an increase of 0.5 percentage points against the end of 2025.

Development of operations

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Revenue	6,340	6,219	120	1.9	25,610
Consumers	3,289	3,199	90	2.8	12,953
Business Customers	2,104	2,128	(23)	(1.1)	8,739
Wholesale	806	797	9	1.1	3,249
Other	141	96	44	46.0	668
Service revenue^a	5,582	5,529	53	1.0	22,457
EBITDA	2,752	2,708	44	1.6	10,887
Special factors affecting EBITDA	(126)	(81)	(45)	(55.2)	(466)
EBITDA (adjusted for special factors)	2,878	2,789	88	3.2	11,353
EBITDA AL	2,573	2,553	20	0.8	10,228
Special factors affecting EBITDA AL	(126)	(81)	(45)	(55.2)	(466)
EBITDA AL (adjusted for special factors)	2,699	2,634	65	2.5	10,694
EBITDA AL margin (adjusted for special factors) %	42.6	42.4			41.8
Depreciation, amortization and impairment losses	(1,116)	(1,106)	(10)	(0.9)	(4,486)
Profit (loss) from operations (EBIT)	1,636	1,603	33	2.1	6,401
EBIT margin %	25.8	25.8			25.0
Cash capex	(832)	(1,249)	418	33.4	(4,870)
Cash capex (before spectrum investment)	(832)	(1,249)	418	33.4	(4,870)

^a As of January 1, 2026, the definition of service revenue was changed. Prior-year comparatives were adjusted retrospectively.

Revenue, service revenue

Total revenue in our Germany operating segment was EUR 6.3 billion in the reporting period, an increase of 1.9 % on the prior-year period. In organic terms, revenue increased by 2.1 %. Service revenues grew by 1.0 % year-on-year due to growth in the mobile and fixed-network businesses, largely driven by broadband and TV business. Non-service revenues likewise trended positively with an increase of 9.7 %, mainly due to higher mobile terminal equipment revenues and revenues from our partnership business.

Revenue from **Consumers** increased by 2.8 % compared with the prior-year period. Mobile service revenues trended in line with the positive customer development in the reporting period. The fixed-network business likewise continued to perform well, mainly on the back of sustained broadband revenue growth driven by a number of positive factors, including rising demand for powerful, reliable networks and higher bandwidths, as well as customer appreciation for our TV offerings.

Revenue from **Business Customers** decreased by 1.1 % year-on-year. In organic terms, the year-on-year revenue decrease was 0.8 %. Both the mobile and the fixed-network businesses remained below the prior-year level, mainly due to declines in voice business and call charges.

Wholesale revenue remained stable year-on-year in the reporting period at EUR 0.8 billion.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased by EUR 65 billion or 2.5 % 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 42.6 %.

At EUR 2.6 billion, EBITDA AL increased by 0.8 % against the level of the prior-year period, due to the effects described under adjusted EBITDA AL and higher year-on-year expenses arising from special factors. Special factors increased by EUR 45 million in the first quarter of 2026 to EUR 126 million, mainly in connection with socially responsible staff restructuring measures.

Profit/loss from operations (EBIT)

Profit from operations amounted to EUR 1.6 billion, an increase of 2.1 % against the prior-year period. The positive EBITDA trend in particular contributed to this development. This was offset by an increase of 0.9 % in depreciation, amortization and impairment losses, mainly resulting from rising fiber build-out volumes.

Cash capex (before spectrum investment), cash capex

Cash capex (before spectrum investment) decreased by EUR 418 million or 33.4 % compared with the prior-year period, primarily due to the timing of investments in the fiber build-out. The number of homes passed by our fiber-optic network had increased to 13.0 million by March 31, 2026.

United States

Customer development

thousands

	Mar. 31, 2026	Dec. 31, 2025	Change Mar. 31, 2026/ Dec. 31, 2025 %	Mar. 31, 2025	Change Mar. 31, 2026/ Mar. 31, 2025 %
Postpaid accounts ^{a, b, c, d}	34,439	34,240	0.6	31,099	10.7

^a In the first quarter of 2026, we recognized a base adjustment to decrease postpaid accounts by 18 thousand, primarily due to combining certain business accounts that have multiple billing account numbers.

^b In the third quarter of 2025, we acquired 1.4 million postpaid accounts through the UScellular Acquisition, which includes the impact of certain base adjustments to align the policies of UScellular and T-Mobile US.

^c In the third quarter of 2025, we acquired 633 thousand postpaid accounts from Metronet and other acquisitions.

^d In the second quarter of 2025, we acquired 85 thousand postpaid accounts from Lumos.

Postpaid accounts

At March 31, 2026, the United States operating segment (T-Mobile US) had 34.4 million postpaid accounts, compared to 31.1 million at March 31, 2025.

Postpaid net account additions were 217 thousand in the first quarter of 2026, compared to 205 thousand in the first quarter of 2025. Postpaid net account additions increased primarily from higher gross account additions, including fiber account additions following the acquisitions of Metronet and Lumos. The increase in postpaid net account additions was partially offset by higher account deactivations driven by higher industry switching and the impact of a growing account base, including following the UScellular Acquisition.

Development of operations

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Revenue	19,744	19,800	(56)	(0.3)	78,097
Service revenue	16,112	16,081	31	0.2	63,176
EBITDA	8,319	8,874	(554)	(6.2)	33,186
Special factors affecting EBITDA	(567)	20	(587)	n.a.	(861)
EBITDA (adjusted for special factors)	8,886	8,853	33	0.4	34,046
EBITDA AL	6,921	7,636	(715)	(9.4)	28,336
Special factors affecting EBITDA AL	(818)	13	(830)	n.a.	(917)
EBITDA AL (adjusted for special factors)	7,738	7,623	115	1.5	29,252
EBITDA AL margin (adjusted for special factors) %	39.2	38.5			37.5
Depreciation, amortization and impairment losses	(4,342)	(3,926)	(416)	(10.6)	(15,508)
Profit (loss) from operations (EBIT)	3,977	4,947	(971)	(19.6)	17,677
EBIT margin %	20.1	25.0			22.6
Cash capex	(2,272)	(2,390)	118	4.9	(11,060)
Cash capex (before spectrum investment)^a	(2,260)	(2,325)	65	2.8	(8,889)

^a Excluding cash outflows for investments in the acquisition of customer bases.

Revenue, service revenues

Total revenue for the United States operating segment of EUR 19.7 billion in the first quarter of 2026 decreased by 0.3 % due to currency exchange effects, compared to EUR 19.8 billion in the first quarter of 2025. In U.S. dollars, T-Mobile US' total revenue increased by 10.9 % 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 2026 by 0.2 % to EUR 16.1 billion. In U.S. dollars, T-Mobile US' service revenues increased by 11.5 % during the same period. This increase resulted from higher postpaid revenues, primarily due to higher average postpaid accounts, including following the acquisitions of the UScellular Wireless Business, Metronet and Lumos, and higher postpaid Average Revenue per Account (ARPA). The increase in service revenues was partially offset by lower prepaid revenues. This decrease was primarily from lower average revenue per customer, primarily from dilution from promotional activity and rate plan mix, partially offset by higher average prepaid customers.

Equipment revenues decreased in the first quarter of 2026. In U.S. dollars, T-Mobile US' equipment revenues increased. The increase was driven by 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. The increase in equipment revenues was also driven by an increase in liquidation revenue, primarily due to a higher number of liquidated devices and an increase in the high-end phone mix.

Other revenues were essentially flat.

Adjusted EBITDA AL, EBITDA AL

In euros, adjusted EBITDA AL increased by 1.5 % to EUR 7.7 billion in the first quarter of 2026, compared to EUR 7.6 billion in the first quarter of 2025, which includes the impact of currency exchange effects. The adjusted EBITDA AL margin increased to 39.2 % in the first quarter of 2026, compared to 38.5 % in the first quarter of 2025. In U.S. dollars, adjusted EBITDA AL increased by 12.9 % during the same period. Adjusted EBITDA AL increased primarily due to higher total service revenues and higher equipment revenues. This increase was partially offset by higher costs following the acquisition of the UScellular Wireless Business, higher equipment costs, primarily from a higher average cost per device sold, primarily driven by an increase in the high-end phone mix. The increase in adjusted EBITDA AL was also partially offset by higher wholesale network access costs and amortization of customer installation fees paid to Metronet and Lumos, higher bad debt expense, higher advertising expense, and an increase in liquidations costs, primarily due to a higher number of liquidated devices and an increase in the high-end phone mix.

EBITDA AL in the first quarter of 2026 included special factors of EUR -818 million compared to EUR 13 million in the first quarter of 2025. The change in special factors was primarily due to higher UScellular Merger-related costs, including accelerated lease amortization, higher severance and restructuring costs related to the 2025–2026 Workforce Transformation, legal-related insurance recoveries recognized in the first quarter of 2025 related to the August 2021 cyberattack, and higher costs related to network restructuring. Overall, EBITDA AL decreased by 9.4 % to EUR 6.9 billion in the first quarter of 2026, compared to EUR 7.6 billion in the first quarter of 2025, primarily due to the factors described above, including special factors.

Profit/loss from operations (EBIT)

EBIT decreased by 19.6 % to EUR 4.0 billion in the first quarter of 2026, compared to EUR 4.9 billion in the first quarter of 2025, primarily due to currency exchange effects and higher depreciation, amortization, and impairment losses, partially offset by higher EBITDA AL as discussed above. In U.S. dollars, EBIT decreased by 10.6 % during the same period. In euros, depreciation, amortization and impairment losses increased by 10.6 % during the same period. In U.S. dollars, depreciation, amortization and impairment losses increased by 23.1 % in the same period primarily from higher depreciation expense from the acceleration of certain network and technology assets in the current period, including UScellular restructuring, and higher depreciation expense from assets acquired in the acquisition of the UScellular Wireless Business and the continued build-out of the nationwide 5G network.

Cash capex (before spectrum investment), cash capex

Cash capex (before spectrum investment) decreased due to currency exchange effects by 2.8 % to EUR 2.3 billion in the first quarter of 2026, compared to EUR 2.3 billion in the first quarter of 2025. In U.S. dollars, cash capex (before spectrum investment) increased by 7.1 % during the same period due to an increase in purchases of intangible assets and an increase in purchases of property and equipment, including for the continued build-out of the nationwide 5G network and incremental capital expenditures following the acquisition of the UScellular Wireless Business.

Cash capex decreased by 4.9 % to EUR 2.3 billion in the first quarter of 2026, compared to EUR 2.4 billion in the first quarter of 2025. In U.S. dollars, cash capex increased by 4.8 % during the same period primarily due to an increase in purchases of property and equipment and incremental capital expenditures following the acquisition of the UScellular Wireless Business as discussed above.

Europe

Customer development

thousands

		Mar. 31, 2026	Dec. 31, 2025	Change Mar. 31, 2026/ Dec. 31, 2025 %	Mar. 31, 2025	Change Mar. 31, 2026/ Mar. 31, 2025 %
Europe, total	Mobile customers	46,711	47,172	(1.0)	49,790	(6.2)
	Contract customers ^a	25,470	25,590	(0.5)	26,934	(5.4)
	Prepaid customers	21,240	21,582	(1.6)	22,856	(7.1)
	Fixed-network lines^a	8,449	8,023	5.3	8,087	4.5
	Broadband customers^a	7,695	7,395	4.1	7,241	6.3
	Television (IPTV, satellite, cable)	4,498	4,468	0.7	4,409	2.0
	Unbundled local loop lines (ULL)/Wholesale PSTN	1,147	1,220	(6.0)	1,398	(18.0)
	Wholesale broadband lines	1,232	1,219	1.0	1,196	3.0
Greece	Mobile customers ^a	7,055	7,105	(0.7)	7,137	(1.1)
	Fixed-network lines ^a	2,577	2,505	2.9	2,568	0.4
	Broadband customers ^a	2,385	2,361	1.0	2,351	1.5
Hungary	Mobile customers	6,583	6,610	(0.4)	6,464	1.8
	Fixed-network lines	1,942	1,935	0.4	1,961	(1.0)
	Broadband customers	1,678	1,665	0.8	1,666	0.7
Poland	Mobile customers ^a	13,203	13,531	(2.4)	12,951	1.9
	Fixed-network lines ^a	362	28	n.a.	28	n.a.
	Broadband customers ^a	742	496	49.5	402	84.4
Czech Republic	Mobile customers	6,632	6,643	(0.2)	6,524	1.7
	Fixed-network lines	932	912	2.2	856	8.9
	Broadband customers	578	562	2.8	524	10.2
Croatia	Mobile customers	2,517	2,539	(0.8)	2,472	1.8
	Fixed-network lines	855	860	(0.6)	864	(1.1)
	Broadband customers	672	674	(0.2)	669	0.5
Slovakia	Mobile customers	2,340	2,324	0.7	2,548	(8.2)
	Fixed-network lines	832	831	0.1	853	(2.5)
	Broadband customers	679	675	0.6	665	2.1
Austria	Mobile customers	6,605	6,596	0.1	6,529	1.2
	Fixed-network lines	603	606	(0.4)	614	(1.8)
	Broadband customers	658	660	(0.4)	669	(1.6)
Romania	Mobile customers	0	0	n.a.	3,444	(100.0)
Other^b	Mobile customers	1,775	1,825	(2.8)	1,721	3.1
	Fixed-network lines	346	346	0.0	342	1.3
	Broadband customers	303	302	0.5	295	3.0

^a As of January 1, 2026, customers in Poland and Greece were reclassified from mobile communications to fixed-network as a result of a change in definition. Prior-year comparatives were not adjusted retrospectively.

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

Total

As of March 31, 2026, excluding the effect from a change in definition in Poland and Greece, the Europe operating segment saw a positive trend in the number of customers compared with the end of 2025, recording an increase of 0.5 % in the number of mobile contract customers and of 0.7 % in the number of broadband customers. Our convergent product portfolio generated substantial growth of 1.4 % in FMC customers thanks to ongoing demand. We are making good progress in network infrastructure: The build-out of our fixed-network infrastructure with state-of-the-art optical fiber is our priority. The build-out of the 5G network also continues.

Mobile communications

Our Europe operating segment had a total of 46.7 million mobile customers as of March 31, 2026. The number fell by 1.0 % compared with the end of the prior year. In Poland and Greece, a change in definition resulted in some mobile customers being reclassified as fixed-network customers. Without this effect, the number of mobile customers declined slightly by 0.5 %.

The number of contract customers decreased slightly by 0.5 %. Excluding the effect from the change in definition, it increased slightly by 0.5 %. Overall, contract customers accounted for 54.5 % 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 March 31, 2026, our national companies covered 92.3 % of the population in our European footprint on average with 5G, an increase against the prior year.

The prepaid customer base declined by 1.6 % against the end of the prior year, especially in Poland due to the deactivation of inactive customers. We also convinced a larger portion of our prepaid customers to switch to higher-value contract rate plans.

Fixed network

The broadband business increased by 4.1 % compared with the end of 2025 to a total of 7.7 million customers. Excluding the effect of the change in definition, growth was 0.7 %. This growth, mainly driven by the national companies in Poland, the Czech Republic, and Hungary, offset the decline in Austria, Greece, and Croatia. By continuing to invest in optical fiber, we are systematically building out our fixed-network infrastructure. As of March 31, 2026, 11.5 million households (43.6 % coverage) have access to our high-performance fiber-optic network offering gigabit speeds. The number of homes passed grew by around 150 thousand compared with the end of 2025. As of the end of the first quarter of 2026, the number of fixed-network lines subscribed to increased by 5.3 % compared with the end of 2025 to 8.4 million, as a result of the change in definition. Excluding this effect, the number of lines remained unchanged against the level at the end of the prior year.

The TV and entertainment business had a total of 4.5 million customers as of March 31, 2026, a slight increase of 0.7 % against the end of the prior year. The TV market is already saturated in many of the countries in our operating 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, 2026, we had 9.0 million FMC customers. This represents an increase of 1.4 % in the customer base compared with the end of the prior year. Almost all of our national companies, but in particular Poland, Greece, and Hungary, contributed to this growth. We have also seen rising customer numbers from the marketing of our MagentaOne Business product to business customers.

We continue to expand our digital interaction with customers, which means we can meet customer needs in a more personalized and efficient way, and position products and innovative services on the market more quickly. Around 70 % of our consumers use our service app.

Development of operations

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Revenue	3,089	3,053	35	1.2	12,652
Greece	859	819	40	4.9	3,464
Hungary	569	548	21	3.8	2,270
Poland	430	423	8	1.8	1,746
Czech Republic	330	308	22	7.0	1,291
Croatia	250	247	3	1.4	1,049
Slovakia	220	216	4	1.7	883
Austria	363	367	(4)	(1.1)	1,507
Romania	0	61	(61)	(100.0)	177
Other ^a	79	80	0	(0.6)	335
Service revenue ^b	2,610	2,485	125	5.0	10,284
EBITDA	1,300	1,248	53	4.2	5,098
Special factors affecting EBITDA	(24)	(22)	(2)	(8.6)	(97)
EBITDA (adjusted for special factors)	1,325	1,270	55	4.3	5,195
EBITDA AL	1,171	1,118	53	4.8	4,553
Special factors affecting EBITDA AL	(24)	(22)	(2)	(8.6)	(124)
EBITDA AL (adjusted for special factors)	1,196	1,141	55	4.8	4,677
Greece	338	329	9	2.8	1,374
Hungary	245	221	24	10.9	889
Poland	122	113	9	8.1	475
Czech Republic	149	137	12	9.1	548
Croatia	90	88	2	2.4	395
Slovakia	101	102	(1)	(1.2)	397
Austria	134	140	(6)	(4.3)	555
Romania	0	0	0	(100.0)	(7)
Other ^a	16	10	5	49.9	52
EBITDA AL margin (adjusted for special factors) %	38.7	37.4			37.0
Depreciation, amortization and impairment losses	(639)	(631)	(7)	(1.2)	(2,609)
Profit (loss) from operations (EBIT)	662	616	45	7.4	2,489
EBIT margin %	21.4	20.2			19.7
Cash capex	(587)	(575)	(11)	(2.0)	(2,250)
Cash capex (before spectrum investment)	(476)	(504)	27	5.4	(2,029)

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.

^b As of January 1, 2026, the definition of service revenue was changed. Prior-year comparatives were adjusted retrospectively.

Revenue, service revenue

Our Europe operating segment generated revenue of EUR 3.1 billion in the reporting period, a year-on-year increase of 1.2 %. In organic terms, i.e., excluding the sale of the Romanian mobile business and net positive exchange rate effects, revenue increased by 2.1 %. Service revenues grew by 5.0 % year-on-year, or by 5.4 % in organic terms. Almost all national companies contributed to this growth, with our national companies in Greece, Poland, and the Czech Republic recording the strongest developments in absolute terms.

Organic growth in service revenues was mainly due to the growth in the IT business. The mobile communications business likewise made a positive contribution to revenue, driven by a larger contract customer base and higher revenue per customer. Furthermore, 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. Declines in the wholesale business and in non-service revenues had an offsetting effect.

Service revenues from **Consumers** increased in organic terms by 4.0 % 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 11.2 % year-on-year, with Greece (IT), Slovakia (fixed network and IT), and Poland (mobile communications) making the largest contribution. All product areas recorded year-on-year growth. The mobile contract customer base grew by 1.4 %. In the fixed-network business, the number of broadband customers rose by 3.9 %. Fixed-network service revenues grew by 3.0 % overall. IT revenues increased substantially by 33.5 % year-on-year, due to an increase in business with digital infrastructure.

Adjusted EBITDA AL, EBITDA AL

The sound operational revenue trend contributed to strong growth of 4.8 % in adjusted EBITDA AL in the reporting period, to EUR 1.2 billion. In organic terms, adjusted EBITDA AL grew by 3.5 %. Looking at the development by country, this increase was attributable to positive absolute trends, in particular in Hungary, Poland, Greece, and the Czech Republic. Overall, the increase in earnings for the Europe operating segment is mainly attributable to the positive net margin. Indirect costs were up slightly on the prior-year period.

At EUR 1.2 billion, EBITDA AL increased by 4.8 % against the prior-year period. The net expense arising from special factors was more or less on a par with the prior-year level.

Development of operations in selected countries

Greece. Revenue in Greece amounted to EUR 859 million in the first quarter of 2026, a year-on-year increase of 4.9 %. This development is largely due to higher service revenues, mainly from IT, but mobile service revenues also increased substantially. Fixed-network revenues recorded slight year-on-year growth, as a result of higher revenues in the TV and broadband business. This was offset by the expected decline in revenues in traditional voice telephony, as well by declines in the wholesale business. Non-service revenues recorded a substantial decline, driven by the fall in transit revenue for voice telephony. Our convergence products continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 338 million, up 2.8 % year-on-year, mainly driven by a higher net margin.

Hungary. Revenue in Hungary totaled EUR 569 million in the reporting period, a slight year-on-year increase of 3.8 %. Excluding positive exchange rate effects, revenue decreased moderately by 0.8 %. This decline was mainly driven by IT revenues, which were lower than in the prior-year period owing to seasonal effects. Growth in the mobile business had an offsetting effect, in part on the back of higher revenue per customer. Thanks to our increased investments in the build-out of fiber-optic lines, our offers have won over large numbers of customers. This enabled significantly higher service revenues in broadband business. The TV business also contributed to this revenue trend. Non-service revenues decreased on account of declining mobile terminal equipment revenues. Our convergence products continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 245 million, a substantial 10.9 % above the level of the prior-year period. In organic terms, the increase was 5.8 %, driven by a significantly higher net margin.

Poland. In the reporting period, revenue in Poland totaled EUR 430 million, an increase of 1.8 %. Excluding negative exchange rate effects, revenue increased by 2.6 %. The growth was mainly driven by mobile service revenues on the back of an increase in the number of contract customers and higher revenue per customer. Broadband and TV revenues from the fixed-network business also posted significant increases, likewise as a result of a growing customer base and higher revenue per customer. IT revenues remained stable. The number of FMC customers increased substantially again, with a corresponding positive impact on revenues. By contrast, non-service revenues declined, in particular from mobile devices.

Adjusted EBITDA AL stood at EUR 122 million, 8.1 % above the level of the prior-year period. In organic terms, adjusted EBITDA AL grew by 9.1 %, due to a decline in indirect costs as well as a higher net margin.

Czech Republic. In the Czech Republic, we generated revenue of EUR 330 million in the first quarter of 2026, an increase of 7.0 % against the prior-year period. Excluding positive exchange rate effects, revenue increased by 3.8 %. Service revenues increased, due in part to increases in the fixed network business, particularly the broadband and TV businesses. Mobile revenues also continued to post positive growth rates. Revenues in both business areas increased on the back of growth in the respective customer bases. The number of FMC customers likewise grew in the reporting period, with corresponding revenues. IT revenues also increased.

Adjusted EBITDA AL increased by 9.1 % year-on-year to EUR 149 million. In organic terms, adjusted EBITDA AL grew by 5.8 %, due to a higher net margin.

Austria. Revenue decreased slightly by 1.1 % year-on-year in the reporting period to EUR 363 million, mainly as a result of lower non-service revenues from roaming. Service revenues remained stable. Revenues from FMC customers increased in the reporting period.

Adjusted EBITDA AL declined by 4.3 % year-on-year to EUR 134 million, driven by a lower net margin.

Profit/loss from operations (EBIT)

In our Europe operating segment, EBIT increased significantly by 7.4 % in the reporting period to EUR 662 million, mainly due to the increase in EBITDA. Depreciation, amortization and impairment losses remained more or less stable.

Cash capex (before spectrum investment), cash capex

In the reporting period, our Europe operating segment reported a slight year-on-year decrease in cash capex (before spectrum investment) to EUR 476 million. By contrast, cash capex was up slightly compared with the prior-year period, due to higher cash outflows for the renewal of spectrum licenses 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

From the 2026 financial year, the Systems Solutions segment's existing portfolio (Cloud, Digital, Security, and Advisory) is being extended to include the new area AI Cloud. Furthermore, the existing focal industries of automotive, health, public, and intragroup business have been enhanced by defense.

In the first quarter of 2026, T-Systems recorded a stable business trend with moderate revenue growth and further improved profitability. The main driver for growth in order entry was the cloud business and for revenue growth, digitalization services. Continuous improvements in efficiency in the operating business also resulted in continued improvement in earnings.

Order entry

millions of €

	Q1 2026	FY 2025	Q1 2025	Change Q1 2026/ Q1 2025 %
Order entry	994	4,191	963	3.2

Development of business

The reporting period was dominated by a continued focus of our systems solutions business on growth and future viability, i.e., in particular, the business areas of Cloud and Digital, as well as AI Cloud.

Order entry in our Systems Solutions operating segment was up by 3.2 % year-on-year in the first quarter of 2026. This development is mainly attributable to increased order entry in the Cloud and AI Cloud portfolio areas and the Germany region.

Development of operations

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Revenue	1,026	1,009	17	1.6	4,103
Of which: external revenue	846	850	(4)	(0.4)	3,444
Service revenue	1,025	1,008	17	1.7	4,100
EBITDA	81	79	2	2.5	345
Special factors affecting EBITDA	(28)	(25)	(3)	(12.8)	(175)
EBITDA (adjusted for special factors)	109	104	5	4.9	520
EBITDA AL	56	56	0	0.1	252
Special factors affecting EBITDA AL	(28)	(25)	(3)	(12.8)	(175)
EBITDA AL (adjusted for special factors)	84	81	3	4.0	427
EBITDA AL margin (adjusted for special factors) %	8.2	8.0			10.4
Depreciation, amortization and impairment losses	(68)	(61)	(7)	(10.9)	(252)
Profit (loss) from operations (EBIT)	14	18	(5)	(25.4)	92
EBIT margin %	1.3	1.8			2.3
Cash capex	(45)	(57)	12	21.3	(220)
Cash capex (before spectrum investment)	(45)	(57)	12	21.3	(220)

Revenue, service revenue

Revenue in our Systems Solutions operating segment in the reporting period amounted to EUR 1.0 billion, up 1.6 % year-on-year. This positive revenue trend was mainly due to growth in the Digital portfolio area and related to the public and defense focal industries. External revenue declined slightly, driven by the area of Cloud. Service revenue also developed positively, increasing by 1.7 %.

Adjusted EBITDA AL, EBITDA AL

In the reporting period, adjusted EBITDA AL at our Systems Solutions operating segment increased by 4.0 % year-on-year to EUR 84 million. The increase in adjusted EBITDA AL is mainly attributable to revenue growth and increased efficiencies in the Digital area. EBITDA AL remained unchanged against the prior-year period at EUR 56 million. The expense arising from special factors increased from EUR 25 million to EUR 28 million, mainly as a result of slightly higher expenses in connection with socially responsible staff restructuring.

Profit/loss from operations (EBIT)

EBIT in our Systems Solutions operating segment decreased by EUR 5 million against the prior-year period to EUR 14 million, mainly due to the year-on-year increase in depreciation, amortization and impairment losses.

Cash capex (before spectrum investment), cash capex

Cash capex in the Systems Solutions operating segment stood at EUR 45 million in the reporting period, down EUR 12 million against the prior-year period, mainly due to a higher proportion of investments having an effect on cash flows in the fourth quarter of 2025.

Group Development

Development of operations

millions of €

	Q1 2026	Q1 2025	Change	Change %	FY 2025
Revenue	0	2	(2)	(83.1)	9
Service revenue	0	0	0	n.a.	0
EBITDA	(11)	(9)	(2)	(28.3)	1
Special factors affecting EBITDA ^a	(5)	0	(4)	n.a.	35
EBITDA (adjusted for special factors)	(6)	(8)	2	22.5	(34)
EBITDA AL	(11)	(9)	(2)	(28.3)	1
Special factors affecting EBITDA AL ^a	(5)	0	(4)	n.a.	35
EBITDA AL (adjusted for special factors)	(6)	(8)	2	22.5	(34)
EBITDA AL margin (adjusted for special factors) %	n.a.	n.a.			n.a.
Depreciation, amortization and impairment losses	0	(1)	1	96.0	(3)
Profit (loss) from operations (EBIT)	(11)	(9)	(2)	(19.0)	(2)
Cash capex	0	(1)	1	95.7	(3)
Cash capex (before spectrum investment)	0	(1)	1	95.7	(3)

^a In the second quarter of 2025, this mainly comprised a retroactive deconsolidation gain in connection with the sale of an equity investment in the 2017 financial year.

The goal of our Group Development operating segment is to actively manage entities and equity investments to grow their value. In particular, DTCP is assigned to Group Development for this reason. 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 2026	Q1 2025	Change	Change %	FY 2025
Revenue	524	549	(25)	(4.6)	2,163
Service revenue	219	243	(23)	(9.5)	982
EBITDA	(159)	(115)	(45)	(39.2)	(682)
Special factors affecting EBITDA	(29)	(8)	(21)	n.a.	(146)
EBITDA (adjusted for special factors)	(130)	(106)	(24)	(22.3)	(537)
EBITDA AL	(214)	(174)	(40)	(23.2)	(914)
Special factors affecting EBITDA AL	(29)	(8)	(21)	n.a.	(146)
EBITDA AL (adjusted for special factors)	(185)	(166)	(19)	(11.6)	(768)
Depreciation, amortization and impairment losses	(270)	(287)	17	6.0	(1,155)
Profit (loss) from operations (EBIT)	(429)	(402)	(28)	(6.9)	(1,837)
Cash capex	(193)	(210)	17	8.1	(861)
Cash capex (before spectrum investment)	(193)	(210)	17	8.1	(861)

Revenue, service revenue

Revenue in our Group Headquarters & Group Services segment decreased in the reporting period by 4.6 %, mainly as a result of lower revenues at Deutsche Telekom IT.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL declined by EUR 19 million in the reporting period to EUR -185 million, driven mainly by lower revenues at Deutsche Telekom IT. Overall, EBITDA AL was negatively impacted by special factors amounting in the reporting period to EUR 29 million, especially for socially responsible staff-related measures, and in the prior-year period by special factors amounting to EUR 8 million.

Profit (loss) from operations (EBIT)

The year-on-year decrease of EUR 28 million in EBIT to EUR -429 million was largely due to the decline in EBITDA. By contrast, depreciation, amortization and impairment losses declined, mainly due to lower capital expenditure at Deutsche Telekom IT.

Cash capex (before spectrum investment), cash capex

Cash capex decreased by EUR 17 million year-on-year, primarily due to lower 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 forecasts published in the 2025 combined management report ([2025 Annual Report](#)), we now expect to post higher adjusted EBITDA AL. Adjusted EBITDA AL for full-year 2026 was originally expected to come in at around EUR 47.4 billion. We now expect adjusted EBITDA AL for the Group to come in at around EUR 47.5 billion in the 2026 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 36.3 billion, up from USD 36.2 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 more than EUR 19.8 billion, up from our previous guidance of around EUR 19.8 billion.

All other statements made remain valid. Our planning assumes an unchanged U.S. dollar exchange rate of USD 1.13.

Changes in the business risks are presented in 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

In the following section, we present the aggregate risk position as well as the corporate risks to the extent that there has been a change to the risk significance (low, medium, high, very high) in the risk categories as compared to the risks and opportunities described in the 2025 combined management report ([2025 Annual Report](#)). For litigation and anti-trust proceedings, the information presented is limited to material new developments. Readers are also referred to the "[Disclaimer](#)" at the end of this report.

Assessment of the aggregate risk position

The aggregate risk position has remained stable compared with the risks and opportunities as described in the 2025 combined management report ([2025 Annual Report](#)). Our major challenges continue to include geopolitical and economic uncertainties, regulatory factors, and intense competition and the associated pressure on profitability in the telecommunications business, as well as the pressure to change arising from new technologies and strategic transformation. At the time of preparing this report, neither our risk management system nor our management could identify any material risks or developments that threaten the continued existence of Deutsche Telekom AG or a significant Group company as a going concern.

Corporate risks

Litigation and anti-trust proceedings

Claims relating to charges for the shared use of cable ducts. In the claims filed by Vodafone Deutschland GmbH (now Vodafone 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 GmbH has since updated its demands for relief. Vodafone Deutschland now puts its claim at around EUR 1,057 million plus interest for the period from January 2012 to December 2025. It is currently not possible to estimate the financial impact with sufficient certainty.