

Reconciliation of pro forma figures.

Pro forma figures include EBITDA and EBITDA adjusted for special factors, EBITDA margin, EBITDA margin adjusted for special factors, as well as free cash flow, and gross and net debt.

Pro forma figures are not governed by International Financial Reporting Standards (IFRS). As other companies may not compute the pro forma figures presented by Deutsche Telekom by the same method, Deutsche Telekom's pro forma figures may or may not be comparable with disclosures by other companies using similar designations.

The pro forma figures in this Interim Report should not be viewed in isolation as an alternative to profit/loss from operations, net profit/loss, net cash from operating activities or the debt reported in the consolidated balance sheet, or other Deutsche Telekom key performance indicators presented in accordance with IFRS.

EBITDA and EBITDA adjusted for special factors.

EBITDA.

EBITDA for the operating segments and for the Group as a whole is derived from profit/loss from operations (EBIT). This measure of earnings is adjusted for depreciation, amortization and impairment losses to calculate EBITDA. It should be noted that Deutsche Telekom's definition of EBITDA may differ from that used by other companies.

In this definition, profit/loss from financial activities includes finance costs, the share of the profit/loss of associates and joint ventures accounted for using the equity method, and other financial income/expense. As it is based on profit/loss from operations, this method of computation allows EBITDA to be derived in a uniform manner on the basis of a measure of earnings in accordance with IFRS published for the operating segments and the Group as a whole.

EBITDA is an important indicator used by Deutsche Telekom's senior operating decision-makers to manage Deutsche Telekom's operating activities and to measure the performance of the individual segments.

Adjusted EBITDA.

Deutsche Telekom defines EBITDA adjusted for special factors as profit/loss from operations (EBIT) before depreciation, amortization and impairment losses and before the effects of any special factors.

Deutsche Telekom uses EBITDA adjusted for special factors as an internal performance indicator for the management of its operational business activities, and to allow it to better evaluate and compare developments over several reporting periods. For further details concerning the effects of special factors on Group EBITDA and the EBITDA of the operating segments, please refer to the section on "Special factors."

EBITDA margin/adjusted EBITDA margin.

To compare the earnings performance of profit-oriented units of different sizes, the EBITDA margin and the adjusted EBITDA margin (EBITDA to revenue) are presented in addition to EBITDA and adjusted EBITDA. The EBITDA margin is calculated as the ratio of EBITDA to net revenue (EBITDA divided by net revenue).

Special factors.

Deutsche Telekom's net profit/loss and EBITDA of the Group and of the operating segments were affected by a number of special factors in both the reporting period as well as the prior-year periods.

The underlying aim is to eliminate special factors that affect operating activities and make it more difficult to compare EBITDA, net profit/loss and other financial measures of the Group and the operating segments with corresponding figures for prior periods. In addition, a statement about the future development of EBITDA and net profit is only possible to a limited extent due to such special factors. On the basis of the unadjusted financial measures, the adjusted values are calculated by adding (expenses) or deducting (income) the special factors.

Adjustments are made irrespective of whether the relevant income and expenses are reported in profit/loss from operations, profit/loss from financial activities, or in tax expense. Income and expenses directly relating to the adjusted items are adjusted.

The following table presents a reconciliation of individual items in the consolidated income statement to the corresponding amounts as adjusted for special factors. The table also shows the method used by Deutsche Telekom to derive EBITDA and EBITDA adjusted for special factors for the entire Group from profit/loss from operations (EBIT) in accordance with IFRS. Reconciliations are presented for both the reporting period and the prior-year period.

Reconciliation of the consolidated income statement.

	H1 2009	Special factors in H1 2009	H1 2009 without special factors
	millions of €	millions of €	millions of €
Net revenue	32,140	-	32,140
Cost of sales	(17,652)	(61) ^a	(17,591)
Gross profit (loss)	14,488	(61)	14,549
Selling expenses	(8,055)	(3) ^b	(8,052)
General and administrative expenses	(2,605)	(46) ^c	(2,559)
Other operating income	640	29 ^d	611
Other operating expenses	(2,212)	(1,838) ^e	(374)
Profit (loss) from operations (EBIT)	2,256	(1,919)	4,175
Profit (loss) from financial activities	(1,757)	(137) ^f	(1,620)
Profit (loss) before income taxes	499	(2,056)	2,555
Income taxes	(827)	80 ^g	(907)
Profit (loss)	(328)	(1,976)	1,648
Profit (loss) attributable to	(328)	(1,976)	1,648
Owners of the parent (net profit (loss))	(603)	(2,014)	1,411
Non-controlling interests	275	38	237
Profit (loss) from operations (EBIT)	2,256	(1,919)	4,175
Depreciation, amortization and impairment losses	(7,713)	(1,818)	(5,895)
EBITDA	9,969	(101)	10,070
EBITDA margin	(%) 31.0	-	31.3
Personnel costs	(6,953)	(34) ^h	(6,919)
Personnel cost ratio	(%) 21.6	-	21.5

^a Mainly expenses for staff-related measures at Hellenic Telecommunications Organization S.A. (OTE) and in Germany in the Broadband/Fixed Network operating segment, as well as non staff-related restructuring in the Systems Solutions operating segment. This is offset by proceeds from the involvement of the Hellenic Republic in an early retirement program of OTE in the Broadband/Fixed Network operating segment.

^b Mainly expenses for staff-related measures at OTE and other staff-related measures in the Broadband/Fixed Network operating segment, as well as expenses for non staff-related restructuring. This is offset by proceeds from the involvement of the Hellenic Republic in an early retirement program of OTE in the Broadband/Fixed Network operating segment.

^c Mainly expenses for staff-related measures and non staff-related restructuring. This is offset by proceeds from the involvement of the Hellenic Republic in an early retirement program of OTE in the Broadband/Fixed Network operating segment.

^d Mainly gains on the disposal of CAP Customer Advantage Program GmbH in the Broadband/Fixed Network operating segment and T-Systems Traffic GmbH in the Systems Solutions operating segment.

^e Mainly impairment loss recognized on the goodwill of the cash generating unit T-Mobile UK in the Mobile Communications Europe operating segment.

^f Mainly expenses for interest added back to provisions for staff-related measures.

^g Tax effects from special factors on profit before income taxes.

^h Mainly expenses for staff-related measures at OTE, other staff-related measures in the Broadband/Fixed Network operating segment, and for staff-related measures in the Systems Solutions operating segment. This is offset by proceeds from the involvement of the Hellenic Republic in an early retirement program of OTE in the Broadband/Fixed Network operating segment.

	H1 2008	Special factors in H1 2008	H1 2008 without special factors	FY 2008 without special factors
	millions of €	millions of €	millions of €	millions of €
Net revenue	30,103		30,103	61,666
Cost of sales	(16,664)	(253) ^a	(16,411)	(33,655)
Gross profit (loss)	13,439	(253)	13,692	28,011
Selling expenses	(7,519)	(109) ^b	(7,410)	(15,467)
General and administrative expenses	(2,333)	(60) ^b	(2,273)	(4,597)
Other operating income	1,013	484 ^c	529	1,461
Other operating expenses	(434)	(87) ^d	(347)	(588)
Profit (loss) from operations (EBIT)	4,166	(25)	4,191	8,820
Profit (loss) from financial activities	(1,653)	(64) ^e	(1,589)	(2,936)
Profit (loss) before income taxes	2,513	(89)	2,602	5,884
Income taxes	(906)	22 ^f	(928)	(1,889)
Profit (loss)	1,607	(67)	1,674	3,995
Profit (loss) attributable to	1,607	(67)	1,674	3,995
Owners of the parent (net profit (loss))	1,318	(65)	1,383	3,426
Non-controlling interests	289	(2)	291	569
Profit (loss) from operations (EBIT)	4,166	(25)	4,191	8,820
Depreciation, amortization and impairment losses	(5,355)	(10)	(5,345)	(10,639)
EBITDA	9,521	(15)	9,536	19,459
EBITDA margin (%)	31.6		31.7	31.6
Personnel costs	(6,777)	(226) ^g	(6,551)	(13,024)
Personnel cost ratio (%)	22.5		21.8	21.1

^a Mainly expenses for staff-related measures in the Broadband/Fixed Network operating segment and non-staff-related restructuring expenses in the Systems Solutions operating segment.

^b Expenses for staff-related measures, non-staff-related restructuring and other expenses.

^c Mainly gains on the disposal of T-Systems Media&Broadcast in the Systems Solutions operating segment.

^d Mainly costs from the sale of Vivento business units in the Group Headquarters & Shared Services operating segment and expenses for staff-related measures.

^e Mainly expenses for interest added back to provisions for staff-related measures.

^f Tax effects from special factors on profit before income taxes.

^g In particular expenses for voluntary redundancy and severance payments.