

# Deutsche Telekom Q1 2025 results

May 15, 2025

 Connecting  
your world

#DT25Q1

# Disclaimer

This presentation contains forward-looking statements that reflect the current views of Deutsche Telekom management with respect to future events. These forward-looking statements include statements with regard to the expected development of revenue, earnings, profits from operations, depreciation and amortization, cash flows and personnel-related measures. You should consider them with caution. Such statements are subject to risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom's control. Among the factors that might influence our ability to achieve our objectives are the progress of our workforce reduction initiative and other cost-saving measures, and the impact of other significant strategic, labor or business initiatives, including acquisitions, dispositions and business combinations, and our network upgrade and expansion initiatives. In addition, stronger than expected competition, technological change, legal proceedings and regulatory developments, among other factors, may have a material adverse effect on our costs and revenue development. Further, the economic downturn in our markets, and changes in interest and currency exchange rates, may also have an impact on our business development and the availability of financing on favorable conditions. Changes to our expectations concerning future cash flows may lead to impairment write downs of assets carried at historical cost, which may materially affect our results at the group and operating segment levels.

If these or other risks and uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, our actual performance may materially differ from the performance expressed or implied by forward-looking statements. We can offer no assurance that our estimates or expectations will be achieved. Without prejudice to existing obligations under capital market law, we do not assume any obligation to update forward-looking statements to take new information or future events into account or otherwise.

In addition to figures prepared in accordance with IFRS, Deutsche Telekom also presents alternative performance measures, including, among others, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA after leases, adjusted EBITDA margin, Core EBITDA, adjusted EBIT, adjusted net income, free cash flow, free cash flow after leases, gross debt, net debt after leases and net debt. These alternative performance measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Alternative performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways.

# Q1 2025 results

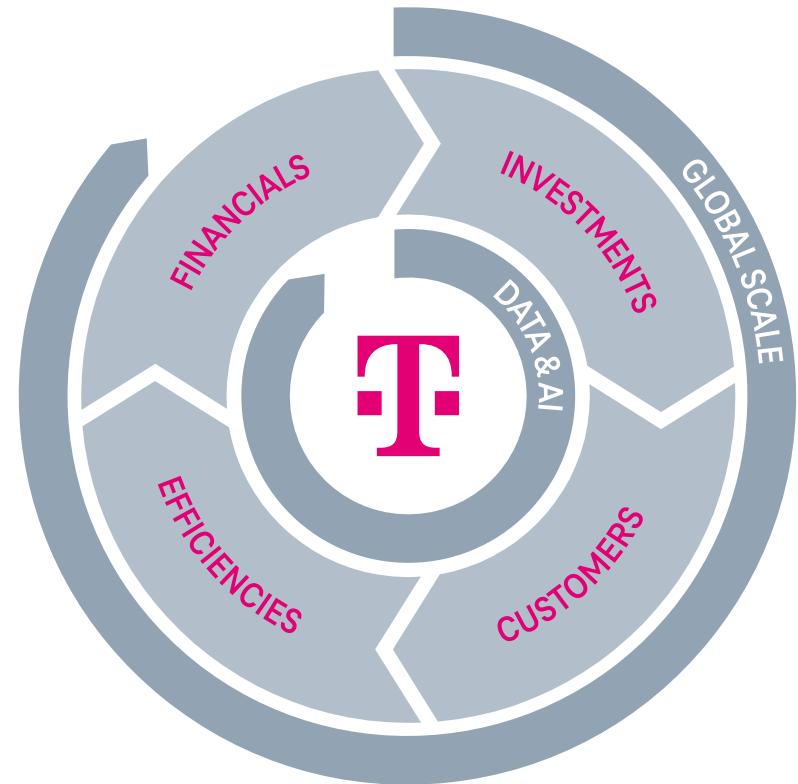
Group

# Q1/25

## consistent reliable growth

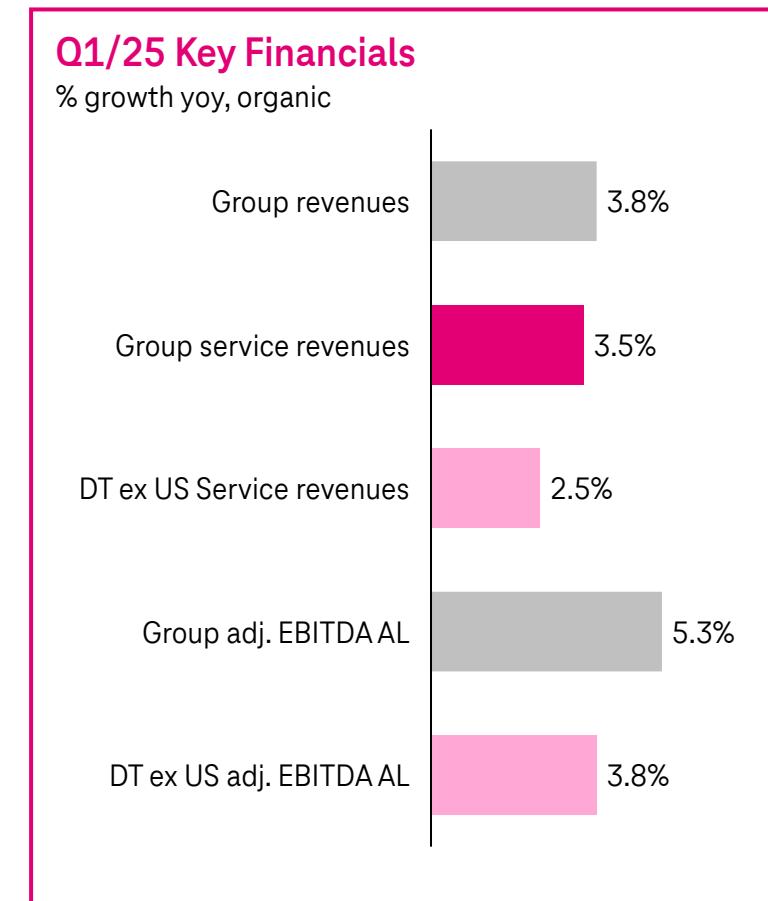
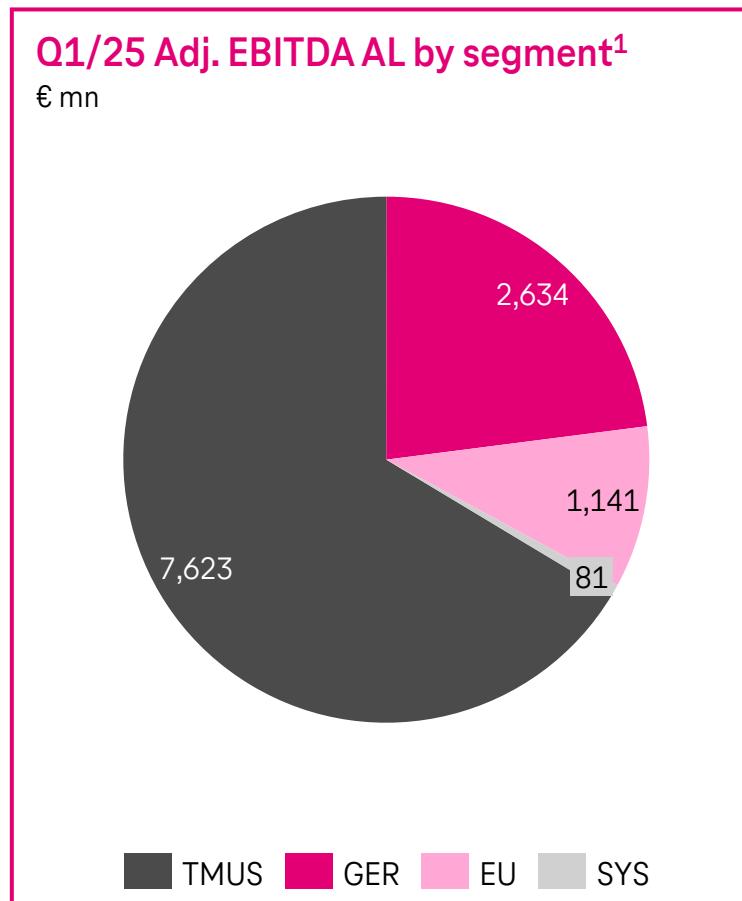
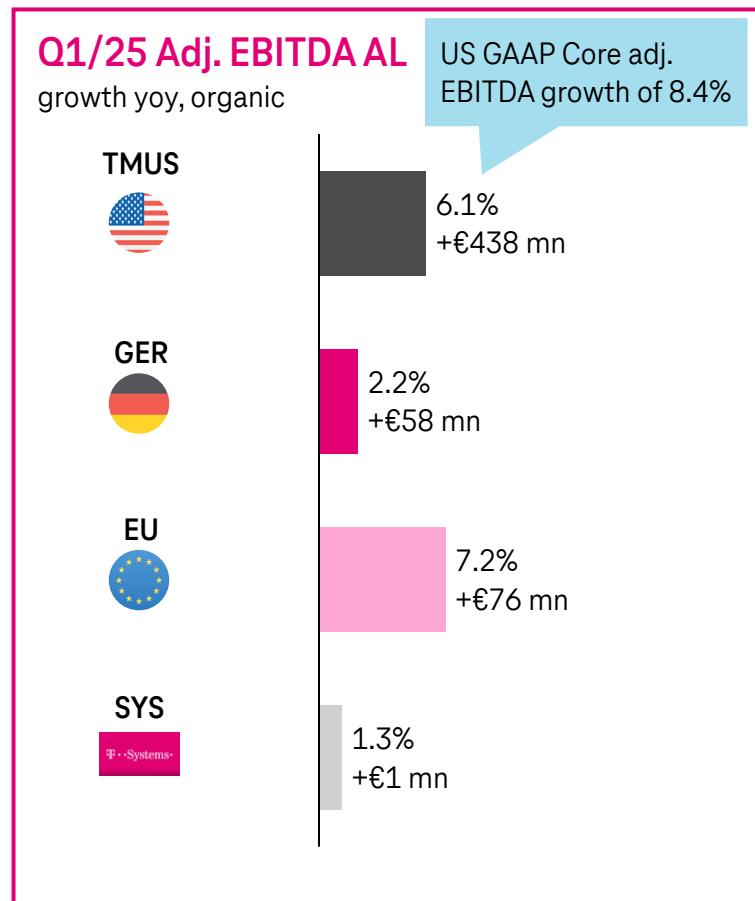
### Q1/2025 Highlights

- Market leading customer and financial growth continues: Q1 organic service revenues +3.5%, adj. EBITDA AL +5.3%, FCF AL +52.4%<sup>1</sup>, adj. EPS +10.8%<sup>1</sup>
- DT ex US organic service revenue growth +2.5%, adj. EBITDA +3.8%
- Strong progress with network and A.I. powered digitization
- Group guidance raised to reflect new TMUS guidance
- German regulator confirms spectrum prolongation
- DT 2025 SBB program with 0.4 bn € of up to 2bn FY volume executed in Q1
- DT's stake in TMUS reaches 51.8% as of April 17, 2025
- On track for 2024 CMD ambitions



<sup>1</sup> FCF AL and adj. EPS growth rate as reported.

# Financials Q1/25 organic strong organic growth



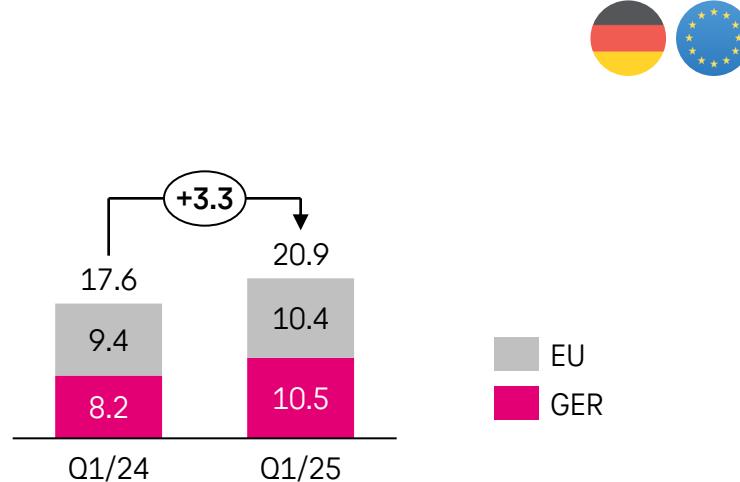
<sup>1</sup> Excl. GHS, GD & reconciliation (€ -182 mn). Group EBITDA AL € 11,297 mn.

# Networks

## extending our leadership

### FTTH

Fiber homes passed in mn

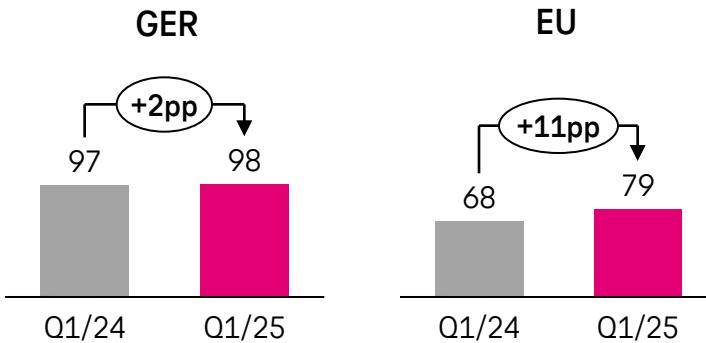


- Continuing to lead German fiber build
- 5.7 mn MDU homes contractually secured for inhouse wiring
- Lumos fiber JV with EQT completed with 475,000 US homes passed at closing



### 5G Coverage

% of POPs



- Undisputed German network leadership secured through ongoing modernization



- Survey names download speed of T-Mobile US “sole Global Winner in the large land group”
- T-Mobile announces nationwide roll-out of 5G Advanced

# AI and Digital

## accelerating the digital transformation with AI

### Digital App



- Number of active app users: >12.2 mn users
- Magenta Moments (loyalty program only): Unique monthly active users >4.5 mn

### Home Connectivity

- Remotely managed routers: >75%
- OneTV: ~4 mn customers

### Others

- Aduna: Launch of seamless API access through a unified global network, powered by CAMARA standards

### AI



### G&A

HR: AI-powered chatbot ("Ask T") to access to group wide knowledge sources – implemented in GER)

Finance: AI-driven data self-service tool to receive and visualize financial data requests – impl. for relevant target groups



### Network

**Mobile network:** AI RAN Guardian Agent monitors the RAN to detect and remediate degradations (up to 95% faster; currently in MVP<sup>1</sup>, before scaling in GER)

**Fiber rollout:** AI chatbot to support civil engineering work (-90% faster; ~10% productivity gain – impl. in GER)



### IT

**IT DevOps:** AI coding assistant and code stability enhancement accelerates coding and increases code quality for the entire SDLC. Q1/2025 savings for coding (+12% efficiency) and 16% faster MTTR - scaling is ongoing



### Sales & Service

**Customer interaction:** AI driven "FragMagenta" Chatbot solves >50% of customer issues without human interaction (impl. in GER, AU and HR)

**Agent support:** AI chatbot for service employees to access all customer knowledge (productivity increase up to 90% – impl. in GER)



- B2C Customers: AI Phone announced, launch in H2 2025; Magenta AI (In-App AI offering) launched in GER & expanding across EU footprint; 12 months free Perplexity Pro, through Magenta Moments
- B2B Customers: Scaling of the "AI foundation services", to facilitate access to multiple AI models & offerings, independent of the cloud provider

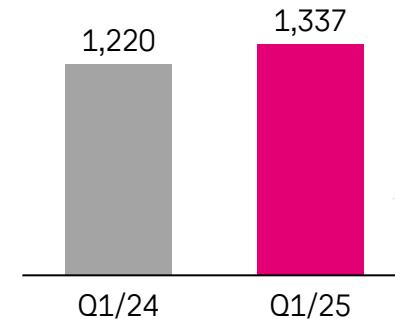
<sup>1</sup> MVP = Minimum Viable Product Phase, which indicated that it is not yet up and running in the live network today.

# Customer Growth

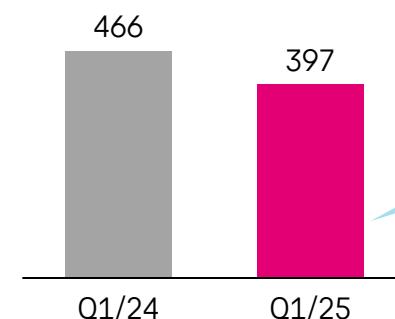
stronger in mobile, weaker in fixed

## Mobile net adds

000  
US (postpaid)



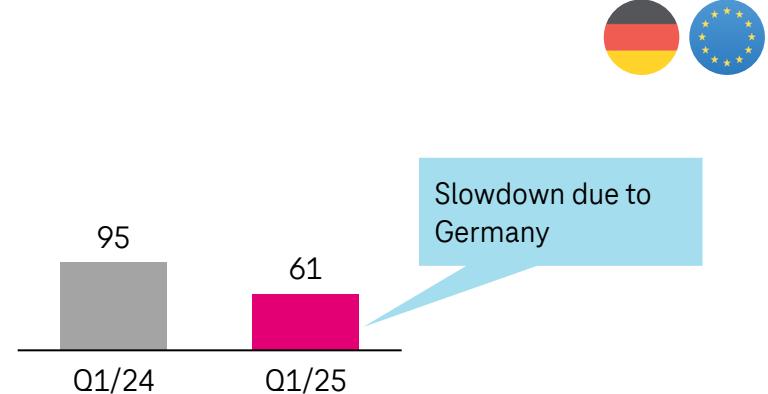
## Ex US (contract)<sup>1</sup>



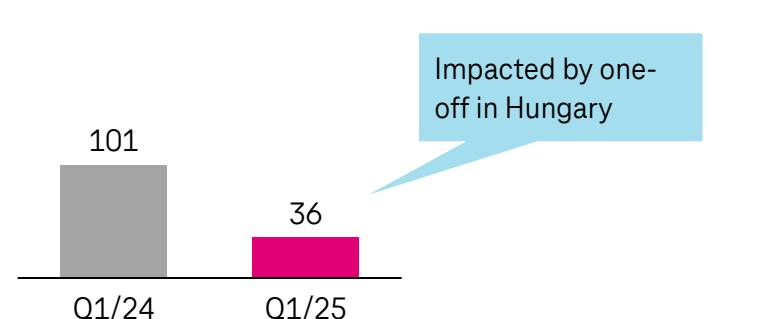
## Fixed line net adds<sup>2</sup>

000

### Broadband



### TV



<sup>1</sup> GER + EU. GER: own brand only.

<sup>2</sup> GER + EU.

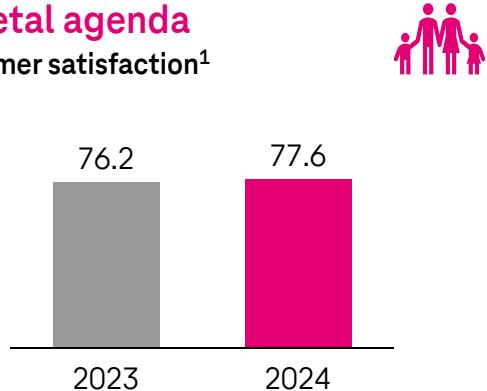
# Society and Environment

## progress with our ESG ambitions

### Societal agenda

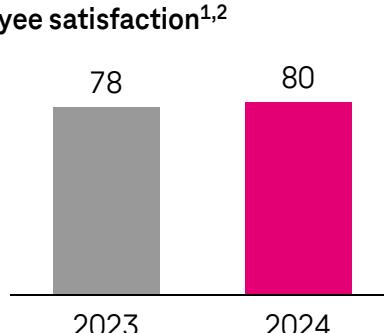
#### Customer satisfaction<sup>1</sup>

Tri\*M



#### Employee satisfaction<sup>1,2</sup>

%



### Environment

- NEW Q1 energy consumption ex US -1% yoy (group +3%)
- NEW presentation of world's first DSL router made from old smartphone components at MWC
- NEW launch of sustainability campaign (raising awareness about climate change)

### Society

- NEW spot against disinformation together with FC Bayern as part of our frequently awarded campaign against hate speech
- NEW Deutsche Telekom supported the Special Olympics World Winter Games as a partner

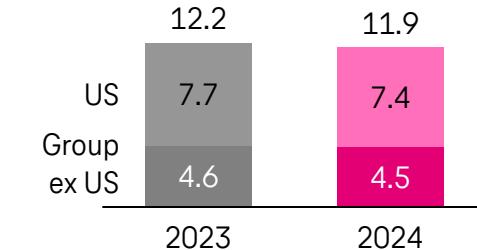
### Governance

- S&P Global ESG – again best European telco
- First Annual Report in line with CSRD requirements
- NEW great support by shareholders on all AGM agenda topics with mostly ≥90% consent

### Environmental agenda

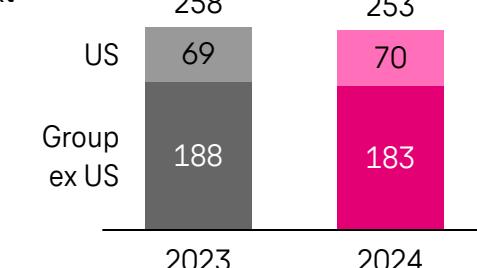
#### Energy consumption

mn MWh



#### CO<sub>2</sub>e emissions (scope 1+2)

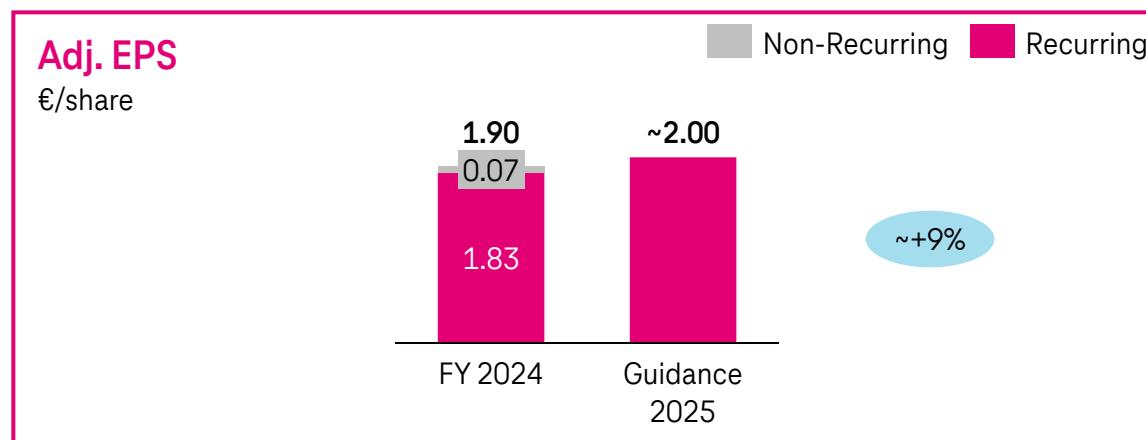
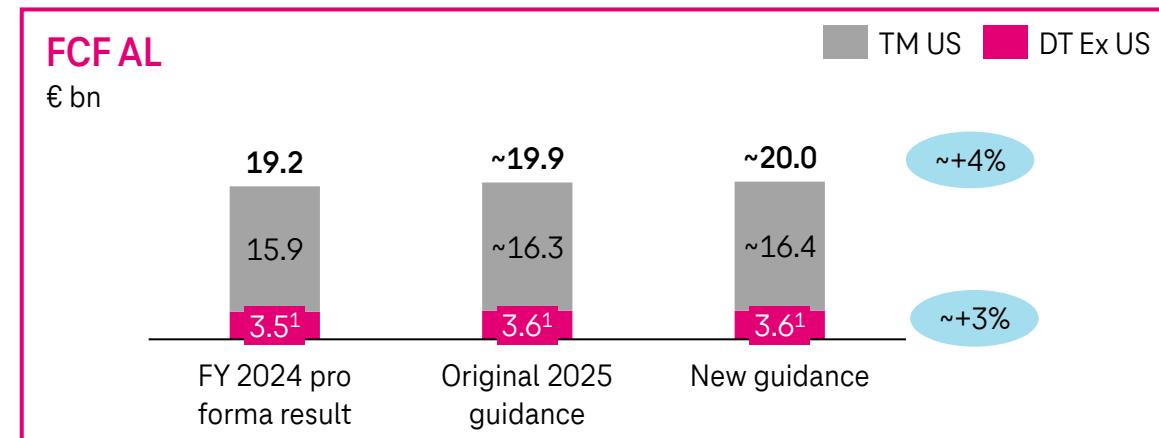
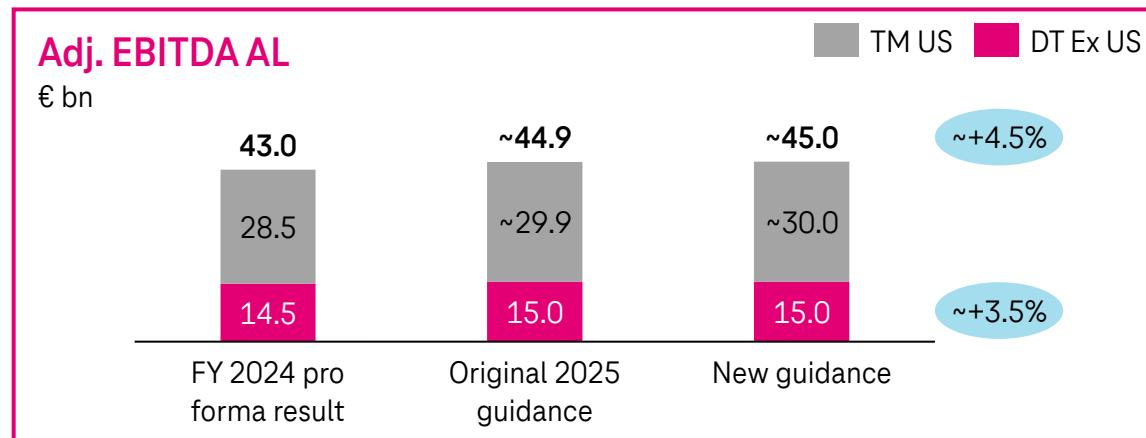
kt



<sup>1</sup> DT ex US. <sup>2</sup> Positive answer on employee/pulse survey question: "How do you feel at our company".

# Guidance 2025

## guidance raised for adj. EBITDA AL and FCF AL



### F/X

- Guidance remains on 1.08 f/x rate vs. US\$

### TMUS

- 2025 TM US guidance is based on midpoint of new US GAAP guidance of US\$33.2 – 33.7 bn Core adj. EBITDA; and of US\$17.5 – 18.0 bn FCF

### GAAP to IFRS EBITDA bridge

- Guidance includes around US\$ -1.0 bn GAAP to IFRS EBITDA bridge (2024: US\$ -1.0 bn)

<sup>1</sup> DT ex US FCF AL included €0.2 bn of cash returns related to the tower transaction in 2024. 2025 assumes €0.1 bn of cash returns related to the tower transaction and continues to exclude any received TMUS dividends.

# **Q1 2025 results**

Review of segments and  
financials

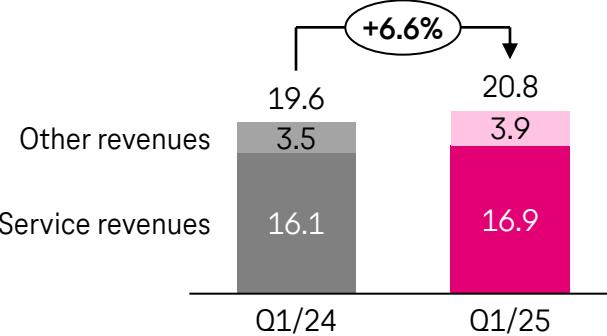
# T-Mobile US

## industry leading financial growth



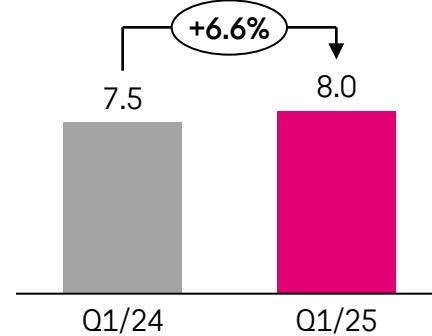
### Revenues (IFRS)

US\$ bn



### Adj. EBITDA AL (IFRS)<sup>1</sup>

US\$ bn



Impacted by yoy higher  
US GAAP IFRS bridge

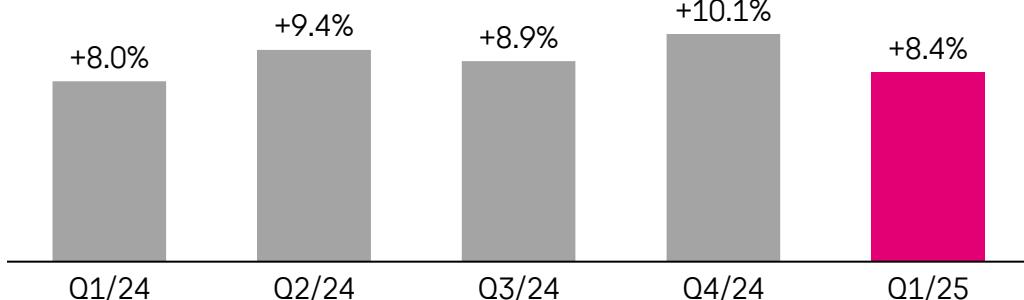
### Service revenue (US GAAP)

% yoy



### Core adj. EBITDA (US GAAP)

% yoy



<sup>1</sup> For IFRS bridge please refer to appendix.

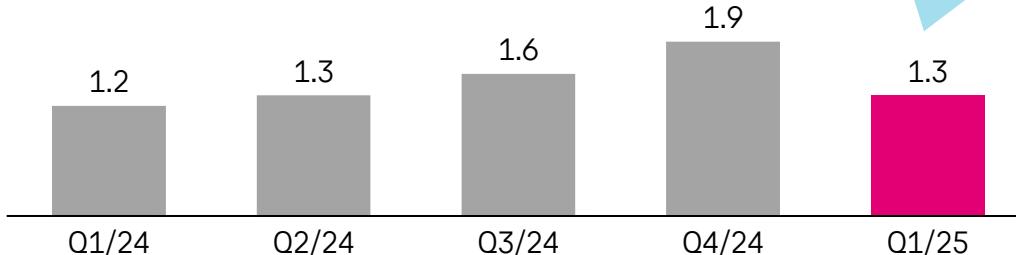
# T-Mobile US

## industry leading customer growth



### Total postpaid net additions

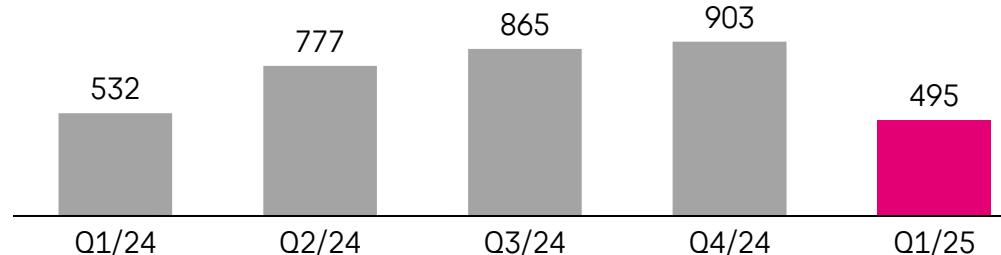
mn



Best ever Q1; 2025 guidance:  
+5.5 mn - 6.0 mn (unchanged)

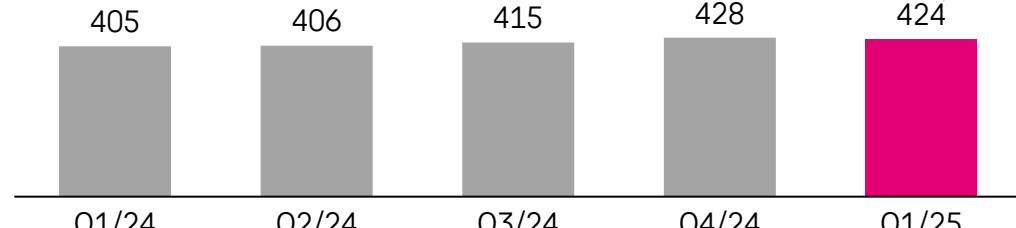
### Postpaid phone net additions

000



### High Speed Internet net additions<sup>1</sup>

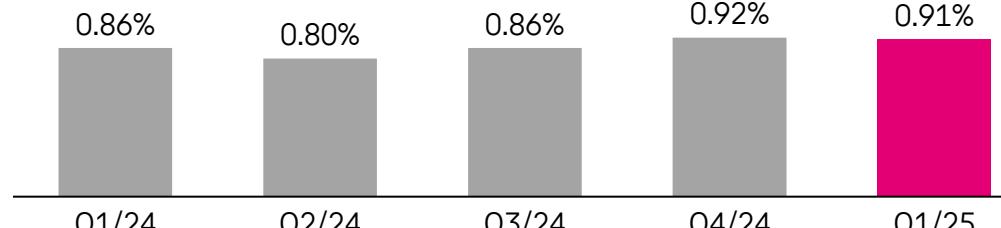
000



Industry leading, total  
customer base at 6.9 mn

### Postpaid phone churn

%



Impacted by rate-plan  
optimizations, as expected

<sup>1</sup> Postpaid + Prepaid.

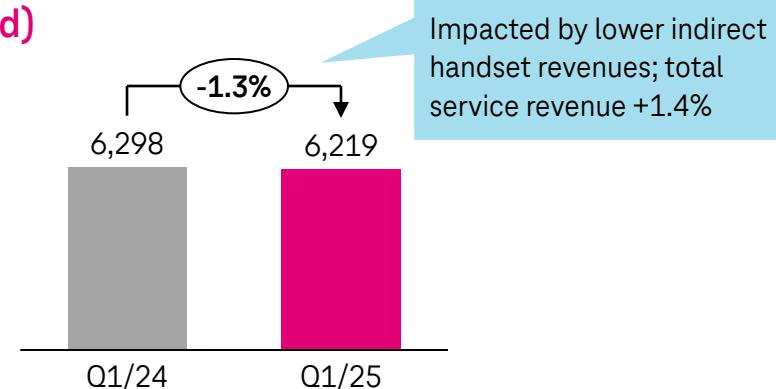
# Germany

34<sup>th</sup> consecutive quarter of EBITDA growth



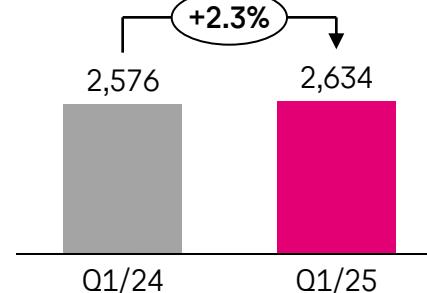
## Revenues (reported)

€ mn



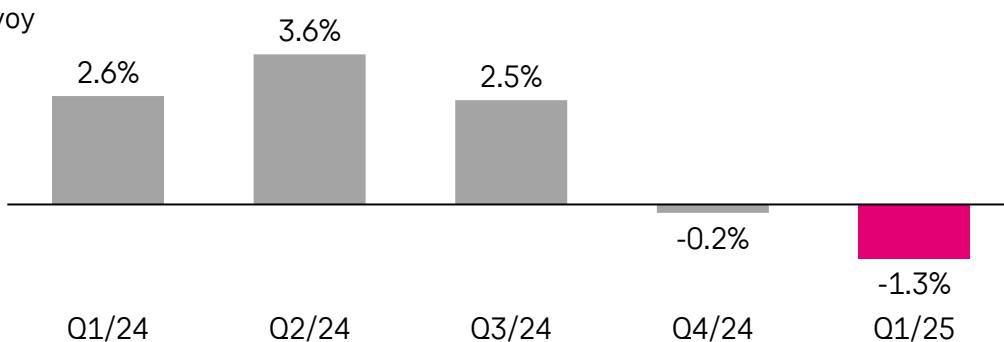
## Adj. EBITDA AL (reported)

€ mn



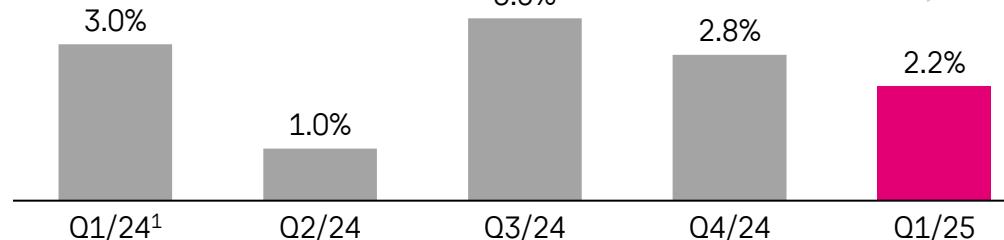
## Revenue growth (organic)

% yoy



## Adj. EBITDA AL growth (organic)

% yoy



<sup>1</sup> Organic growth rate in Q1/24 assumes that the tower transaction did close on Jan 1<sup>st</sup> 2023, whereas the close actually happened on Feb 1<sup>st</sup>. So, the reported EBITDA AL growth rate benefitted from 1 month of higher leasing opex in Q1/23.

# Germany

## service revenues impacted by phasing



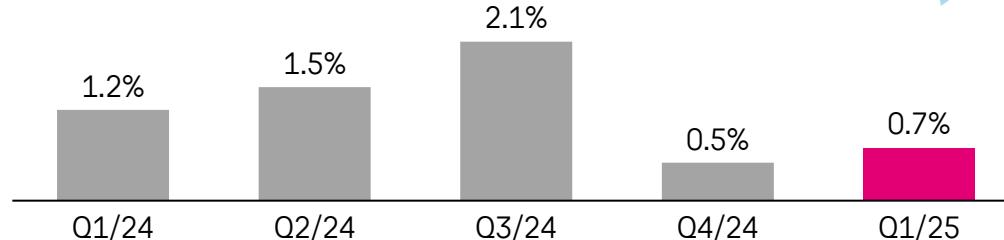
### Mobile service revenue growth (organic)

% yoy



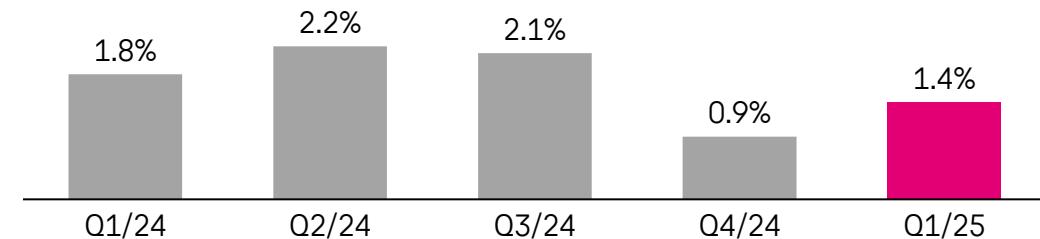
### Fixed service revenue growth (organic)

% yoy



### Total service revenue growth (organic)

% yoy



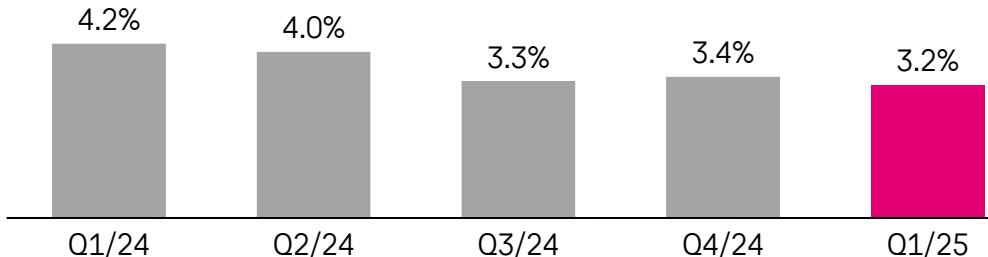
# Germany

## fixed revenues: steady growth in broadband and wholesale access



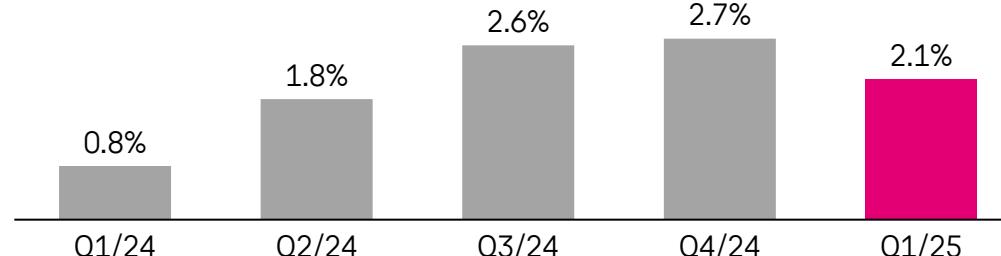
### Broadband revenue growth (organic)

% yoy



### Wholesale access revenues (organic)

% yoy

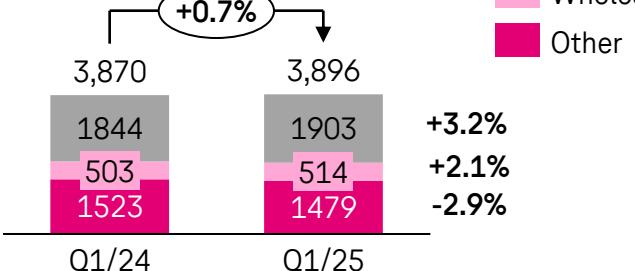


Broadband (B2C)  
ARPA +3.0% yoy

### Fixed service revenues (reported)

€ mn

Broadband  
Wholesale Access  
Other



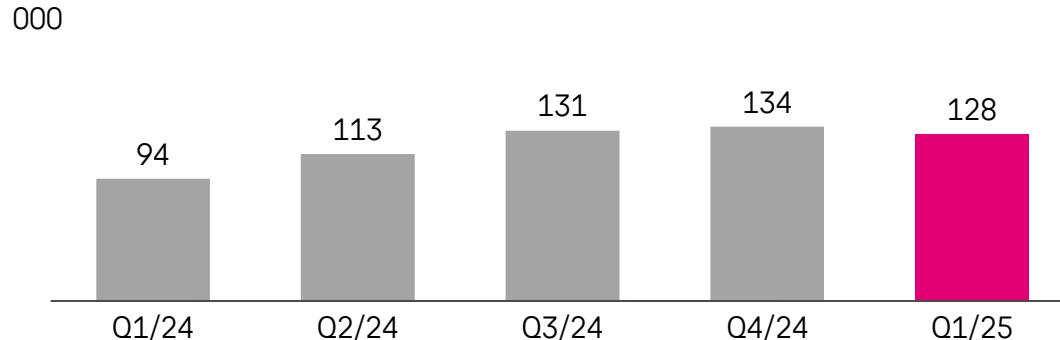
▪ “Other” fixed service revenues remain impacted by IT business phasing

# Germany

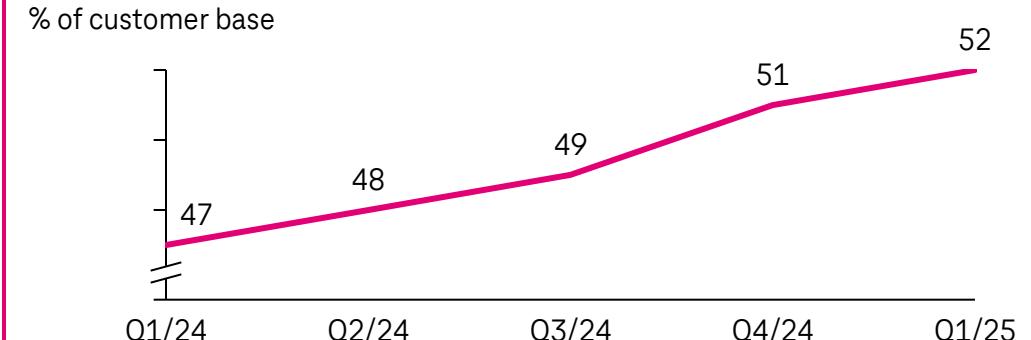
## fixed KPIs: successful upselling continues



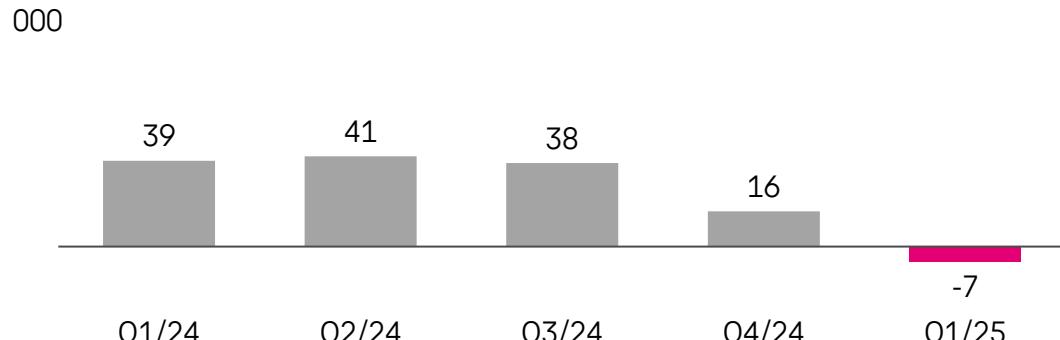
FTTH net adds



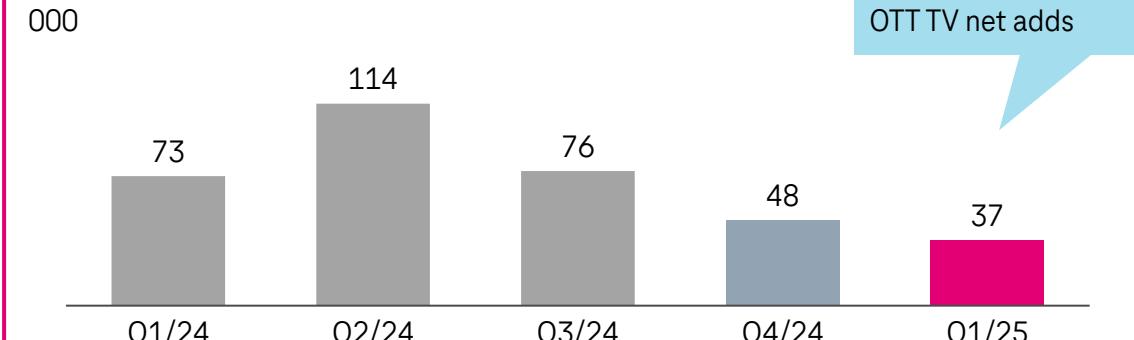
Retail customers with  $\geq 100$  Mbit/s tariff



Broadband net adds



TV net adds (ex OTT)



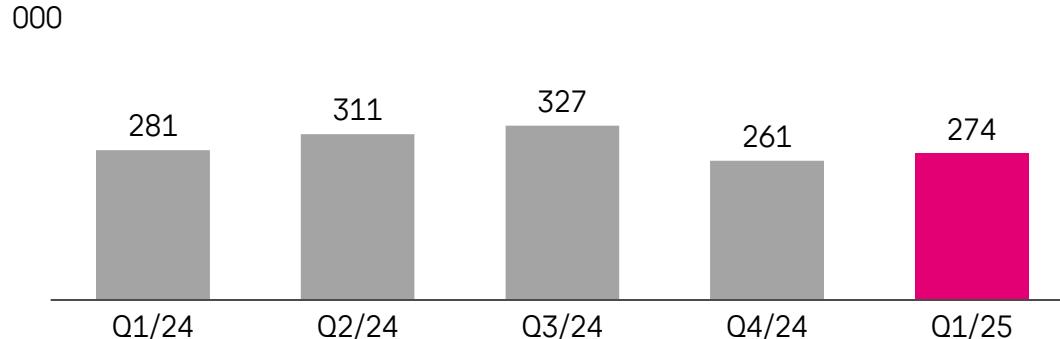
Additionally ~50k  
OTT TV net adds

# Germany

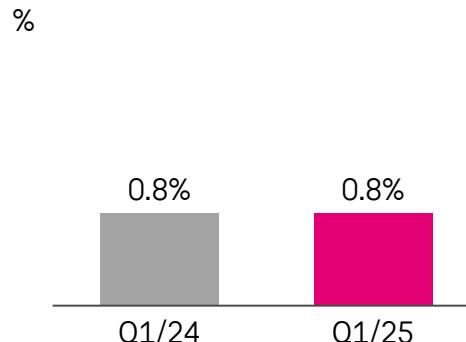
## mobile KPIs: strong customer growth in a competitive market



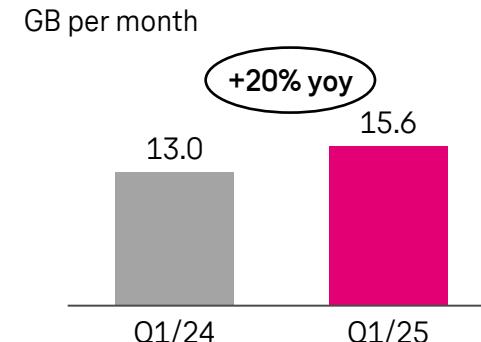
### Branded contract net adds<sup>1</sup>



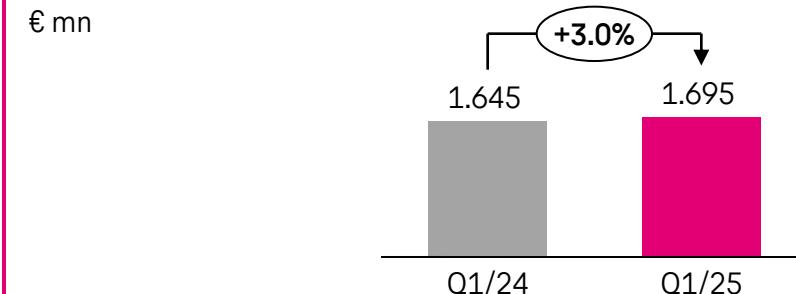
### Churn<sup>2</sup>



### Data usage<sup>2</sup>



### Mobile service revenues (reported)



- New tariff portfolio with focus on unlimited launched in April

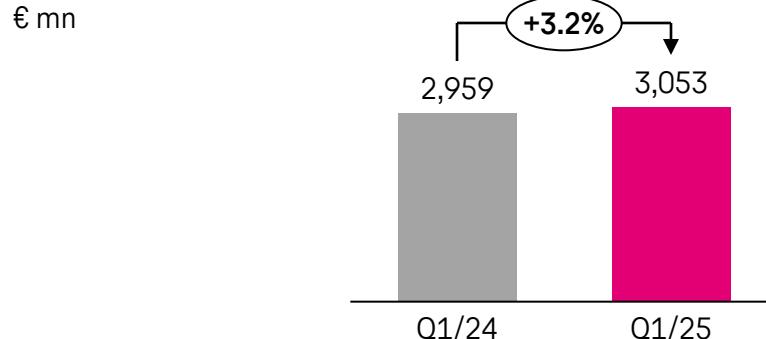
<sup>1</sup> Own branded retail customers excl. multibrand, consumer IoT and "Schnellstarter". <sup>2</sup> Of B2C T-branded contract customers.

# Europe

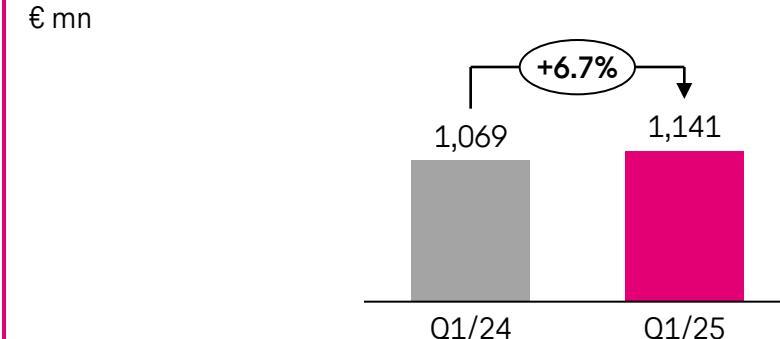
29<sup>th</sup> consecutive quarter of organic EBITDA growth



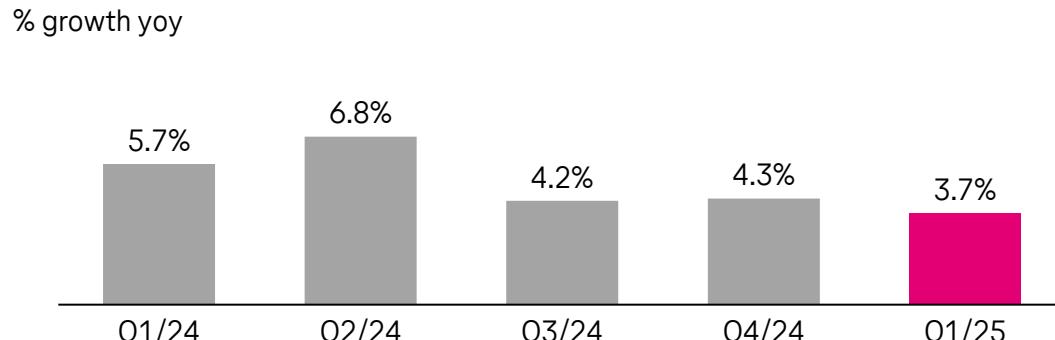
## Revenues (reported)



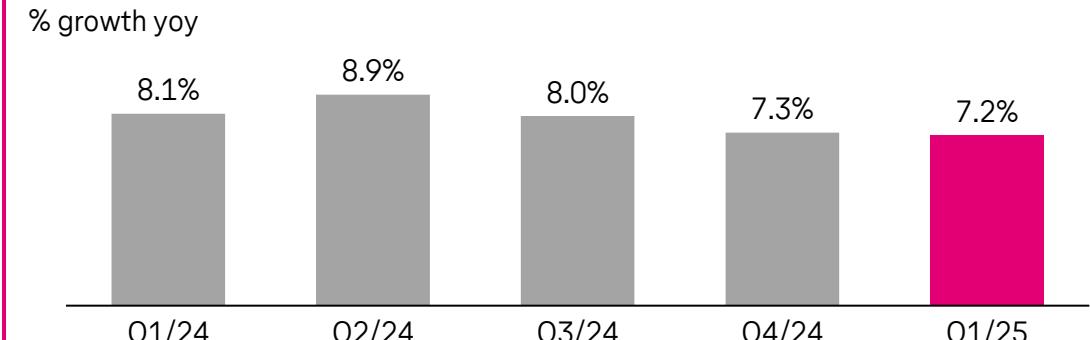
## Adj. EBITDA AL (reported)



## Revenue growth (organic)



## Adj. EBITDA AL growth (organic)

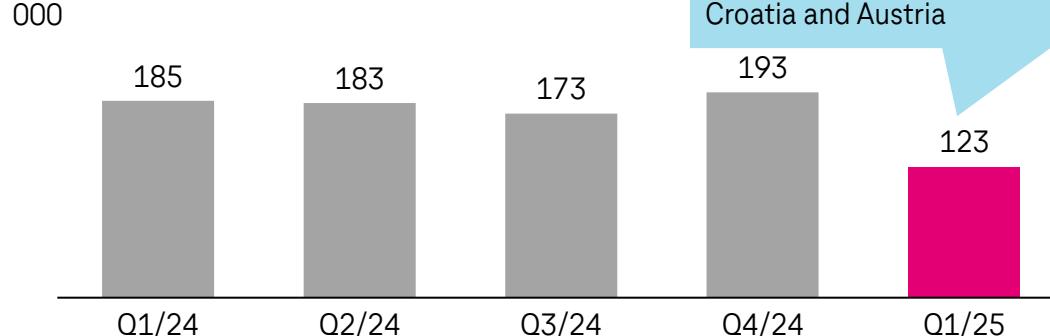


# Europe

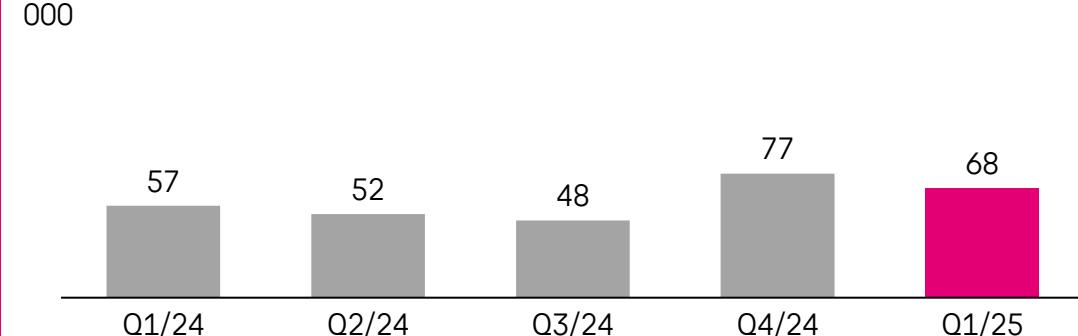
## strong commercial performance continues



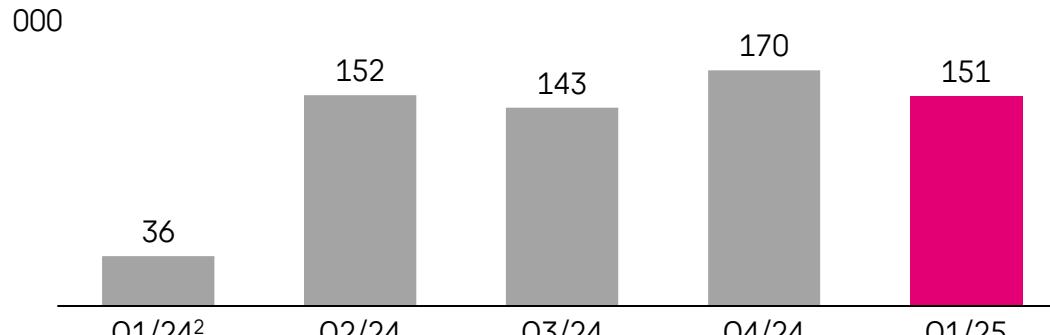
### Mobile contract net adds<sup>1</sup>



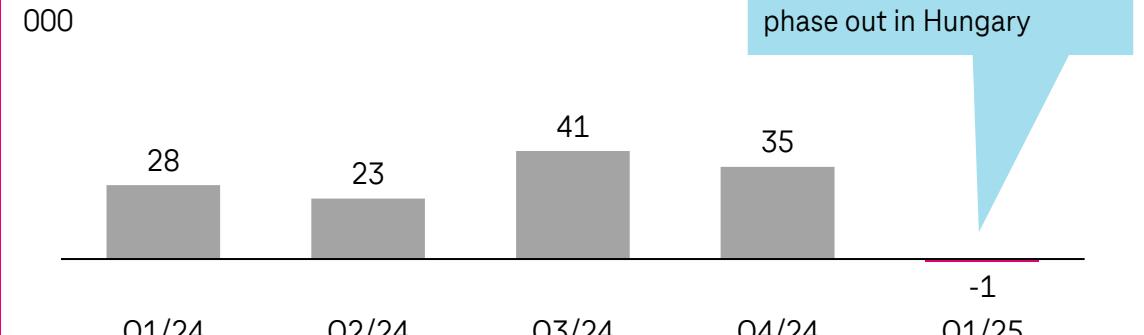
### Broadband net adds



### FMC net adds



### TV net adds

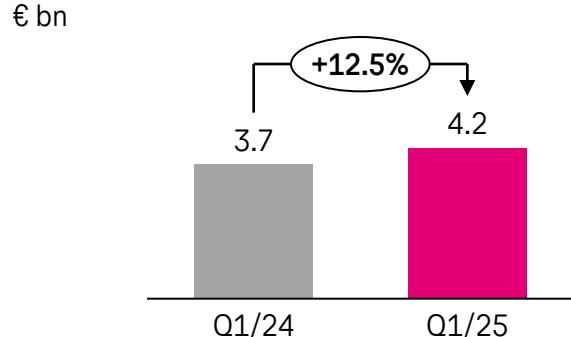


<sup>1</sup> Mobile contract: Minor reclassification of Customers from Contract to Prepaid in PL. 2024 numbers have been restated by -9k in FY 2024. <sup>2</sup> Thereof >-100k due to contract changes in Slovakia.

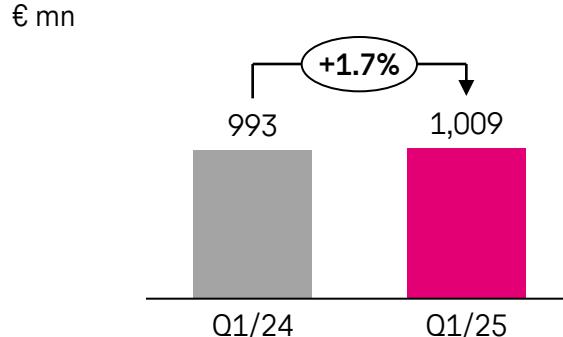
# Systems Solutions

## growth in order entry, revenue, and profitability

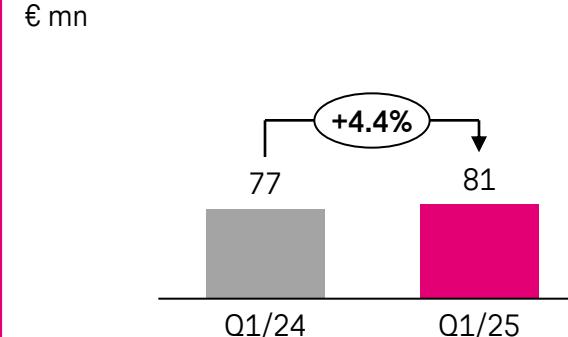
Order entry (LTM)



Revenues (reported)

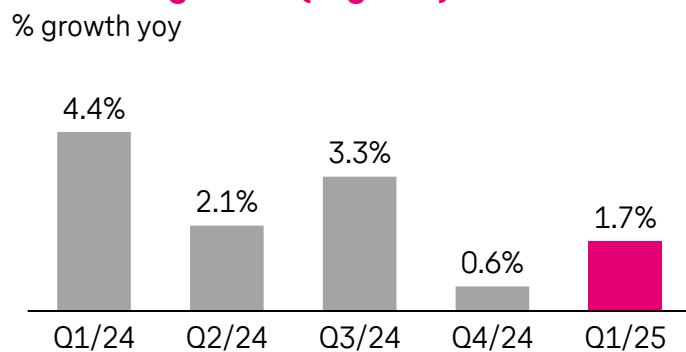


Adj. EBITDA AL (reported)

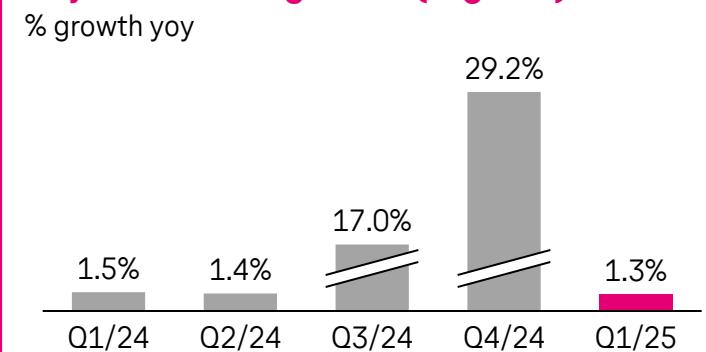


- Good growth in order entry and revenue despite challenges in automotive
- Digital sovereignty gaining importance
- 9<sup>th</sup> consecutive quarter of adj. EBITDA AL growth
- On track for 2025 targets

Revenue growth (organic)



Adj. EBITDA AL growth (organic)



# Financials Q1/25 reported

## strong set of results across the board

€ mn

	Q1		
	2024	2025	Change
Revenue	27,942	29,755	+6.5%
Service revenues	23,485	24,957	+6.3%
Adj. EBITDA AL	10,473	11,297	+7.9%
Adj. EBITDA AL (excl. US)	3,541	3,674	+3.8%
Adj. Net profit	2,238	2,442	+9.1%
Net profit	1,982	2,845	+43.5%
Adj. EPS (in €)	0.45	0.50	+10.8%
Free cash flow AL <sup>1</sup>	3,708	5,650	+52.4%
Cash capex <sup>1</sup>	4,661	4,343	-6.8%
Net debt excl. leases (AL)	94,491	95,723	+1.3%
Net debt incl. leases (IFRS 16)	133,116	131,940	-0.9%

EPS additionally supported by lower share count. Non-recurring adj. EPS growth of 13.4% (from €0.43 to €0.49)

Strong Q1 FCF also supported by working capital. Expect normalization in the next quarters

Decrease driven by ex US and US. Expect trend to reverse in the upcoming quarters

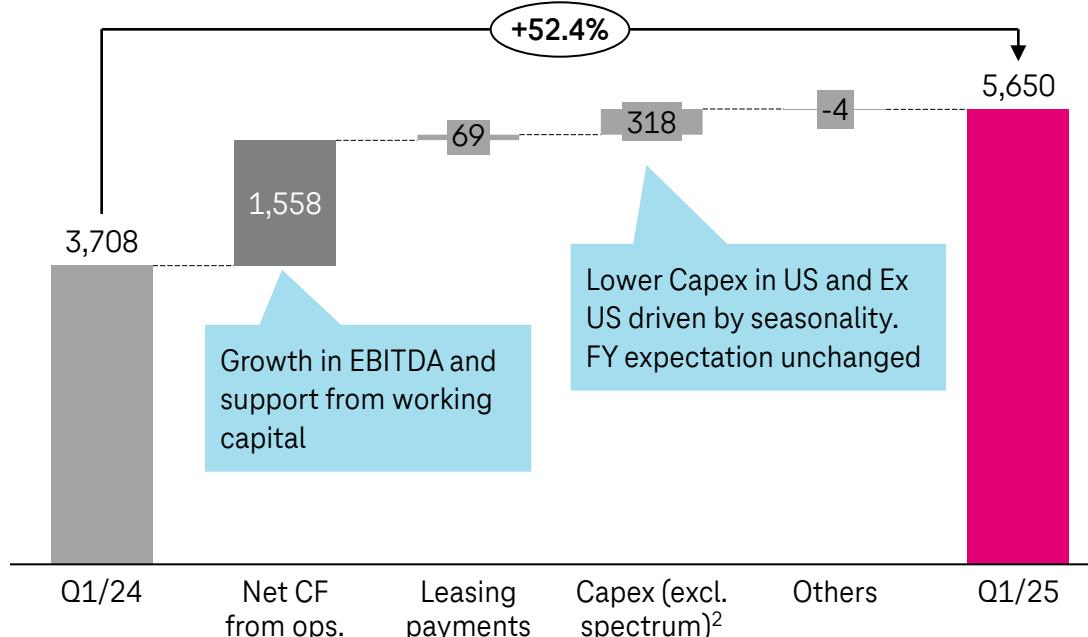
<sup>1</sup>Free cash flow AL before dividend and before spectrum investments. Cash capex before spectrum investment. Spectrum: Q1/25: €137 mn, Q1/24: €57 mn.

# FCF AL and adj. net profit

strong Q1 FCF AL reflecting EBITDA growth and seasonality in WC

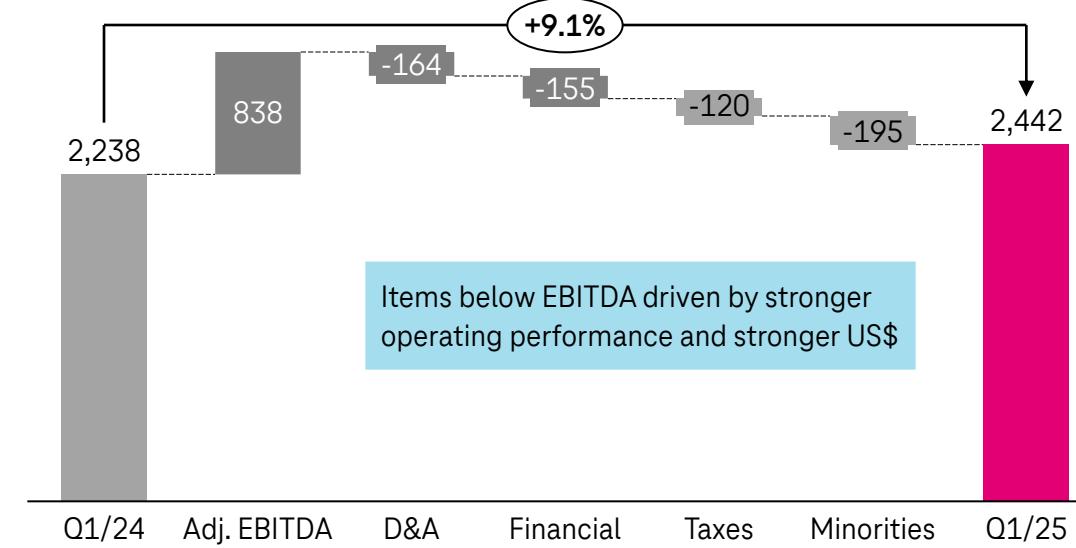
## Free Cash Flow AL<sup>1</sup>

€ mn



## Adj. net profit

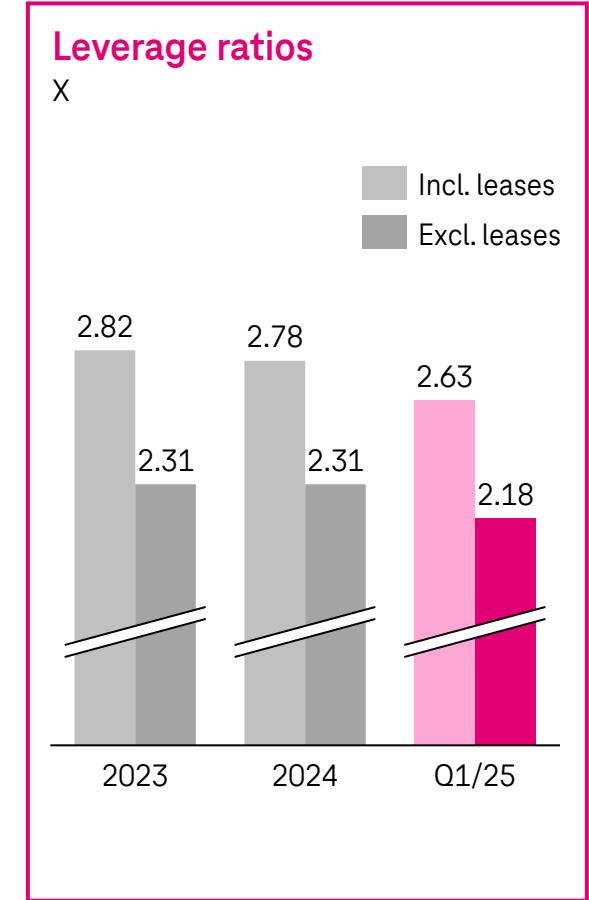
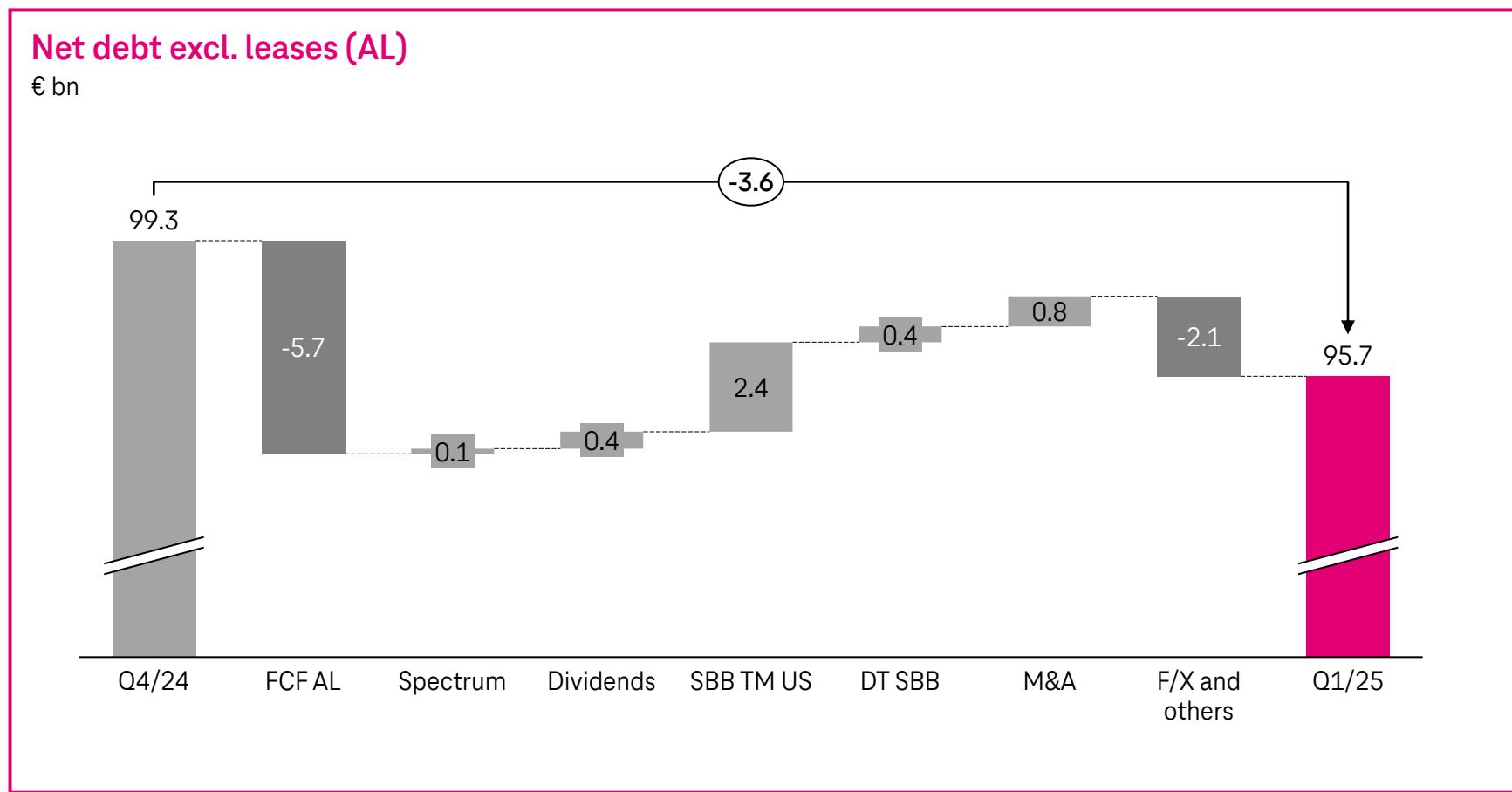
€ mn



<sup>1</sup> Free cash flow and FCF AL before dividend payments and spectrum investment. <sup>2</sup> Spectrum: Q1/25: €137 mn, Q1/24: €57 mn.

# Net debt

leverage back in corridor due to strong FCF and f/x



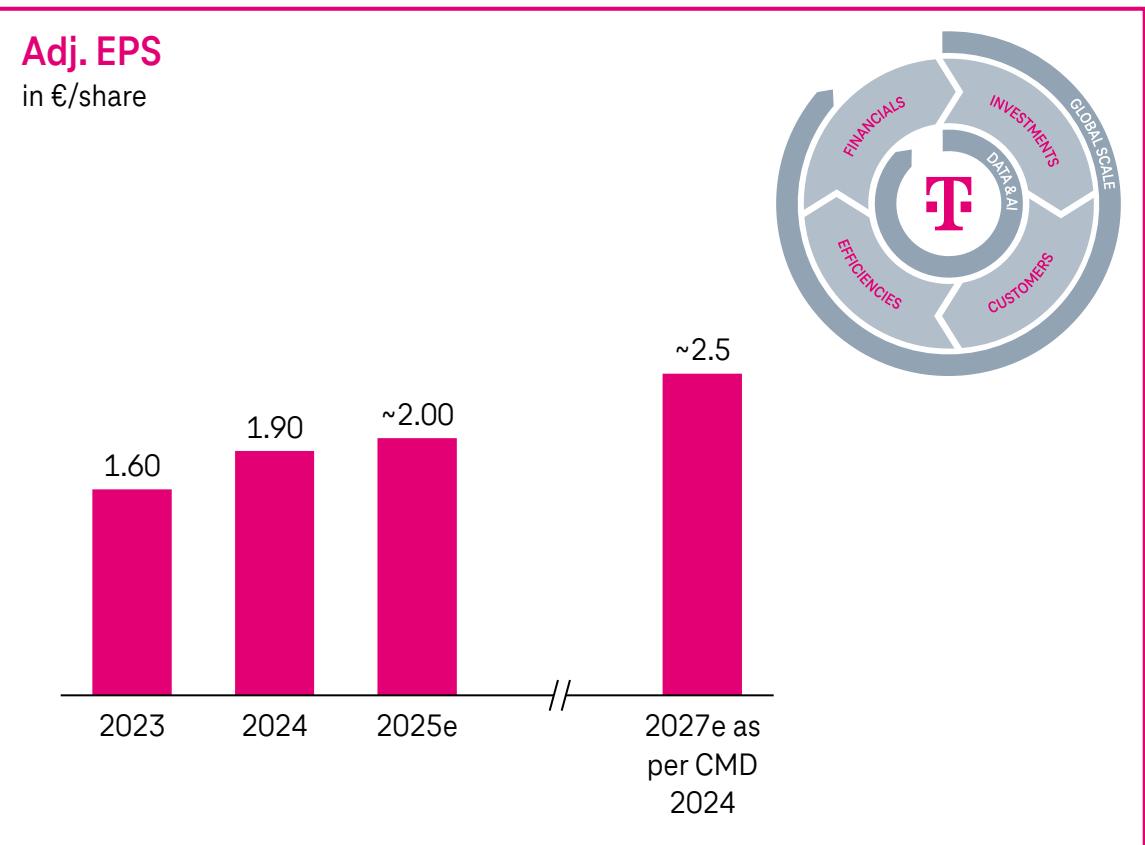
# **Q1 2025 results**

Main takeaways

# Q1/25 Key messages

## consistent reliable growth

- Overall, a solid start into the year
- Disciplined execution in competitive markets
- Strong progress with networks and A.I.-powered digitization
- On track for FY25 and CMD 2023–27 guidance in all operations
- Stake in TMUS at 51.8%; DT buyback ongoing



<sup>1</sup> Subject to necessary approvals.

# **Q1 2025 results**

## **Appendix**

# Organic growth rates

In %

	Q1/25 over Q1/24	FY/24 over FY/23
Group revenues	+3.8	+3.3
Group service revenue	+3.5	+3.7
Service revenue DT ex US	+2.5	+2.9
Group Adj. EBITDA AL	+5.3	+6.0
Adj. EBITDA AL DT ex US	+3.8	+3.3
Group Core adj. EBITDA AL <sup>1</sup>	+5.6	+6.5

<sup>1</sup> Adj. EBITDA AL excl. TMUS handset leases.

In this presentation the Group in FY/23 is presented in accordance with the management view: certain key performance indicators like revenue and adj. EBITDA AL are presented as if Group Development still would be fully consolidated. This view is different to the consolidated financial statements of DT where Group Development is treated as a discontinued operation. For more details, please refer to the back-up to this presentation, respectively the interim report of DT, both available at [www.telekom.com/en/investor-relations](http://www.telekom.com/en/investor-relations).

# FCF AL excl. US<sup>1</sup>

well on track for FY guidance

€ bn

	Q1 2024	Q1 2025
<b>Adj. EBITDA</b>	<b>3.9</b>	<b>4.0</b>
Leasing opex	-0.4	-0.3
<b>Adj. EBITDA AL</b>	<b>3.5</b>	<b>3.7</b>
Cash Capex	-2.2	-2.0
Proceeds from sale of fixed assets	+0.0	+0.0
Special Factors Cash	-0.3	-0.3
Interest ex leasing	-0.2	-0.3
Cash Taxes	-0.3	-0.1
Other (working capital etc.)	+0.1	+0.5
<b>FCF AL</b>	<b>0.6</b>	<b>1.4</b>

<sup>1</sup> Includes cash returns related to tower transaction. Excludes TMUS dividend receipts.

# Guidance 2025

## new guidance compared to consensus

€ bn	Guidance 2025 in € @ 1.08	Guidance 2025 in € @ 1.08 (Cons. f/x)	Consensus in € @ 1.08
<b>Adj. EBITDA AL Group</b>			
thereof ex US	~45.0	~45.0	45.2
thereof TMUS	15.0	15.0	15.1
	~30.0	~30.0	30.2
 <b>FCF AL</b>			
thereof ex US	~20.0	~20.0	20.2
thereof TMUS	3.6 <sup>1</sup>	3.6 <sup>1</sup>	3.6
	~16.4	~16.4	16.6 <sup>2</sup>
 <b>Adj. EPS in €</b>			
	~2.00		2.02

US GAAP guidance is in line with consensus.

<sup>1</sup> Includes €0.1 bn of cash returns related to tower transaction.

<sup>2</sup> Calculated by using the DT pre-results Group consensus of €20,156 bn and subtracting ex US contribution of €3,588.

# Balance sheet solid across the board

€ bn

	31/03/2024	30/06/2024	30/09/2024	31/12/2024	31/03/2025
Balance sheet total	295.2	296.0	288.6	304.9	305.0
Shareholders' equity	93.2	92.4	92.4	98.6	97.8
Net debt excl. leases (AL)	94.5	97.1	92.5	99.3	95.7
Net debt excl. leases (AL)/adj. EBITDA AL <sup>1</sup>	2.30	2.32	2.18	2.31	2.18
Net debt incl. leases (IFRS 16)	133.1	135.1	128.7	137.3	131.9
Net debt incl. leases IFRS 16/adj. EBITDA <sup>1</sup>	2.81	2.81	2.64	2.78	2.63
Equity ratio	31.6%	31.2%	32.0%	32.3%	32.1%

## Comfort zone ratios

Rating: A-/BBB	
Leverage ≤ 2.75x Net debt IFRS 16/Adj. EBITDA	
25 – 35% equity ratio	
Liquidity reserve covers redemptions of the next 24 months	

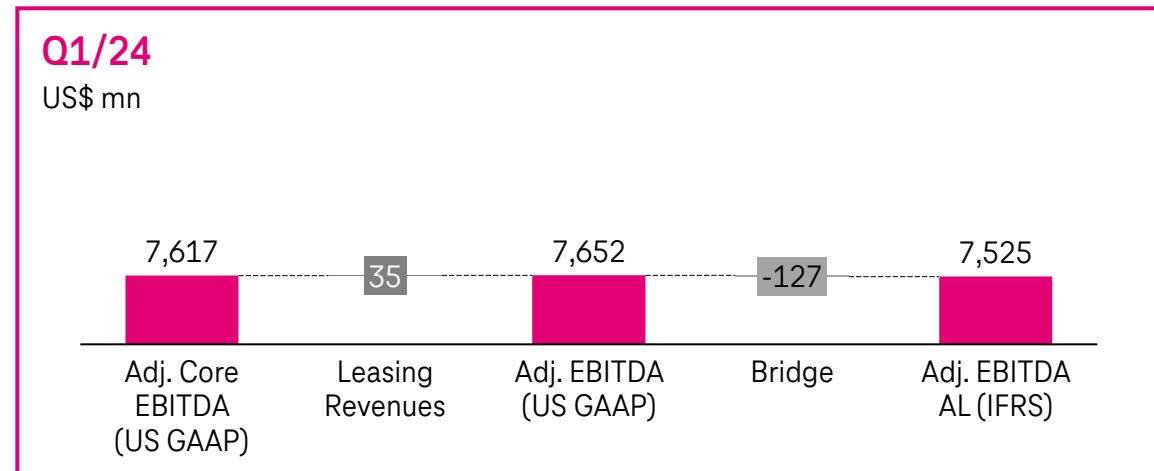
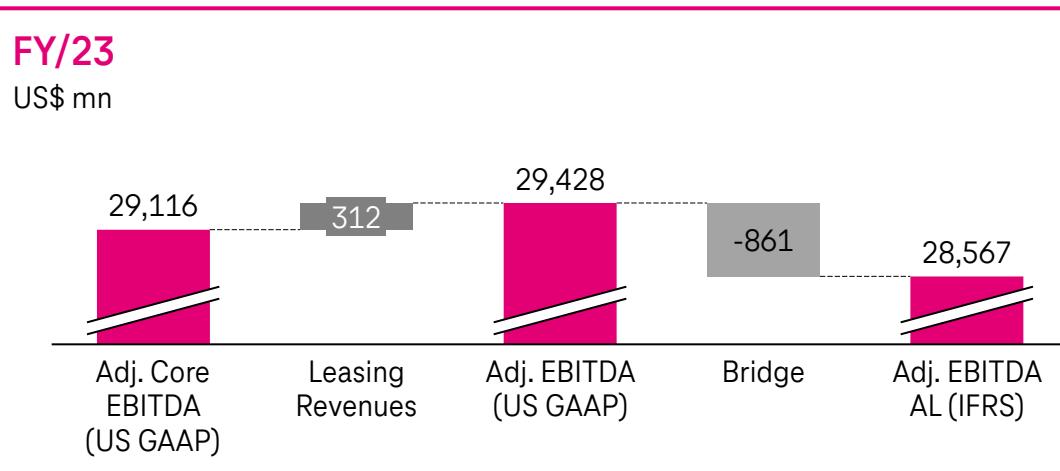
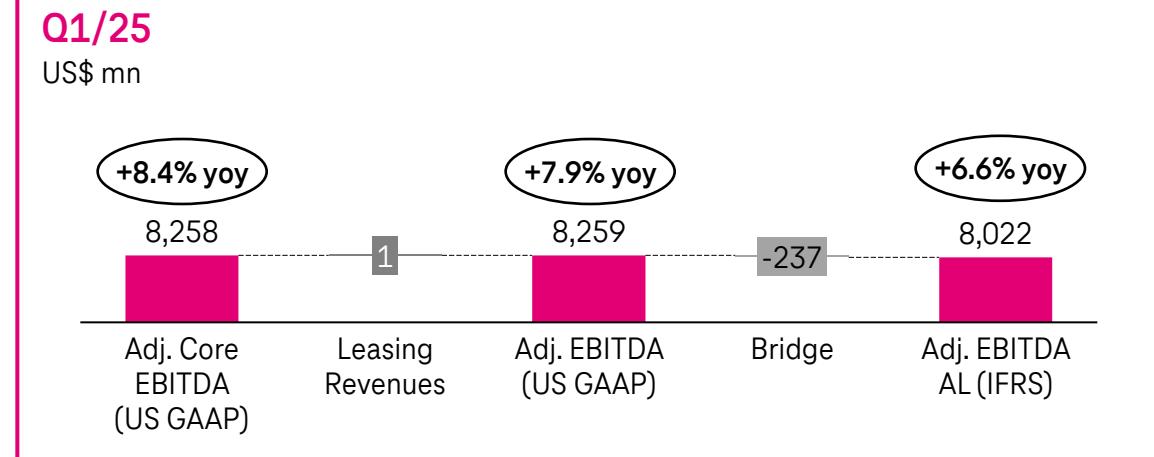
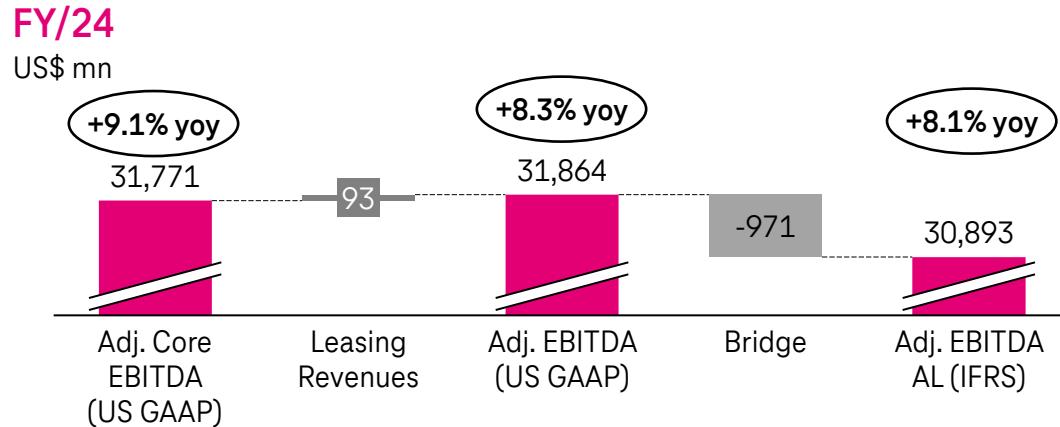
## Current rating

Fitch:	<b>BBB+</b>	stable outlook
Moody's:	<b>Baa1</b>	positive outlook
S&P:	<b>BBB+</b>	stable outlook

<sup>1</sup> Ratios for the interim quarters calculated on the basis of previous 4 quarters.

# TMUS

## EBITDA reconciliation

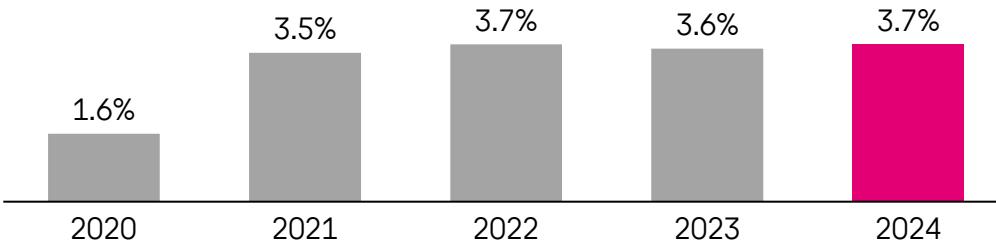


# DT Group

## consistent financial growth over the last 5 years

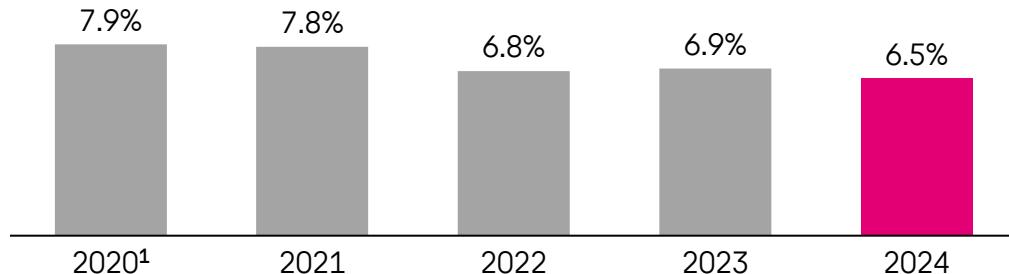
### Service revenue growth (organic)

in % yoy



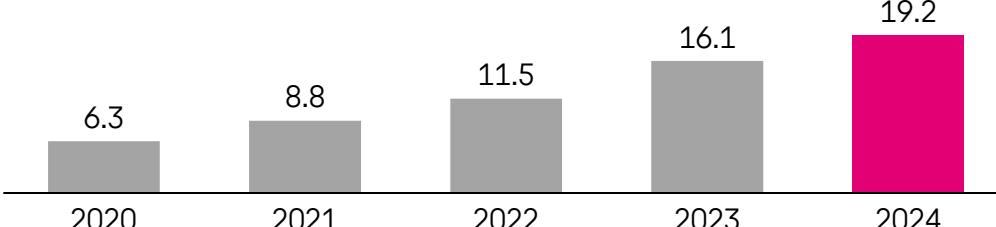
### Adj. Core EBITDA growth (organic)

in % yoy



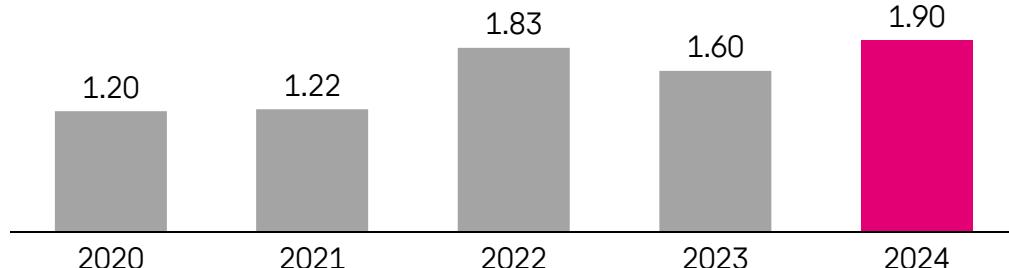
### FCF AL

€ bn



### Adj. EPS

€



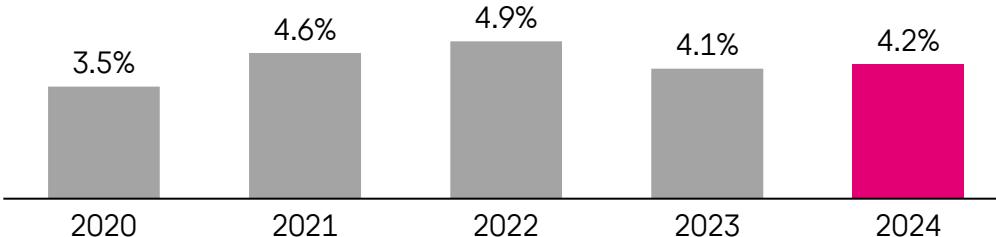
2020: Adj. EBITDA AL

# DT Group ex US & TMUS financials

## growth on both sides of the Atlantic

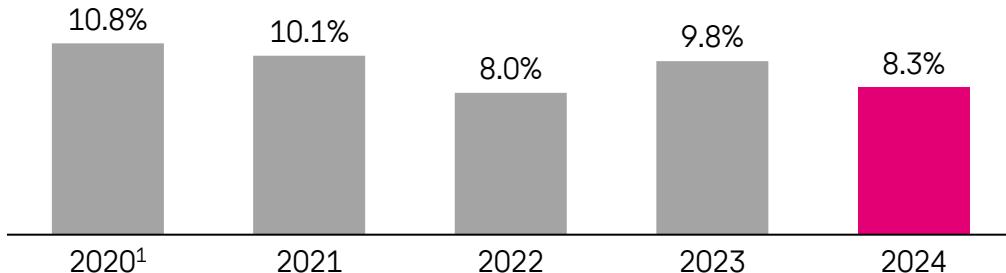
Organic service revenue growth TMUS

in % yoy



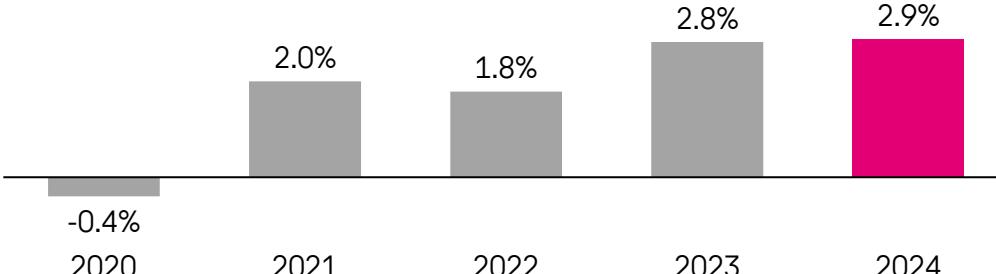
Organic core adj. EBITDA growth TMUS

in % yoy



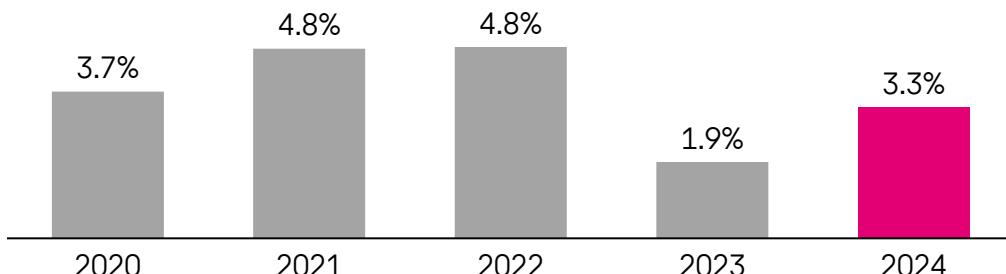
Organic service revenue growth DT ex US

in % yoy



Organic adj. EBITDA AL growth DT ex US

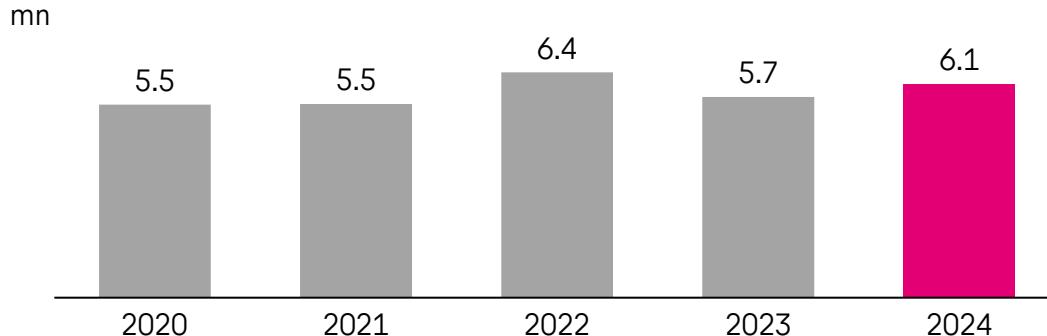
in % yoy



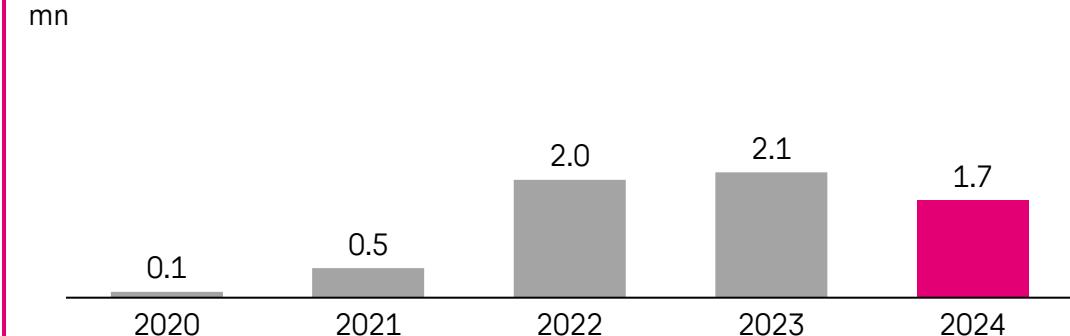
# DT Group

consistent customer growth over the last 5 years

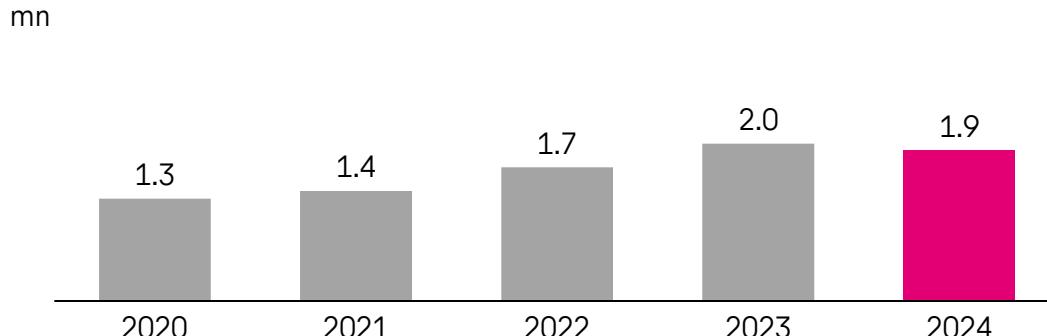
TMUS mobile postpaid net adds



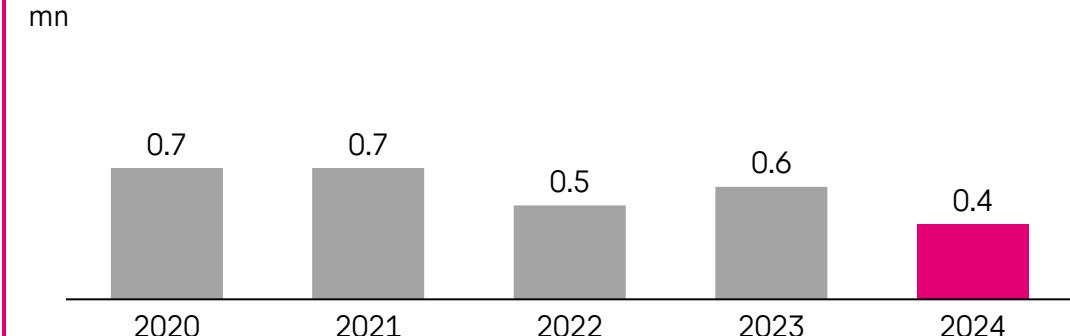
TMUS broadband net adds



DT ex US mobile postpaid net adds



DT ex US broadband net adds

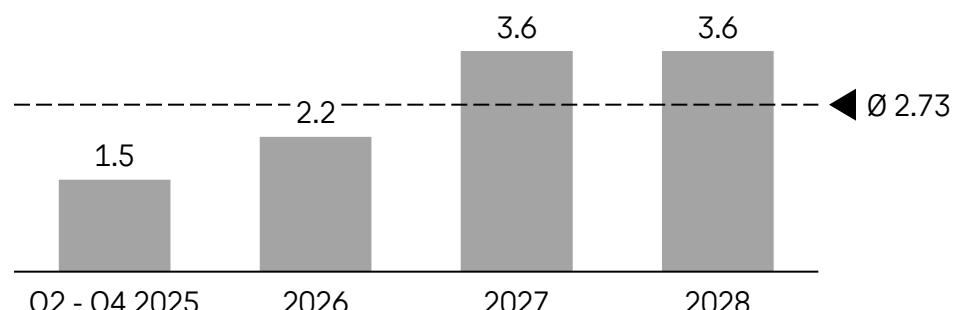


# Financials

## maturity profile covered by strong liquidity reserve

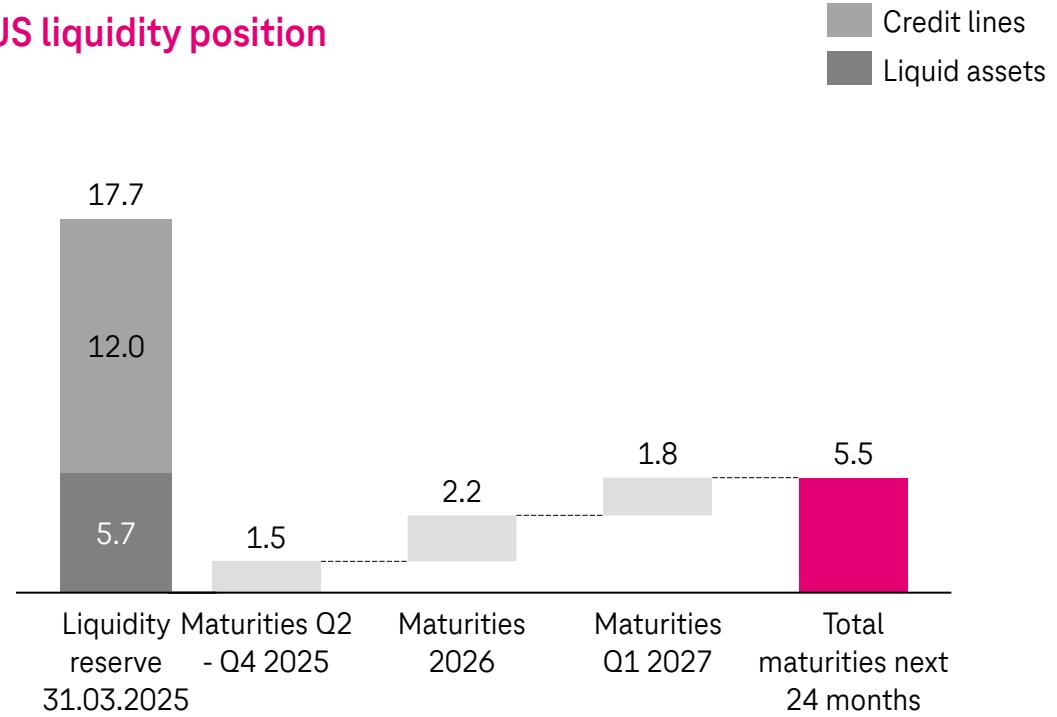
Ex US debt maturing

€ bn



Ex US liquidity position

€ bn



- Additional US\$1.5 bn of outstanding TMUS shareholder loans (to be repaid by 2028 at the latest)

# Outlook 2025/26 as per annual report 2024 (1/2)<sup>1</sup>

€ bn	2024 pro forma	2025e	2026e
<b>Revenue Group</b>			
Germany	115.9	Increase	Increase
US (in US\$)	25.7	Slight increase	Slight increase
Europe	81.3	Increase	Increase
Systems Solutions	12.3	Increase	Increase
Service Revs Group	4.0	Slight increase	Slight increase
Germany	96.7	Increase	Increase
US (in US\$)	22.5	Slight increase	Slight increase
Europe	66.3	Increase	Increase
Systems Solutions	10.2	Increase	Increase
Adj. EBITDA AL Group	3.9	Slight Increase	Slight Increase
Germany	43.0	~44.9	<b>Strong Increase</b>
US (in US\$)	10.5	10.8	Increase
Europe	30.9	32.3	Strong increase
Systems Solutions	4.4	4.6	Increase
	0.4	0.4	Increase

<sup>1</sup> See annual report 2024 for additional details.

# Outlook 2025/26 as per annual report 2024 (2/2)<sup>1</sup>

€ bn	2024 pro forma	2025e	2026e
<b>Cash Capex Group</b>			
Germany	16.0	~17.1	Stable
US (in US\$)	4.8	Stable	Slight increase
Europe	8.9	Increase	Stable
Systems Solutions	1.9	Slight increase	Slight increase
FCF AL Group	0.2	Stable	Stable
Adj. EPS in €	19.2	~19.9	Increase
Net debt/adj. EBITDA	1.90	~2.00	Strong increase
	2.78x	≤2.75x	≤2.75x

<sup>1</sup> See annual report 2024 for additional details.

# Investor + Analyst Webcast with Q&A session

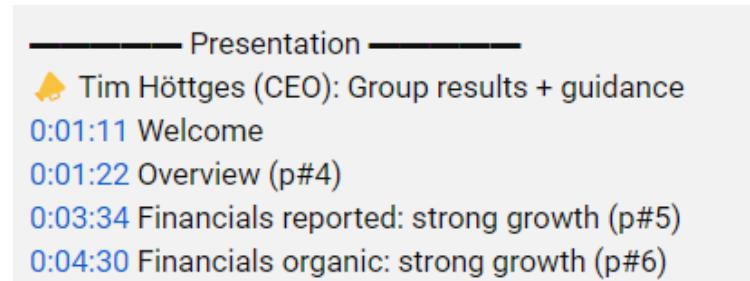
The conference call will be held on **May 15 at 14:00 CET**, 13:00 GMT, 08:00 EST, 05:00 PST, 21:00 JST

DT Participants: Tim Höttges (CEO), Christian Illek (CFO), Hannes Wittig (Head of IR)



- Live webcast
- Instant replay
- Available on all devices

- Detailed time stamps in video description for slides + Q&A:



<https://dtag-public.webex.com/dtag-public-de/j.php?MTID=md957601b4dde5a657446898331bebb32>

Password: Q1RESULTS

To ask a question, click the “lift hand” function. If you would like to cancel your question, click it again.



Dial-in

DE +49-619-6781-9736, UK +44-20-7660-8149,

US +1-650-215-5226

Meeting-ID: 2734 040 3850

To ask a question, press “star 3”. If you would like to cancel your question, press “star 3” again.

# Further questions

please contact the IR department



+49 228 181 – 8 88 80  
[investor.relations@telekom.de](mailto:investor.relations@telekom.de)

Individual contact details for  
all IR representatives:  
[www.telekom.com/ircontacts](http://www.telekom.com/ircontacts)



Homepage:  
[www.telekom.com/investors](http://www.telekom.com/investors)



## Investor relations on social media – Follow us to stay up to date!



[linkedin.com/showcase/  
deutsche-telekom-investor-  
relations](https://linkedin.com/showcase/deutsche-telekom-investor-relations)



[youtube.com/@dt\\_ir](https://youtube.com/@dt_ir)



[www.twitter.com/DT\\_IR](https://www.twitter.com/DT_IR)

