Deutsche Telekom

INTERIM GROUP REPORT

9M 2024

JANUARY 1 TO SEPTEMBER 30

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In the interest of clarity, we have tended to avoid using a combination of pronouns such as “he/she/they,” etc. with regard to gender. All references to individuals refer equally to all genders.

Deutsche Telekom at a glance

millions of €

		Q1-Q3 2024	Q1-Q3 2023	Change %	Q3 2024	Q3 2023	Change %	FY 2023
Revenue and earnings [a]								
Net revenue		84,838	82,616	2.7	28,501	27,556	3.4	111,985
Of which: domestic	%	24.1	22.9		24.0	23.4		23.0
Of which: international	%	75.9	77.1		76.0	76.6		77.0
Service revenue		71,700	69,025	3.9	24,127	23,258	3.7	92,919
EBITDA		35,703	46,455	(23.1)	11,968	11,333	5.6	57,777
EBITDA (adjusted for special factors)		37,158	35,212	5.5	12,689	12,074	5.1	46,831
EBITDA AL		30,858	41,492	(25.6)	10,348	9,711	6.6	51,160
EBITDA AL (adjusted for special factors)		32,389	30,488	6.2	11,096	10,486	5.8	40,497
EBITDA AL margin (adjusted for special factors)	%	38.2	36.9		38.9	38.0		36.2
Profit (loss) from operations (EBIT)		17,803	28,651	(37.9)	6,137	5,429	13.1	33,802
Net profit (loss)		7,027	18,823	(62.7)	2,957	1,924	53.7	17,788
Net profit (loss) (adjusted for special factors)		7,051	6,114	15.3	2,335	2,268	3.0	7,940
Earnings per share (basic and diluted)	€	1.42	3.78	(62.5)	0.60	0.39	55.2	3.57
Adjusted earnings per share (basic and diluted)	€	1.43	1.23	16.0	0.47	0.46	4.0	1.60
Statement of financial position								
Total assets		288,608	302,513	(4.6)				290,305
Shareholders' equity		92,393	96,570	(4.3)				91,237
Equity ratio	%	32.0	31.9					31.4
Net debt [b]		128,723	137,128	(6.1)				132,279
Cash flows								
Net cash from operating activities		30,703	28,556	7.5	10,810	9,692	11.5	37,298
Cash capex		(14,370)	(13,702)	(4.9)	(5,793)	(4,265)	(35.8)	(17,866)
Cash capex (before spectrum investment)		(11,946)	(13,243)	9.8	(3,601)	(4,062)	11.4	(16,591)
Free cash flow (before dividend payments and spectrum investment)		18,852	15,395	22.5	7,242	5,655	28.1	20,912
Free cash flow AL (before dividend payments and spectrum investment)		15,126	11,789	28.3	6,189	4,688	32.0	16,141
Net cash (used in) from investing activities		(14,281)	(6,100)	n.a.	(5,756)	(3,827)	(50.4)	(10,213)
Net cash (used in) from financing activities		(11,329)	(20,899)	45.8	(1,076)	(7,329)	85.3	(25,534)

[a] For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management" in the interim Group management report.

[b] Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

millions

	Sept. 30, 2024	June 30, 2024	Change Sept. 30, 2024/ June 30, 2024 %	Dec. 31, 2023	Change Sept. 30, 2024/ Dec. 31, 2023 %	Sept. 30, 2023	Change Sept. 30, 2024/ Sept. 30, 2023 %
Fixed-network and mobile customers							
Mobile customers [a]	258.8	259.2	(0.1)	252.2	2.6	249.6	3.7
Fixed-network lines	25.3	25.3	(0.1)	25.4	(0.4)	25.3	(0.4)
Broadband customers [b]	22.3	22.2	0.4	22.0	1.2	21.9	1.9

[a] Including T-Mobile US wholesale customers. During the fourth quarter of 2023, T-Mobile US recognized a base adjustment to reduce wholesale customers by 339 thousand to remove certain customers serviced through its wholesale partners associated with government assistance plans, which are excluded from its customer counts.

[b] Excluding wholesale.

The figures shown in this report were rounded in accordance with standard business rounding principles. However, changes were calculated on the basis of non-rounded values. As a result, the total indicated may not be equal to the precise sum of the individual figures.

For information on the development of business in the operating segments, please refer to the section "Development of business in the operating segments" in the interim Group management report and in the IR back-up on our Investor Relations website.

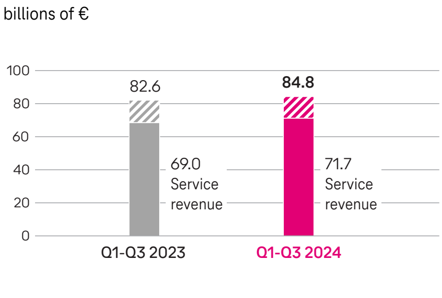
For information on our performance indicators and alternative performance measures, please refer to the section "Management of the Group" in the 2023 combined management report (2023 Annual Report) and to our Investor Relations website.

To our shareholders

Development of selected financial data

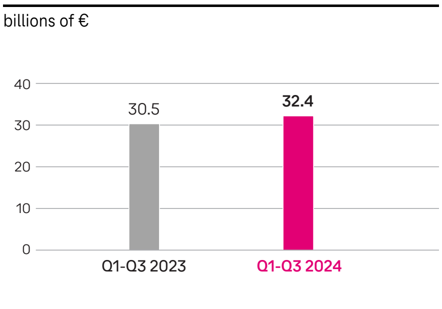
Net revenue, service revenue [a]

- Net revenue increased by 2.7 % to EUR 84.8 billion. In organic terms, net revenue increased by 2.9 %. Service revenue increased by 3.9 % to EUR 71.7 billion; in organic terms, the increase was 4.0 %.
- The Germany segment increased revenue by 2.9 % year-on-year on the back of the strong development of service revenues.
- In the United States segment, revenue grew by 2.1 %; in organic terms, revenue was up 2.3 %, driven in part by the strong development of service revenue.
- Revenue in our Europe segment increased by 5.3 %. In organic terms, the increase was 5.5 %, on account of higher service revenues.
- Revenue in the Systems Solutions segment was up 3.5 % year-on-year, on the back of growth in the Cloud, Digital, and Road Charging areas.



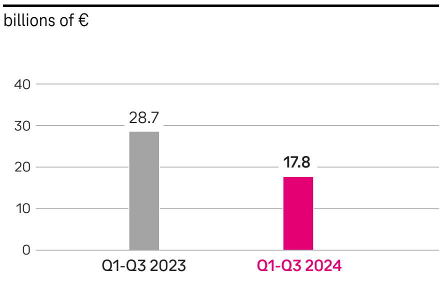
EBITDA AL (adjusted for special factors) [a]

- Adjusted EBITDA AL grew by 6.2 % to EUR 32.4 billion. In organic terms, it increased by 6.3 %.
- In the Germany segment, adjusted EBITDA AL increased by 2.7 % on the back of high-value revenue growth and enhanced cost efficiency.
- In the United States segment, adjusted EBITDA AL was up by 7.7 % due to higher service revenue and lower costs. In organic terms, adjusted EBITDA AL increased by 7.4 %. Adjusted core EBITDA AL grew by 8.6 %.
- Adjusted EBITDA AL in the Europe segment increased by 8.2 %. In organic terms, the increase was 8.4 %, due to a positive net margin.
- In the Systems Solutions segment, adjusted EBITDA AL grew by 8.8 % due to increased revenue in the Cloud and Digital areas.
- The adjusted EBITDA AL margin improved from 36.9 % to 38.2 %. The adjusted EBITDA AL margin was 41.1 % in the Germany segment, 39.2 % in the United States segment, and 36.7 % in the Europe segment.



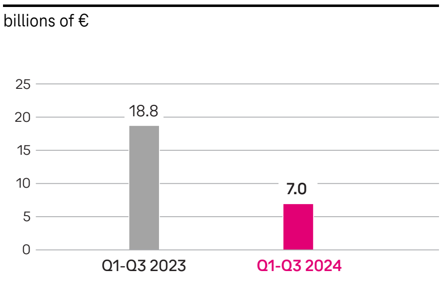
Profit/loss from operations (EBIT) [a]

- EBIT decreased substantially to EUR 17.8 billion, mainly as a result of the gain on deconsolidation from the sale of GD Towers recognized in the prior year.
- Special factors were down by EUR 12.5 billion on the prior-year period, and had an impact of EUR -1.5 billion on EBITDA AL. In the prior-year period, mainly gains on deconsolidations as well as disposals and additions totaling EUR 12.3 billion on a net basis were recognized, primarily from the sale of GD Towers.
- Correspondingly, EBITDA AL declined by 25.6 % to EUR 30.9 billion.
- At EUR 17.9 billion, depreciation, amortization and impairment losses were up slightly by EUR 0.1 billion year-on-year. The increase primarily related to the United States and Germany segments.



Net profit

- Net profit decreased significantly to EUR 7.0 billion, mainly due to the gain on deconsolidation from the sale of GD Towers in the prior year.
- Loss from financial activities decreased by EUR 1.3 billion to EUR 3.1 billion. This was mainly attributable to reversals of impairment losses recognized in the reporting period of EUR 1.0 billion and EUR 0.3 billion, respectively, on the carrying amounts of the investments in GD Towers and in GlasfaserPlus.
- Tax expense increased by EUR 1.3 billion to EUR 3.6 billion.
- Profit attributable to non-controlling interests increased by EUR 0.9 billion to EUR 4.1 billion; a trend mainly attributable to the United States segment.
- Adjusted earnings per share rose from EUR 1.23 to EUR 1.43.

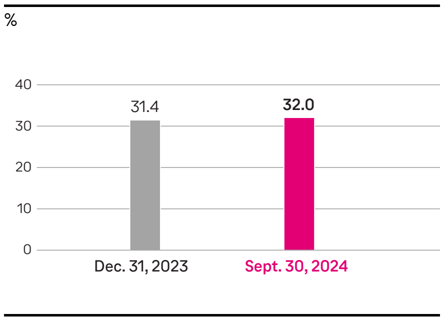


For a reconciliation for the organic development of key figures for the prior-year period, please refer to the section "Additional information."

[a] For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management" in the interim Group management report.

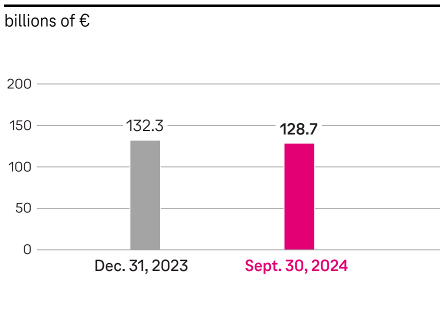
Equity ratio

- The equity ratio increased by 0.6 percentage points against December 31, 2023 to 32.0 %, due to the decrease of EUR 1.7 billion in total assets/total liabilities and shareholders' equity to EUR 288.6 billion and the increase of EUR 1.2 billion to EUR 92.4 billion in shareholders' equity.
- The increase in shareholders' equity is primarily attributable to profit (EUR 11.1 billion) and to capital increases from share-based payments (EUR 0.5 billion).
- Shareholders' equity was reduced in particular by dividend payments to our shareholders (EUR 3.8 billion) and to other shareholders of subsidiaries (EUR 1.7 billion) – including cash dividends paid by T-Mobile US (EUR 1.5 billion) – as well as by transactions with owners (EUR 3.2 billion), mainly in connection with T-Mobile US' share buy-backs. Deutsche Telekom AG's share buy-backs (EUR 1.5 billion) and other comprehensive income (EUR 0.2 billion) also reduced shareholders' equity.



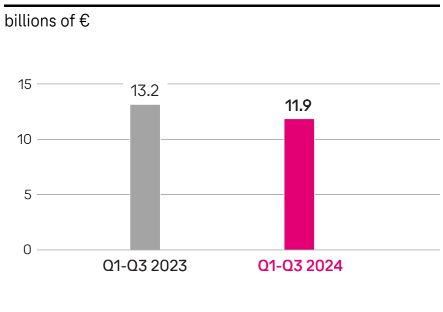
Net debt [b]

- Net debt decreased by EUR 3.6 billion compared with the end of 2023 to EUR 128.7 billion.
- This decrease was mainly attributable to free cash flow (before dividend payments and spectrum investment) of EUR 18.9 billion, and to the sale of T-Mobile US shares by Deutsche Telekom in the amount of EUR 3.6 billion.
- The main factors increasing net debt were the share buy-back program at T-Mobile US (EUR 6.0 billion) and dividend payments – including to non-controlling interests (EUR 5.1 billion). Additions to lease liabilities and to right-of-use assets (EUR 2.8 billion), the acquisition of spectrum (EUR 2.4 billion), the share buy-back program at Deutsche Telekom AG (EUR 1.5 billion), and corporate transactions (EUR 1.1 billion) also had an increasing effect.



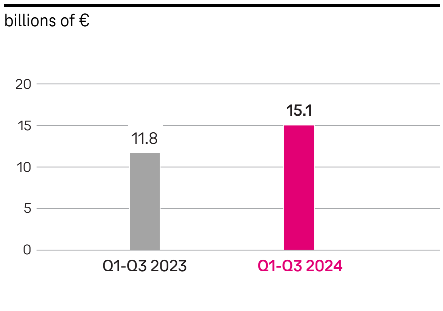
Cash capex (before spectrum investment)

- Cash capex (before spectrum investment) decreased by EUR 1.3 billion to EUR 11.9 billion.
- In the United States segment, cash capex decreased by EUR 1.4 billion, mainly as a result of higher cash outflows for the accelerated build-out of the 5G network in the prior years. By contrast, cash capex in the Germany segment increased by EUR 0.2 billion.
- Cash capex (including spectrum investment) increased by EUR 0.7 billion to EUR 14.4 billion. In the reporting period, cash outflows for spectrum licenses in the amount of EUR 2.4 billion were recorded in the United States segment. In the prior-year period, payments were made for mobile spectrum licenses in the amount of EUR 0.3 billion in the United States segment, and of EUR 0.2 billion in the Europe segment.



Free cash flow AL (before dividend payments and spectrum investment)

- Free cash flow AL was up by EUR 3.3 billion to EUR 15.1 billion.
- This was attributable to the strong development of the operating business and lower cash capex (before spectrum investment).
- By contrast, higher tax payments had a decreasing effect.



For further information, please refer to the section "Development of business in the Group" in the interim Group management report.

For further information on the development of business in the operating segments, please refer to the section "Development of business in the operating segments" in the interim Group management report and to the IR back-up on our Investor Relations website.

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[b] Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

Highlights

For further information on these and other events, please refer to our media information.

For comprehensive information on the T-Share, please visit our Investor Relations website.

Guidance raised again for the 2024 financial year

In view of the overall sound business performance, we are raising our guidance for adjusted EBITDA AL of the Group for the 2024 financial year. Instead of around EUR 42.9 billion, we now expect to post adjusted EBITDA AL of around EUR 43.0 billion.

Events

Capital Markets Day 2024. On October 10 and 11, 2024, we presented our medium-term strategy and the financial outlook at our Capital Markets Day. With an enhanced strategy, we are aiming for a new phase of growth up to 2027, driven by further customer and revenue growth, and the evolution of the business model. Key factors in this will be global economies of scale and the systematic use of artificial intelligence and data. The dividend will continue to track the development in adjusted earnings per share. This figure is expected to rise to around EUR 2.5 by 2027, with 40 to 60 % of adjusted earnings per share to be paid out. For 2025, we are planning a total of up to EUR 6.4 billion in shareholder remuneration including share buy-backs of up to EUR 2 billion. The dividend for the 2024 financial year is expected to rise to EUR 0.90 per share. These plans by the Board of Management are subject to the necessary approvals by the relevant corporate bodies.

For further information, please refer to the section "Group organization, strategy, and management" in the interim Group management report and to our media special.

T-Mobile US' Capital Markets Day. T-Mobile US unveiled its growth strategy and financial targets through 2027 at its Capital Markets Day on September 18, 2024. Our U.S. subsidiary expects to see accelerating growth in its key financial metrics, while also aiming to grow the 5G broadband customer base and to gain profitable market shares. This will be underpinned by measures that include ongoing investments in the network and in digitalization, e.g., artificial intelligence (AI). T-Mobile US plans to extend its network leadership position by innovative technologies like AI-RAN and 5G Advanced, to deliver AI-powered, transformative customer experiences. It will do this by drawing on the strengths of partnerships with OpenAI, as well as Nvidia, Ericsson, and Nokia. T-Mobile US also announced it intends to increase the quarterly cash dividend by USD 0.23 or around 35 % to USD 0.88, starting the fourth quarter of 2024. Up to USD 50 billion is expected to be made available for dividends and share buy-backs by 2027.

Digitalization exhibition: Digital X 2024. Under the headline "Ready for impact," Europe's leading digitalization initiative – hosted by Deutsche Telekom – took place on September 18 and 19, 2024, presenting innovations and technologies covering the topics of AI, digital literacy, and digital sovereignty. Some 50 thousand visitors attended the event in Cologne to experience the latest developments in digitalization and learn about the megatrends of sustainability and responsibility, security, connected business, and future of work.

For further information, please refer to our media special.

Transactions

Deutsche Telekom AG's share buy-back program. Since January 3, 2024, Deutsche Telekom AG has been buying back shares as part of a buy-back program. The buy-back of up to a total volume of EUR 2 billion will be carried out in several tranches through December 31, 2024. As of September 30, 2024, Deutsche Telekom AG had bought back around 64 million shares with a total volume of EUR 1.5 billion.

For detailed information on the 2024 share buy-back program, please refer to our Investor Relations website.

T-Mobile US' shareholder return program from September 2023 continued. On September 6, 2023, T-Mobile US announced a USD 19 billion shareholder return program comprising share buy-backs and dividends to be paid out, due to run through December 31, 2024. T-Mobile US paid cash dividends in the first nine months of 2024 of USD 0.65 per share and quarter, the Board of Directors declared a further cash dividend of USD 0.88 per share for the fourth quarter of 2024, and further shares were bought back.

Agreement on the acquisition of Metronet in the United States. On July 18, 2024, T-Mobile US entered into an agreement with KKR on the acquisition of the fiber-to-the-home platform Metronet and some of its subsidiaries. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in 2025.

For further information on these transactions, please refer to the sections "Group organization, strategy, and management" and "Development of business in the Group" in the interim Group management report and the sections "Changes in the composition of the Group and other transactions" and "Other transactions that had no effect on the composition of the Group" in the interim consolidated financial statements.

Network build-out

Germany. As of the end of the first nine months of 2024, our 5G network was available to 97.5 % of the German population, and a total of 9.3 million households and companies can subscribe to a fiber-optic line with us.

Europe. As of the end of the first nine months of 2024, our national companies covered on average 72.4 % of the population in our European footprint with 5G, and a total of 9.7 million households can access our fiber-optic network offering gigabit speeds.

Cooperations, partnerships, and major deals

Optical fiber. In July 2024, Deutsche Telekom signed a cooperation agreement on optical fiber with regional provider R-Kom in Regensburg. Around 100 thousand residential and commercial units city-wide are set to benefit from the cooperation. We also offer third parties access to these networks on the basis of open access.

5G campus networks. Deutsche Telekom's private 5G campus network for Merseburg University of Applied Sciences went live in August 2024. The new network enables the university to research 5G applications, such as autonomous driving, logistics applications, applications for industry and the healthcare sector, or augmented reality.

> For further information, please refer to our media report.

TV offering expanded in Greece. In the third quarter of 2024, our national company in Greece reached an agreement with its competitor, Nova, that will drive forward the Greek pay-TV market. Our TV customers in Greece who subscribe to a Sports package will in future be able to watch all Novasports channels for a minimal extra charge. This deal is a decisive step towards combating the rampant spread of content piracy in Greece by making almost all of the sports events broadcast in the Greek market available on one platform.

Products, rate plans, and services

New mobile communication offerings. On August 1, 2024, we upgraded our existing MagentaMobil S to XL rate plans by including additional features. We also added the new MagentaMobil Basic plan positioned at an entry price point. On August 21, 2024, we expanded our range of offerings with new prepaid plans, upping the data allowance on our MagentaMobil Prepaid M to XL plans and the pay-yearly plan Jahrestarif. For the first time ever, we now also roll over unused data allowance on these prepaid plans to the following billing period.

Awards

Networks. In September 2024, Deutsche Telekom's broadband and fixed-network services score "very good" in the Imtest (German only) network test. Also, Deutsche Telekom once again wins the Connect fixed-network test in Germany and Austria (both German only). In July 2024, the Ookla Speedtest yet again ranks T-Mobile US' mobile network as the unbeaten top performer for speed in the United States. Likewise, our national companies in Croatia and Austria (German only) win prizes for fastest mobile network and fastest fixed-network internet respectively.

Service. Deutsche Telekom wins more Connect Hotline Tests (German only): In August 2024, our MagentaTV customer service receives a top score of "outstanding" in every category. This is followed in September 2024 with a win for our fixed-network customer service. In Austria (German only), Magenta wins best-in-class broadband provider. In the Connect Shoptest, Deutsche Telekom wins for the outstanding quality of advice provided in our shops. Consumer magazine Chip ranks Deutsche Telekom #1 across all categories in its digital customer service tests.

Investor relations. Deutsche Telekom is Investors' Darling (German only) among all DAX 40 companies: HHL Leipzig Graduate School of Management, in cooperation with Manager Magazin, votes us best for financial communication for the third time in succession with the #1 spot in its DAX 40 ranking of 2024. All in all, we have taken this top spot four times in the last five years. When also including MDAX and SDAX, we are #2 in the overall ranking of a total of 160 companies in 2024. In Extel's annual investor survey (previously Institutional Investor), Deutsche Telekom takes second place for the best IR work among European telecommunications companies.

> For information on awards for responsible corporate governance, please refer to our website and our 2023 CR Report.

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 2023 combined management report (2023 Annual Report). From the Group's point of view, the following significant events in the first nine months of 2024 resulted in changes and/or additions.

Group organization

Acquisition of Ka'ena in the United States. On March 9, 2023, T-Mobile US entered into a Merger and Unit Purchase Agreement for the acquisition of 100 % of the outstanding equity of the U.S. prepaid provider Ka'ena and its subsidiaries including, among others, Mint Mobile, for a maximum purchase price of USD 1.35 billion. The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. Ka'ena is included in Deutsche Telekom's consolidated financial statements as of May 1, 2024.

At deal close, T-Mobile US made an upfront payment of around USD 1.0 billion (EUR 0.9 billion), comprising a cash component of around USD 0.4 billion (EUR 0.4 billion) and around 3 million ordinary shares of T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price on April 30, 2024. In addition, there is a variable earnout payable on August 1, 2026 if Ka'ena achieves specified performance indicators. The amount of the upfront payment is expected to be finalized by the end of 2024.

Changes to the segment and organizational structure in 2023

Presentation of GD Towers in the prior year. The sale of the GD Towers business entity was consummated on February 1, 2023. Since that date, GD Towers has no longer been part of the Group. It had been recognized in the interim consolidated financial statements as a discontinued operation from the third quarter of 2022 until its sale. By contrast, the financial performance indicators for the prior year in the interim Group management report contain the value contributions of GD Towers up to the end of January 2023. Please refer to the following table for a breakdown of these performance indicators into the amounts recognized in the consolidated income statement in the first nine months of 2023:

millions of €		Q1-Q3 2023	Of which: continuing operations	Of which: discontinued operation
Net revenue		**82,616**	**82,601**	**15**
Service revenue		**69,025**	**69,029**	**(4)**
EBITDA		**46,455**	**33,451**	**13,004**
Depreciation of right-of-use assets		(3,618)	(3,618)	0
Interest expenses on recognized lease liabilities		(1,346)	(1,341)	(5)
EBITDA AL		**41,492**	**28,492**	**12,999**
Special factors affecting EBITDA AL		11,004	(1,923)	12,927
EBITDA AL (adjusted for special factors)		**30,488**	**30,415**	**73**
Depreciation, amortization and impairment losses		(17,804)	(17,804)	0
Profit (loss) from operations (EBIT)		**28,651**	**15,647**	**13,004**
Profit (loss) from financial activities		(4,446)	(4,430)	(16)
Profit (loss) before income taxes		24,205	11,217	12,989
Earnings per share (basic and diluted)	€	3.78	1.03	2.75
Adjusted earnings per share (basic and diluted)	€	**1.23**	**1.22**	**0.01**

(Expected) changes to the segment and organizational structure in 2024/2025

Agreement on the acquisition of Lumos in the United States. On April 24, 2024, T-Mobile US entered into an agreement with the investment fund EQT on the acquisition of the fiber-to-the-home platform Lumos. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in early 2025. Upon closing, T-Mobile US is expected to invest approximately USD 1.0 billion (EUR 0.9 billion) in the joint venture to acquire a 50 % equity stake and all existing fiber customers, with the funds invested by T-Mobile US being used by Lumos for future fiber builds. In addition, T-Mobile US is expected to contribute an additional amount of approximately USD 0.5 billion (EUR 0.4 billion) between 2027 and 2028.

Agreement on the acquisition of UScellular in the United States. On May 24, 2024, T-Mobile US entered into an agreement on the acquisition of UScellular's wireless operations and specific spectrum licenses. The purchase price totals around USD 4.4 billion (EUR 3.9 billion) and comprises a cash component and the transfer of debt of up to USD 2.0 billion (EUR 1.8 billion). The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025.

Agreement on the acquisition of Metronet in the United States. On July 18, 2024, T-Mobile US entered into an agreement with KKR on the acquisition of the fiber-to-the-home platform Metronet and certain of its affiliates. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in 2025. Upon closing, T-Mobile US is expected to invest approximately USD 4.9 billion (EUR 4.4 billion) in the joint venture to acquire a 50 % equity stake and all existing residential fiber customers, as well as to fund the joint venture.

Group strategy

Capital Markets Day 2024. On October 10 and 11, 2024, we presented our medium-term strategy and the financial outlook at our Capital Markets Day. With an enhanced strategy, we are aiming for a new phase of growth up to 2027: We expect average annual growth of around 4 % in both revenue and service revenue, and of 4 to 6 % in adjusted EBITDA AL. Free cash flow AL is expected to reach around EUR 21 billion in 2027. Investments of the Group (Deutsche Telekom without T-Mobile US) excluding expenses for mobile spectrum are expected to account for around 21 % of service revenues in 2027. From 2024, the leverage ratio (ratio of net debt to adjusted EBITDA) is expected to remain stable at 2.75x or lower. The dividend will continue to track the development in adjusted earnings per share. This figure is set to rise from the 2023 level of EUR 1.60 to around EUR 2.5 by 2027. 40 to 60 % of adjusted earnings per share are to be paid out. For 2025, we are planning a total of up to EUR 6.4 billion in shareholder remuneration including share buy-backs of up to EUR 2 billion. The dividend for the 2024 financial year is expected to rise to EUR 0.90 per share. These plans by the Board of Management are subject to the necessary approvals by the relevant corporate bodies. Growth is to be driven by the enhancement of the business model. Key factors in this will be global economies of scale and the systematic use of artificial intelligence and data. Because our vision of becoming the Leading Digital Telco has not changed.

Governance

By resolution of October 13, 2023, the Supervisory Board of Deutsche Telekom AG appointed Dr. Ferri Abolhassan as the **Board member** responsible for T-Systems for the period from January 1, 2024 to December 31, 2026. Mr. Abolhassan thereby succeeds Adel Al-Saleh, who had asked for his contract to be terminated and left the Group as of December 31, 2023.

In its meeting on December 12, 2023, the Supervisory Board adopted a **new committee structure** to take effect from January 1, 2024. The previous Technology and Innovation Committee has been subsumed under the new Strategy, ESG, and Innovation Committee. In addition, the Audit Committee and the Finance Committee have been merged.

In accordance with the published agenda, on April 10, 2024, 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 2024 financial year, the amount of the dividend (EUR 0.77 per dividend-bearing no par value share; EUR 3.8 billion in total), and the change to § 13 of the Articles of Incorporation (remuneration of the Supervisory Board).

The economic environment

This section provides important additional information and explains recent changes in the economic environment compared to those described in the 2023 combined management report (2023 Annual Report), focusing on macroeconomic developments, the overall economic outlook including the currently prevailing economic risks, and the regulatory environment in the first nine months of 2024.

Macroeconomic development

The U.S. economy performed robustly in the third quarter of 2024, mostly buoyed by consumer and public spending and federally subsidized business investments. In Europe, the economy trended weaker in nations with a large industrial sector, and stronger in economies with a high service share. In the second quarter of 2024, Germany, Hungary, and Austria faced a decline in economic output compared with the prior quarter. Contrary to expectations, the German economy grew by 0.2 % in the third quarter of 2024; however, sentiment and leading indicators suggest no sustained economic recovery is in sight.

The turnaround in interest rates likewise continues, with the U.S. Federal Reserve (Fed) cutting its benchmark interest rates by a larger-than-expected 0.5 percentage points in September 2024, and, in November 2024, by a further 0.25 percentage points. The Fed thus followed the cuts made by the European Central Bank (ECB) in June, September, and October 2024 of 0.75 percentage points in total. The inflation rate rose in October 2024 to 2.0 % in Germany and the eurozone. In the United States, inflation was at 2.4 % in September.

According to the Bitkom-ifo-Digitalindex, the business climate in Germany's digital economy deteriorated in the third quarter of 2024, returning to negative territory for the first time since May 2020. The digital economy, however, remains more optimistic than the economy as a whole.

Overall economic outlook

There are signs of a slowdown in economic growth in the United States, with the first cracks beginning to appear in the labor market and the outlooks for consumer spending losing momentum. In Germany, structural change is adding further pressure to the already downturned economy.

In its October 2024 forecast, the International Monetary Fund (IMF) expects global economic output to grow by 3.2 % in the current year compared to growth of 3.3 % in the prior year. Whereas economic output is set to rise in the United States by 2.8 % and in the eurozone by 0.8 %, in Germany it is expected to stagnate. The economic outlook remains vulnerable to significant downside risks, with geopolitical tensions and potential trade disputes in particular posing high risks to economic growth and inflation.

Regulation

Ongoing court case on the approval under merger control law for the joint venture Glasfaser NordWest. On September 12, 2023, the Federal Court of Justice had admitted the appeal filed by the Bundeskartellamt and Telekom Deutschland against the Düsseldorf Higher Regional Court's decision dated September 22, 2021. The Düsseldorf Higher Regional Court had decided to reverse the Bundeskartellamt's approval under merger control law of the joint venture Glasfaser NordWest. A hearing was held before the Federal Court of Justice on October 1, 2024, in which a ruling for January 14, 2025 was announced.

European Commission publishes white paper. On February 21, 2024, the European Commission published a white paper entitled "How to master Europe's digital infrastructure needs?" This white paper compiles proposals for measures by the European Union in preparation for a planned Digital Networks Act. Deutsche Telekom submitted its view on the proposals on June 28, 2024 during the open consultation process. Legislative initiatives based on the white paper and the responses to the public consultation are expected from 2025.

The white paper identifies future action areas as the build-out of digital networks of the future, managing the transition to new technologies and business models, covering the future need for connectivity, and the safeguarding of economic competitiveness and of secure, resilient infrastructure in the EU. As a result, a far-reaching revision of the current regulatory framework is expected.

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. The charges apply until December 31, 2025. The parallel Bundesnetzagentur regulatory procedure concerning the related reference offer has not yet been decided.

Awarding of spectrum

In the first nine months of 2024, spectrum in the 26 GHz band and residual spectrum in the 3.4 to 3.8 GHz band was auctioned off in **Austria**. In the 26 GHz band, T-Mobile Austria secured 400 MHz of nationwide spectrum for itself, and in the 3.4 to 3.8 GHz band, 40 MHz in Vienna and 60 MHz in Carinthia, for EUR 10.5 million in total. In the **United States**, the spectrum in the 2.5 GHz band acquired in Auction 108 in September 2022 for around USD 0.3 billion (EUR 0.3 billion) was allocated. The majority of this spectrum was connected immediately. In the **Czech Republic**, the 900/1,800 MHz GSM license expiring in 2024 was extended at a cost of around EUR 28 million for T-Mobile Czech Republic.

In **Germany**, the regulatory authority Bundesnetzagentur consulted on a draft decision concerning the extension of usage rights for the 800 MHz, 1,800 MHz, and 2,600 MHz mobile frequencies, which expire at the end of 2025, by five years. The extension is to replace the originally planned auction to award these frequencies. In return, the draft stipulates requirements such as further coverage obligations for the existing frequency owners as well as the obligation to allow network provider 1&1 to co-use frequencies below the 1 GHz band. The consultation on the draft continued until July 8, 2024; the regulatory authority's final decision is expected in either the fourth quarter of 2024 or the first quarter of 2025.

The award rules of the 2019 auction were declared unlawful by the Cologne Administrative Court on August 26, 2024. However, this ruling initially has no direct impact on our spectrum usage rights in the 2.1 and 3.6 GHz bands awarded in those proceedings, and the spectrum allocations will remain in effect until further notice. We cannot make a final analysis of the decision's impact until we have received the court's written judgment.

Proceedings to re-award spectrum in the 2,600 MHz band expiring at the end of 2026 and possibly spectrum in the 2,300 MHz band are starting in **Austria**. In **Poland**, the public consultation was opened on October 4, 2024 on the award of 2x30 MHz in the 700 MHz band and 2x5 MHz in the 800 MHz band. According to the consultation documents, the award procedure is expected to begin at the end of 2024 and the auction is expected to begin in the first quarter of 2025. If necessary, the procedure to award the 26 GHz band could also begin. In **Slovakia**, the procedure (auction) to re-award 900 MHz and 2,100 MHz spectrum originally planned for late 2023 was called into question. Instead, a comprehensive multi-band auction for the 800, 900, 1,500, 2,100, and 2,600 MHz bands expiring in 2025, 2026, and 2028 is under discussion, hence the regulator is initially considering extending the 900 MHz band and, if necessary, the 2,100 MHz band on a short-term basis.

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.

Main spectrum awards

	Expected start of award procedure	Expected end of award procedure	Frequency ranges	Planned award procedures
Germany	tbd		800/1,800/2,600 MHz	Extension, details tbd
Austria	tbd		2,300 MHz/2,600 MHz	Details tbd
Poland	Q4 2024		700/800 MHz	Auction, details tbd
Poland	tbd		26 GHz	Details tbd
Slovakia [a]	tbd		800/900/1,500/2,100/2,600 MHz	Ad hoc extension of 900 MHz and, if necessary, 2,100 MHz, auction (re-award)

[a] Currently, the terms and conditions of the auction are being reviewed and as a result postponement is under discussion.

Agreements on spectrum licenses

On September 10, 2024, T-Mobile US and **N77 License** (N77) entered into an agreement on the sale of spectrum licenses, pursuant to which N77 has the option to purchase all or a portion of T-Mobile US' remaining 3.45 GHz licenses for a range of cash consideration. The number of licenses sold will be determined based upon the amount of committed financing raised by N77. At the reporting date, the licenses concerned had a carrying amount of USD 2.7 billion (EUR 2.4 billion). T-Mobile US maintains the right to terminate the agreement no later than February 7, 2025, if the committed financing is less than a certain target level of cash consideration. The transaction is subject to approval by the Federal Communications Commission (FCC).

On August 8, 2022, T-Mobile US entered into agreements with **Channel 51 License** and **LB License** (Channel 51) for the acquisition of spectrum licenses in the 600 MHz band in exchange for total cash consideration of USD 3.5 billion (EUR 3.1 billion). On March 30, 2023, the contractual parties further agreed that the transaction be divided into two separate tranches. The transfer of the licenses in accordance with the agreements is subject to regulatory approvals and certain other customary closing conditions. On December 29, 2023, the FCC approved the transfer of the first tranche of licenses. The first tranche was concluded on June 24, 2024. The corresponding purchase price payment of USD 2.4 billion (EUR 2.1 billion) was made on August 5, 2024. On October 22, 2024, the FCC approved the transfer of certain licenses from the second tranche. The transfer of these licenses and payment of the associated purchase price of USD 0.5 billion (EUR 0.5 billion) are expected to be closed in December 2024. The transfer transaction for the remaining licenses from the second tranche is expected to be closed in 2025.

On July 1, 2020, T-Mobile US and **DISH Network Corporation** (DISH) reached an agreement on the sale of spectrum licenses, under which DISH agreed to purchase certain 800 MHz spectrum licenses from T-Mobile US for USD 3.6 billion (EUR 3.2 billion). On October 15, 2023, T-Mobile US and DISH modified the agreement to include, among other changes, a non-refundable extension fee of USD 0.1 billion (EUR 0.1 billion) which DISH will pay to T-Mobile US, as well as the requirement that the purchase of the spectrum licenses must be finalized by April 1, 2024. DISH did not exercise its purchase option by April 1, 2024. The extension fee already paid on October 25, 2023 was retained in accordance with the agreement. T-Mobile US was contractually obligated to offer the licenses for sale at auction. The associated auction process ended on October 1, 2024. Since bidding did not reach the defined minimum purchase price of USD 3.6 billion by the end of the auction, T-Mobile US was relieved of its obligation to sell the licenses. T-Mobile US is currently exploring alternatives to sell or utilize the licenses.

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 2023 combined management report (2023 Annual Report).

> For further information on significant events in the 2023 financial year, please refer to the sections "Group organization," "Management of the Group," and "Development of business in the Group" in the 2023 combined management report (2023 Annual Report).

Deutsche Telekom AG's share buy-back program. In November 2023, we announced that we will buy back shares in Deutsche Telekom AG in 2024 up to a total purchase price of EUR 2 billion under a share buy-back program. The buy-back commenced on January 3, 2024 and will be carried out in several tranches through December 31, 2024. As of September 30, 2024, Deutsche Telekom AG had bought back around 64 million shares with a total volume of EUR 1.5 billion.

Sale of T-Mobile US shares by Deutsche Telekom. In the reporting period, Deutsche Telekom sold a portion of its T-Mobile US share portfolio on the market, without jeopardizing its own majority ownership position in T-Mobile US. In the course of this process, Deutsche Telekom sold around 23 million T-Mobile US shares with a total volume of EUR 3.6 billion. Deutsche Telekom announced on July 2, 2024 that it was suspending share sales initially until September 26, 2024. The sales plan was concluded on September 24, 2024.

Acquisition of T-Mobile US shares by Deutsche Telekom. On June 7, 2024, Deutsche Telekom exercised fixed-price options agreed in June 2020 on shares in T-Mobile US held by SoftBank to acquire around 7 million additional T-Mobile US shares for a total purchase price of USD 0.7 billion (EUR 0.6 billion). The fixed exercise price originally agreed of USD 101.46 per share was adjusted to USD 99.51 to account for the dividend payments made by T-Mobile US. The agreement allowed Deutsche Telekom to acquire the shares at a discount of around 45 % compared to the closing share price on the exercise date of USD 179.82. Upon completion of the transaction, Deutsche Telekom had exercised all fixed-price options received from SoftBank. The remaining floating options were not exercised and expired in the second quarter of 2024.

T-Mobile US' shareholder return program from September 2023 continued. On September 6, 2023, T-Mobile US announced a shareholder return program of up to USD 19 billion that will run from October 1, 2023 through December 31, 2024. The program comprises share buy-backs and dividends to be paid out. The amount available for share buy-backs will be reduced by the amount of any dividends approved.

On January 24, 2024, the T-Mobile US Board of Directors declared a cash dividend of USD 0.65 per share, which was paid out on March 14, 2024 to the shareholders registered as of close of business on March 1, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On March 15, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. EUR 0.3 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.3 billion to non-controlling interests in T-Mobile US. On June 13, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on September 12, 2024 to the shareholders registered as of close of business on August 30, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On September 18, 2024, the T-Mobile US Board of Directors declared a cash dividend of USD 0.88 per share, which will be paid out on December 12, 2024 to the shareholders registered as of close of business on November 27, 2024.

Furthermore, T-Mobile US bought back around 39 million shares with a total volume of USD 6.5 billion (EUR 6.0 billion) in the first nine months of 2024.

As of September 30, 2024, USD 7.3 billion (EUR 6.5 billion) remained available to T-Mobile US under the program.

Results of operations of the Group [a]

millions of €

		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Net revenue		**84,838**	**82,616**	**2.7**	**27,942**	**28,394**	**28,501**	**27,556**	**3.4**	**111,985**
Service revenue		**71,700**	**69,025**	**3.9**	**23,485**	**24,088**	**24,127**	**23,258**	**3.7**	**92,919**
EBITDA AL (adjusted for special factors)		**32,389**	**30,488**	**6.2**	**10,473**	**10,819**	**11,096**	**10,486**	**5.8**	**40,497**
EBITDA AL		30,858	41,492	(25.6)	10,156	10,354	10,348	9,711	6.6	51,160
Depreciation, amortization and impairment losses		(17,900)	(17,804)	(0.5)	(6,074)	(5,996)	(5,830)	(5,904)	1.3	(23,975)
Profit (loss) from operations (EBIT)		**17,803**	**28,651**	**(37.9)**	**5,686**	**5,980**	**6,137**	**5,429**	**13.1**	**33,802**
Profit (loss) from financial activities		(3,147)	(4,446)	29.2	(1,367)	(1,334)	(446)	(1,492)	70.1	(8,845)
Profit (loss) before income taxes		14,656	24,205	(39.4)	4,319	4,646	5,691	3,937	44.6	24,957
Income taxes		(3,571)	(2,235)	(59.8)	(1,176)	(1,122)	(1,273)	(1,000)	(27.2)	(2,964)
Net profit (loss)		7,027	18,823	(62.7)	1,982	2,088	2,957	1,924	53.7	17,788
Net profit (loss) (adjusted for special factors)		7,051	6,114	15.3	2,238	2,477	2,335	2,268	3.0	7,940
Earnings per share (basic and diluted)	€	1.42	3.78	(62.5)	0.40	0.42	0.60	0.39	55.2	3.57
Adjusted earnings per share (basic and diluted)	€	**1.43**	**1.23**	**16.0**	**0.45**	**0.50**	**0.47**	**0.46**	**4.0**	**1.60**

[a] For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

In order to increase the informative value of the prior-year comparatives based on changes to the Company's structure or exchange rate effects, we also describe selected figures in **organic terms**, by adjusting the figures for the prior-year period for changes in the composition of the Group, exchange rate effects, and other effects. Changes in the composition of the Group related mainly to the sale of GD Towers as of February 1, 2023 in the Group Development operating segment, and the sale of the Wireline Business as of May 1, 2023 as well as the acquisition of Ka'ena as of May 1, 2024 in the United States operating segment. Negative exchange rate effects were primarily attributable to the translation of U.S. dollars to euros.

Revenue, service revenue

In the first nine months of 2024, we generated net revenue of EUR 84.8 billion, which was up 2.7 % or EUR 2.2 billion year-on-year. In organic terms, revenue increased by 2.9 % against the prior-year level, with the exchange rate effects having a net reducing effect of EUR 0.2 billion. On balance, the effects of the aforementioned changes in the composition of the Group evened each other out. Service revenue in the Group increased by EUR 2.7 billion or 3.9 % year-on-year to EUR 71.7 billion. In organic terms, service revenue increased by 4.0 %.

Contribution of the segments to net revenue [a]

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Germany	19,132	18,598	2.9	6,298	6,369	6,465	6,308	2.5	25,187
United States	54,584	53,455	2.1	18,009	18,282	18,293	17,638	3.7	72,436
Europe	9,142	8,678	5.3	2,959	3,073	3,110	2,995	3.9	11,790
Systems Solutions	2,966	2,865	3.5	993	981	991	960	3.3	3,896
Group Development	6	108	(94.0)	2	4	0	2	(97.4)	115
Group Headquarters & Group Services	1,659	1,718	(3.4)	546	561	552	588	(6.1)	2,305
Intersegment revenue	(2,651)	(2,806)	5.5	(865)	(876)	(911)	(933)	2.4	(3,744)
Net revenue	**84,838**	**82,616**	**2.7**	**27,942**	**28,394**	**28,501**	**27,556**	**3.4**	**111,985**

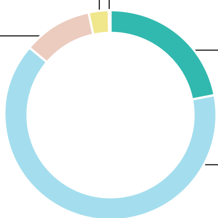
[a] For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

Revenue in our domestic market of Germany was up on the prior-year level, increasing by 2.9 %. This was mainly driven by growth in service revenues in the fixed-network core business and in mobile communications. Mobile terminal equipment revenues also had a positive effect on revenue. In our United States operating segment, revenue was up 2.1 % against the prior-year level. In organic terms, revenue increased by 2.3 %, with an increase in service revenues mainly resulting from higher postpaid revenues. By contrast, terminal equipment revenue fell due to declines in sales and leasing of terminal equipment. In our Europe operating segment, revenue increased by 5.3 % year-on-year. In organic terms, it increased by 5.5 %, primarily due to the increase in service revenues in the mobile and fixed-network business. Contract customer additions also had positive effects on terminal equipment revenues. Revenue in our Systems Solutions operating segment was up 3.5 % year-on-year, mainly due to growth in the Cloud, Digital, and Road Charging areas.

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

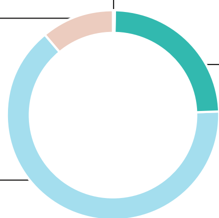
Contribution of the segments to net revenue [a, b]

%



Breakdown of revenue by region

%



[a] For further information on net revenue, please refer to the section "Segment reporting" in the interim consolidated financial statements.
[b] Following the sale of the GD Towers business entity in the prior year, the Group Development operating segment no longer provides a significant contribution to net revenue and accounts for 0.0 %.

Our United States operating segment made by far the largest contribution to net revenue, with 64.3 % (Q1-Q3 2023: 64.7 %). The proportion of net revenue generated internationally decreased to 75.9 % (Q1-Q3 2023: 77.1 %).

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased year-on-year by EUR 1.9 billion or 6.2 % to EUR 32.4 billion in the first nine months of 2024. In organic terms, adjusted EBITDA AL grew by 6.3 %. Adjusted core EBITDA AL, i.e., excluding terminal equipment leases in the United States, increased by EUR 2.1 billion or 6.8 % to EUR 32.3 billion.

Contribution of the segments to adjusted Group EBITDA AL [a]

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Germany	7,859	7,655	2.7	2,576	2,553	2,731	2,638	3.5	10,238
United States	21,414	19,882	7.7	6,932	7,237	7,245	6,791	6.7	26,409
Europe	3,356	3,102	8.2	1,069	1,108	1,180	1,095	7.7	4,114
Systems Solutions	267	245	8.8	77	87	102	86	18.9	321
Group Development	(23)	53	n.a.	(6)	(5)	(12)	(7)	(56.8)	45
Group Headquarters & Group Services	(480)	(422)	(13.8)	(168)	(158)	(154)	(105)	(46.7)	(609)
Reconciliation	(4)	(26)	83.3	(6)	(3)	4	(13)	n.a.	(22)
EBITDA AL (adjusted for special factors)	**32,389**	**30,488**	**6.2**	**10,473**	**10,819**	**11,096**	**10,486**	**5.8**	**40,497**

[a] For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

Our Germany operating segment contributed to the increase thanks to high-value revenue growth and improved cost efficiency with 2.7 % higher adjusted EBITDA AL. Adjusted EBITDA AL in our United States operating segment increased by 7.7 %, or 7.4 % in organic terms. This rise is primarily attributable to the higher service revenue and lower overall costs. Adjusted core EBITDA AL at T-Mobile US increased by EUR 1.7 billion or 8.6 % to EUR 21.3 billion. In our Europe operating segment, adjusted EBITDA AL increased by 8.2 % or 8.4 % in organic terms, with a positive net margin sufficient to more than offset the higher indirect costs. In our Systems Solutions operating segment, adjusted EBITDA AL increased by 8.8 %, mainly due to revenue growth in the Cloud and Digital areas.

Our EBITDA AL decreased significantly by EUR 10.6 billion year-on-year to EUR 30.9 billion. Special factors affecting EBITDA AL decreased by EUR 12.5 billion to EUR -1.5 billion. In the prior-year period, net income of EUR 12.3 billion had been recorded as special factors under effects of deconsolidations, disposals and acquisitions; EUR 12.9 billion of this related to the deconsolidation of GD Towers, which was partially offset by expenses of EUR 0.7 billion primarily in connection with integration costs incurred as a result of the business combination of T-Mobile US and Sprint. In the first three quarters of 2024, these net expenses totaled EUR 0.6 billion euros, and included the expenses from the forgone contingent consideration receivable from IFM Global Infrastructure Fund, as well as additional integration expenses, offset by the extension fees received from DISH for the options to buy mobile spectrum in the United States operating segment, which have now expired. The integration of Sprint was largely completed by the end of the second quarter of 2024. Expenses incurred in connection with staff restructuring totaled EUR 0.8 billion, compared with EUR 1.2 billion in the prior-year period. The prior-year figure included expenses of EUR 0.4 billion in connection with a program to reduce the workforce in the United States operating segment.

For further information on the development of (adjusted) EBITDA AL in our segments, please refer to the section "Development of business in the operating segments."

For further information on the contingent consideration receivable, please refer to the section "Risks and opportunities."

Profit/loss from operations (EBIT)

Group EBIT decreased significantly to EUR 17.8 billion, down EUR 10.8 billion against the level of the prior-year period. This change was primarily due to the deconsolidation gain from the sale of GD Towers in the prior year. At EUR 17.9 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were up slightly by EUR 0.1 billion year-on-year in the first three quarters of 2024, due in particular to higher depreciation and amortization. In the United States operating segment, higher depreciation expense in connection with accelerations of certain technology assets as part of T-Mobile US modernizing its network, technology systems, and platforms was partly offset by lower depreciation of right-of-use assets. In the Germany operating segment, depreciation and amortization increased, partly as a result of the sale and leaseback of passive network infrastructure in connection with the sale of GD Towers. No significant impairment losses were recorded in the reporting period. In the prior-year period, impairment losses amounted to EUR 0.1 billion.

For information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management."

Profit before income taxes

Profit before income taxes decreased by EUR 9.5 billion to EUR 14.7 billion for the aforementioned reasons. Loss from financial activities included in this decreased year-on-year from EUR 4.4 billion to EUR 3.1 billion, mainly due to the increase in the share of profit of associates and joint ventures included in the consolidated financial statements using the equity method to EUR 1.3 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 1.0 billion and EUR 0.3 billion, respectively, on the carrying amounts of the investments in GD Towers and in GlasfaserPlus. These reversals of impairment losses were, at GD Towers entirely, and at GlasfaserPlus almost entirely, due to lower discount rates as a result of macroeconomic developments in the reporting period and changes within the peer group. Finance costs and other financial income remained stable compared with the prior-year period.

Net profit, adjusted net profit

Net profit decreased year-on-year by EUR 11.8 billion to EUR 7.0 billion. This change was primarily due to the deconsolidation gain from the sale of GD Towers in the prior year. Tax expense increased by EUR 1.3 billion to EUR 3.6 billion. The tax rate was significantly reduced in the first three quarters of the prior year by the realization of tax-free income from the sale of GD Towers. Taxes were furthermore reduced in the prior-year period by deferred tax effects arising in connection with the concluded sale-and-leaseback transaction. Profit attributable to non-controlling interests increased by EUR 0.9 billion to EUR 4.1 billion. This increase was primarily attributable to the United States operating segment. Net profit adjusted for special factors amounted to EUR 7.1 billion compared with EUR 6.1 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 4,948 million as of September 30, 2024. This resulted in earnings per share of EUR 1.42, compared with EUR 3.78 in the prior-year period, which was mainly affected by the proceeds from the sale of GD Towers. Earnings per share adjusted for special factors affecting net profit amounted to EUR 1.43 compared with EUR 1.23 in the prior-year period.

Employees

Headcount development

	Sept. 30, 2024	Dec. 31, 2023	Change	Change %	Sept. 30, 2023
FTEs in the Group	**199,923**	**199,652**	**271**	**0.1**	**204,236**
Of which: civil servants (in Germany, with an active service relationship)	5,921	6,891	(970)	(14.1)	7,199
Germany	58,088	59,709	(1,621)	(2.7)	60,317
United States	65,704	62,677	3,026	4.8	66,226
Europe	32,817	32,932	(115)	(0.4)	33,051
Systems Solutions	25,651	26,036	(384)	(1.5)	26,184
Group Development	104	108	(4)	(3.5)	105
Group Headquarters & Group Services	17,560	18,190	(631)	(3.5)	18,353

The Group’s headcount remained stable against the end of 2023. The total number of full-time equivalent employees in the United States operating segment increased by 4.8 % compared to December 31, 2023, primarily due to an increase in retail employees to support T-Mobile US’ growing customer base, and the Ka’ena Acquisition in the second quarter of 2024. In our Germany operating segment, the number of employees declined by 2.7 % against the end of the prior year. Employees continued to take up socially responsible instruments as part of staff restructuring activities, such as dedicated retirement and phased retirement. In our Europe operating segment, the headcount was down slightly by 0.4 % compared with the end of the prior year, in particular in Greece. The headcount in our Systems Solutions operating segment was down 1.5 % against year-end 2023, mainly due to a workforce reduction in traditional infrastructure business. The headcount in the Group Headquarters & Group Services segment was down 3.5 % compared with the end of the prior year, mainly due to the continued staff restructuring measures, in particular at Vivento.

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-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
EBITDA	35,703	46,455	(23.1)	11,760	11,976	11,968	11,333	5.6	57,777
Depreciation of right-of-use assets [a]	(3,505)	(3,618)	3.1	(1,156)	(1,177)	(1,172)	(1,165)	(0.6)	(4,810)
Interest expenses on recognized lease liabilities [a]	(1,340)	(1,346)	0.4	(448)	(445)	(448)	(457)	2.0	(1,807)
EBITDA AL	**30,858**	**41,492**	**(25.6)**	**10,156**	**10,354**	**10,348**	**9,711**	**6.6**	**51,160**
Special factors affecting EBITDA AL	(1,530)	11,004	n.a.	(317)	(465)	(748)	(775)	3.4	10,663
EBITDA AL (adjusted for special factors)	**32,389**	**30,488**	**6.2**	**10,473**	**10,819**	**11,096**	**10,486**	**5.8**	**40,497**

[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-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Net profit (loss)	**7,027**	**18,823**	**(62.7)**	**1,982**	**2,088**	**2,957**	**1,924**	**53.7**	**17,788**
Special factors affecting EBITDA AL	(1,530)	11,004	n.a.	(317)	(465)	(748)	(775)	3.4	10,663
Staff-related measures	(786)	(1,208)	34.9	(184)	(375)	(227)	(622)	63.5	(1,485)
Non-staff-related restructuring	(8)	(26)	70.8	(2)	(2)	(3)	(8)	65.2	(40)
Effects of deconsolidations, disposals and acquisitions	(640)	12,250	n.a.	(116)	(86)	(437)	(133)	n.a.	12,187
Impairment losses	0	(8)	100.0	0	0	0	0	n.a.	(8)
Reversals of impairment losses	0	0	n.a.	0	0	0	0	n.a.	0
Other	(97)	(4)	n.a.	(14)	(2)	(81)	(11)	n.a.	8
Special factors affecting net profit	1,507	1,705	(11.6)	61	75	1,371	430	n.a.	(815)
Depreciation, amortization and impairment losses	(319)	(84)	n.a.	(216)	(99)	(4)	(36)	88.9	(189)
Profit (loss) from financial activities	1,286	(2)	n.a.	(1)	(3)	1,289	0	n.a.	(2,742)
Income taxes	295	1,270	(76.7)	146	125	24	240	(89.9)	1,503
Non-controlling interests	245	521	(53.0)	132	52	61	226	(72.9)	613
Special factors	**(23)**	**12,709**	**n.a.**	**(256)**	**(390)**	**622**	**(344)**	**n.a.**	**9,848**
Net profit (loss) (adjusted for special factors)	**7,051**	**6,114**	**15.3**	**2,238**	**2,477**	**2,335**	**2,268**	**3.0**	**7,940**

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-Q3 2024	EBIT Q1-Q3 2024	EBITDA AL Q1-Q3 2023	EBIT Q1-Q3 2023	EBITDA AL FY 2023	EBIT FY 2023
EBITDA AL/EBIT	**30,858**	**17,803**	**41,492**	**28,651**	**51,160**	**33,802**
Germany	**(915)**	**(915)**	**(376)**	**(376)**	**(501)**	**(501)**
Staff-related measures	(438)	(438)	(352)	(352)	(484)	(484)
Non-staff-related restructuring	(6)	(6)	(11)	(11)	(18)	(18)
Effects of deconsolidations, disposals and acquisitions	(476)	(476)	(1)	(1)	(8)	(8)
Impairment losses	0	0	0	0	0	0
Other	5	5	(12)	(12)	11	11
United States	**(294)**	**(569)**	**(1,329)**	**(1,329)**	**(1,569)**	**(1,556)**
Staff-related measures	(45)	(45)	(631)	(631)	(643)	(643)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	(196)	(471)	(730)	(701)	(958)	(917)
Impairment losses	0	0	(8)	(36)	(8)	(36)
Other	(53)	(53)	40	40	39	39
Europe	**(51)**	**(51)**	**(63)**	**(63)**	**(94)**	**(94)**
Staff-related measures	(46)	(46)	(48)	(48)	(69)	(69)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	29	29	4	4	1	1
Impairment losses	0	0	0	0	0	0
Other	(33)	(33)	(18)	(18)	(26)	(26)

millions of €

	EBITDA AL Q1-Q3 2024	EBIT Q1-Q3 2024	EBITDA AL Q1-Q3 2023	EBIT Q1-Q3 2023	EBITDA AL FY 2023	EBIT FY 2023
Systems Solutions	**(82)**	**(97)**	**(86)**	**(132)**	**(144)**	**(270)**
Staff-related measures	(63)	(63)	(68)	(68)	(116)	(116)
Non-staff-related restructuring	0	0	(1)	(1)	(1)	(1)
Effects of deconsolidations, disposals and acquisitions	(1)	(1)	1	1	0	0
Impairment losses	0	(15)	0	(46)	0	(126)
Other	(17)	(17)	(17)	(17)	(27)	(27)
Group Development	**2**	**2**	**12,950**	**12,950**	**13,170**	**13,170**
Staff-related measures	0	0	(3)	(3)	(3)	(3)
Non-staff-related restructuring	0	0	0	0	0	0
Effects of deconsolidations, disposals and acquisitions	2	2	12,953	12,953	13,173	13,173
Impairment losses	0	0	0	0	0	0
Other	0	0	0	0	0	0
Group Headquarters & Group Services	**(191)**	**(192)**	**(92)**	**(93)**	**(199)**	**(225)**
Staff-related measures	(193)	(193)	(105)	(105)	(169)	(169)
Non-staff-related restructuring	(1)	(1)	(14)	(14)	(21)	(21)
Effects of deconsolidations, disposals and acquisitions	2	2	24	24	(20)	(20)
Impairment losses	0	0	0	0	0	(26)
Other	1	1	4	4	11	11
Group	**(1,530)**	**(1,821)**	**11,004**	**10,958**	**10,663**	**10,525**
Staff-related measures	(786)	(786)	(1,208)	(1,208)	(1,485)	(1,485)
Non-staff-related restructuring	(8)	(8)	(26)	(26)	(40)	(40)
Effects of deconsolidations, disposals and acquisitions	(640)	(915)	12,250	12,279	12,187	12,228
Impairment losses	0	(15)	(8)	(82)	(8)	(187)
Other	(97)	(97)	(4)	(4)	8	8
EBITDA AL/EBIT (adjusted for special factors)	**32,389**	**19,624**	**30,488**	**17,694**	**40,497**	**23,277**
Profit (loss) from financial activities (adjusted for special factors)		(4,404)		(4,406)		(6,053)
Profit (loss) before income taxes (adjusted for special factors)		**15,220**		**13,288**		**17,225**
Income taxes (adjusted for special factors)		(3,866)		(3,505)		(4,467)
Profit (loss) (adjusted for special factors)		**11,355**		**9,783**		**12,757**
Profit (loss) (adjusted for special factors) attributable to						
Owners of the parent (net profit (loss)) (adjusted for special factors)		7,051		6,114		7,940
Non-controlling interests (adjusted for special factors)		4,304		3,669		4,817

Financial position of the Group

Condensed consolidated statement of financial position

millions of €

	Sept. 30, 2024	%	Dec. 31, 2023	Change	Sept. 30, 2023
Assets					
Cash and cash equivalents	12,204	4.2	7,274	4,930	7,470
Trade receivables	14,340	5.0	16,157	(1,817)	15,713
Intangible assets	135,725	47.0	136,004	(278)	141,048
Property, plant and equipment	63,392	22.0	65,042	(1,650)	66,142
Right-of-use assets	30,894	10.7	32,826	(1,932)	34,536
Investments accounted for using the equity method	6,056	2.1	4,605	1,451	7,402
Current and non-current financial assets	7,917	2.7	9,593	(1,676)	10,448
Deferred tax assets	4,211	1.5	6,401	(2,191)	7,049
Non-current assets and disposal groups held for sale	1,020	0.4	211	809	245
Miscellaneous assets	12,851	4.5	12,193	657	12,462
Total assets	**288,608**	**100.0**	**290,305**	**(1,697)**	**302,513**
Liabilities and shareholders' equity					
Current and non-current financial liabilities	107,878	37.4	104,522	3,356	108,780
Current and non-current lease liabilities	38,426	13.3	40,792	(2,367)	42,620
Trade and other payables	7,718	2.7	10,916	(3,198)	10,223
Provisions for pensions and other employee benefits	3,297	1.1	4,060	(763)	3,625
Current and non-current other provisions	7,336	2.5	8,100	(764)	7,616
Deferred tax liabilities	22,068	7.6	21,918	150	23,116
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0.0	0	0	0
Miscellaneous liabilities	9,492	3.3	8,759	733	9,962
Shareholders' equity	92,393	32.0	91,237	1,156	96,570
Total liabilities and shareholders' equity	**288,608**	**100.0**	**290,305**	**(1,697)**	**302,513**

Total assets amounted to EUR 288.6 billion as of September 30, 2024, down by EUR 1.7 billion against December 31, 2023. Exchange rate effects, primarily from the translation from U.S. dollars into euros, in particular had a decreasing effect on the carrying amount of total assets. By contrast, in the United States operating segment, the acquisition of spectrum licenses from Channel 51, the inclusion of the assets and liabilities from the acquisition of Ka'ena, and the issuing of bonds by T-Mobile US, had an increasing effect on the carrying amount of total assets.

On the assets side, **cash and cash equivalents** increased by EUR 4.9 billion against the end of the prior year to EUR 12.2 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 14.3 billion, **trade receivables** decreased by EUR 1.8 billion against the 2023 year-end level, mainly on account of lower receivables in the United States operating segment due to a lower number of new contracts with equipment installment plans, as well as lower receivables from the termination of government assistance programs and from wholesale partners. Furthermore, receivables declined in the Germany operating segment. Exchange rate effects, mainly from the translation of U.S. dollars into euros, also decreased the carrying amount.

Intangible assets decreased by EUR 0.3 billion compared to December 31, 2023 to EUR 135.7 billion. Depreciation, amortization and impairment losses of EUR 5.0 billion and exchange rate effects of EUR 1.7 billion, primarily from the translation of U.S. dollars into euros, decreased the carrying amount. The reclassifications of intangible assets to non-current assets and disposal groups held for sale also reduced the carrying amount by EUR 1.0 billion and arose primarily in connection with agreed transactions concerning the exchange of spectrum licenses in the United States operating segment. Additions increased the carrying amount by EUR 6.0 billion, EUR 2.6 billion of which related to the acquisition of mobile spectrum in the United States operating segment, primarily to the acquisition of spectrum licenses from Channel 51. Effects of changes in the composition of the Group resulting from the acquisition of Ka'ena in the United States operating segment increased the carrying amount by EUR 1.4 billion, EUR 0.7 billion of which related to the goodwill acquired in this connection.

Property, plant and equipment decreased from EUR 65.0 billion as of December 31, 2023 to EUR 63.4 billion. Depreciation and impairment losses totaling EUR 8.9 billion, exchange rate effects of EUR 0.4 billion, primarily from the translation of U.S. dollars into euros, and disposals of EUR 0.2 billion decreased the carrying amount. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 7.5 billion. Reclassifications of lease assets upon expiry of the contractual lease term to property, plant and equipment, primarily for network technology in the United States operating segment, increased the carrying amount by EUR 0.3 billion.

Right-of-use assets decreased by EUR 1.9 billion compared with December 31, 2023 to EUR 30.9 billion. Depreciation and impairment losses reduced the carrying amount by EUR 4.0 billion. The previously mentioned reclassifications of lease assets to property, plant and equipment, and exchange rate effects, primarily from the translation of U.S. dollars into euros, also reduced the carrying amount by EUR 0.3 billion, respectively. The carrying amount was increased by additions of EUR 2.8 billion.

Investments accounted for using the equity method increased by EUR 1.5 billion compared to December 31, 2023, to EUR 6.1 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 1.0 billion and EUR 0.3 billion, respectively, on the carrying amounts of the investments in GD Towers and in GlasfaserPlus. These reversals of impairment losses were, at GD Towers entirely, and at GlasfaserPlus almost entirely, due to lower discount rates as a result of macroeconomic developments in the reporting period and changes within the peer group. Capital increases in the investments in GlasfaserPlus and Glasfaser NordWest also increased the respective carrying amount by EUR 0.1 billion.

Current and non-current **financial assets** decreased by EUR 1.7 billion to EUR 7.9 billion. The net total of originated loans and receivables decreased by EUR 0.8 billion to EUR 5.8 billion, mainly due to lower collateral paid for derivatives due to normal fluctuations in fair value (EUR 0.4 billion), unscheduled repayments of shareholder loans to GD Towers (EUR 0.2 billion), and lower receivables from publicly funded projects (EUR 0.2 billion). The carrying amount of debt instruments declined by EUR 0.4 billion to EUR 0.3 billion due to the forgone contingent consideration receivable from the IFM Global Infrastructure Fund. The carrying amount of the derivatives without a hedging relationship decreased by EUR 0.6 billion, in particular in connection with the options to acquire additional T-Mobile US shares.

For further information on the contingent consideration receivable, please refer to the section "Risks and opportunities."

Non-current assets and disposal groups held for sale increased by EUR 0.8 billion to EUR 1.0 billion. This increase is primarily attributable to the transactions agreed between T-Mobile US and other telecommunications companies for the exchange of spectrum licenses.

Miscellaneous assets increased by EUR 0.7 billion to EUR 12.9 billion. Current and non-current other assets contributed EUR 0.3 billion to this increase, due in part to an increase in various advance payments – mainly in connection with agreements on services for certain mobile communications and fixed-network equipment – and higher receivables from other taxes. Inventories increased by EUR 0.1 billion due to higher stocks of high-value mobile terminal equipment in the United States and Germany operating segments. In addition, current recoverable income taxes and contract assets each increased by EUR 0.1 billion.

On the liabilities and shareholders' equity side, current and non-current **financial liabilities** increased by EUR 3.4 billion compared with the end of 2023 to EUR 107.9 billion. Bonds and other securitized liabilities increased overall by EUR 4.4 billion, primarily as a result of USD bonds issued by T-Mobile US with a volume of USD 5.5 billion (EUR 4.9 billion), the issue of EUR bonds with a volume of EUR 2.0 billion, and the issue of asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion). The carrying amount was also increased by the issue of EUR bonds of EUR 0.9 billion by Deutsche Telekom AG. By contrast, the scheduled repayment of a EUR bond of EUR 0.8 billion and a USD bond of USD 2.5 billion (EUR 2.3 billion) reduced the carrying amount. Exchange rate effects decreased the carrying amount of bonds and other securitized liabilities by EUR 1.0 billion. Other non-interest-bearing liabilities increased by EUR 0.5 billion, mainly due to the stake of the cash dividend of USD 0.88 per share – declared by T-Mobile US on September 18, 2024 – attributable to non-controlling interests in T-Mobile US. By contrast, liabilities to banks decreased by EUR 0.3 billion, due in part to the repayment of a loan from the European Investment Bank, and liabilities with the right of creditors to priority repayment in the event of default by EUR 0.7 billion, mainly due to the repayment of former Sprint bonds in the United States operating segment. Other interest-bearing liabilities decreased by EUR 0.5 billion, primarily due to the scheduled repayment of loans in the United States and Germany operating segments and exchange rate effects.

Current and non-current **lease liabilities** decreased by EUR 2.4 billion compared with December 31, 2023 to EUR 38.4 billion. Lease liabilities in the United States operating segment decreased by EUR 1.7 billion, mainly due to the decommissioning of the former Sprint's wireless network and a decline in network and build-out investments, primarily on account of higher capital efficiency resulting from the accelerated build-out of the nationwide 5G network in the prior year. Exchange rate effects, in particular from the translation of U.S. dollars into euros, reduced the carrying amount by EUR 0.4 billion.

Trade and other payables decreased by EUR 3.2 billion to EUR 7.7 billion. This was due to lower liabilities in the United States, Europe, and Germany operating segments. Exchange rate effects, in particular from the translation from U.S. dollars into euros, also decreased the carrying amount.

Provisions for pensions and other employee benefits decreased by EUR 0.8 billion compared with December 31, 2023 to EUR 3.3 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.7 billion to be recognized directly in equity, mainly due to the increase in the fair values of plan assets compared with December 31, 2023. The decline in the discount rate compared with December 31, 2023 had a slight offsetting effect. Benefits paid directly by the employer in the reporting period also contributed to the reduction.

Current and non-current **other provisions** decreased by EUR 0.8 billion to EUR 7.3 billion compared with the end of 2023. Other provisions for personnel costs decreased by EUR 0.2 billion overall, mainly due to an interest-rate based decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Provisions for termination benefits also decreased by EUR 0.2 billion, partly as a result of the program implemented to reduce the workforce in the United States operating segment, and the provisions for restoration obligations by EUR 0.2 billion. Furthermore, provisions for procurement and sales support decreased by EUR 0.1 billion and provisions for litigation risks by EUR 0.1 billion.

Miscellaneous liabilities increased by EUR 0.7 billion compared to December 31, 2023 to EUR 9.5 billion, with contract liabilities increasing by EUR 0.5 billion, mainly in connection with the contract liabilities assumed in the acquisition of Ka'ena in the United States operating segment. Furthermore, other liabilities increased by EUR 0.1 billion, mainly due to an increase in liabilities from other taxes. Income tax liabilities increased by EUR 0.1 billion compared with December 31, 2023.

For further information on the acquisition of Ka'ena, please refer to the section "Changes in the composition of the Group and other transactions" in the interim consolidated financial statements.

Shareholders' equity increased by EUR 1.2 billion as of December 31, 2023 to EUR 92.4 billion, with profit of EUR 11.1 billion and capital increases from share-based payments of EUR 0.5 billion having an increasing effect. Shareholders' equity was reduced in connection with dividend payments for the 2023 financial year to Deutsche Telekom AG shareholders in the amount of EUR 3.8 billion and to other shareholders of subsidiaries in the amount of EUR 1.7 billion. The latter figure includes cash dividends of EUR 1.5 billion paid by T-Mobile US to non-controlling interests, as declared in the reporting period. Transactions with owners reduced the carrying amount of shareholders' equity by EUR 3.2 billion, due in particular to the T-Mobile US share buy-back program from September 2023. Furthermore, the carrying amount was reduced by Deutsche Telekom AG's share buy-back program that started in January 2024 with share buy-backs of EUR 1.5 billion. Other comprehensive income decreased the carrying amount by EUR 0.2 billion.

For further information on the statement of financial position, 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 €

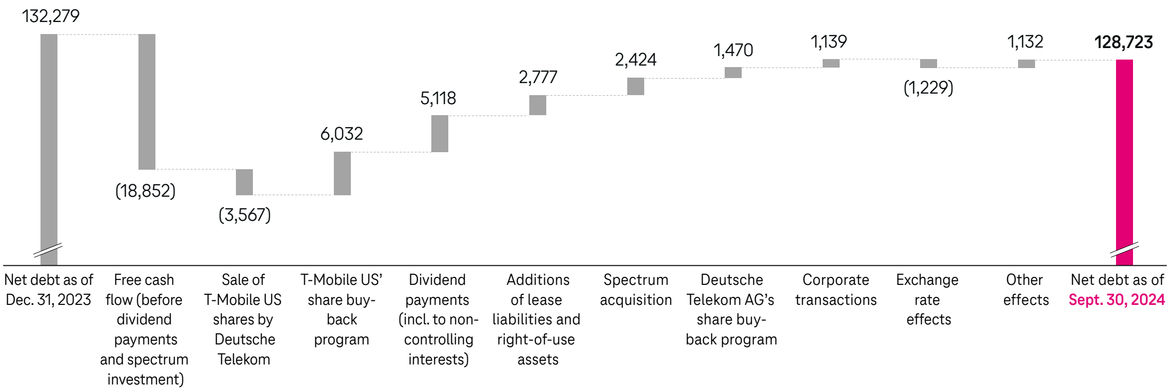
	Sept. 30, 2024	Dec. 31, 2023	Change	Change %	Sept. 30, 2023
Bonds and other securitized liabilities	92,131	87,773	4,357	5.0	90,339
Liabilities to banks	3,226	3,560	(334)	(9.4)	3,576
Other financial liabilities	12,522	13,189	(667)	(5.1)	14,865
Lease liabilities	38,426	40,792	(2,367)	(5.8)	42,620
Financial liabilities and lease liabilities	**146,304**	**145,314**	**989**	**0.7**	**151,400**
Accrued interest	(1,160)	(1,009)	(151)	(15.0)	(1,156)
Other	(1,428)	(966)	(463)	(47.9)	(1,204)
Gross debt	**143,715**	**143,339**	**376**	**0.3**	**149,041**
Cash and cash equivalents	12,204	7,274	4,930	67.8	7,470
Derivative financial assets	1,173	1,780	(608)	(34.1)	2,520
Other financial assets	1,615	2,006	(391)	(19.5)	1,923
Net debt [a]	**128,723**	**132,279**	**(3,556)**	**(2.7)**	**137,128**
Lease liabilities [b]	36,249	38,533	(2,284)	(5.9)	40,205
Net debt AL	**92,474**	**93,746**	**(1,272)**	**(1.4)**	**96,923**

[a] Including net debt reported under liabilities directly associated with non-current assets and disposal groups held for sale.

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

Changes in net debt

millions of €



Net debt decreased by EUR 3.6 billion in the first nine months of 2024 to EUR 128.7 billion, due to free cash flow (before dividend payments and spectrum investment), the sale of T-Mobile US shares by Deutsche Telekom, and exchange rate effects. By contrast, the main factors increasing net debt were the share buy-back program at T-Mobile US, the dividend payments (including to non-controlling interests), additions to lease liabilities and to right-of-use assets, and the acquisition of spectrum, primarily the Channel 51 licenses in the United States operating segment. Corporate transactions mainly included payments by Deutsche Telekom AG for the acquisition of T-Mobile US shares by exercising existing fixed-price options, and changes in cash and cash equivalents in connection with the acquisition of Ka'ena in the United States. Other effects include gains/losses from derivatives of EUR 0.6 billion.

Calculation of free cash flow AL

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Net cash from operating activities	**30,703**	**28,556**	**7.5**	**9,614**	**10,280**	**10,810**	**9,692**	**11.5**	**37,298**
Cash outflows for investments in intangible assets	(5,932)	(3,711)	(59.8)	(1,378)	(1,303)	(3,251)	(1,270)	n.a.	(5,560)
Cash outflows for investments in property, plant and equipment	(8,438)	(9,990)	15.5	(3,340)	(2,557)	(2,542)	(2,995)	15.1	(12,306)
Cash capex	(14,370)	(13,702)	(4.9)	(4,718)	(3,859)	(5,793)	(4,265)	(35.8)	(17,866)
Spectrum investment	2,424	459	n.a.	57	175	2,192	203	n.a.	1,275
Cash capex (before spectrum investment)	**(11,946)**	**(13,243)**	**9.8**	**(4,661)**	**(3,684)**	**(3,601)**	**(4,062)**	**11.4**	**(16,591)**
Proceeds from the disposal of intangible assets (excluding goodwill) and property, plant and equipment	95	82	15.5	33	28	33	25	34.7	205
Free cash flow (before dividend payments and spectrum investment)	**18,852**	**15,395**	**22.5**	**4,986**	**6,624**	**7,242**	**5,655**	**28.1**	**20,912**
Principal portion of repayment of lease liabilities [a]	(3,726)	(3,605)	(3.3)	(1,277)	(1,395)	(1,053)	(967)	(9.0)	(4,770)
Free cash flow AL (before dividend payments and spectrum investment)	**15,126**	**11,789**	**28.3**	**3,708**	**5,229**	**6,189**	**4,688**	**32.0**	**16,141**

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

Free cash flow AL (before dividend payments and spectrum investment) increased by EUR 3.3 billion year-on-year to EUR 15.1 billion. The following effects impacted on this development:

Net cash from operating activities increased by EUR 2.1 billion to EUR 30.7 billion. The strong development of the operating business was offset in part by an increase in tax payments of EUR 0.3 billion and an increase in net interest payments of EUR 0.1 billion, among other effects.

Cash capex (before spectrum investment) decreased by EUR 1.3 billion to EUR 11.9 billion. In the United States operating segment, cash capex decreased by EUR 1.4 billion to EUR 6.1 billion, mainly as a result of higher cash outflows for the accelerated build-out of the 5G network in the prior years. In the Germany operating segment, cash capex totaled around EUR 3.6 billion in the reporting period, EUR 0.2 billion more than in the prior-year period. In the Europe operating segment, cash capex stood at EUR 1.4 billion, which was up EUR 0.1 billion year-on-year. In the Systems Solutions operating segment, cash capex remained on a par with the prior-year period at EUR 0.2 billion.

An increase of EUR 0.1 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 on the statement of cash flows, please refer to the section "Notes to the consolidated statement of cash flows" in the interim consolidated financial statements.

Rating
On October 23, 2024, the rating agency Moody's raised our rating outlook to positive, taking the rating to Baa1 with a positive outlook. We are therefore still a solid investment-grade company with access to the international capital markets.

Development of business in the operating segments

Germany
Customer development

thousands

	Sept. 30, 2024	June 30, 2024	Change Sept. 30, 2024/ June 30, 2024 %	Dec. 31, 2023	Change Sept. 30, 2024/ Dec. 31, 2023 %	Sept. 30, 2023	Change Sept. 30, 2024/ Sept. 30, 2023 %
Mobile customers	66,920	65,192	2.7	61,419	9.0	59,778	11.9
Contract customers	26,203	25,838	1.4	25,171	4.1	24,811	5.6
Prepaid customers	40,717	39,353	3.5	36,248	12.3	34,967	16.4
Fixed-network lines	17,212	17,253	(0.2)	17,342	(0.8)	17,352	(0.8)
Retail broadband lines	15,136	15,098	0.3	15,018	0.8	14,952	1.2
Of which: optical fiber [a]	13,152	13,065	0.7	12,893	2.0	12,620	4.2
Television (IPTV, satellite)	4,590	4,514	1.7	4,327	6.1	4,259	7.8
Unbundled local loop lines (ULLs)	2,020	2,181	(7.4)	2,527	(20.1)	2,690	(24.9)
Wholesale broadband lines	8,547	8,481	0.8	8,307	2.9	8,218	4.0
Of which: optical fiber [a]	7,569	7,510	0.8	7,307	3.6	7,211	5.0

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

Total
In Germany we continue to be market leader both in terms of fixed-network and mobile revenues. This success is attributable to our high-performance networks, a broad product portfolio, and good service. We want to offer our customers a seamless and technology-neutral telecommunications experience. We regularly adapt our product portfolio to address the needs of our customers.

The fixed-network broadband market hosts a large number of players with differing infrastructures – from national through to regional providers. In order to consolidate our position on the market as Germany's leading telecommunications provider, we continue to add new offerings to our portfolio.

Mobile communications
The number of high-value mobile contract customers under the Telekom and congstar brands grew by 919 thousand customers overall against December 31, 2023. Sustained high demand for mobile rate plans with data volumes continues to drive this trend. The number of prepaid customers grew by 4.5 million against the start of 2024, primarily due to M2M SIM cards used in the automotive industry.

Fixed network
Demand remained high for our fiber-optic-based lines, with the total number increasing to 20.7 million since the end of 2023. This strong growth is driven by demand for higher bandwidths.

The number of retail broadband lines remained at a high level, increasing to 15.1 million compared with December 31, 2023. Around 49 % of the customers have subscribed to a rate plan with speeds of 100 Mbit/s or higher. We recorded an increase of 263 thousand in the number of TV customers compared with year-end 2023. The number of fixed-network lines stood at 17.2 million.

Wholesale

As of September 30, 2024, fiber-optic-based lines accounted for 71.6 % of all lines – 4.2 percentage points more than at the end of 2023. This growth is a result of the demand for our commitment agreements. Ongoing demand among retail customers for higher-bandwidth lines also contributed to the increase. The number of unbundled local loop lines decreased by 507 thousand compared with the end of the prior year, while fiber-optic-based lines increased by 262 thousand. These developments result partly from the shift to higher-value fiber-optic-based lines and partly from consumers switching to other providers. In addition, our wholesale partners are migrating their retail customers to their own infrastructures. The total number of wholesale lines at the end of September 2024 was 10.6 million.

Development of operations

millions of €		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue		**19,132**	**18,598**	**2.9**	**6,298**	**6,369**	**6,465**	**6,308**	**2.5**	**25,187**
Consumers		9,839	9,310	5.7	3,232	3,274	3,333	3,178	4.9	12,640
Business Customers [a]		6,432	6,784	(5.2)	2,135	2,130	2,167	2,270	(4.6)	9,258
Wholesale [a]		2,439	2,028	20.3	802	815	822	673	22.1	2,688
Other		422	476	(11.3)	130	149	144	186	(22.7)	602
Service revenue		**16,771**	**16,440**	**2.0**	**5,515**	**5,601**	**5,655**	**5,539**	**2.1**	**22,096**
EBITDA		7,410	7,679	(3.5)	2,620	2,420	2,370	2,687	(11.8)	10,294
Special factors affecting EBITDA		(915)	(376)	n.a.	(110)	(287)	(518)	(105)	n.a.	(501)
EBITDA (adjusted for special factors)		8,325	8,055	3.3	2,730	2,707	2,888	2,792	3.4	10,794
EBITDA AL		6,944	7,278	(4.6)	2,465	2,266	2,212	2,533	(12.7)	9,737
Special factors affecting EBITDA AL		(915)	(376)	n.a.	(110)	(287)	(518)	(105)	n.a.	(501)
EBITDA AL (adjusted for special factors)		**7,859**	**7,655**	**2.7**	**2,576**	**2,553**	**2,731**	**2,638**	**3.5**	**10,238**
EBITDA AL margin (adjusted for special factors)	%	41.1	41.1		40.9	40.1	42.2	41.8		40.6
Depreciation, amortization and impairment losses		(3,263)	(3,155)	(3.4)	(1,071)	(1,091)	(1,101)	(1,065)	(3.4)	(4,220)
Profit (loss) from operations (EBIT)		**4,147**	**4,525**	**(8.4)**	**1,549**	**1,329**	**1,269**	**1,623**	**(21.8)**	**6,073**
EBIT margin	%	21.7	24.3		24.6	20.9	19.6	25.7		24.1
Cash capex		(3,637)	(3,443)	(5.6)	(1,493)	(1,061)	(1,084)	(1,143)	5.2	(4,587)
Cash capex (before spectrum investment)		**(3,637)**	**(3,443)**	**(5.6)**	**(1,493)**	**(1,061)**	**(1,084)**	**(1,143)**	**5.2**	**(4,587)**

[a] Since January 1, 2024, certain revenues which were previously assigned to Business Customers have been recognized under Wholesale. Prior-year comparatives were not adjusted retrospectively.

Revenue, service revenue

In the first nine months of 2024, we generated revenue of EUR 19.1 billion, which was up by 2.9 % year-on-year. This was mainly attributable to growth in service revenues of 2.0 %, due to increased revenue in the fixed-network core business, largely driven by broadband and IT business, and in the mobile business. Another revenue driver was the 9.4 % increase in non-service revenues, including from mobile terminal equipment revenues.

Revenue from **Consumers** increased by 5.7 % compared with the prior-year period. Revenue from broadband business continued to grow, due in part to the positive effects from customer appreciation for reliable networks and high bandwidths. Volume-driven declines in revenue from voice components continued to impact on fixed-network business. The mobile business increased due to higher service revenues, mainly as a result of positive customer development.

Revenue from **Business Customers** was down 5.2 % against the prior-year period, primarily due to certain revenues being recognized under Wholesale since January 1, 2024. In organic terms, revenue was up 0.7 % against the prior-year level, due in part to the positive trends in IT business and mobile service revenue, with the latter driven mainly by sustained growth in the customer base.

Wholesale revenue was up at the end of September 2024 by 20.3 % year-on-year as a result of the change in disclosure of revenues described under Business Customers. On an organic basis, revenue was 0.8 % higher than in the prior-year period.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL increased by EUR 0.2 billion or 2.7 % year-on-year. The main reasons for this increase are a sound operational development, driven by high-value revenue growth, and enhanced cost efficiency, primarily as a result of the lower headcount and the ongoing implementation of efficiency enhancement and digitalization measures. This trend was negatively affected by one-time effects, in particular the premium to compensate for inflation under the scope of the collective agreement. Our adjusted EBITDA AL margin amounted to 41.1 %.

At EUR 6.9 billion, EBITDA AL was below the level of the prior-year period. The effects described with regard to adjusted EBITDA AL included special factors in the amount of EUR 0.9 billion comprising, for example, the forgone contingent consideration receivable from IFM Global Infrastructure Fund, and socially responsible staff restructuring.

Profit/loss from operations (EBIT)

Profit from operations amounted to EUR 4.1 billion, a decrease of 8.4 % against the prior-year period. In addition to the issues mentioned under EBITDA AL, which had a negative effect on EBITDA, EBIT was also affected by higher depreciation, amortization and impairment losses year-on-year, which were partly attributable to the sale and leaseback of passive network infrastructure in Germany in connection with the sale of GD Towers.

Cash capex (before spectrum investment), cash capex

Cash capex increased by EUR 194 million or 5.6 % compared with the prior-year period. Capital expenditure totaled around EUR 3.6 billion in the first nine months of 2024, in particular for the fiber-optic build-out. The number of households passed by our fiber-optic network had increased to 9.3 million by the end of September 2024. In mobile communications, 97.5 % of German households can already use 5G.

United States

Customer development

thousands	Sept. 30, 2024	June 30, 2024	Change Sept. 30, 2024/ June 30, 2024 %	Dec. 31, 2023	Change Sept. 30, 2024/ Dec. 31, 2023 %	Sept. 30, 2023	Change Sept. 30, 2024/ Sept. 30, 2023 %
Customers	127,492	125,893	1.3	119,700	6.5	117,907	8.1
Postpaid customers	102,185	100,610	1.6	98,052	4.2	96,312	6.1
Postpaid phone customers [a]	78,110	77,245	1.1	75,936	2.9	74,982	4.2
Other postpaid customers [a]	24,075	23,365	3.0	22,116	8.9	21,330	12.9
Prepaid customers [b]	25,307	25,283	0.1	21,648	16.9	21,595	17.2

[a] In the fourth quarter of 2023, we recognized an additional base adjustment to increase postpaid phone customers by 20 thousand and increase postpaid other customers by 150 thousand due to fewer customers than expected whose service was deactivated as a result of the network shutdowns.

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

Customers

At September 30, 2024, the United States operating segment (T-Mobile US) had 127.5 million customers, compared to 119.7 million customers at December 31, 2023. Net customer additions were 4.3 million in the nine months ended September 30, 2024, compared to 4.3 million in the nine months ended September 30, 2023, due to the factors described below.

Postpaid net customer additions were 4.1 million in the nine months ended September 30, 2024, compared to 4.1 million in the nine months ended September 30, 2023. Postpaid net customer additions were relatively flat and included slightly higher postpaid other net customer additions, primarily due to higher net additions from mobile internet devices and higher net additions from other connected devices. The increase in net additions from mobile internet devices was primarily due to higher prior year deactivations of lower Average Revenue Per User (ARPU) mobile internet devices in the educational sector that were activated during the coronavirus pandemic and no longer needed. The increase in postpaid other net customer additions was mostly offset by lower net additions from wearables and lower net additions from High Speed Internet, primarily driven by increased deactivations from a growing customer base and lower gross additions driven by sunsetting of promotional pricing, partially offset by a lower churn rate. In addition, postpaid net customer additions included slightly higher postpaid phone net customer additions, primarily due to higher gross additions and higher prepaid to postpaid migrations, mostly offset by increased deactivations from a growing customer base. High Speed Internet net customer additions included in postpaid other net customer additions were 1.1 million and 1.4 million in the nine months ended September 30, 2024 and 2023, respectively.

Prepaid net customer additions were 155 thousand in the nine months ended September 30, 2024, compared to 229 thousand in the nine months ended September 30, 2023. The decrease was primarily driven by continued moderation of prepaid industry growth, lower net additions from High Speed Internet and higher prepaid to postpaid migrations, partially offset by higher net additions following the Ka'ena Acquisition. High Speed Internet net customer additions included in prepaid net customer additions were 137 thousand and 192 thousand in the nine months ended September 30, 2024 and 2023, respectively.

Development of operations

millions of €		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue		**54,584**	**53,455**	**2.1**	**18,009**	**18,282**	**18,293**	**17,638**	**3.7**	**72,436**
Service revenue		**45,280**	**43,508**	**4.1**	**14,827**	**15,238**	**15,215**	**14,606**	**4.2**	**58,522**
EBITDA		24,840	22,469	10.6	8,031	8,462	8,346	7,436	12.2	30,038
Special factors affecting EBITDA		(218)	(1,090)	80.0	(111)	4	(111)	(574)	80.6	(1,286)
EBITDA (adjusted for special factors)		25,058	23,559	6.4	8,142	8,458	8,458	8,010	5.6	31,324
EBITDA AL		21,120	18,552	13.8	6,802	7,212	7,107	6,184	14.9	24,840
Special factors affecting EBITDA AL		(294)	(1,329)	77.9	(130)	(25)	(138)	(608)	77.2	(1,569)
EBITDA AL (adjusted for special factors)		**21,414**	**19,882**	**7.7**	**6,932**	**7,237**	**7,245**	**6,791**	**6.7**	**26,409**
Core EBITDA AL (adjusted for special factors)[a]		21,339	19,640	8.6	6,900	7,213	7,226	6,745	7.1	26,130
EBITDA AL margin (adjusted for special factors)	%	39.2	37.2		38.5	39.6	39.6	38.5		36.5
Depreciation, amortization and impairment losses		(11,655)	(11,578)	(0.7)	(4,003)	(3,907)	(3,745)	(3,808)	1.7	(15,551)
Profit (loss) from operations (EBIT)		**13,185**	**10,891**	**21.1**	**4,028**	**4,555**	**4,601**	**3,628**	**26.8**	**14,487**
EBIT margin	%	24.2	20.4		22.4	24.9	25.2	20.6		20.0
Cash capex		(8,529)	(7,830)	(8.9)	(2,476)	(2,042)	(4,011)	(2,378)	(68.7)	(10,053)
Cash capex (before spectrum investment)		**(6,146)**	**(7,577)**	**18.9**	**(2,420)**	**(1,907)**	**(1,820)**	**(2,218)**	**17.9**	**(9,060)**

[a] Adjusted core EBITDA AL is distinguished by excluding revenue from terminal equipment leases from adjusted EBITDA AL, thereby presenting operational development undistorted by the withdrawal from the terminal equipment lease business.

Revenue, service revenue

Total revenue for the United States operating segment of EUR 54.6 billion in the nine months ended September 30, 2024, increased by 2.1 %, compared to EUR 53.5 billion in the nine months ended September 30, 2023. In U.S. dollars, T-Mobile US' total revenue increased by 2.5 % during the same period. Total revenue increased primarily due to higher service revenues, partially offset by lower equipment revenues and lower other revenues. The components of these changes are described below.

Service revenues increased in the nine months ended September 30, 2024, by 4.1 % to EUR 45.3 billion. In U.S. dollars, T-Mobile US' service revenues increased by 4.4 % during the same period. This increase resulted from higher postpaid revenues, primarily due to higher average postpaid accounts and higher postpaid Average Revenue per Account (ARPA). In addition, service revenues increased from higher prepaid revenues, primarily due to higher average prepaid customers, primarily from the prepaid customers acquired through the Ka'ena Acquisition, partially offset by lower prepaid ARPU. This increase was partially offset by lower wholesale and other service revenues, primarily from lower MVNO revenues, lower Affordable Connectivity Program and Lifeline revenues, and lower Wireline revenues due to the sale of the Wireline Business on May 1, 2023. The decrease in MVNO revenues includes the impact from the Ka'ena Acquisition, and lower DISH and TracFone MVNO revenue.

Equipment revenues decreased in the nine months ended September 30, 2024, primarily from a net decrease in the total number of devices sold, driven by lower prepaid and government assistance program devices, partially offset by higher postpaid devices. This decrease was partially offset by higher average revenue per device sold, net of promotions, primarily driven by an increase in the high-end phone mix. In addition, equipment revenues decreased due to a decrease in lease revenues, primarily due to a lower number of customer devices under lease as a result of the continued strategic shift in device financing from leasing to equipment installment plans (EIP). The decrease in equipment revenues was partially offset by an increase in liquidation revenue, primarily due to a higher number of in-house liquidated devices, including the impact from the transition of certain device recovery programs from external sources to in-house processing.

Other revenues decreased in the nine months ended September 30, 2024, primarily from the transition of certain device recovery programs from external sources to in-house processing, resulting in a change in presentation to equipment revenues.

Adjusted EBITDA AL, EBITDA AL

In euros, adjusted EBITDA AL increased by 7.7 % to EUR 21.4 billion in the nine months ended September 30, 2024, compared to EUR 19.9 billion in the nine months ended September 30, 2023. The adjusted EBITDA AL margin increased to 39.2 % in the nine months ended September 30, 2024, compared to 37.2 % in the nine months ended September 30, 2023. In U.S. dollars, adjusted EBITDA AL increased 8.1 % during the same period. Adjusted EBITDA AL increased primarily due to higher service revenues, as discussed above, lower costs due to the sale of the Wireline Business on May 1, 2023, lower employee costs, primarily due to reduced headcount, and higher Sprint Merger-related synergies. The increase in adjusted EBITDA AL was partially offset by lower equipment revenues, as discussed above, and higher site costs related to the continued build-out of the T-Mobile US nationwide 5G network. In U.S. dollars, lease revenues decreased as a result of the continued strategic shift in device financing from leasing to EIP by 68.7 % in the nine months ended September 30, 2024.

In euros, adjusted core EBITDA AL increased by 8.6 % to EUR 21.3 billion in the nine months ended September 30, 2024, compared to EUR 19.6 billion in the nine months ended September 30, 2023. In U.S. dollars, adjusted core EBITDA AL increased by 9.0 % during the same period. The increase was primarily due to the fluctuation in adjusted EBITDA AL as discussed above, excluding the change in lease revenues.

EBITDA AL in the nine months ended September 30, 2024, included special factors of EUR -0.3 billion compared to EUR -1.3 billion in the nine months ended September 30, 2023. The change in special factors was primarily due to lower Sprint Merger-related costs and severance and related costs associated with the August 2023 workforce reduction recognized in the prior year. The change in special factors was also impacted by other special items including certain severance, restructuring, and other expenses, gains and losses, not directly attributable to the Sprint Merger which are not reflective of T-Mobile US' core business activities recognized in the nine months ended September 30, 2023. Overall, EBITDA AL increased by 13.8 % to EUR 21.1 billion in the nine months ended September 30, 2024, compared to EUR 18.6 billion in the nine months ended September 30, 2023, primarily due to the factors described above, including special factors.

Profit/loss from operations (EBIT)

EBIT increased by 21.1 % to EUR 13.2 billion in the nine months ended September 30, 2024, compared to EUR 10.9 billion in the nine months ended September 30, 2023. In U.S. dollars, EBIT increased by 21.5 % during the same period primarily due to higher EBITDA AL, slightly offset by higher depreciation, amortization and impairment losses. In U.S. dollars, depreciation, amortization and impairment losses increased by 1.0 % primarily due to higher depreciation expense from the acceleration of certain technology assets in the first half of 2024 as T-Mobile US continues to modernize its network, technology systems, and platforms and from the continued build-out of its nationwide 5G network.

Cash capex (before spectrum investment), cash capex

Cash capex (before spectrum investment) decreased by 18.9 % to EUR 6.1 billion in the nine months ended September 30, 2024, compared to EUR 7.6 billion in the nine months ended September 30, 2023. In U.S. dollars, cash capex (before spectrum investment) decreased by 18.5 % due to a decrease in purchases of property and equipment, primarily due to increased capital efficiencies from accelerated investments in the T-Mobile US nationwide 5G network in previous years.

Cash capex increased by 8.9 % to EUR 8.5 billion in the nine months ended September 30, 2024, compared to EUR 7.8 billion in the nine months ended September 30, 2023. In U.S. dollars, cash capex increased by 9.8 % primarily due to an increase in purchases of spectrum licenses, primarily for the first tranche of 600 MHz licenses purchased from Channel 51. The increase was partially offset by lower purchases of property and equipment as discussed above.

Europe
Customer development

thousands

		Sept. 30, 2024	June 30, 2024	Change Sept. 30, 2024/ June 30, 2024 %	Dec. 31, 2023	Change Sept. 30, 2024/ Dec. 31, 2023 %	Sept. 30, 2023	Change Sept. 30, 2024/ Sept. 30, 2023 %
Europe, total [a]	Mobile customers	49,712	49,287	0.9	47,853	3.9	47,949	3.7
	Contract customers	27,764	27,588	0.6	27,222	2.0	26,976	2.9
	Prepaid customers	21,948	21,699	1.1	20,631	6.4	20,973	4.7
	Fixed-network lines	8,045	8,033	0.1	8,020	0.3	7,995	0.6
	Broadband customers	7,146	7,099	0.7	6,989	2.3	6,913	3.4
	Television (IPTV, satellite, cable)	4,375	4,334	0.9	4,283	2.1	4,246	3.0
	Unbundled local loop lines (ULL)/Wholesale PSTN	1,490	1,537	(3.1)	1,614	(7.7)	1,651	(9.8)
	Wholesale broadband lines	1,167	1,157	0.9	1,121	4.1	1,099	6.2
Greece	Mobile customers	7,185	7,189	(0.1)	7,119	0.9	7,317	(1.8)
	Fixed-network lines	2,587	2,602	(0.6)	2,617	(1.1)	2,615	(1.1)
	Broadband customers	2,400	2,407	(0.3)	2,405	(0.2)	2,392	0.3
Romania	Mobile customers	3,547	3,601	(1.5)	3,798	(6.6)	3,899	(9.0)
Hungary	Mobile customers	6,389	6,389	0.0	6,246	2.3	6,168	3.6
	Fixed-network lines	1,951	1,943	0.4	1,936	0.8	1,924	1.4
	Broadband customers	1,637	1,622	0.9	1,592	2.8	1,573	4.1
Poland	Mobile customers	12,738	12,641	0.8	12,592	1.2	12,545	1.5
	Fixed-network lines	29	29	(0.7)	29	(0.2)	29	(0.5)
	Broadband customers	324	305	6.2	260	24.2	234	38.3
Czech Republic	Mobile customers	6,512	6,502	0.1	6,523	(0.2)	6,497	0.2
	Fixed-network lines	806	789	2.2	763	5.6	752	7.1
	Broadband customers	497	485	2.4	463	7.4	456	9.0
Croatia	Mobile customers	2,589	2,408	7.5	2,336	10.9	2,391	8.3
	Fixed-network lines	868	868	(0.1)	870	(0.3)	870	(0.3)
	Broadband customers	669	666	0.4	661	1.1	659	1.5
Slovakia	Mobile customers	2,524	2,528	(0.1)	2,525	0.0	2,503	0.9
	Fixed-network lines	851	852	(0.1)	860	(1.1)	859	(1.0)
	Broadband customers	661	659	0.4	657	0.6	654	1.1
Austria [a]	Mobile customers	6,345	6,270	1.2	4,975	27.5	4,805	32.0
	Fixed-network lines	612	611	0.2	607	0.9	609	0.5
	Broadband customers	667	667	0.0	665	0.3	664	0.5
Other [b]	Mobile customers	1,882	1,759	7.0	1,738	8.3	1,824	3.2
	Fixed-network lines	342	339	0.8	338	1.2	337	1.4
	Broadband customers	292	288	1.4	285	2.6	283	3.4

[a] Since January 1, 2024, customers of a wholesale service provider are reported as prepaid customers in Austria. Prior-year comparatives were not adjusted retrospectively in this context.

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

Total

In the Europe operating segment, almost all key performance indicators for customer development posted improvement compared with the end of 2023. Our convergent product portfolio generated growth of 4.3 % in FMC customers thanks to ongoing demand. We are working flat out to build out our fixed-network infrastructure with state-of-the-art optical fiber. The number of broadband customers increased by 2.3 %. The number of mobile customers increased by 3.9 %. Our build-out of the 5G network is making good progress.

Mobile communications

We had a total of 49.7 million mobile customers at the end of the first nine months of 2024 – an increase of 3.9 % compared with the end of 2023. The number of contract customers increased by 2.0 %. The contract customer base grew in almost all of our national companies, but especially in Poland, Greece, Croatia, and the Czech Republic. Overall, contract customers accounted for 55.8 % 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 September 30, 2024, our national companies covered 72.4 % of the population on average with 5G, a further increase against the prior year.

The prepaid customer base grew by 6.4 % compared with the end of 2023. Since January 1, 2024, customers of a wholesale service provider have been reported as prepaid customers in Austria. Without this effect, the number of prepaid customers increased by 0.9 % year-on-year. We convinced a portion of our prepaid customers to switch to higher-value contract rate plans.

Fixed network

The broadband business increased by 2.3 % compared with the end of 2023 to a total of 7.1 million customers. This growth is mainly driven by the national companies in Poland, Hungary, and the Czech Republic. By continuing to invest in optical fiber, we are systematically building out our fixed-network infrastructure. As of the end of the first nine months of 2024, 9.7 million households, which is around 600 thousand additional households, had access to our high-performance fiber-optic network offering gigabit speeds. The number of fixed-network lines subscribed to remained stable at 8.0 million lines as of September 30, 2024.

The TV and entertainment business had 4.4 million customers in total at the end of the first nine months of 2024, posting growth of 2.1 % compared with the end of the prior year. In the third quarter of 2024, our Greek national company reached an agreement with competitor Nova; this provides for our TV customers in Greece who subscribe to a Sports package will in future be able to watch all Novasports channels for a minimal extra charge. The TV market is already saturated in many of the countries in our segment, where TV services are offered not only by telecommunications companies, but also by OTT players.

FMC – fixed-mobile convergence and digitalization

Our portfolio of convergent products, MagentaOne, was highly popular with consumers across all of our national companies. As of September 30, 2024, we had 8.0 million FMC customers; this corresponds to growth of 4.3 % compared with the end of the prior year. Almost all of our national companies, but in particular in Poland, Greece, Hungary, and the Czech Republic, contributed to this growth. The customer base in Slovakia was smaller due to optimizations to the FMC product portfolio there. At the end of the first nine months of 2024, FMC customers accounted for 64.1 % of the broadband customer base. 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. Our service app is used by 70.8 % of our consumers.

Development of operations

millions of €		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue		**9,142**	**8,678**	**5.3**	**2,959**	**3,073**	**3,110**	**2,995**	**3.9**	**11,790**
Greece		2,491	2,334	6.7	812	846	833	812	2.6	3,189
Romania		199	209	(4.8)	66	67	66	71	(6.6)	287
Hungary		1,663	1,479	12.4	525	564	573	513	11.8	2,031
Poland		1,222	1,113	9.8	395	402	425	383	11.0	1,522
Czech Republic		916	982	(6.7)	301	308	307	333	(7.5)	1,280
Croatia		747	709	5.4	233	247	267	257	4.1	956
Slovakia		630	602	4.7	206	213	212	201	5.3	825
Austria		1,096	1,068	2.6	361	363	372	367	1.4	1,458
Other [a]		234	240	(2.7)	75	77	81	84	(2.8)	319
Service revenue		**7,662**	**7,209**	**6.3**	**2,455**	**2,585**	**2,622**	**2,494**	**5.1**	**9,739**
EBITDA		3,685	3,394	8.6	1,179	1,206	1,300	1,197	8.6	4,496
Special factors affecting EBITDA		(51)	(63)	19.1	(19)	(26)	(6)	(18)	63.9	(94)
EBITDA (adjusted for special factors)		3,735	3,456	8.1	1,198	1,231	1,306	1,215	7.6	4,590
EBITDA AL		3,306	3,040	8.7	1,050	1,082	1,174	1,078	8.9	4,020
Special factors affecting EBITDA AL		(51)	(63)	19.1	(19)	(26)	(6)	(18)	63.9	(94)
EBITDA AL (adjusted for special factors)		**3,356**	**3,102**	**8.2**	**1,069**	**1,108**	**1,180**	**1,095**	**7.7**	**4,114**
Greece		1,003	988	1.5	323	327	353	348	1.6	1,325
Romania		0	13	n.a.	3	0	(3)	5	n.a.	17
Hungary		593	443	33.8	178	210	205	169	21.5	600
Poland		332	299	11.0	104	113	115	103	11.1	393
Czech Republic		371	354	4.8	131	115	125	108	15.0	470
Croatia		287	274	4.9	86	87	114	111	3.2	367
Slovakia		294	255	15.1	96	103	95	85	11.1	350
Austria		427	411	3.8	138	140	149	148	0.7	529
Other [a]		50	65	(23.0)	10	12	28	19	46.1	61
EBITDA AL margin (adjusted for special factors)	%	36.7	35.8		36.1	36.0	37.9	36.6		34.9
Depreciation, amortization and impairment losses		(1,887)	(1,880)	(0.4)	(638)	(634)	(615)	(629)	2.3	(2,524)
Profit (loss) from operations (EBIT)		**1,798**	**1,513**	**18.8**	**541**	**571**	**685**	**567**	**20.8**	**1,973**
EBIT margin	%	19.7	17.4		18.3	18.6	22.0	18.9		16.7
Cash capex		(1,430)	(1,529)	6.4	(484)	(497)	(449)	(476)	5.6	(2,049)
Cash capex (before spectrum investment)		**(1,389)**	**(1,322)**	**(5.0)**	**(483)**	**(457)**	**(449)**	**(433)**	**(3.6)**	**(1,766)**

The contributions of the national companies correspond to their respective unconsolidated financial statements and do not take consolidation effects at operating segment level into account.

[a] "Other": national companies in North Macedonia, Montenegro, and the GTS Central Europe group in Romania, as well as the Europe Headquarters.

Revenue, service revenue

Our Europe operating segment generated revenue of EUR 9.1 billion in the first nine months of 2024, a year-on-year increase of 5.3 %. In organic terms, revenue increased by 5.5 %. Service revenues grew by 6.3 % year-on-year, or by 5.9 % in organic terms.

The organic growth in service revenues was due on the one hand to the strong performance of the mobile business on the back of a larger contract customer base and higher revenue per customer in several countries. On the other hand, the year-on-year increase in fixed-network service revenues additionally contributed to this growth. 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. In addition to higher revenues from wholesale, the IT business also made a positive revenue contribution. Regulatory interventions such as the reduction in termination rates had a negative impact on our organic development of revenue in the reporting period. Contract customer additions also had positive effects on terminal equipment revenues.

All countries apart from Romania contributed to the growth in service revenue in organic terms, with our national companies in Hungary, Greece, Poland, and Slovakia recording the strongest development in absolute terms by country.

Service revenues from **Consumers** increased in organic terms by 5.5 % year-on-year. In mobile communications, both service revenues and mobile terminal equipment sales were up. 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. The higher number of FMC customers additionally had a positive impact on revenue.

Service revenues from **Business Customers** grew on an organic basis by 7.7 % against the prior-year period, with Greece, Hungary, Croatia, and Poland making the largest contribution. All product areas – mobile communications, fixed network, and systems solutions – recorded growth. The mobile contract customer base grew by 2.0 %, with almost all of our national companies, but in particular Poland, Romania, Austria, and Greece contributing to this growth. In the fixed-network business, the number of broadband customers rose by 5.7 %. Fixed-network revenues grew by 3.8 % overall, with the strongest growth recorded in the segment of smaller business customers. This offset the decline in voice telephony revenues in the corporate customer segment in Greece. IT revenues grew strongly compared with the prior-year period by 17.0 %, due to an increase in systems solutions business and data communication, especially in connection with EU-funded projects in Greece's public sector. Digital Infrastructure developed positively as a result of the expansion of capacities and strong growth in the cloud and security solutions business.

Adjusted EBITDA AL, EBITDA AL

The sound operational development in the mobile, fixed-network, and IT businesses more than offset the inflation-induced cost increases. This led to strong year-on-year growth of 8.2 % in adjusted EBITDA AL to EUR 3.4 billion in the first nine months of 2024. In organic terms, adjusted EBITDA AL grew by 8.4 %, with a positive net margin sufficient to more than offset higher indirect costs that resulted primarily from the inflation-induced increase in salaries.

Looking at the development by country, the increase in adjusted organic EBITDA AL was attributable to positive absolute trends, in particular at our national companies in Hungary, Slovakia, the Czech Republic, Greece, and Austria. These increases were partially offset by declines in Romania.

At EUR 3.3 billion, EBITDA AL increased by 8.7 % against the prior-year period. The expense arising from special factors decreased year-on-year.

Development of operations in selected countries

Greece. Revenues in Greece amounted to EUR 2.5 billion in the first nine months of 2024, a significant year-on-year increase of 6.7 %. In organic terms, revenues increased by 6.8 %. This development is largely due to higher service revenues, mainly from IT and wholesale, but also from the mobile, broadband, and TV businesses. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. Traditional voice telephony revenues continued to decline in line with expectations. By contrast, terminal equipment revenues from contract customer additions contributed to the growth in revenue. Our convergence products performed well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 1.0 billion, up 1.5 % year-on-year, driven by a higher net margin. Higher indirect costs, e.g., for energy, reduced the positive effect.

Hungary. Revenues in Hungary totaled EUR 1.7 billion in the first three quarters of 2024, which corresponds to substantial growth of 12.4 % despite unfavorable exchange rate effects. In organic terms, revenue was up against the prior-year period by 15.4 %. This development was driven mainly by the fixed network business, in part on the back of further growth in the customer base, and by higher mobile service revenues. IT revenues also posted significant growth. Thanks to our increased investments in the build-out of fiber-optic lines, our offers have won over large numbers of customers. This growth in the customer base additionally drove an increase in terminal equipment sales. Our convergence products also continued to perform well, with further customer additions and corresponding revenue.

Adjusted EBITDA AL stood at EUR 593 million, 33.8 % above the prior-year level. In organic terms, adjusted EBITDA AL grew by 37.7 %. This marked increase was due to a significantly higher net margin from the positive development in operating business, as well as to the repeal of the special tax levied on owners of telecommunications cables (utility tax).

Poland. In the first nine months of 2024, revenue in Poland totaled EUR 1.2 billion, an increase of 9.8 %. Excluding positive exchange rate effects, revenue increased by 3.2 %. Mobile service revenues recorded the strongest growth. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. Broadband revenues from the fixed-network business also posted significant increases. Both trends are the result of growth in the respective customer bases. The number of FMC customers increased substantially again, with a corresponding positive impact on revenues. This was partially offset by lower revenues from the IT business. The decline in other revenues is predominantly attributable to a positive one-time effect in the prior year.

Adjusted EBITDA AL stood at EUR 332 million, 11.0 % above the prior-year level. In organic terms, adjusted EBITDA AL grew by 4.4 %, due to a higher net margin, which more than offset the increase in indirect costs.

Czech Republic. Revenues in the Czech Republic stood at EUR 916 million in the first three quarters of 2024, down by 6.7 % against the prior-year period. Excluding negative exchange rate effects, the decrease was 1.8 %. Other revenues declined as a result of the termination of a business relationship. Service revenues were up 2.8 % in organic terms, mainly due to increases in the mobile, broadband, and TV businesses, driven by growth in the respective customer bases. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. The number of FMC customers also grew in the reporting period. IT revenues declined.

Adjusted EBITDA AL increased by 4.8 % year-on-year to EUR 371 million. In organic terms, earnings grew by 10.4 % on the back of a higher net margin driven by higher mobile and fixed-network service revenues.

Austria. Revenue generated in Austria grew by 2.6 % to reach EUR 1.1 billion in the first nine months of 2024. In organic terms, the increase was 2.4 %. This development was driven by higher service revenues from mobile and broadband businesses on account of increases in the respective customer bases. However, mobile revenues were affected by termination rate cuts imposed by the regulatory authority. The number of FMC customers also grew in the reporting period, contributing to the increase in service revenues. Revenue from IT business increased slightly.

Adjusted EBITDA AL increased by 3.8 % year-on-year to EUR 427 million. In organic terms, earnings grew by 3.6 %, driven mainly by a revenue-related increase in the net margin, which was partially offset by higher indirect costs.

Profit/loss from operations (EBIT)

Our Europe operating segment recorded an increase in EBIT of 18.8 % to EUR 1.8 billion in the first three quarters of 2024, mainly due to the 8.6 % increase in EBITDA. Depreciation, amortization and impairment losses remained stable.

Cash capex (before spectrum investment), cash capex

In the first nine months of 2024, our Europe operating segment reported cash capex (before spectrum investment) of EUR 1.4 billion, up 5.0 % year-on-year. This increase is attributable to both higher investments and the timing of their allocation. Cash capex decreased by 6.4 % due to lower payments for spectrum compared with the prior-year period. We continue to invest in the provision of broadband, fiber-optic technology, and 5G as part of our integrated network strategy.

Systems Solutions

Order entry

millions of €

	Q1-Q3 2024	H1 2024	FY 2023	Q1-Q3 2023	Change Q1-Q3 2024/ Q1-Q3 2023 %
Order entry	2,650	1,780	3,628	2,241	18.2

Development of business

In the first nine months of 2024, our systems solutions business continued to focus on growth and future viability.

Order entry in our Systems Solutions operating segment was up by 18.2 % year-on-year in the first nine months of 2024. This development is mainly attributable to increased order entry in the Cloud and Digital portfolio areas.

Development of operations

millions of €		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue		**2,966**	**2,865**	**3.5**	**993**	**981**	**991**	**960**	**3.3**	**3,896**
Of which: external revenue		2,506	2,390	4.9	843	831	832	802	3.8	3,258
Service revenue		**2,878**	**2,792**	**3.1**	**973**	**947**	**958**	**937**	**2.3**	**3,796**
EBITDA		253	229	10.4	77	78	98	75	31.8	272
Special factors affecting EBITDA		(82)	(86)	4.6	(23)	(32)	(27)	(35)	24.0	(144)
EBITDA (adjusted for special factors)		335	315	6.3	100	110	125	109	14.1	416
EBITDA AL		185	159	16.0	54	55	76	51	48.0	177
Special factors affecting EBITDA AL		(82)	(86)	4.6	(23)	(32)	(27)	(35)	24.0	(144)
EBITDA AL (adjusted for special factors)		**267**	**245**	**8.8**	**77**	**87**	**102**	**86**	**18.9**	**321**
EBITDA AL margin (adjusted for special factors)	%	9.0	8.6		7.8	8.9	10.3	9.0		8.3
Depreciation, amortization and impairment losses		(177)	(209)	15.3	(59)	(59)	(59)	(91)	34.9	(344)
Profit (loss) from operations (EBIT)		**76**	**20**	**n.a.**	**18**	**19**	**39**	**(16)**	**n.a.**	**(71)**
Special factors affecting EBIT		(97)	(132)	26.6	(30)	(37)	(30)	(70)	56.6	(270)
EBIT (adjusted for special factors)		173	152	13.7	48	55	70	54	29.1	198
EBIT margin (adjusted for special factors)	%	5.8	5.3		4.8	5.6	7.0	5.6		5.1
Cash capex		(170)	(166)	(2.3)	(63)	(61)	(47)	(46)	(1.2)	(210)
Cash capex (before spectrum investment)		**(170)**	**(166)**	**(2.3)**	**(63)**	**(61)**	**(47)**	**(46)**	**(1.2)**	**(210)**

Revenue, service revenue

Revenue in our Systems Solutions operating segment was up by 3.5 % year-on-year in the first nine months of 2024 to EUR 3.0 billion, mainly due to growth in the Cloud, Digital, and Road Charging portfolio areas. External revenue increased by 4.9 %, also driven by the Cloud, Digital, and Road Charging portfolio areas. Service revenue also developed positively, increasing by 3.1 %.

Adjusted EBITDA AL, EBITDA AL

In the first nine months of 2024, adjusted EBITDA AL at our Systems Solutions operating segment increased by 8.8 % year-on-year to EUR 267 million. The increase in adjusted EBITDA AL is mainly attributable to revenue growth in the Cloud and Digital areas. EBITDA AL increased by EUR 26 million compared with the prior-year period to EUR 185 million. The expense arising from special factors decreased by EUR 4 million year-on-year to EUR 82 million, mainly as a result of lower restructuring costs.

Profit/loss from operations (EBIT), adjusted EBIT

Adjusted EBIT in our Systems Solutions operating segment grew by EUR 21 million year-on-year in the first nine months of 2024, coming in at EUR 173 million, due to the reasons described under adjusted EBITDA AL. EBIT increased significantly year-on-year to EUR 76 million. This increase was due to both an operational improvement and to lower depreciation, amortization and impairment losses. The expense arising from special factors was EUR 97 million, a decrease of EUR 35 million year-on-year, mainly as a result of lower impairment losses.

Cash capex (before spectrum investment), cash capex

Cash capex in the Systems Solutions operating segment stood at EUR 170 million in the first nine months of 2024, up EUR 4 million against the prior-year period. This trend mainly resulted from higher cash capex in the Cloud portfolio area.

Group Development

Development of operations

millions of €		Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue		**6**	**108**	**(94.0)**	**2**	**4**	**0**	**2**	**(97.4)**	**115**
Of which: GD Towers		0	99	(100.0)	0	0	0	0	n.a.	99
Service revenue		**0**	**0**	**n.a.**	**0**	**0**	**0**	**0**	**n.a.**	**0**
EBITDA		(21)	13,008	n.a.	(4)	(4)	(12)	(5)	n.a.	13,220
Special factors affecting EBITDA		2	12,950	(100.0)	2	1	(1)	3	n.a.	13,170
EBITDA (adjusted for special factors)		(23)	58	n.a.	(6)	(5)	(12)	(7)	(56.9)	50
Of which: GD Towers		0	78	(100.0)	0	0	0	0	n.a.	78
EBITDA AL		(21)	13,003	n.a.	(4)	(4)	(12)	(5)	n.a.	13,215
Special factors affecting EBITDA AL		2	12,950	(100.0)	2	1	(1)	3	n.a.	13,170
EBITDA AL (adjusted for special factors)		**(23)**	**53**	**n.a.**	**(6)**	**(5)**	**(12)**	**(7)**	**(56.8)**	**45**
Of which: GD Towers		0	73	(100.0)	0	0	0	0	n.a.	73
EBITDA AL margin (adjusted for special factors)	%	n.a.	48.6		n.a.	n.a.	n.a.	n.a.		39.2
Depreciation, amortization and impairment losses		(2)	(2)	1.1	(1)	(1)	(1)	(1)	(34.6)	(2)
Profit (loss) from operations (EBIT)		**(23)**	**13,006**	**n.a.**	**(5)**	**(5)**	**(13)**	**(5)**	**n.a.**	**13,217**
Cash capex		(2)	(22)	90.3	(1)	(1)	(1)	(3)	71.2	(24)
Cash capex (before spectrum investment)		**(2)**	**(22)**	**90.3**	**(1)**	**(1)**	**(1)**	**(3)**	**71.2**	**(24)**

The sale of the GD Towers business entity was consummated on February 1, 2023. Since that date, GD Towers has no longer been part of the Group. The development of operations for the prior year contains the value contributions up to and including January 2023.

For further information on the presentation of GD Towers in the prior year, please refer to the section "Group organization, strategy, and management."

The comparison of the 2024 financial year with the prior year is significantly influenced by the sale of GD Towers. The gain on deconsolidation resulting from the transaction amounted to EUR 12.9 billion and is included in EBITDA and the associated performance indicators.

The goal of our Group Development operating segment is to actively manage entities and equity investments to grow their value. For this reason, entities such as Deutsche Telekom Capital Partners and Comfort Charge are assigned to this segment.

Group Headquarters & Group Services

Development of operations

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change %	Q1 2024	Q2 2024	Q3 2024	Q3 2023	Change %	FY 2023
Revenue	**1,659**	**1,718**	**(3.4)**	**546**	**561**	**552**	**588**	**(6.1)**	**2,305**
Service revenue	**715**	**756**	**(5.4)**	**236**	**240**	**239**	**274**	**(12.8)**	**1,024**
EBITDA	(458)	(297)	(54.1)	(138)	(182)	(138)	(44)	n.a.	(522)
Special factors affecting EBITDA	(191)	(92)	n.a.	(37)	(96)	(58)	(12)	n.a.	(199)
EBITDA (adjusted for special factors)	(267)	(205)	(30.1)	(101)	(86)	(80)	(32)	n.a.	(323)
EBITDA AL	(671)	(514)	(30.6)	(205)	(254)	(212)	(117)	(81.2)	(808)
Special factors affecting EBITDA AL	(191)	(92)	n.a.	(37)	(96)	(58)	(12)	n.a.	(199)
EBITDA AL (adjusted for special factors)	**(480)**	**(422)**	**(13.8)**	**(168)**	**(158)**	**(154)**	**(105)**	**(46.7)**	**(609)**
Depreciation, amortization and impairment losses	(914)	(995)	8.2	(301)	(304)	(309)	(325)	5.0	(1,352)
Profit (loss) from operations (EBIT)	**(1,372)**	**(1,293)**	**(6.1)**	**(439)**	**(485)**	**(447)**	**(370)**	**(21.0)**	**(1,874)**
Cash capex	(597)	(721)	17.3	(199)	(196)	(202)	(228)	11.5	(969)
Cash capex (before spectrum investment)	**(597)**	**(721)**	**17.3**	**(199)**	**(196)**	**(202)**	**(228)**	**11.5**	**(969)**

Revenue, service revenue

Revenue in our Group Headquarters & Group Services segment decreased in the reporting period by 3.4 %, mainly as a result of lower intragroup service revenues at Deutsche Telekom IT on account of a reduced revenue-relevant cost basis, which was primarily due to fewer commissions of IT projects. Furthermore, intragroup revenue from land and buildings declined due to the ongoing optimization of space.

Adjusted EBITDA AL, EBITDA AL

Adjusted EBITDA AL in the Group Headquarters & Group Services segment declined by EUR 58 million in the reporting period to EUR -480 million. This decrease is mainly due to a lower capitalization rate for own capitalized costs and higher infrastructure costs, both at Deutsche Telekom IT. Furthermore, revenue from land and buildings declined due to the ongoing optimization of space. These negative effects were offset in part by the lower operational expenses in our Group Services. Overall, special factors negatively affecting EBITDA AL – in particular due to staff-related measures – totaled EUR 191 million in the reporting period and EUR 92 million in the prior-year period.

Profit/loss from operations (EBIT)

The year-on-year decrease of EUR 79 million in EBIT to EUR -1,372 million was largely due to the decline in EBITDA AL. Depreciation, amortization and impairment losses were down by contrast, mainly in connection with declines in the licensing of the Group-wide ERP system, as well as by fewer commissions of IT projects.

Cash capex (before spectrum investment), cash capex

Cash capex decreased by EUR 124 million year-on-year, primarily due to lower cash capex in the Technology and Innovation Board of Management department on account of fewer commissions of IT projects.

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 2023 combined management report (2023 Annual Report) and the Interim Group Report as of June 30, 2024, we now expect to post higher adjusted EBITDA AL. Adjusted EBITDA AL for full-year 2024 was originally expected to come in at around EUR 42.9 billion. We now expect adjusted EBITDA AL for the Group to come in at around EUR 43.0 billion in the 2024 financial year. This is largely attributable to stronger-than-expected business performance outside of the United States. Here we now expect to post adjusted EBITDA AL of around EUR 14.5 billion, up from the previous guidance of EUR 14.4 billion. We are also raising our guidance for the United States operating segment by USD 50 million, still anticipating adjusted EBITDA AL of around USD 30.9 billion. We expect the Group's free cash flow AL (before dividend payments and spectrum investment) to come in at the already raised guidance of around EUR 19.0 billion.

All other statements made remain valid. Our planning assumes an unchanged U.S. dollar exchange rate of USD 1.08.

For more information on the business risks, please refer to the section "Risks and opportunities." For additional information and recent changes in the economic situation, please refer to the section "The economic environment." Readers are also referred to the "Disclaimer" at the end of this report.

Risks and opportunities

This section provides important additional information and explains recent changes in the risks and opportunities compared to those described in the 2023 combined management report (2023 Annual Report). Readers are also referred to the "Disclaimer" at the end of this report.

Corporate risks

Strategic implementation and integration. In Germany, the legislator adopted the Second Act to Increase the Security of Information Technology Systems, or the IT Security Act 2.0 (IT-Sicherheitsgesetz 2.0), in 2021. All 5G operators must notify the authorities of new critical components and the suppliers thereof in accordance with the catalog of security requirements pursuant to the Telecommunications Act and prior to first-time operation. If the Federal Government has security concerns, it can introduce a blanket ban on using certain manufacturers. Deutsche Telekom itself has long been scrutinizing security-critical components prior to installation and on an ongoing basis once in operation. In July 2024, the Federal Government and Germany's three biggest network operators agreed to replace all Huawei and ZTE components in the 5G core networks by the end of 2026 and the critical management systems of both manufacturers in the 5G access and transport networks by the end of 2029. Deutsche Telekom does not use ZTE components and has already phased out Huawei from its 5G core network. Deutsche Telekom is now developing software for managing and configuring its antennas and transport network to replace the proprietary software from Huawei. This also has the benefit of further driving forward the ongoing implementation of the Open RAN strategy. In other countries, such as Austria, the Czech Republic, and Poland, it is still possible that components from critical infrastructure suppliers may have to be replaced within specific deadlines. On the basis of the agreement with the German Federal Government, we are reducing the risk significance of the risk category "Strategic implementation and integration" from very high to high.

Other operational risks. In the course of renegotiations and contract adjustments with IFM Global Infrastructure Fund on the continuation of the joint fiber-optic rollout at the GlasfaserPlus build-out entity, Deutsche Telekom agreed to forgo the contingent consideration receivable. Since this was a materialization of the risk, we are correspondingly reducing the risk significance of the risk category "Other operational risks" from high to medium.

Litigation and anti-trust proceedings

Claims relating to charges for the shared use of cable ducts. In the claims filed by Vodafone Deutschland GmbH and Vodafone West GmbH against Telekom Deutschland GmbH alleging excessive charges for the use of cable ducts, which were referred by the Federal Court of Justice back to the responsible Higher Regional Courts, the plaintiffs have since updated their demands for relief. Vodafone Deutschland GmbH now puts its claim at around EUR 903 million plus interest for the period from January 2012 to December 2023; Vodafone West now puts its claim at around EUR 538 million plus interest for the period from January 2016 to April 2024. It is currently not possible to estimate the financial impact with sufficient certainty.

Proceedings against T-Mobile US in consequence of the cyberattack on T-Mobile US in August 2021. The derivative action brought in these proceedings by a purported shareholder against the members of the Board of Directors of T-Mobile US and against T-Mobile US as nominal defendant in September 2022 was dismissed in its entirety in May 2024. The plaintiff has appealed against this decision. In connection with the consumer class action in the Federal Court, the appeal filed by a class member against the awarding of lawyers' fees to the lawyer for the class was allowed in July 2024. Consequently, the court must rule again on the awarding. This has no impact on the agreement concluded in July 2022 to settle the consumer class action. T-Mobile US expects that the USD 315 million still outstanding from the original settlement amount of USD 350 million will be paid out at the end of November 2024. In addition, an agreement was reached on the inquiries made by the Federal Communications Commission (FCC).

Claims for damages against Deutsche Telekom AG, including due to insolvency of Phones4U. After the High Court of Justice in London rejected all claims made by Phones4U against all defendants in 2023 as well as an application for leave to lodge an appeal, Phones4U continued to pursue this application with the Court of Appeal. On March 26, 2024, the Court of Appeal allowed the appeal by Phones4U.

Assessment of the aggregate risk position

The aggregate risk position has improved compared with the risks and opportunities as described in the 2023 combined management report (2023 Annual Report), primarily due to the agreement with the Federal Government on removing Chinese-made technology from the 5G network. Our challenges continue to include in particular the regulatory factors, economic uncertainties, and intense competition, and the associated pressure on profitability in the telecommunications business, as well as the pressure to change arising from new technologies and strategic transformation. At the time of preparing this report, neither our risk management system nor our management could identify any material risks to the continued existence of Deutsche Telekom AG or a significant Group company as a going concern.

Interim consolidated financial statements

Consolidated statement of financial position

millions of €	Sept. 30, 2024	Dec. 31, 2023	Change	Change %	Sept. 30, 2023
Assets					
Current assets	**40,121**	**36,363**	**3,758**	**10.3**	**36,260**
Cash and cash equivalents	12,204	7,274	4,930	67.8	7,470
Trade receivables	14,340	16,157	(1,817)	(11.2)	15,713
Contract assets	2,574	2,426	148	6.1	2,513
Current recoverable income taxes	328	214	114	53.3	170
Other financial assets	4,824	5,453	(629)	(11.5)	5,333
Inventories	2,540	2,419	121	5.0	2,577
Other assets	2,292	2,210	82	3.7	2,239
Non-current assets and disposal groups held for sale	1,020	211	809	n.a.	245
Non-current assets	**248,487**	**253,942**	**(5,455)**	**(2.1)**	**266,253**
Intangible assets	135,725	136,004	(278)	(0.2)	141,048
Property, plant and equipment	63,392	65,042	(1,650)	(2.5)	66,142
Right-of-use assets	30,894	32,826	(1,932)	(5.9)	34,536
Capitalized contract costs	3,470	3,511	(41)	(1.2)	3,487
Investments accounted for using the equity method	6,056	4,605	1,451	31.5	7,402
Other financial assets	3,093	4,140	(1,047)	(25.3)	5,115
Deferred tax assets	4,211	6,401	(2,191)	(34.2)	7,049
Other assets	1,647	1,413	234	16.6	1,476
Total assets	**288,608**	**290,305**	**(1,697)**	**(0.6)**	**302,513**
Liabilities and shareholders' equity					
Current liabilities	**34,828**	**36,065**	**(1,237)**	**(3.4)**	**36,479**
Financial liabilities	11,500	9,620	1,880	19.5	9,285
Lease liabilities	5,435	5,649	(213)	(3.8)	5,792
Trade and other payables	7,718	10,916	(3,198)	(29.3)	10,223
Income tax liabilities	823	683	141	20.6	995
Other provisions	3,108	3,835	(726)	(18.9)	3,968
Other liabilities	4,067	3,444	623	18.1	4,180
Contract liabilities	2,177	1,919	257	13.4	2,036
Liabilities directly associated with non-current assets and disposal groups held for sale	0	0	0	n.a.	0
Non-current liabilities	**161,387**	**163,003**	**(1,616)**	**(1.0)**	**169,464**
Financial liabilities	96,378	94,903	1,476	1.6	99,495
Lease liabilities	32,991	35,144	(2,153)	(6.1)	36,828
Provisions for pensions and other employee benefits	3,297	4,060	(763)	(18.8)	3,625
Other provisions	4,227	4,265	(38)	(0.9)	3,648
Deferred tax liabilities	22,068	21,918	150	0.7	23,116
Other liabilities	1,367	1,872	(505)	(27.0)	1,896
Contract liabilities	1,058	840	218	25.9	856
Liabilities	**196,216**	**199,068**	**(2,852)**	**(1.4)**	**205,943**
Shareholders' equity	**92,393**	**91,237**	**1,156**	**1.3**	**96,570**
Issued capital	12,765	12,765	0	0.0	12,765
Treasury shares	(180)	(20)	(160)	n.a.	(27)
	12,585	**12,745**	**(160)**	**(1.3)**	**12,738**
Capital reserves	56,652	56,786	(135)	(0.2)	58,660
Retained earnings including carryforwards	(16,614)	(29,869)	13,255	44.4	(29,609)
Total other comprehensive income	(981)	(525)	(456)	(86.8)	1,432
Net profit (loss)	7,027	17,788	(10,761)	(60.5)	18,823
Issued capital and reserves attributable to owners of the parent	**58,669**	**56,925**	**1,743**	**3.1**	**62,044**
Non-controlling interests	33,724	34,312	(588)	(1.7)	34,526
Total liabilities and shareholders' equity	**288,608**	**290,305**	**(1,697)**	**(0.6)**	**302,513**

Consolidated income statement

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change %	Q3 2024	Q3 2023	Change %	FY 2023
Net revenue	**84,838**	**82,601**	**2.7**	**28,501**	**27,556**	**3.4**	**111,970**
Of which: interest income calculated using the effective interest method	486	495	(1.7)	153	161	(5.2)	662
Of which: revenue from insurance contracts	3,402	3,393	0.3	1,119	1,125	(0.5)	4,533
Other operating income	818	922	(11.2)	233	294	(20.8)	1,384
Changes in inventories	29	28	1.5	(5)	7	n.a.	(6)
Own capitalized costs	1,938	2,027	(4.4)	646	681	(5.2)	2,721
Goods and services purchased	(33,554)	(34,004)	1.3	(11,199)	(11,158)	(0.4)	(47,201)
Personnel costs	(14,077)	(14,431)	2.4	(4,614)	(4,845)	4.8	(19,077)
Other operating expenses	(4,288)	(3,693)	(16.1)	(1,594)	(1,205)	(32.2)	(5,019)
Impairment losses on financial assets, contract assets, and lease assets	(967)	(836)	(15.6)	(273)	(312)	12.6	(1,149)
Gains (losses) from the write-off of financial assets measured at amortized cost	(13)	(6)	n.a.	(5)	(2)	n.a.	(14)
Other	(3,308)	(2,850)	(16.1)	(1,316)	(891)	(47.7)	(3,856)
EBITDA	**35,703**	**33,451**	**6.7**	**11,968**	**11,330**	**5.6**	**44,772**
Depreciation, amortization and impairment losses	(17,900)	(17,804)	(0.5)	(5,830)	(5,904)	1.3	(23,975)
Profit (loss) from operations (EBIT)	**17,803**	**15,647**	**13.8**	**6,137**	**5,426**	**13.1**	**20,798**
Finance costs	(4,279)	(4,249)	(0.7)	(1,433)	(1,379)	(3.9)	(5,719)
Interest income	686	534	28.4	233	149	56.3	870
Interest expense	(4,965)	(4,783)	(3.8)	(1,667)	(1,529)	(9.0)	(6,588)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	1,309	14	n.a.	1,330	23	n.a.	(2,766)
Other financial income (expense)	(177)	(195)	9.5	(343)	(136)	n.a.	(345)
Profit (loss) from financial activities	**(3,147)**	**(4,430)**	**29.0**	**(446)**	**(1,492)**	**70.1**	**(8,829)**
Profit (loss) before income taxes	**14,656**	**11,217**	**30.7**	**5,691**	**3,934**	**44.7**	**11,968**
Income taxes	(3,571)	(2,941)	(21.4)	(1,273)	(1,000)	(27.2)	(3,672)
Profit (loss) after taxes from continuing operations	**11,086**	**8,276**	**33.9**	**4,418**	**2,933**	**50.6**	**8,296**
Profit (loss) after taxes from discontinued operation	**0**	**13,694**	**(100.0)**	**0**	**3**	**(100.0)**	**13,696**
Profit (loss)	**11,086**	**21,970**	**(49.5)**	**4,418**	**2,936**	**50.5**	**21,992**
Profit (loss) attributable to							
Owners of the parent (net profit (loss))	7,027	18,823	(62.7)	2,957	1,924	53.7	17,788
Non-controlling interests	4,059	3,147	28.9	1,461	1,013	44.3	4,204

The GD tower companies, which operated the cell tower business in Germany and Austria and were assigned to the Group Development operating segment, were recognized as a discontinued operation in the interim consolidated financial statements from the third quarter of 2022 until their sale on February 1, 2023.

Earnings per share

		Q1-Q3 2024	Q1-Q3 2023	Change %	Q3 2024	Q3 2023	Change %	FY 2023
Profit (loss) from continuing operations attributable to the owners of the parent (net profit (loss))	millions of €	7,027	5,129	37.0	2,957	1,921	54.0	4,092
Profit (loss) from discontinued operation attributable to the owners of the parent (net profit (loss))	millions of €	0	13,694	(100.0)	0	3	(100.0)	13,696
Profit (loss) attributable to the owners of the parent (net profit (loss))	millions of €	7,027	18,823	(62.7)	2,957	1,924	53.7	17,788
Adjusted weighted average number of ordinary shares outstanding (basic and diluted)	millions	4,948	4,975	(0.5)	4,927	4,976	(1.0)	4,976
Earnings per share from continuing operations (basic and diluted)	€	**1.42**	**1.03**	**37.8**	**0.60**	**0.39**	**55.5**	**0.82**
Earnings per share from discontinued operation (basic and diluted)	€	**0.00**	**2.75**	**(100.0)**	**0.00**	**0.00**	**(100.0)**	**2.75**
Earnings per share (basic and diluted)	€	**1.42**	**3.78**	**(62.5)**	**0.60**	**0.39**	**55.2**	**3.57**

The GD tower companies, which operated the cell tower business in Germany and Austria and were assigned to the Group Development operating segment, were recognized as a discontinued operation in the interim consolidated financial statements from the third quarter of 2022 until their sale on February 1, 2023.

Consolidated statement of comprehensive income

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change	Q3 2024	Q3 2023	Change	FY 2023
Profit (loss)	**11,086**	**21,970**	**(10,885)**	**4,418**	**2,936**	**1,482**	**21,992**
Items not subsequently reclassified to profit or loss (not recycled)							
Gains (losses) from the remeasurement of equity instruments	59	(35)	93	20	(18)	39	(70)
Gains (losses) from the remeasurement of defined benefit plans	678	467	211	(63)	251	(314)	18
Income taxes relating to components of other comprehensive income	(56)	(112)	57	86	(97)	183	63
	681	**320**	**361**	**43**	**136**	**(92)**	**12**
Items subsequently reclassified to profit or loss (recycled), if certain reasons are given							
Exchange differences on translating foreign operations							
Recognition of other comprehensive income in income statement	0	4	(4)	0	0	0	4
Change in other comprehensive income (not recognized in income statement)	(946)	568	(1,514)	(2,991)	1,434	(4,425)	(2,094)
Gains (losses) from the remeasurement of debt instruments							
Recognition of other comprehensive income in income statement	817	667	150	264	236	28	921
Change in other comprehensive income (not recognized in income statement)	(722)	(640)	(83)	(205)	(236)	31	(838)
Gains (losses) from hedging instruments (designated risk components)							
Recognition of other comprehensive income in income statement	(6)	(106)	100	92	(67)	159	(33)
Change in other comprehensive income (not recognized in income statement)	37	601	(564)	(383)	532	(916)	(251)
Gains (losses) from hedging instruments (hedging costs)							
Recognition of other comprehensive income in income statement	1	1	0	0	0	0	1
Change in other comprehensive income (not recognized in income statement)	(1)	(34)	33	0	(35)	35	(25)
Share of profit (loss) of investments accounted for using the equity method							
Recognition of other comprehensive income in income statement	0	0	0	(3)	0	(3)	(4)
Change in other comprehensive income (not recognized in income statement)	(10)	20	(30)	(33)	17	(50)	(22)
Income taxes relating to components of other comprehensive income	(31)	(156)	125	79	(136)	214	69
	(862)	**925**	**(1,787)**	**(3,181)**	**1,746**	**(4,927)**	**(2,273)**
Other comprehensive income	**(181)**	**1,245**	**(1,425)**	**(3,137)**	**1,882**	**(5,019)**	**(2,262)**
Total comprehensive income	**10,905**	**23,216**	**(12,311)**	**1,281**	**4,818**	**(3,537)**	**19,730**
Total comprehensive income attributable to							
Owners of the parent	7,194	19,759	(12,565)	1,259	3,025	(1,766)	16,531
Non-controlling interests	3,712	3,457	255	23	1,794	(1,771)	3,199

Consolidated statement of changes in equity

millions of €

	Issued capital and reserves attributable to owners of the parent													Total	Non-controlling interests	Total shareholders' equity
	Equity contributed			Consolidated shareholders' equity generated		Total other comprehensive income										
	Issued capital	Treasury shares	Capital reserves	Retained earnings including carry-forwards	Net profit (loss)	Translation of foreign operations	Revaluation surplus	Equity instruments measured at fair value through other comprehensive income (IFRS 9)	Debt instruments measured at fair value through other comprehensive income (IFRS 9)	Hedging instruments: designated risk components (IFRS 9)	Hedging instruments: hedging costs (IFRS 9)	Investments accounted for using the equity method	Taxes			
Balance at January 1, 2023	**12,765**	**(35)**	**61,532**	**(34,489)**	**8,001**	**221**	**0**	**109**	**(50)**	**695**	**35**	**0**	**(227)**	**48,558**	**38,762**	**87,320**
Changes in the composition of the Group														0	(4)	(4)
Transactions with owners			(3,139)			106			(3)	(44)			14	(3,065)	(7,350)	(10,415)
Unappropriated profit (loss) carried forward				8,001	(8,001)									0	0	0
Dividends				(3,483)										(3,483)	(545)	(4,028)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			267											267	207	474
Share buy-back/shares held in a trust deposit		8												8	0	8
Profit (loss)					18,823									18,823	3,147	21,970
Other comprehensive income				356		320		(35)	14	424	(34)	20	(130)	936	310	1,245
Total comprehensive income														**19,759**	**3,457**	**23,216**
Transfer to retained earnings				6				(6)						0	0	0
Balance at September 30, 2023	**12,765**	**(27)**	**58,660**	**(29,609)**	**18,823**	**648**	**0**	**69**	**(39)**	**1,075**	**2**	**20**	**(342)**	**62,044**	**34,526**	**96,570**
Balance at January 1, 2024	**12,765**	**(20)**	**56,786**	**(29,869)**	**17,788**	**(720)**	**0**	**36**	**(10)**	**291**	**12**	**(26)**	**(108)**	**56,925**	**34,312**	**91,237**
Changes in the composition of the Group														0	(1)	(1)
Transactions with owners			(414)			(15)				1				(429)	(2,803)	(3,232)
Unappropriated profit (loss) carried forward				17,788	(17,788)									0	0	0
Dividends				(3,817)										(3,817)	(1,748)	(5,564)
Capital increase at Deutsche Telekom AG														0	0	0
Capital increase from share-based payment			279											279	252	532
Share buy-back/shares held in a trust deposit		(160)		(1,324)										(1,485)	0	(1,485)
Profit (loss)					7,027									7,027	4,059	11,086
Other comprehensive income				610		(514)		57	48	(21)	3	(10)	(6)	167	(347)	(181)
Total comprehensive income														**7,194**	**3,712**	**10,905**
Transfer to retained earnings				(2)				2						0	0	0
Balance at September 30, 2024	**12,765**	**(180)**	**56,652**	**(16,614)**	**7,027**	**(1,250)**		**96**	**38**	**271**	**14**	**(37)**	**(114)**	**58,669**	**33,724**	**92,393**

Consolidated statement of cash flows

millions of €

	Q1-Q3 2024	Q1-Q3 2023	Change	Q3 2024	Q3 2023	Change	FY 2023
Profit (loss) before income taxes	**14,656**	**24,205**	**(9,549)**	**5,691**	**3,937**	**1,754**	**24,957**
Depreciation, amortization and impairment losses	17,900	17,804	96	5,830	5,904	(74)	23,975
(Profit) loss from financial activities	3,147	4,446	(1,299)	446	1,492	(1,046)	8,845
(Profit) loss on the disposal of fully consolidated subsidiaries	2	(12,927)	12,929	2	(3)	5	(12,927)
(Income) loss from the sale of stakes accounted for using the equity method	0	(15)	15	0	0	0	(235)
Other non-cash transactions	1,029	485	544	651	137	514	543
(Gains) losses from the disposal of intangible assets and property, plant and equipment	(13)	15	(28)	(27)	12	(39)	43
Change in assets carried as operating working capital	1,584	1,206	378	58	(106)	164	720
Change in other operating assets	(278)	(452)	173	242	(100)	341	(611)
Change in provisions	(949)	(845)	(104)	18	390	(372)	(821)
Change in liabilities carried as operating working capital	(1,580)	(1,206)	(374)	(421)	(403)	(19)	(500)
Change in other operating liabilities	506	816	(310)	(26)	51	(77)	212
Income taxes received (paid)	(1,062)	(785)	(277)	(359)	(317)	(43)	(1,312)
Dividends received	6	9	(3)	3	5	(2)	31
Net payments from entering into, canceling or changing the terms and conditions of interest rate derivatives	7	(31)	38	0	0	0	(94)
Cash generated from operations	**34,955**	**32,725**	**2,230**	**12,107**	**11,000**	**1,107**	**42,826**
Interest paid	(6,016)	(5,706)	(311)	(1,787)	(1,823)	36	(7,729)
Interest received	1,765	1,537	228	489	514	(25)	2,201
Net cash from operating activities	**30,703**	**28,556**	**2,148**	**10,810**	**9,692**	**1,118**	**37,298**
Of which: from discontinued operation	0	80	(80)	0	0	0	80
Cash outflows for investments in							
Intangible assets	(5,932)	(3,711)	(2,220)	(3,251)	(1,270)	(1,981)	(5,560)
Property, plant and equipment	(8,438)	(9,990)	1,552	(2,542)	(2,995)	454	(12,306)
Non-current financial assets	(391)	(230)	(161)	(88)	(26)	(61)	(326)
Payments for publicly funded investments in the broadband build-out	(291)	(237)	(54)	(115)	(91)	(24)	(338)
Proceeds from public funds for investments in the broadband build-out	236	244	(7)	128	126	2	444
Changes in cash and cash equivalents in connection with the acquisition of control of subsidiaries and associates	(368)	(4)	(364)	(7)	0	(7)	(4)
Proceeds from disposal of							
Intangible assets	0	0	(1)	0	0	0	95
Property, plant and equipment	95	81	13	33	25	9	110
Non-current financial assets	365	160	205	74	18	57	473
Changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	2	7,625	(7,624)	5	2	3	7,629
Net change in short-term investments and marketable securities and receivables	447	(38)	485	5	386	(380)	(430)
Other	(7)	(1)	(6)	0	0	0	(1)
Net cash (used in) from investing activities	**(14,281)**	**(6,100)**	**(8,181)**	**(5,756)**	**(3,827)**	**(1,929)**	**(10,213)**
Of which: from discontinued operation	0	(17)	17	0	0	0	(17)
Proceeds from issue of current financial liabilities	1,391	783	607	7	(30)	37	816
Repayment of current financial liabilities	(6,361)	(11,986)	5,625	(532)	(5,248)	4,716	(12,700)
Proceeds from issue of non-current financial liabilities	8,333	10,973	(2,640)	2,392	1,876	516	10,973
Repayment of non-current financial liabilities	0	(1,976)	1,976	0	0	0	(1,992)
Dividend payments (including to other shareholders of subsidiaries)	(5,118)	(3,701)	(1,417)	(495)	(138)	(358)	(4,027)
Principal portion of repayment of lease liabilities	(4,674)	(4,442)	(232)	(1,373)	(1,241)	(132)	(5,904)
Deutsche Telekom AG share buy-back	(1,470)	0	(1,470)	(537)	0	(537)	0
Cash inflows from transactions with non-controlling entities	3,599	22	3,576	34	9	25	30
Cash outflows from transactions with non-controlling entities	(7,029)	(10,572)	3,543	(571)	(2,557)	1,986	(12,730)
Net cash (used in) from financing activities	**(11,329)**	**(20,899)**	**9,569**	**(1,076)**	**(7,329)**	**6,253**	**(25,534)**
Of which: from discontinued operation	0	(74)	74	0	0	0	(74)
Effect of exchange rate changes on cash and cash equivalents	(163)	121	(284)	(365)	192	(556)	(68)
Changes in cash and cash equivalents associated with non-current assets and disposal groups held for sale	0	25	(25)	0	0	0	25
Net increase (decrease) in cash and cash equivalents	**4,930**	**1,703**	**3,227**	**3,613**	**(1,272)**	**4,885**	**1,507**
Cash and cash equivalents, at the beginning of the period	**7,274**	**5,767**	**1,507**	**8,591**	**8,742**	**(151)**	**5,767**
Cash and cash equivalents, at the end of the period	**12,204**	**7,470**	**4,735**	**12,204**	**7,470**	**4,735**	**7,274**

As a result of the sales agreement concluded on July 13, 2022, the GD tower companies had been recognized as a discontinued operation from the third quarter of 2022 until their sale on February 1, 2023. In the prior-year period, the consolidated statement of cash flows still included the discontinued operation in the Group Development operating segment. The top line of the consolidated statement of cash flows is profit before income taxes, which in the prior-year period included the profit of both the continuing operations and the discontinued operation. In the consolidated statement of cash flows, the contributions by the GD tower companies have each been stated in a separate “of which” line item.

Significant events and transactions

Accounting policies

In accordance with § 53 (6) of the Exchange Rules for the Frankfurter Wertpapierbörse (FWB), Deutsche Telekom AG voluntarily publishes a quarterly financial report that comprises interim consolidated financial statements and an interim Group management report. The interim consolidated financial statements were prepared in accordance with the IFRS Accounting Standards (hereinafter referred to as "IFRS Accounting Standards") issued by the International Accounting Standards Board (IASB) and applicable to interim financial reporting as adopted by the EU as of the reporting date. The interim management report for the Group was prepared in accordance with the German Securities Trading Act.

Statement of compliance

The interim consolidated financial statements for the period ended September 30, 2024 are in compliance with International Accounting Standard (IAS) 34. As permitted by IAS 34, it has been decided to publish a condensed version compared to the consolidated financial statements as of December 31, 2023. All IFRS Accounting Standards applied by Deutsche Telekom AG have been adopted by the European Commission for use within the EU.

In the opinion of the Board of Management, the reviewed quarterly financial report includes all standard adjustments to be applied on an ongoing basis that are required to give a true and fair view of the results of operations and financial position of the Group. Please refer to the notes to the consolidated financial statements as of December 31, 2023 for the summary of accounting policies used in the consolidated interim financial statements.

Initial application of standards, interpretations, and amendments in the reporting period

Pronouncement	Title	To be applied by Deutsche Telekom from	Changes	Impact on the presentation of Deutsche Telekom's results of operations and financial position
IFRSs endorsed by the EU				
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	Jan. 1, 2024	The amendments require a seller-lessee, when subsequently measuring lease liabilities arising from sale-and-leaseback transactions, to determine "lease payments" and "changed lease payments" in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments can particularly affect sale-and-leaseback transactions which include variable lease payments that do not depend on an index or interest rate.	No material impact.
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	Jan. 1, 2024	The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendment also specifies the definition of settlement of a liability.	No material impact.
Amendments to IAS 1	Non-current Liabilities with Covenants	Jan. 1, 2024	The amendments clarify that covenants in loan agreements with which an entity is required to comply only after the reporting date do not affect the classification of a liability on the reporting date as current or non-current. By contrast, covenants with which an entity must comply on or before the reporting date affect the classification.	No material impact.
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	Jan. 1, 2024	The subject of the amendments is supplier finance arrangements, especially reverse factoring arrangements. The amendments created additional disclosure requirements in accordance with IAS 7 and IFRS 7 to increase transparency about the impact that supply finance arrangements have on an entity's liabilities, cash flows, and liquidity risk.	No material impact.

For further information on standards, interpretations, and amendments that have been issued but not yet applied, as well as disclosures on the recognition and measurement of items in the statement of financial position and discretionary decisions and estimation uncertainties, please refer to the section "Summary of accounting policies" in the notes to the consolidated financial statements in the 2023 Annual Report.

Changes in accounting policies and changes in the reporting structure

Deutsche Telekom did not make any major changes to its accounting policies or reporting structure in the reporting period.

Development of the economic environment and impact on financial reports

The macroeconomic challenges currently facing society, politics, and business are multi-faceted and often interdependent. The economic outlook remains vulnerable to significant downside risks, with geopolitical tensions and potential trade disputes in particular posing high risks to economic growth and inflation. Deutsche Telekom is aware that, in view of the current developments, extrapolating past experience to the future is only possible to a limited extent. Deutsche Telekom is constantly reassessing the challenges and takes them into account in its consolidated financial statements and financial reporting, e.g., when testing the impairment of goodwill, the recognition of deferred taxes, and the measurement of provisions, financial instruments, as well as of investments accounted for using the equity method.

Changes in the underlying parameters primarily relate to the exchange rates used for currency translation and to the interest rates for determining defined benefit obligations.

The euro exchange rates of certain significant currencies changed as follows:

€	Rate at the reporting date			Annual average rate	
	Sept. 30, 2024	Dec. 31, 2023	Sept. 30, 2023	Q1-Q3 2024	Q1-Q3 2023
100 Czech korunas (CZK)	3.97125	4.04417	4.11075	3.98677	4.19446
1,000 Hungarian forints (HUF)	2.51756	2.61507	2.56522	2.55516	2.61803
100 Macedonian denars (MKD)	1.62420	1.62352	1.62618	1.62354	1.62354
100 Polish zlotys (PLN)	23.36260	23.05050	21.60740	23.22500	21.81770
1 U.S. dollar (USD)	0.89322	0.90506	0.94402	0.91989	0.92311

The following key discount rates were used when calculating the present value of defined benefit obligations:

%	Sept. 30, 2024	Dec. 31, 2023
Germany	3.37	3.49
United States	5.04	5.20
Switzerland	1.12	1.43

Changes in the composition of the Group and other transactions

In the first nine months of 2024, Deutsche Telekom conducted the following transaction with a material impact on the composition of the Group.

Acquisition of Ka’ena in the United States

On March 9, 2023, T-Mobile US entered into a Merger and Unit Purchase Agreement for the acquisition of 100 % of the outstanding equity of Ka’ena Corporation and its subsidiaries including, among others, Mint Mobile, for a maximum purchase price of USD 1.35 billion to be paid out 39 % in cash and 61 % in shares of T-Mobile US common stock. On March 13, 2024, T-Mobile US entered into an agreement amending the mechanics of payment, which will result in a nominal increase in the percentage of cash compared to shares of T-Mobile US common stock to be paid out as part of the total purchase price. The purchase price is variable dependent upon specified performance indicators of Ka’ena Corporation and consists of an upfront payment at deal close, subject to certain agreed-upon adjustments, and a variable earnout, payable on August 1, 2026. The amount of the upfront payment is expected to be finalized by the end of 2024.

The transaction was consummated on May 1, 2024. All necessary regulatory approvals had been duly granted and all other closing conditions met. Ka’ena is included in Deutsche Telekom’s consolidated financial statements as of May 1, 2024. Ka’ena is a provider of prepaid wireless services in the United States under its main brands Ultra Mobile and Mint Mobile, and also offers a selection of mobile devices. The acquisition strengthens the position of T-Mobile US as the leading prepaid wireless carrier by way of brand diversification and expansion of the sales presence, including the acquisition of prepaid customer relationships.

The acquisition meets the conditions for a business combination in accordance with IFRS 3. The purchase price allocation and the measurement of assets, liabilities, and the consideration transferred at the acquisition date had not been finalized as of September 30, 2024.

At closing of the transaction, T-Mobile US made an upfront payment of around USD 1.0 billion (EUR 0.9 billion) (taking into account working capital adjustments and other agreed purchase price adjustments), comprising a cash component of around USD 0.4 billion (EUR 0.4 billion) and around 3 million ordinary shares of T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price as of April 30, 2024. Part of the upfront payment made as of the acquisition date was used to settle the pre-existing wholesale partner relationships with Ka'ena, and as such is not part of the fair value of the consideration transferred.

Based on the upfront payment made, an additional up to USD 0.4 billion (EUR 0.4 billion) in cash and ordinary shares in T-Mobile US shall become payable on August 1, 2026 if Ka'ena achieves specified performance indicators. This includes payments for future services of certain sellers for T-Mobile US in the period after the acquisition, and for the substitution of share-based payment for certain Ka'ena employees.

The preliminary fair value of the consideration transferred amounts to USD 1.2 billion (EUR 1.1 billion) as of the acquisition date, and breaks down as follows:

millions of €	Fair value at the acquisition date
Fair value of the T-Mobile US ordinary shares issued	488
Fair value of the cash component paid on the acquisition date	383
Fair value of the contingent consideration	169
Fair value of the other consideration	24
= Consideration transferred	**1,064**

The fair value of the contingent consideration was determined on the basis of the discounted cash flow method using the Monte Carlo simulation for the probability of occurrence of different outcomes. This measurement is based on significant inputs that are not observable on the market and, as such, is a Level 3 measurement. The key assumptions comprise Ka'ena's forecast performance indicators, primarily revenue, marketing expenses, and customer metrics, their likelihood of occurrence, and the discount rate.

For the fair value of the contingent and other consideration, an other non-current financial liability of USD 0.2 billion (EUR 0.2 billion) was recognized as of the acquisition date.

The preliminary fair values of Ka'ena's acquired assets and assumed liabilities are presented in the following table:

millions of €	Fair value at the acquisition date
Assets	
Current assets	**71**
Cash and cash equivalents	22
Trade receivables	31
Other financial assets	10
Other assets	4
Inventories	3
Non-current assets	**1,423**
Goodwill	682
Other intangible assets	685
Of which: customer base	504
Of which: brands	65
Of which: other	116
Right-of-use assets	2
Deferred tax assets	8
Other assets	46
Assets	**1,494**

millions of €	Fair value at the acquisition date
Liabilities and shareholders' equity	
Current liabilities	**260**
Lease liabilities	1
Trade and other payables	28
Other provisions	9
Contract liabilities	220
Other liabilities	2
Non-current liabilities	**170**
Lease liabilities	2
Other provisions	67
Deferred tax liabilities	101
Liabilities	**430**

The preliminary goodwill is calculated as follows:

millions of €	Fair value at the acquisition date
Consideration transferred	1,064
– Fair value of assets acquired	812
+ Fair value of liabilities assumed	430
= Goodwill	**682**

The preliminary goodwill comprises the expected growth in Ka'ena brands, which is to be generated through the combined business activities, Ka'ena's workforce, and intangible assets that do not qualify for separate recognition. It is expected that the preliminarily recognized goodwill will be deductible from income tax in the amount of EUR 0.1 billion.

The customer base was measured using the multi-period excess earnings method. Under this method, the fair value of the customer base is calculated by determining the present value of earnings after tax attributable to existing customers. The customer base is amortized over an estimated average remaining useful life of 6 years. The brands were measured using the relief-from-royalty method. Under this method, the value of the brand is calculated by making an assumption about which royalty rate would be notionally payable if the company did not own the relevant asset. The brands are amortized over an estimated average remaining useful life of 8 years.

No material transaction-related costs were incurred in connection with the acquisition from a Group perspective. The inclusion of Ka'ena Corporation in the consolidated financial statements has no material impact on Deutsche Telekom's results of operations.

The following transactions will change the composition of the Deutsche Telekom Group in the future:

Agreement on the acquisition of Lumos in the United States
On April 24, 2024, T-Mobile US entered into an agreement with the investment fund EQT on the acquisition of the fiber-to-the-home platform Lumos. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in early 2025. Upon closing, T-Mobile US is expected to invest approximately USD 1.0 billion (EUR 0.9 billion) in the company to acquire a 50 % equity stake and all existing fiber customers, with the funds invested by T-Mobile US being used by Lumos for future fiber builds. In addition, T-Mobile US is expected to contribute an additional amount of approximately USD 0.5 billion (EUR 0.4 billion) between 2027 and 2028. Following closing of the transaction, the investment is expected to be included in the consolidated financial statements using the equity method.

Agreement on the acquisition of UScellular in the United States
On May 24, 2024, T-Mobile US entered into an agreement with the United States Cellular Corporation (UScellular), Telephone and Data Systems, Inc., and USCC Wireless Holdings, LLC, under which T-Mobile US will acquire, among other things, substantially all wireless activities of UScellular and specific spectrum licenses for a total purchase price of around USD 4.4 billion (EUR 3.9 billion). The purchase price is to be paid in cash and by way of the assumption of debt of up to USD 2.0 billion (EUR 1.8 billion) under an offer of exchange to certain debtors of UScellular before the closing of the transaction. To the extent that debtors do not participate in the exchange, their bonds will continue to be liabilities of UScellular, and the cash component of the purchase price will increase accordingly. The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in mid-2025. After closing, the acquired activities and assets are expected to be included in the consolidated financial statements as a business combination in accordance with IFRS 3. Following closing of the transaction, UScellular will continue to own the remaining spectrum and the cell towers, and

T-Mobile US will conclude a 15-year framework license agreement for the lease of at least 2,100 cell towers. Furthermore, the terms of existing lease agreements for around 600 cell towers that T-Mobile US already leases from UScellular will be extended by another 15 years after closing of the transaction.

Agreement on the acquisition of Metronet in the United States

On July 18, 2024, T-Mobile US entered into an agreement with KKR & Co. Inc. to acquire the fiber-to-the-home platform Metronet Holdings, LLC and certain of its affiliates (Metronet). The transaction is subject to regulatory approvals as well as other customary closing conditions and is expected to close in 2025. Upon closing, T-Mobile US is expected to invest approximately USD 4.9 billion (EUR 4.4 billion) in the joint venture to acquire a 50 % equity stake and all existing residential fiber customers, as well as to fund the joint venture. Following closing of the transaction, the investment is expected to be included in the consolidated financial statements using the equity method.

Other transactions that had no effect on the composition of the Group

Deutsche Telekom AG's shareholder remuneration

On November 2, 2023, the Board of Management announced plans to buy back Deutsche Telekom AG shares up to a total purchase price of EUR 2 billion in the 2024 financial year as part of a share buy-back program. The buy-back commenced on January 3, 2024 and will be carried out in several tranches through December 31, 2024. The purpose of the share buy-back is to recoup part of the dilution effect from Deutsche Telekom AG's 2021 capital increase. The repurchased shares will therefore be canceled. In the period from January 3, 2024 to September 30, 2024, Deutsche Telekom AG bought back around 64 million shares with a total volume of around EUR 1.5 billion under the share buy-back program.

In the period from October 1, 2024 to November 12, 2024, Deutsche Telekom AG bought back around 9 million additional shares with a total volume of around EUR 0.3 billion under the share buy-back program.

T-Mobile US' shareholder return program from September 2023

On September 6, 2023, T-Mobile US announced that its Board of Directors has authorized a shareholder return program of up to USD 19 billion that will run from October 1, 2023 through December 31, 2024. The program comprises additional share buy-backs and dividends to be paid out. The amount available for share buy-backs will be reduced by the amount of any dividends approved by the Board of Directors of T-Mobile US.

In the first nine months of 2024, T-Mobile US bought back around 39 million shares with a total volume of around USD 6.5 billion (EUR 6.0 billion) under this share buy-back program. On January 24, 2024, the T-Mobile US Board of Directors declared a cash dividend of USD 0.65 per share, which was paid out on March 14, 2024 to the shareholders registered as of close of business on March 1, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On March 15, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on June 13, 2024 to the shareholders registered as of close of business on May 31, 2024. EUR 0.3 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.3 billion to non-controlling interests in T-Mobile US. On June 13, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.65 per share, which was paid out on September 12, 2024 to the shareholders registered as of close of business on August 30, 2024. EUR 0.4 billion of the cash dividend was attributable to Deutsche Telekom's stake and EUR 0.4 billion to non-controlling interests in T-Mobile US. On September 18, 2024, the T-Mobile US Board of Directors declared a further cash dividend of USD 0.88 per share, which is to be paid out on December 12, 2024 to the shareholders registered as of close of business on November 27, 2024. Furthermore, in the period from October 1, 2024 to October 18, 2024, T-Mobile US bought back around 4 million additional shares with a total volume of around USD 0.9 billion (EUR 0.8 billion) under the share buy-back program.

For further information on the overview of dividend payments attributable to non-controlling interests in T-Mobile US, please refer to the section "Shareholders' equity."

Sale of T-Mobile US shares by Deutsche Telekom

In the reporting period, Deutsche Telekom sold a portion of its T-Mobile US share portfolio on the market, without jeopardizing its control over T-Mobile US. In this context, Deutsche Telekom sold around 23 million T-Mobile US shares with a total volume of around EUR 3.6 billion. Deutsche Telekom announced on July 2, 2024 that it was suspending share sales initially until September 26, 2024. The sales plan was terminated on September 24, 2024.

Acquisition of T-Mobile US shares by Deutsche Telekom
On June 7, 2024, Deutsche Telekom exercised fixed-price options agreed in June 2020 on shares in T-Mobile US held by SoftBank to acquire around 7 million additional T-Mobile US shares for a total purchase price of USD 0.7 billion (EUR 0.6 billion). The fixed exercise price originally agreed of USD 101.46 per share was adjusted to USD 99.51 to account for the dividend payments made by T-Mobile US. The agreement allowed Deutsche Telekom to acquire the shares at a discount of around 45 % compared to the closing share price on the exercise date of USD 179.82. Upon completion of the transaction, Deutsche Telekom had exercised all fixed-price options received from SoftBank. The remaining options to buy at a volume-weighted average price (floating options) were not exercised and expired in the second quarter of 2024.

As of September 30, 2024, Deutsche Telekom's stake in T-Mobile US amounted to 46.3 %. Taking the treasury shares held by T-Mobile US into account, Deutsche Telekom had a 50.5 % ownership stake in T-Mobile US as of September 30, 2024. The shares issued to SoftBank are subject to the proxy agreement between SoftBank and Deutsche Telekom. The percentage of T-Mobile US shares for which Deutsche Telekom can exercise voting rights, based on the agreement concluded with SoftBank in connection with the acquisition of Sprint, amounted to 57.6 % as of September 30, 2024.

Selected notes to the consolidated statement of financial position

Trade receivables
At EUR 14.3 billion, trade receivables decreased by EUR 1.8 billion against the 2023 year-end level. This was on account of lower receivables in the United States operating segment due to a lower number of new contracts with equipment installment plans, as well as lower receivables from the termination of government assistance programs and from wholesale partners. Furthermore, receivables declined in the Germany operating segment. Exchange rate effects, mainly from the translation of U.S. dollars into euros, also decreased the carrying amount.

Contract assets
The carrying amount of contract assets at the reporting date totaled EUR 2.6 billion compared with EUR 2.4 billion as of December 31, 2023. Contract assets relate to receivables that have not yet legally come into existence, which arise from the earlier – as compared to billing – recognition of revenue, in particular from the sale of goods and merchandise. Furthermore, receivables from long-term construction contracts are recognized under contract assets.

Inventories
The carrying amount of inventories increased by EUR 0.1 billion against the 2023 year-end level to EUR 2.5 billion. It was increased by stockpiling for the market launch of high-value mobile terminal equipment in the United States and Germany operating segments. The reduction of stocks of less expensive terminal equipment due to the termination of government assistance programs in the United States operating segment had an offsetting effect.

Intangible assets
The carrying amount of intangible assets decreased by EUR 0.3 billion compared to December 31, 2023 to EUR 135.7 billion. Depreciation, amortization and impairment losses of EUR 5.0 billion and exchange rate effects of EUR 1.7 billion, primarily from the translation of U.S. dollars into euros, decreased the carrying amount. The reclassifications of intangible assets to non-current assets and disposal groups held for sale also reduced the carrying amount by EUR 1.0 billion and arose primarily in connection with agreed transactions concerning the exchange of spectrum licenses in the United States operating segment. Additions increased the carrying amount by EUR 6.0 billion, EUR 2.6 billion of which related to the acquisition of mobile spectrum in the United States operating segment, in particular for the acquisition of the first tranche of spectrum licenses in the 600 MHz band in connection with the agreements described below between T-Mobile US and Channel 51. Effects of changes in the composition of the Group resulting from the acquisition of Ka'ena in the United States operating segment increased the carrying amount by EUR 1.4 billion, EUR 0.7 billion of which related to the goodwill acquired in this connection.

For further information on the acquisition of Ka'ena, please refer to the section "Changes in the composition of the Group and other transactions."

On October 15, 2024 (after the reporting period), T-Mobile US closed on an agreement with a third party for the exchange of certain of its 39 GHz spectrum licenses. The fair value of the spectrum licenses received is expected to amount to USD 1.0 billion (EUR 0.9 billion). The exchange transaction is expected to result in other operating income of USD 0.1 billion (EUR 0.1 billion).

The following transactions will have an impact on the presentation of Deutsche Telekom's results of operations and financial position in the future:

On August 8, 2022, T-Mobile US entered into agreements with Channel 51 License Co LLC and LB License Co, LLC (Sellers) for the acquisition of spectrum licenses in the 600 MHz band in exchange for a total cash consideration of USD 3.5 billion (EUR 3.1 billion). The licenses are to be acquired without any associated network assets. T-Mobile US currently utilizes these licenses under an existing arrangement with the Sellers covering fixed-term spectrum leases. On March 30, 2023, the contractual parties further agreed that the transaction be divided into two separate tranches. The transfer of the licenses in accordance with the agreements is subject to regulatory approvals and certain other customary closing conditions. The Federal Communications Commission (FCC) approved the first tranche of the license transfer on December 29, 2023. It was concluded on June 24, 2024, with the corresponding purchase price payment of USD 2.4 billion (EUR 2.1 billion) being made on August 5, 2024. On October 22, 2024 (after the reporting period), the FCC approved the transfer of the Dallas licenses included in the second tranche. The closing of the transfer of these licenses and the associated payment of USD 0.5 billion (EUR 0.5 billion) is expected to occur in December 2024. The transfer transaction for the remaining licenses from the second tranche is expected to be closed in 2025.

On September 12, 2023, T-Mobile US agreed with U.S. cable network operator Comcast to acquire spectrum in the 600 MHz band in exchange for total cash consideration of between USD 1.2 billion and USD 3.3 billion (EUR 1.1 billion and EUR 2.9 billion). The transaction is subject to approval by the FCC. At the same time, T-Mobile US and Comcast have agreed exclusive leasing arrangements for these spectrum licenses. The transaction is expected to close in the first half of 2028, pending approval from the FCC.

On July 1, 2020, T-Mobile US and DISH Network Corporation (DISH) reached an agreement on the sale of spectrum licenses, under which DISH agreed to purchase certain 800 MHz spectrum licenses from T-Mobile US for USD 3.6 billion (EUR 3.2 billion). On October 15, 2023, T-Mobile US and DISH modified the agreement to include, among other changes, a non-refundable extension fee of USD 0.1 billion (EUR 0.1 billion), which DISH paid to T-Mobile US on October 25, 2023, as well as the requirement that the purchase of the spectrum licenses must be finalized by April 1, 2024. As of April 1, 2024, DISH had not exercised the purchase option. The already paid extension fee was retained in accordance with the agreement and recognized in profit or loss as other operating income in the second quarter of 2024. T-Mobile US was contractually obligated to offer the licenses for sale at auction. The associated auction process ended on October 1, 2024. Since bidding did not reach the defined minimum purchase price of USD 3.6 billion by the end of the auction, T-Mobile US was relieved of its obligation to sell the licenses. T-Mobile US is currently exploring alternatives to sell or utilize the licenses.

On September 10, 2024, T-Mobile US and N77 License Co LLC (N77) concluded a license purchase agreement, pursuant to which N77 has the option to purchase all or a portion of T-Mobile US' remaining 3.45 GHz spectrum licenses for a purchase price in the form of a range of cash consideration. The number of licenses sold will be determined based upon the amount of committed financing raised by the buyer. The carrying amount of the licenses subject to the license purchase agreement amounted to USD 2.7 billion (EUR 2.4 billion) as of September 30, 2024. In addition, it was agreed that N77 will notify T-Mobile US in writing of the amount of the committed financing by December 9, 2024. T-Mobile US reserves the right to terminate the license purchase agreement no later than February 7, 2025, if the buyer's committed financing is less than a certain target level of the cash consideration. The transaction is subject to approval by the FCC.

Property, plant and equipment

The carrying amount of property, plant and equipment decreased from EUR 65.0 billion as of December 31, 2023 to EUR 63.4 billion. Depreciation, amortization and impairment losses of EUR 8.9 billion, exchange rate effects of EUR 0.4 billion, primarily from the translation of U.S. dollars into euros, and disposals of EUR 0.2 billion decreased the carrying amount. Additions, primarily for the upgrade and build-out of the network (broadband, fiber-optic, and mobile infrastructure) increased the carrying amount by EUR 7.5 billion. Reclassifications of lease assets upon expiry of the contractual lease term to property, plant and equipment, primarily for network technology in the United States operating segment, increased the carrying amount by EUR 0.3 billion.

Right-of-use assets

The carrying amount of the right-of-use assets decreased by EUR 1.9 billion compared to December 31, 2023 to EUR 30.9 billion. Depreciation and impairment losses reduced the carrying amount by EUR 4.0 billion. The aforementioned reclassifications of lease assets to property, plant and equipment, and exchange rate effects, primarily from the translation of U.S. dollars into euros, also both reduced the carrying amount by EUR 0.3 billion. The carrying amount was increased by additions of EUR 2.8 billion.

Capitalized contract costs

As of September 30, 2024, the carrying amount of capitalized contract costs remained at the level as of December 31, 2023 of EUR 3.5 billion. The capitalized contract costs primarily relate to the United States and Germany operating segments.

Investments accounted for using the equity method

The carrying amount of investments accounted for using the equity method increased by EUR 1.5 billion compared to December 31, 2023, to EUR 6.1 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 1.0 billion and EUR 0.3 billion, respectively, on the carrying amounts of the investments in the GD tower companies and in GlasfaserPlus. These reversals of impairment losses were, at the GD tower companies entirely, and at GlasfaserPlus almost entirely, due to lower discount rates as a result of macroeconomic developments in the reporting period and changes within the peer group. Capital increases in the investments in GlasfaserPlus and Glasfaser NordWest also increased the respective carrying amount by EUR 0.1 billion.

Other financial assets

millions of €

	Sept. 30, 2024	Dec. 31, 2023
	Total	Total
Originated loans and receivables	5,777	6,538
Of which: collateral paid	1,349	1,708
Of which: other receivables – publicly funded projects	1,712	1,863
Debt instruments – measured at fair value through profit or loss	258	652
Derivative financial assets	1,173	1,780
Of which: derivatives with a hedging relationship	694	658
Of which: derivatives without a hedging relationship	479	1,122
Equity instruments – measured at fair value through profit or loss	4	4
Equity instruments – measured at fair value through other comprehensive income	526	422
Lease assets	180	197
	7,917	**9,593**

The carrying amount of current and non-current other financial assets decreased by EUR 1.7 billion compared to December 31, 2023 to EUR 7.9 billion. The net total of originated loans and receivables decreased by EUR 0.8 billion to EUR 5.8 billion, mainly due to lower collateral paid for derivatives due to normal fluctuations in fair value (EUR 0.4 billion), unscheduled repayments of shareholder loans to the GD tower companies (EUR 0.2 billion), and lower receivables from publicly funded projects (EUR 0.2 billion). In the course of renegotiations and contract adjustments with IFM Global Infrastructure Fund on the continuation of the joint fiber-optic rollout at GlasfaserPlus, Deutsche Telekom agreed to forgo the contingent consideration receivable. As a result, the carrying amount of debt instruments decreased by EUR 0.4 billion to EUR 0.3 billion. The carrying amount of the derivatives without a hedging relationship decreased by EUR 0.6 billion, in particular in connection with the options to acquire additional T-Mobile US shares exercised by Deutsche Telekom on June 7, 2024 (EUR 0.4 billion) and the decrease in the carrying amounts of termination rights embedded in bonds issued by T-Mobile US (EUR 0.1 billion).

For information on cash collateral deposited and on derivatives, please refer to the section "Disclosures on financial instruments."

Other assets

The carrying amount of current and non-current other assets increased by EUR 0.3 billion to EUR 3.9 billion. As of September 30, 2024, this included various advance payments, totaling EUR 3.1 billion (December 31, 2023: EUR 2.9 billion), mainly including advance payments for maintenance, repairs, and in connection with agreements on services for certain mobile communications and fixed-network equipment that do not fall under the scope of IFRS 16. Receivables from other taxes also increased by EUR 0.1 billion. By contrast, exchange rate effects, mainly from the translation from U.S. dollars into euros, decreased the carrying amount.

Non-current assets and disposal groups held for sale

The carrying amount of non-current assets and disposal groups held for sale as of September 30, 2024 was EUR 1.0 billion, up EUR 0.8 billion on the level of December 31, 2023. This increase is primarily attributable to the transactions agreed between T-Mobile US and other telecommunications companies for the exchange of spectrum licenses in order to improve mobile network coverage.

Financial liabilities and lease liabilities

The following table shows the composition and maturity structure of **financial liabilities** as of September 30, 2024:

millions of €

	Sept. 30, 2024	Due within 1 year	Due > 1 ≤ 5 years	Due > 5 years	Dec. 31, 2023
Bonds and other securitized liabilities	92,131	6,268	30,435	55,428	87,773
Liabilities to banks	3,226	1,070	1,378	779	3,560
	95,356	**7,337**	**31,813**	**56,206**	**91,333**
Liabilities with the right of creditors to priority repayment in the event of default	1,422	563	858	0	2,067
Other interest-bearing liabilities	6,174	1,096	2,542	2,536	6,628
Liabilities from deferred interest	1,160	1,160	0	0	1,009
Other non-interest-bearing liabilities	1,379	1,242	85	52	921
Derivative financial liabilities	2,386	100	449	1,837	2,564
	12,522	**4,162**	**3,934**	**4,425**	**13,189**
Financial liabilities	**107,878**	**11,500**	**35,747**	**60,632**	**104,522**
Lease liabilities	**38,426**	**5,435**	**16,784**	**16,207**	**40,792**

The carrying amount of current and non-current financial liabilities increased by EUR 3.4 billion compared with year-end 2023 to EUR 107.9 billion, primarily due to the factors described below. Exchange rate effects, in particular from the translation of U.S. dollars into euros, reduced the carrying amount by EUR 1.1 billion in total.

The carrying amount of bonds and other securitized liabilities increased by EUR 4.4 billion to EUR 92.1 billion. The carrying amount was increased by USD bonds issued by T-Mobile US in the reporting period with a volume of USD 5.5 billion (EUR 4.9 billion) with terms ending between 2029 and 2055 and bearing interest of between 4.2 and 5.50 %, EUR bonds with a volume of EUR 2.0 billion with terms ending between 2029 and 2036 and bearing interest of between 3.55 and 3.85 %, and by asset-backed securities (ABS notes) with a volume of USD 0.5 billion (EUR 0.5 billion) with terms ending in 2029 and bearing interest of 5.05 %. The carrying amount was also increased by the issue of EUR bonds of EUR 0.9 billion by Deutsche Telekom AG, with terms ending in 2036 and 2044 and bearing interest of 3.25 % to 3.56 %. The carrying amount was reduced by the scheduled repayment of a EUR bond in the amount of EUR 0.8 billion and of a USD bond in the amount of USD 2.5 billion (EUR 2.3 billion). In addition, the carrying amount increased by EUR 0.3 billion in connection with measurement effects from derivatives with a hedging relationship, for which the offsetting entry is posted under bonds and other securitized liabilities. Exchange rate effects decreased the carrying amount of bonds and other securitized liabilities by EUR 1.0 billion.

As of September 30, 2024, the carrying amount of liabilities to banks decreased by EUR 0.3 billion against the level of December 31, 2023 to EUR 3.2 billion, mainly due to the repayment of an EIB loan by Deutsche Telekom AG in the amount of EUR 0.4 billion.

The liabilities with the right of creditors to priority repayment in the event of default of EUR 1.4 billion (December 31, 2023: EUR 2.1 billion) relate primarily to bonds issued by Sprint. Collateral was provided for these bonds, hence they constitute a separate class of financial instruments. The main factor reducing the carrying amount was repayments made in the reporting period in the amount of EUR 0.6 billion when translated into euros. At the reporting date, cash and cash equivalents with a carrying amount of EUR 71 million (December 31, 2023: EUR 64 million) when translated into euros were pledged as collateral for these bonds.

The carrying amount of other interest-bearing liabilities decreased by EUR 0.5 billion compared with December 31, 2023 to EUR 6.2 billion. Scheduled repayments by T-Mobile US reduced the carrying amount by EUR 0.2 billion, the majority of which related to payments made in connection with the existing agreement on IP transit services, concluded with Cogent as part of the sale of the Wireline Business. Likewise, scheduled repayments of loans for the acquisition of 5G licenses in the Germany operating segment reduced the carrying amount by EUR 0.2 billion. By contrast, the recognition of a liability for the contingent and other consideration paid for the acquisition of Ka'ena increased the carrying amount by EUR 0.2 billion. Exchange rate effects decreased the carrying amount of other interest-bearing liabilities by EUR 0.1 billion.

For further information on the acquisition of Ka'ena, please refer to the section "Changes in the composition of the Group and other transactions."

The carrying amount of other non-interest-bearing liabilities increased by EUR 0.5 billion to EUR 1.4 billion, mainly due to the stake of the cash dividend of USD 0.88 per share – declared by the Board of Directors of T-Mobile US on September 18, 2024 – attributable to non-controlling interests in T-Mobile US.

For further information on the shareholder return program at T-Mobile US, please refer to the section "Other transactions that had no effect on the composition of the Group."

The carrying amount of derivative financial liabilities decreased by EUR 0.2 billion compared with December 31, 2023 to EUR 2.4 billion. It was reduced by measurement effects from interest rate swaps in fair value hedges of EUR 0.3 billion. By contrast, gains on derivatives in cash flow hedges increased the carrying amount by EUR 0.1 billion.

For further information on derivative financial liabilities, please refer to the section "Disclosures on financial instruments."

The carrying amount of current and non-current **lease liabilities** decreased by EUR 2.4 billion to EUR 38.4 billion compared with December 31, 2023. Lease liabilities in the United States operating segment decreased by EUR 1.7 billion, mainly due to the decommissioning of the former Sprint's wireless network and a decline in network and build-out investments, primarily on account of higher capital efficiency resulting from the accelerated build-out of the nationwide 5G network in the prior year. Lease liabilities in the Germany operating segment decreased by EUR 0.2 billion and in the Group Headquarters & Group Services segment by EUR 0.1 billion. Exchange rate effects, in particular from the translation of U.S. dollars into euros, reduced the carrying amount by EUR 0.4 billion.

Trade and other payables

The carrying amount of trade and other payables decreased by EUR 3.2 billion to EUR 7.7 billion. This was due to lower liabilities in the United States, Europe, and Germany operating segments. Exchange rate effects, in particular from the translation from U.S. dollars into euros, also decreased the carrying amount.

Provisions for pensions and other employee benefits
The carrying amount of provisions for pensions and other employee benefits decreased by EUR 0.8 billion compared with December 31, 2023 to EUR 3.3 billion. Overall, the remeasurement of defined benefit plans resulted in an actuarial gain of EUR 0.7 billion to be recognized directly in equity, mainly due to the increase in the fair values of plan assets compared with December 31, 2023. The decline in the discount rate compared with December 31, 2023 had a slight offsetting effect. Benefits paid directly by the employer in the reporting period also contributed to the reduction in the carrying amount.

Current and non-current other provisions
The carrying amount of current and non-current other provisions decreased by EUR 0.8 billion compared with the end of 2023 to EUR 7.3 billion. Other provisions for personnel costs decreased by EUR 0.2 billion overall, mainly due to an interest-rate based decline in the carrying amount of the provision recognized for the Civil Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). Provisions for termination benefits also decreased by EUR 0.2 billion, partly as a result of the program implemented to reduce the workforce in the United States operating segment, and the provisions for restoration obligations by EUR 0.2 billion. Furthermore, provisions for procurement and sales support decreased by EUR 0.1 billion and provisions for process risks by EUR 0.1 billion.

Other liabilities
The carrying amount of current and non-current other liabilities increased by EUR 0.1 billion to EUR 5.4 billion, mainly due to an increase in liabilities from other taxes by EUR 0.3 billion. By contrast, liabilities in connection with publicly funded projects decreased by EUR 0.2 billion.

Current and non-current contract liabilities
The carrying amount of current and non-current contract liabilities increased by EUR 0.5 billion compared with December 31, 2023 to EUR 3.2 billion. These substantially include deferred revenues. In the United States operating segment, contract liabilities increased by EUR 0.2 billion, mainly due to the current contract liabilities assumed in connection with the acquisition of Ka'ena. Furthermore, contract liabilities in the Germany operating segment increased by EUR 0.2 billion.

For further information on the acquisition of Ka'ena, please refer to the section "Changes in the composition of the Group and other transactions."

Shareholders' equity
The carrying amount of shareholders' equity increased by EUR 1.2 billion as of December 31, 2023 to EUR 92.4 billion, with profit of EUR 11.1 billion and capital increases from share-based payments of EUR 0.5 billion having an increasing effect. Shareholders' equity was reduced in connection with dividend payments for the 2023 financial year to Deutsche Telekom AG shareholders in the amount of EUR 3.8 billion and to other shareholders of subsidiaries in the amount of EUR 1.7 billion. The latter figure includes cash dividends of EUR 1.5 billion paid by T-Mobile US to non-controlling interests, as declared in the reporting period. Transactions with owners reduced the carrying amount of shareholders' equity by EUR 3.2 billion, due in particular to the T-Mobile US share buy-back program from September 2023. Furthermore, the carrying amount was reduced by Deutsche Telekom AG's share buy-back program that started in January 2024 with share buy-backs of EUR 1.5 billion. Other comprehensive income decreased the carrying amount by EUR 0.2 billion, mainly due to currency translation effects recognized directly in equity of EUR -0.9 billion and income taxes relating to components of other comprehensive income of EUR -0.1 billion. The remeasurement of defined benefit plans of EUR 0.7 billion and gains from the remeasurement of debt instruments of EUR 0.1 billion had an increasing effect.

For further information on Deutsche Telekom AG's share buy-back program and the share buy-back/shareholder return programs at T-Mobile US, please refer to the section "Other transactions that had no effect on the composition of the Group."

The following table shows the changes in the composition of the Group and the development of transactions with owners:

millions of €	Sept. 30, 2024			Dec. 31, 2023		
	Issued capital and reserves attributable to owners of the parent	Non-controlling interests	Total shareholders' equity	Issued capital and reserves attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Changes in the composition of the Group	**0**	**(1)**	**(1)**	**0**	**(4)**	**(4)**
Other effects	0	(1)	(1)	0	(4)	(4)
Transactions with owners	**(429)**	**(2,803)**	**(3,232)**	**(5,078)**	**(7,378)**	**(12,456)**
T-Mobile US: Share buy-backs/transfer of shares to SoftBank/share-based payment/Ka'ena Acquisition	(389)	(2,686)	(3,075)	(5,034)	(7,183)	(12,217)
OTE share buy-back	(31)	(63)	(94)	(58)	(119)	(177)
Hrvatski Telekom share buy-back	(2)	(5)	(6)	(3)	(19)	(22)
Magyar Telekom share buy-back	(8)	(49)	(57)	17	(56)	(39)
Other effects	0	0	0	0	0	0

Selected notes to the consolidated income statement

As a result of the sales agreement concluded on July 13, 2022, the GD tower companies had been recognized as a discontinued operation from the third quarter of 2022 until their sale on February 1, 2023. Thus, the contributions by the GD tower companies were no longer included in the individual items of the consolidated income statement in the prior-year period. Instead, profit or loss after taxes was disclosed in aggregate form in the item "Profit/loss after taxes from discontinued operation."

Net revenue

Net revenue breaks down into the following revenue categories:

millions of €	Q1-Q3 2024	Q1-Q3 2023
Service revenues	**71,700**	**69,029**
Germany	16,771	16,440
United States	45,280	43,508
Europe	7,662	7,209
Systems Solutions	2,878	2,792
Group Development	0	0
Group Headquarters & Group Services	715	756
Reconciliation	(1,606)	(1,676)
Non-service revenues	**13,138**	**13,572**
Germany	2,361	2,158
United States	9,304	9,947
Europe	1,480	1,469
Systems Solutions	87	73
Group Development	6	9
Group Headquarters & Group Services	944	962
Reconciliation	(1,045)	(1,046)
Net revenue	**84,838**	**82,601**

The service revenues essentially comprise predictable and/or recurring revenues from Deutsche Telekom's core activities. These relate to revenues that are generated from services (i.e., revenues from fixed and mobile network voice services, incoming and outgoing calls, as well as data services) plus roaming revenues, monthly basic charges and visitor revenues, as well as revenues from the ICT business. Service revenues also include revenues earned in connection with premium services for customers, such as reinsurance for device insurance policies and extended warranties.

In the reporting period, revenue from insurance contracts in the scope of IFRS 17 of EUR 3.4 billion (Q1-Q3 2023: EUR 3.4 billion) and insurance service expenses of EUR 2.3 billion (Q1-Q3 2023: EUR 2.3 billion) were recognized in the Group.

Non-service revenues mainly comprise one-time and variable revenues, e.g., revenue from the sale or rental of fixed-network or mobile devices, from value-added services, from application and contract services, revenue with virtual network operators, one-time revenue from the build-out of technical infrastructure, and revenue from vehicle and property leasing.

Net revenue includes revenue from the use of entity assets by others in the scope of IFRS 16 in the amount of EUR 0.7 billion (Q1-Q3 2023: EUR 0.9 billion). Of the revenue from the use of entity assets by others reported in net revenue, EUR 0.5 billion (Q1-Q3 2023: EUR 0.6 billion) relates to service revenues and EUR 0.1 billion (Q1-Q3 2023: EUR 0.3 billion) to non-service revenues.

For information on changes in net revenue, please refer to the section “Development of business in the Group” in the interim Group management report.

Other operating income

millions of €

	Q1-Q3 2024	Q1-Q3 2023
Income from the reversal of impairment losses on non-current assets	1	1
Income from the disposal of non-current assets	210	186
Income from reimbursements	87	97
Income from insurance compensation	64	119
Income from ancillary services	25	34
Miscellaneous other operating income	432	484
Of which: gains resulting from deconsolidations and from the sale of stakes accounted for using the equity method	0	19
	818	**922**

Miscellaneous other operating income included, among others, the non-refundable extension fee of EUR 0.1 billion recognized in the United States operating segment, which arose in connection with an agreement on the sale of spectrum licenses concluded between T-Mobile US and DISH Network Corporation (DISH). In the prior year, income from insurance compensation mainly related to refunds from insurance companies for expenses incurred in connection with the cyberattack on T-Mobile US in August 2021.

For further information on the agreement between T-Mobile US and DISH, please refer to the section “Intangible assets.”

Other operating expenses

millions of €

	Q1-Q3 2024	Q1-Q3 2023
Impairment losses on financial assets	(967)	(836)
Gains (losses) from the write-off of financial assets measured at amortized cost	(13)	(6)
Other	(3,308)	(2,850)
Legal and audit fees	(334)	(314)
Losses from asset disposals	(196)	(201)
Income (losses) from the measurement of factoring receivables	0	0
Other taxes	(372)	(468)
Cash and guarantee transaction costs	(370)	(455)
Insurance expenses	(139)	(136)
Miscellaneous other operating expenses	(1,897)	(1,277)
Of which: losses resulting from deconsolidations and from the sale of stakes accounted for using the equity method	(2)	(4)
	(4,288)	**(3,693)**

Miscellaneous other operating expenses include expenses of EUR 0.5 billion (Q1-Q3 2023: EUR 0.4 billion) for data storage in data centers, in cloud applications, or other IT services, and of EUR 0.3 billion (Q1-Q3 2023: EUR 0.3 billion) for regulatory duties in the United States operating segment. In addition, miscellaneous other operating expenses included the forgone contingent consideration receivable of EUR 0.4 billion from IFM Global Infrastructure Fund from the continuation of the joint fiber-optic rollout at GlasfaserPlus.

For further information on the renegotiations between IFM Global Infrastructure Fund and Deutsche Telekom, please refer to the section "Other financial assets."

Depreciation, amortization and impairment losses

At EUR 17.9 billion, depreciation, amortization and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets were EUR 0.1 billion higher in the first three quarters of 2024 than in the prior-year period, which was mainly attributable to depreciation and amortization. In the United States operating segment, higher depreciation expense in connection with accelerations of certain technology assets as part of T-Mobile US modernizing its network, technology systems, and platforms was partly offset by lower depreciation of right-of-use assets. In the Germany operating segment, depreciation and amortization increased, partly as a result of the sale and leaseback of passive network infrastructure in connection with the sale of the GD tower companies. No significant impairment losses were recorded in the reporting period. In the prior-year period, impairment losses stood at EUR 0.1 billion.

Profit/loss from financial activities

Loss from financial activities decreased year-on-year from EUR 4.4 billion to EUR 3.1 billion, mainly due to the factors described below.

The share of profit of associates and joint ventures included in the consolidated financial statements accounted for using the equity method increased by EUR 1.3 billion compared with the prior-year period to EUR 1.3 billion. This was primarily attributable to reversals of impairment losses recognized in the reporting period of EUR 1.0 billion and EUR 0.3 billion, respectively, on the carrying amounts of the investments in the GD tower companies and in GlasfaserPlus. These reversals of impairment losses were, at the GD tower companies entirely, and at GlasfaserPlus almost entirely, due to lower discount rates as a result of macroeconomic developments in the reporting period and changes within the peer group. Level 3 input parameters were used to determine the pro rata recoverable amounts – as fair value less costs of disposal – of EUR 4.4 billion for the GD tower companies and of EUR 0.7 billion for GlasfaserPlus (after deduction of net debt). Discount rates of 6.59 % for the GD tower companies and 5.14 % for GlasfaserPlus were used.

Other financial income remained stable, due on the one hand to lower interest expense from the measurement of provisions and liabilities compared with the prior-year period. This was attributable to the subsequent measurement using actuarial principles of the present value of the provision recognized for the Civil Service Health Insurance Fund (Postbeamtenkrankenkasse – PBeaKK). On the other hand, gains/losses from financial instruments decreased other financial income.

Finance costs increased slightly from EUR 4.2 billion in the prior-year period to EUR 4.3 billion.

For further information, please refer to the section "Investments accounted for using the equity method."

For further information, please refer to the section "Disclosures on financial instruments."

Income taxes

A tax expense of EUR 3.6 billion was recorded in the first three quarters of 2024. The tax amount essentially reflects the shares of the different countries in profit before income taxes and their respective national tax rates. However, the effective tax rate decreased in particular by the recognized reversal of an impairment loss on the carrying amounts of the stake in the GD tower companies that had no effect on tax.

Profit/loss after taxes from discontinued operation

The sale of the GD tower companies was consummated on February 1, 2023, and these companies have no longer been part of the Group since that date. The development presented in the prior-year period contains the contributions to earnings for the first month of 2023. The following table provides a breakdown of profit/loss after taxes from the discontinued operation:

millions of €	Q1-Q3 2024	Q1-Q3 2023
Net revenue	**0**	**15**
Other operating income	0	12,926
Changes in inventories	0	0
Own capitalized costs	0	0
Goods and services purchased	0	69
Personnel costs	0	(6)
Other operating expenses	0	0
EBITDA	**0**	**13,004**
Depreciation, amortization and impairment losses	0	0
Profit (loss) from operations (EBIT)	**0**	**13,004**
Finance costs	0	(14)
Other financial income (expense)	0	(2)
Profit (loss) from financial activities	**0**	**(16)**
Profit (loss) before income taxes	**0**	**12,989**
Income taxes	0	706
Profit (loss) after taxes from discontinued operation	**0**	**13,694**

In the prior-year period, other operating income of EUR 12.9 billion related to the deconsolidation gain realized from the loss of control over the GD tower companies. Income from income taxes resulted from deferred tax effects arising in connection with the concluded sale-and-leaseback transaction.

Other disclosures

Notes to the consolidated statement of cash flows

Net cash from operating activities

At EUR 30.7 billion, net cash from operating activities was EUR 2.1 billion higher than in the prior-year period. The ongoing strong development of the operating business was offset in part by an increase in tax payments of EUR 0.3 billion and an increase in net interest payments of EUR 0.1 billion, among other effects.

Net cash used in/from investing activities

millions of €

	Q1-Q3 2024	Q1-Q3 2023
Cash outflows for investments in intangible assets	(5,932)	(3,711)
Cash outflows for investments in property, plant and equipment	(8,438)	(9,990)
Proceeds from the disposal of property, plant and equipment, and intangible assets	95	82
Payments for publicly funded investments in the broadband build-out	(291)	(237)
Proceeds from public funds for investments in the broadband build-out	236	244
Net cash outflows for short-term investments in government bonds	0	(100)
Net cash flows for collateral deposited and hedging transactions	421	68
Changes in cash and cash equivalents in connection with the upfront payment made for the Ka'ena Acquisition [a]	(368)	0
Other changes in cash and cash equivalents in connection with the acquisition of control of subsidiaries and associates	0	(4)
Changes in cash and cash equivalents in connection with the sale of the 51 % stake in the GD tower companies [b]	0	7,598
Changes in cash and cash equivalents in connection with the sale of T-Mobile US' fiber-optic-based Wireline Business [c]	0	13
Other changes in cash and cash equivalents in connection with the loss of control of subsidiaries and associates	2	15
Other	(6)	(76)
Net cash (used in) from investing activities	**(14,281)**	**(6,100)**
Of which: from discontinued operation	0	(17)

[a] Includes, in addition to the cash component of the upfront payment made of EUR 383 million, inflows of cash and cash equivalents in the amount of EUR 22 million and payments made in the third quarter of 2024 of EUR 7 million in connection with further portions of the purchase price.

[b] Includes, in addition to the cash inflow of EUR 7,695 million for the sale of the 51 % equity stake, outflows of cash and cash equivalents in the amount of EUR 97 million.

[c] Includes, in addition to the cash inflow of EUR 56 million for the sale of the Wireline Business, outflows of cash and cash equivalents in the amount of EUR 43 million.

At EUR 14.4 billion, cash outflows for investments in intangible assets and property, plant and equipment were EUR 0.7 billion higher than in the prior-year period. In the reporting period, cash outflows of EUR 2.4 billion in total were recorded for the acquisition of mobile spectrum licenses in the United States operating segment. EUR 2.1 billion of this related to the acquisition of spectrum licenses from Channel 51, and EUR 0.2 billion to the acquisition of other FCC licenses. In the prior year, this item had included cash outflows for the acquisition of mobile spectrum licenses of EUR 0.3 billion in the United States operating segment and of EUR 0.2 billion in the Europe operating segment. Excluding investments in mobile spectrum licenses, cash outflows for investments in intangible assets and property, plant and equipment were down EUR 1.3 billion year-on-year. Cash outflows in the United States operating segment decreased by EUR 1.4 billion, in particular due to higher cash outflows for investments in prior years for the accelerated build-out of the 5G network. In the Germany operating segment, by contrast, cash outflows increased by EUR 0.2 billion.

Net cash used in/from financing activities

millions of €	Q1-Q3 2024	Q1-Q3 2023
Issuance of bonds	8,331	7,880
Repayment of bonds	(3,154)	(9,224)
Commercial paper, net	0	(2,280)
Repayment of EIB loans	(400)	(298)
Overnight borrowings from banks, net	0	(200)
Repayment of liabilities with the right of creditors to priority repayment in the event of default	(614)	(537)
Repayment of liabilities from 5G spectrum acquired in Germany	(195)	(195)
Repayment of financial liabilities for media broadcasting rights	(280)	(260)
Principal portion of repayment of lease liabilities	(4,674)	(4,442)
Changes in cash and cash equivalents in connection with the sale and leaseback of the passive network infrastructure of the GD tower companies	0	3,069
Net cash flows for hedging transactions	0	23
Net cash flows from continuing involvement factoring	(7)	4
Deutsche Telekom AG share buy-back	(1,470)	0
Dividend payments (including to other shareholders of subsidiaries)	(5,118)	(3,701)
Cash inflows from transactions with non-controlling entities		
Sale of T-Mobile US shares by Deutsche Telekom	3,567	0
T-Mobile US stock options	9	8
Other cash inflows	23	15
	3,599	**22**
Cash outflows from transactions with non-controlling entities		
Increase of the stake in T-Mobile US	(614)	0
T-Mobile US share buy-back/share-based payment	(6,257)	(10,313)
OTE share buy-back	(94)	(129)
Other payments	(64)	(130)
	(7,029)	**(10,572)**
Other	(318)	(187)
Net cash (used in) from financing activities	**(11,329)**	**(20,899)**
Of which: from discontinued operation	0	(74)

Non-cash transactions

In the reporting period, Deutsche Telekom leased assets with a carrying amount of EUR 2.8 billion, mainly network equipment, cell sites, and land and buildings. These assets are recognized in the statement of financial position under right-of-use assets and the related liabilities under lease liabilities. Future repayments of the liabilities will be recognized in net cash used in/from financing activities. The corresponding additions of right-of-use assets were down EUR 2.3 billion against the prior-year period, mainly due to the leaseback of passive network infrastructure in Germany and Austria under the sale-and-leaseback agreement in connection with the sale of the GD tower companies in the first quarter of 2023 and due to the accelerated build-out of the 5G network in the prior years in the United States operating segment.

Consideration for the acquisition of broadcasting rights is paid by Deutsche Telekom in accordance with the terms of the contract on the date of its conclusion or spread over the term of the contract. Financial liabilities of EUR 0.3 billion were recognized in the reporting period for future consideration for acquired broadcasting rights (prior-year period: EUR 0.2 billion). The payment of the consideration will be recognized in net cash used in/from financing activities.

In connection with the acquisition of Ka'ena in the United States, which was consummated on May 1, 2024, T-Mobile US settled part of the upfront payment in the form of around 3 million ordinary shares in T-Mobile US with a total value of around USD 0.5 billion (EUR 0.5 billion), determined on the basis of the closing share price on April 30, 2024. In addition, an other non-current financial liability of USD 0.2 billion (EUR 0.2 billion) was recognized as of the acquisition date for the fair value of the contingent and other consideration payable on August 1, 2026.

For further information on the acquisition of Ka'ena, please refer to the section "Changes in the composition of the Group and other transactions."

Segment reporting

The following table provides an overview of Deutsche Telekom's operating segments and the Group Headquarters & Group Services segment for the first three quarters of 2024 and 2023.

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

The GD tower companies, which operated the cell tower business in Germany and Austria in the Group Development operating segment, had been recognized in the prior-year period as a discontinued operation in the interim consolidated financial statements until their sale effective February 1, 2023.

In accordance with the Company's own principles of segment management, when loans with embedded derivatives are granted internally to Group entities, the derivative component is recognized separately also in the creditor company's segment financial statements and measured at fair value through profit or loss.

Segment information in the first three quarters

millions of €

		Comparative period						Reporting date		
		Net revenue	Inter-segment revenue	Total revenue	Profit (loss) from operations (EBIT)	Depreciation and amortization	Impairment losses	Segment assets [a]	Segment liabilities [a]	Investments accounted for using the equity method [a]
Germany	Q1-Q3 2024	18,662	470	19,132	4,147	(3,260)	(3)	53,100	38,209	791
	Q1-Q3 2023	18,112	486	18,598	4,525	(3,146)	(9)	52,637	38,645	364
United States	Q1-Q3 2024	54,576	8	54,584	13,185	(11,654)	(1)	201,147	137,419	403
	Q1-Q3 2023	53,451	4	53,455	10,891	(11,542)	(37)	203,435	138,491	384
Europe	Q1-Q3 2024	8,977	165	9,142	1,798	(1,882)	(5)	24,228	8,421	49
	Q1-Q3 2023	8,524	154	8,678	1,513	(1,871)	(9)	24,237	8,801	42
Systems Solutions	Q1-Q3 2024	2,506	459	2,966	76	(162)	(15)	4,026	2,934	24
	Q1-Q3 2023	2,390	475	2,865	20	(163)	(46)	4,016	2,972	22
Group Development	Q1-Q3 2024	5	1	6	(23)	(2)	0	8,798	395	4,774
	Q1-Q3 2023	29	79	108	13,006	(2)	0	11,237	3,879	3,777
Group Headquarters & Group Services	Q1-Q3 2024	111	1,548	1,659	(1,372)	(913)	0	37,475	48,894	14
	Q1-Q3 2023	111	1,607	1,718	(1,293)	(995)	0	40,096	51,607	15
Total from continuing operations and discontinued operation	**Q1-Q3 2024**	**84,838**	**2,651**	**87,489**	**17,811**	**(17,873)**	**(24)**	**328,774**	**236,272**	**6,056**
	Q1-Q3 2023	**82,616**	**2,806**	**85,422**	**28,662**	**(17,719)**	**(101)**	**335,659**	**244,395**	**4,605**
Reconciliation	Q1-Q3 2024	0	(2,651)	(2,651)	(7)	(3)	0	(40,165)	(40,056)	0
	Q1-Q3 2023	0	(2,806)	(2,806)	(11)	16	0	(45,354)	(45,327)	0
Consolidated total from continuing operations and discontinued operation	**Q1-Q3 2024**	**84,838**	**0**	**84,838**	**17,803**	**(17,876)**	**(24)**	**288,608**	**196,216**	**6,056**
	Q1-Q3 2023	**82,616**	**0**	**82,616**	**28,651**	**(17,703)**	**(101)**	**290,305**	**199,068**	**4,605**
Discontinued operation	Q1-Q3 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	Q1-Q3 2023	(15)	(84)	(99)	(13,004)	0	0	n.a.	n.a.	n.a.
Reconciliation	Q1-Q3 2024	0	0	0	0	0	0	n.a.	n.a.	n.a.
	Q1-Q3 2023	0	84	84	0	0	0	n.a.	n.a.	n.a.
Group total	**Q1-Q3 2024**	**84,838**	**0**	**84,838**	**17,803**	**(17,876)**	**(24)**	**288,608**	**196,216**	**6,056**
	Q1-Q3 2023	**82,601**	**0**	**82,601**	**15,647**	**(17,703)**	**(101)**	**290,305**	**199,068**	**4,605**

[a] Figures relate to the reporting dates of September 30, 2024 and December 31, 2023, respectively.

Contingencies

This section provides additional information and explains recent changes in the contingent liabilities and assets as described in the consolidated financial statements for the 2023 financial year.

Claims relating to charges for the shared use of cable ducts. In the claims filed by Vodafone Deutschland GmbH and Vodafone West GmbH against Telekom Deutschland GmbH alleging excessive charges for the use of cable ducts, which were referred by the Federal Court of Justice back to the responsible Higher Regional Courts, the plaintiffs have since updated their demands for relief. Vodafone Deutschland GmbH now puts its claim at around EUR 903 million plus interest for the period from January 2012 to December 2023; Vodafone West now puts its claim at around EUR 538 million plus interest for the period from January 2016 to April 2024. It is currently not possible to estimate the financial impact with sufficient certainty.

Proceedings against T-Mobile US in consequence of the cyberattack on T-Mobile US in August 2021. The derivative action brought in these proceedings by a purported shareholder against the members of the Board of Directors of T-Mobile US and against T-Mobile US as nominal defendant in September 2022 was dismissed in its entirety in May 2024. The plaintiff has appealed against this decision. In connection with the consumer class action in the Federal Court, the appeal filed by a class member against the awarding of lawyers' fees to the lawyer for the class was allowed in July 2024. Consequently, the court must rule again on the awarding. This has no impact on the agreement concluded in July 2022 to settle the consumer class action. T-Mobile US expects that the USD 315 million still outstanding from the original settlement amount of USD 350 million will be paid out at the end of November 2024. In addition, an agreement was reached on the inquiries made by the Federal Communications Commission (FCC).

Claims for damages against Deutsche Telekom AG, including due to insolvency of Phones4U. After the High Court of Justice in London rejected all claims made by Phones4U against all defendants in 2023 as well as an application for leave to lodge an appeal, Phones4U continued to pursue this application with the Court of Appeal. On March 26, 2024, the Court of Appeal allowed the appeal by Phones4U.

Other financial obligations

The following table provides an overview of Deutsche Telekom's other financial obligations as of September 30, 2024:

millions of €	Sept. 30, 2024
Purchase commitments regarding property, plant and equipment	5,180
Purchase commitments regarding intangible assets	6,232
Firm purchase commitments for inventories	10,439
Other purchase commitments and similar obligations	25,533
Payment obligations to the Civil Service Pension Fund	868
Obligations arising in connection with business combinations	9,784
Miscellaneous other obligations	2
	58,038

Purchase commitments regarding intangible assets include, among others, obligations of USD 1.1 billion (EUR 1.0 billion) from the second tranche in connection with the agreement between T-Mobile US and Channel 51 License Co, LLC and LB License Co, LLC, entered into on August 8, 2022, for the acquisition of spectrum licenses in the 600 MHz band. The item also includes obligations arising from the agreement between T-Mobile US and Comcast, entered into on September 12, 2023, for the acquisition of 600 MHz spectrum licenses. In this connection, the maximum purchase price of USD 3.3 billion (EUR 3.0 billion) was included in the disclosure. Other purchase commitments and similar obligations mainly comprise obligations for the procurement of services, such as maintenance and servicing, IT services, marketing measures, and outsourcing. The obligations arising in connection with business combinations mainly relate to obligations from the agreed acquisitions of Lumos of USD 1.5 billion (EUR 1.3 billion), of UScellular of USD 4.4 billion (EUR 3.9 billion), and of Metronet of USD 4.9 billion (EUR 4.4 billion) in the United States operating segment.

For further information on the agreements concluded with Comcast and Channel 51, please refer to the section "Intangible assets."

For further information on the agreements on the acquisition of Lumos, UScellular, and Metronet in the United States, please refer to the section "Changes in the composition of the Group and other transactions."

Disclosures on financial instruments

Carrying amounts, amounts recognized, and fair values by class and measurement category

millions of €

	Measurement category in accordance with IFRS 9	Carrying amount Sept. 30, 2024	Amounts recognized in the statement of financial position in accordance with IFRS 9				Fair value Sept. 30, 2024[b]
			Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss[a]	
Assets							
Cash and cash equivalents	AC	**12,204**	12,204				
Trade receivables		**14,340**					
At amortized cost	AC	6,880	6,880				
At fair value through other comprehensive income	FVOCI	7,460			7,460		7,460
Other financial assets		**7,917**					
Originated loans and other receivables		**6,035**					
At amortized cost	AC	5,777	5,777				5,788
Of which: collateral paid	AC	1,349	1,349				
Of which: publicly funded projects	AC	1,712	1,712				
At fair value through profit or loss	FVTPL	258				258	258
Equity instruments		**530**					
At fair value through other comprehensive income	FVOCI	526		526			526
At fair value through profit or loss	FVTPL	4				4	4
Derivative financial assets		**1,173**					
Derivatives without a hedging relationship	FVTPL	479				479	479
Of which: termination rights embedded in bonds issued	FVTPL	101				101	101
Of which: energy forward agreements	FVTPL	141				141	141
Derivatives with a hedging relationship	n.a.	694			663	31	694
Lease assets	n.a.	**180**					
Liabilities							
Trade payables	AC	**7,718**	7,718				
Financial liabilities		**107,878**					
Bonds and other securitized liabilities	AC	92,131	92,131				90,505
Of which: asset-backed securities collateralized by trade receivables	AC	1,114	1,114				1,124
Liabilities to banks	AC	3,226	3,226				3,158
Liabilities with the right of creditors to priority repayment in the event of default	AC	1,422	1,422				1,400
Other interest-bearing liabilities[c]	AC	6,174	6,174				6,073
Of which: collateral received	AC	33	33				
Liabilities from deferred interest	AC	1,160	1,160				
Other non-interest-bearing liabilities	AC	1,379	1,379				
Derivative financial liabilities		**2,386**					
Derivatives without a hedging relationship	FVTPL	363				363	363
Of which: energy forward agreements	FVTPL	25				25	25
Derivatives with a hedging relationship	n.a.	2,023			515	1,508	2,023
Lease liabilities	n.a.	**38,426**					

[a] For energy forward agreements please refer to the detailed comments in the following section.

[b] The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

[c] For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

millions of €

	Measurement category in accordance with IFRS 9	Carrying amount Sept. 30, 2024	Amounts recognized in the statement of financial position in accordance with IFRS 9				Fair value Sept. 30, 2024 [b]
			Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss [a]	
Aggregated by measurement category (IFRS 9)							
Assets							
Financial assets at amortized cost	AC	24,861	24,861				5,788
Financial assets at fair value through other comprehensive income with recycling to profit or loss	FVOCI	7,460			7,460		7,460
Financial assets at fair value through other comprehensive income without recycling to profit or loss	FVOCI	526		526			526
Financial assets at fair value through profit or loss	FVTPL	740				740	740
Liabilities							
Financial liabilities at amortized cost	AC	113,210	113,210				101,135
Financial liabilities at fair value through profit or loss	FVTPL	363				363	363

[a] For energy forward agreements please refer to the detailed comments in the following section.

[b] The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

[c] For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

Carrying amounts, amounts recognized, and fair values by class and measurement category

millions of €

			Amounts recognized in the statement of financial position in accordance with IFRS 9				
	Measurement category in accordance with IFRS 9	Carrying amount Dec. 31, 2023	Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss [a]	Fair value Dec. 31, 2023 [b]
Assets							
Cash and cash equivalents	AC	**7,274**	7,274				
Trade receivables		**16,157**					
At amortized cost	AC	7,710	7,710				
At fair value through other comprehensive income	FVOCI	8,446			8,446		8,446
Other financial assets		**9,593**					
Originated loans and other receivables		**7,190**					
At amortized cost	AC	6,538	6,538				6,550
Of which: collateral paid	AC	1,708	1,708				
Of which: publicly funded projects	AC	1,863	1,863				
At fair value through profit or loss	FVTPL	652				652	652
Equity instruments		**426**					
At fair value through other comprehensive income	FVOCI	422		422			422
At fair value through profit or loss	FVTPL	4				4	4
Derivative financial assets		**1,780**					
Derivatives without a hedging relationship	FVTPL	1,122				1,122	1,122
Of which: termination rights embedded in bonds issued	FVTPL	200				200	200
Of which: energy forward agreements	FVTPL	168				168	168
Derivatives with a hedging relationship	n.a.	658			643	15	658
Lease assets	n.a.	**197**					
Liabilities							
Trade payables	AC	**10,916**	10,916				
Financial liabilities		**104,522**					
Bonds and other securitized liabilities	AC	87,773	87,773				84,266
Of which: asset-backed securities collateralized by trade receivables	AC	677	677				677
Liabilities to banks	AC	3,560	3,560				3,466
Liabilities with the right of creditors to priority repayment in the event of default	AC	2,067	2,067				2,001
Other interest-bearing liabilities [c]	AC	6,628	6,628				6,499
Of which: collateral received	AC	39	39				
Liabilities from deferred interest	AC	1,009	1,009				
Other non-interest-bearing liabilities	AC	921	921				
Derivative financial liabilities		**2,564**					
Derivatives without a hedging relationship	FVTPL	296				296	296
Of which: energy forward agreements	FVTPL	32				32	32
Derivatives with a hedging relationship	n.a.	2,268			435	1,833	2,268
Lease liabilities	n.a.	**40,792**					

[a] For energy forward agreements please refer to the detailed comments in the following section.

[b] The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

[c] For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

millions of €

	Measurement category in accordance with IFRS 9	Carrying amount Dec. 31, 2023	Amounts recognized in the statement of financial position in accordance with IFRS 9: Amortized cost	Fair value through other comprehensive income without recycling to profit or loss	Fair value through other comprehensive income with recycling to profit or loss	Fair value through profit or loss [a]	Fair value Dec. 31, 2023 [b]
Aggregated by measurement category (IFRS 9)							
Assets							
Financial assets at amortized cost	AC	21,522	21,522				6,550
Financial assets at fair value through other comprehensive income with recycling to profit or loss	FVOCI	8,446			8,446		8,446
Financial assets at fair value through other comprehensive income without recycling to profit or loss	FVOCI	422		422			422
Financial assets at fair value through profit or loss	FVTPL	1,778				1,778	1,778
Liabilities							
Financial liabilities at amortized cost	AC	112,874	112,874				96,233
Financial liabilities at fair value through profit or loss	FVTPL	296				296	296

[a] For energy forward agreements please refer to the detailed comments in the following section.

[b] The practical expedient under IFRS 7.29 was applied for disclosures on specific fair values.

[c] For information on the contingent consideration payable in connection with the acquisition of Ka'ena measured at fair value through profit or loss, please refer to the section "Changes in the composition of the Group and other transactions."

Trade receivables include receivables amounting to EUR 1.9 billion (December 31, 2023: EUR 2.2 billion) due in more than one year. The fair value generally equals the carrying amount.

Disclosures on fair value

Financial instruments measured at fair value

millions of €

	Sept. 30, 2024				Dec. 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Trade receivables								
At fair value through other comprehensive income			7,460	**7,460**			8,446	**8,446**
Other financial assets – Originated loans and other receivables								
At fair value through profit or loss	233		25	**258**	221		431	**652**
Equity instruments								
At fair value through other comprehensive income	13		513	**526**	11		411	**422**
At fair value through profit or loss			4	**4**			4	**4**
Derivative financial assets								
Derivatives without a hedging relationship		225	254	**479**		737	385	**1,122**
Derivatives with a hedging relationship		673	21	**694**		658		**658**
Liabilities								
Derivative financial liabilities								
Derivatives without a hedging relationship		262	101	**363**		263	33	**296**
Derivatives with a hedging relationship		1,932	91	**2,023**		2,215	53	**2,268**

Of the equity instruments measured at fair value through other comprehensive income and recognized under other financial assets, the instruments presented in the different levels constitute separate classes of financial instruments. In each case, the fair values of the total volume of equity instruments recognized as Level 1 are the price quotations at the reporting date.

The listed bonds and other securitized liabilities are assigned to Level 1 or Level 2 depending on the market liquidity of the relevant instrument. Consequently, issues denominated in euros or U.S. dollars with relatively large nominal amounts are to be classified as Level 1, the rest as Level 2. The fair values of the instruments assigned to Level 1 equal the nominal amounts multiplied by the price quotations at the reporting date. The fair values of the instruments assigned to Level 2 are calculated as the present values of the payments associated with the debts, based on the applicable yield curve and Deutsche Telekom's credit spread curve for specific currencies.

The fair values of liabilities to banks and other interest-bearing liabilities are calculated as the present values of the payments associated with the debts, based on the applicable yield curve and Deutsche Telekom's credit spread curve for specific currencies. The fair values of trade receivables and of originated loans and other receivables are calculated as the present values of the payments associated with the receivables, based on the applicable yield curve and the credit risk of the debtors.

Since there are no market prices available for the derivative financial instruments in the portfolio assigned to Level 2 due to the fact that they are not listed on the market, the fair values are calculated using standard financial valuation models, based entirely on observable inputs. The fair value of derivatives is the price that Deutsche Telekom would receive or have to pay if the financial instrument were transferred at the reporting date. Interest rates of contractual partners relevant as of the reporting date are used in this respect. The middle rates applicable as of the reporting date are used as exchange rates. In the case of interest-bearing derivatives, a distinction is made between the clean price and the dirty price. In contrast to the clean price, the dirty price also includes the interest accrued. The fair values carried correspond to the full fair value or the dirty price.

The equity instruments measured at fair value through other comprehensive income comprise a large number of investments in strategic, unlisted individual positions. Deutsche Telekom considers the chosen measurement through other comprehensive income without recycling to profit or loss to be appropriate because there are no plans to use the investments for short-term profit-taking. At the date of disposal of an investment, the total cumulative gain or loss is reclassified to retained earnings. Acquisitions and disposals are based on business policy investment decisions.

Development of the carrying amounts of the financial assets and financial liabilities assigned to Level 3

millions of €

	Equity instruments at fair value through other comprehensive income	Derivative financial assets at fair value through profit or loss: termination rights embedded in bonds issued	Derivative financial assets at fair value through profit or loss: energy forward agreements	Derivative financial liabilities at fair value through profit or loss: energy forward agreements	Originated loans and other receivables at fair value through profit or loss: contingent consideration receivable
Carrying amount as of January 1, 2024	**411**	**200**	**169**	**(32)**	**420**
Additions (including first-time classification as Level 3)	48	13	0	0	0
Decreases in fair value recognized in profit/loss (including losses on disposal)		(139)	(77)	(4)	(420)
Increases in fair value recognized in profit/loss (including gains on disposal)		27	54	7	0
Decreases in fair value recognized directly in equity	(31)				
Increases in fair value recognized directly in equity	86				
Disposals (including last classification as Level 3) [a]	0	0	(3)	4	0
Currency translation effects recognized directly in equity	(1)	0	(2)	0	0
Carrying amount as of September 30, 2024	**513**	**101**	**141**	**(25)**	**0**

[a] The disposals under energy forward agreements include billing amounts paid.

The **equity instruments** assigned to Level 3 that are measured at fair value through other comprehensive income and carried under other financial assets are equity investments with a carrying amount of EUR 462 million measured using the best information available at the reporting date. As a rule, Deutsche Telekom considers transactions involving shares in those companies to have the greatest relevance. Transactions involving shares in comparable companies are also considered. The proximity of the relevant transaction to the reporting date, and the question of whether it was conducted at arm's length, are relevant for deciding which information is used for the measurement. Furthermore, the degree of similarity between the object being measured and comparable companies must be taken into consideration. For the development of the carrying amounts in the reporting period, please refer to the table above. In the case of investments with a carrying amount of EUR 184 million, transactions involving shares in these companies took place at arm's length sufficiently close to the reporting date, which is why the share prices agreed in the transactions were to be used without adjustment for the measurement as of the current reporting date. In the case of investments with a carrying amount of EUR 37 million, an analysis of operational indicators (especially revenue, EBIT, and liquidity) revealed that the carrying amounts were equivalent to current fair values. Due to better comparability, previous arm's length transactions involving shares in these companies are preferable to more recent transactions involving shares in similar companies. In the case of investments with a carrying amount of EUR 241 million, for which the last arm's length transactions relating to shares in these companies took place further in the past, a measurement performed more recently relating to shares in similar companies provides the most reliable representation of the fair values. Here, multiples to the reference variable of expected revenue (ranging between 3.1 and 38.2) were applied and a range of equally distributed percentiles in intervals of 16.7 % around the median were taken as a basis. For each investment, the appropriate percentile was used depending on the specific circumstances. If other values had been used for the multiples and for the expected revenue amounts, the calculated fair values would have been different. However, these hypothetical deviations (sensitivities) were immaterial as of the current reporting date. In addition, non-material individual items with a carrying amount of EUR 51 million when translated into euros are included with differences in value of minor relevance.

The derivatives without a hedging relationship assigned to Level 3 and carried under derivative financial assets relate to **options embedded in bonds issued by T-Mobile US** with a carrying amount of EUR 101 million when translated into euros. The options, which can be exercised by T-Mobile US at any time, allow early redemption of the bonds at fixed exercise prices. Observable market prices are available regularly and also at the reporting date for the bonds as entire instruments, but not for the options embedded therein. The termination rights are measured using an option pricing model. Historical interest rate volatilities of bonds issued by T-Mobile US and comparable issuers are used for the measurement because these provide a more reliable estimate at the reporting date than current market interest rate volatilities. The spread curve, which is also unobservable, was derived on the basis of current market prices of bonds issued by T-Mobile US and debt instruments of comparable issuers. Risk-free interest rates and spreads were simulated separately from each other. At the current reporting date, the following interest rate volatility and spreads were used for the various rating levels of the USD bonds:

Interest rate volatilities and spreads used by rating levels

%	Interest volatility (absolute figure)	Spread
BBB+	0.1 – 0.2	0.8 – 1.4
BBB-	0.1 – 0.3	1.3 – 2.0
BB+	0.1 – 0.3	1.6 – 2.5

If other values had been used for the interest rate volatility and for the spread curve , the calculated fair values would have been different. However, these hypothetical deviations (sensitivities) were immaterial as of the current reporting date. In the reporting period, a net expense of EUR 112 million when translated into euros was recognized under the Level 3 measurement in other financial income/expense for unrealized losses for the options in the portfolio at the reporting date. In the reporting period, no option was exercised. Please refer to the table above for the development of the carrying amounts in the reporting period. Due to their distinctiveness, these instruments constitute a separate class of financial instruments.

With a carrying amount of EUR 141 million when translated into euros, the derivatives without a hedging relationship assigned to Level 3 and carried under derivative financial assets relate to **energy forward agreements** embedded in contracts entered into by T-Mobile US. The same applies to derivative financial liabilities with a carrying amount of EUR 25 million when translated into euros. These agreements consist of two components: the energy forward agreement and the acquisition of renewable energy credits by T-Mobile US. In the case of one energy forward agreement, commercial operation is set to begin in 2025; with the others, it has already begun. Under the energy forward agreements, which are accounted for separately as derivatives, T-Mobile US receives variable amounts based on the actual energy output and the then current energy prices, and pays fixed amounts per unit of energy generated from the start of commercial operations throughout the term of the contract. The energy forward agreements are measured using valuation models because no observable market prices are available. The value of the derivatives is influenced primarily by the future energy output and the future energy prices on the relevant markets. The main contract parameters and assumptions made are set out in the table below. In the view of T-Mobile US, the contracts were entered into at current market conditions, and the most appropriate parameters for the unobservable inputs were used for measurement purposes. The transaction price at inception was zero in each case. Since the unobservable inputs have a significant influence on the measurement of the derivatives, the respective amount resulting from initial measurement (day 1 gain) for some of the agreements was not recognized in profit or loss on initial recognition. Instead, these day 1 gains are amortized in profit or loss on a straight-line basis over the period of commercial energy production. This amortization adjusts the effects from measuring the derivatives in each accounting period using the respective valuation models and updated parameters. All amounts from the measurement of the derivatives are presented in net terms per contract in the statement of financial position (derivative financial assets/liabilities) and in the income statement (other operating income/expenses). The remaining agreements were acquired by T-Mobile US in a business combination and, for these agreements too, unobservable inputs have a material influence on the measurement of the derivatives. However, under the requirements for business combinations, the respective amounts resulting from the measurement are recognized as derivative financial assets, as a result of which there are no amounts yet to be amortized for these agreements. On the following reporting dates, the effects from the periodic measurement of the derivatives will be recorded in full in the income statement (other operating expenses or other operating income). At the reporting date, the calculated fair value from Deutsche Telekom's perspective for one of the energy forward agreements described above is negative and amounts to EUR -6 million when translated into euros. All the rest are positive and amount to EUR 231 million when translated into euros. If other values had been used for the future energy prices and for the future energy output, the calculated fair values would have been different. However, these hypothetical deviations (sensitivities) were immaterial as of the current reporting date. In the reporting period, a net expense of EUR -7 million when translated into euros was recognized under the Level 3 measurement in other operating income/expense for unrealized losses for the derivatives for all the above energy forward agreements. Please refer to the corresponding table for the development of the carrying amounts in the reporting period. The development of the day 1 gain yet to be amortized in the income statement in the reporting period is shown in the following table. The straight-line amortization of the day 1 gains through profit or loss over the period of commercial energy production amounts to a total of EUR 11 million per year when translated into euros.

Main contract parameters of energy forward agreements

	United States
Term of the contract from the start of commercial operation in years	12 to 15
End of the term of contracts for which commercial operation has already begun	2029 to 2035
Expected energy output in GWh per year	4,057
Expected energy prices per MWh for the unobservable portion of the term in €	20 to 80
Length of time in years, for which energy prices are regularly observable	up to 10

Development of the not yet amortized amounts

millions of €

	Energy forward agreements in the United States [a]
Measurement amounts on initial recognition	**245**
Measurement amounts on initial recognition (additions during the reporting period)	0
Measurement amounts amortized in profit or loss in prior periods	(49)
Measurement amounts amortized in profit or loss in the current reporting period	(7)
Currency translation adjustments	5
Disposals in prior periods	(85)
Disposals in the current reporting period	0
Measurement amounts not amortized as of September 30, 2024	**109**

[a] For more details, please refer to the explanations above.

The contingent consideration receivable from the sale of a 50 % stake in GlasfaserPlus was forgone in the reporting period under a contractual adjustment.

For the trade receivables measured at fair value through other comprehensive income assigned to Level 3 and for the **originated loans and other receivables** measured at fair value through profit or loss, the main factor in determining fair value is the credit risk of the relevant counterparties. If the default rates applied as of the reporting date had been 1 % higher (lower) with no change in the reference variables, the fair values of the instruments would have been 1 % lower (higher). The financial assets assigned to Level 3 include trade receivables measured at fair value through other comprehensive income, for which the credit risk of customers constitutes an unobservable input for the measurement, with a carrying amount of EUR 7,460 million (December 31, 2023: EUR 8,446 million) when translated into euros. As a rule, a credit scoring model is used for receivables paid in installments. The cash flows are discounted on the basis of the weighted average of the original effective interest rates of the financial assets in the relevant portfolio. A weighted average credit-risk spread of 7.57 % (December 31, 2023: 6.49 %) was applied to the respective receivables portfolios at the reporting date. The credit-risk spreads applied are derived from the expected future credit loss of the relevant portfolio and are updated on an ongoing basis. Changes in the fair value of these trade receivables are also caused by changes in observable market interest rates.

No notable fluctuations in value are expected from the other financial assets and financial liabilities assigned to Level 3.

Disclosures on credit risk
In line with the contractual provisions, in the event of insolvency, all derivatives with a positive or negative fair value that exist with the respective counterparty are offset against each other, leaving a net receivable or liability. The net amounts are normally recalculated every bank working day and offset against each other. When the netting of the positive and negative fair values of all derivatives was positive from Deutsche Telekom's perspective, Deutsche Telekom received unrestricted cash collateral from counterparties pursuant to collateral agreements in the amount of EUR 33 million (December 31, 2023: EUR 39 million). The credit risk was thus reduced by EUR 33 million (December 31, 2023: EUR 37 million) because, on the reporting date, the cash collateral received was offset by corresponding net derivative positions in the same amount. On the basis of these contracts, derivatives with a positive fair value and a total carrying amount of EUR 898 million as of the reporting date (December 31, 2023: EUR 981 million) had a residual credit risk of EUR 7 million as of September 30, 2024 (December 31, 2023: EUR 2 million).

When the netting of the positive and negative fair values of all derivatives was negative from Deutsche Telekom's perspective, Deutsche Telekom provided cash collateral in the amount of EUR 1,272 million as of the reporting date (December 31, 2023: EUR 1,642 million) to counterparties pursuant to collateral agreements. The cash collateral paid is offset by corresponding net derivative positions of EUR 1,252 million at the reporting date (December 31, 2023: EUR 1,513 million), which is why it was not exposed to any credit risks in this amount.

On account of its close connection to the corresponding derivatives, the collateral received (paid) constitutes a separate class of financial liabilities (assets). There were no other significant agreements reducing the maximum exposure to the credit risk of financial assets. The maximum exposure to credit risk of the other financial assets thus corresponds to their carrying amounts.

In accordance with the terms of the bonds issued by T-Mobile US, T-Mobile US has the right to terminate the majority of bonds prematurely under specific conditions. The rights of early termination constitute embedded derivatives and are presented separately as derivative financial assets in the consolidated statement of financial position. Since they are not exposed to any credit risk, they constitute a separate class of financial instruments. Please refer to the explanations above for more information on the energy forward agreements for which no material collateral is provided. There is also no credit risk on embedded derivatives held.

In connection mainly with the procurement of energy, subsidiaries of Deutsche Telekom have deposited additional cash collateral of EUR 5 million when translated into euros as of the reporting date (December 31, 2023: EUR 2 million). At the reporting date, cash and cash equivalents of EUR 71 million (December 31, 2023: EUR 64 million) when translated into euros were pledged as cash collateral for liabilities issued by Sprint with the right of creditors to priority repayment in the event of default. This cash collateral is not exposed to any significant credit risk.

Related-party disclosures
The following significant changes to the related-party disclosures reported in the consolidated financial statements as of December 31, 2023 were in effect as of September 30, 2024.

As of December 31, 2023, the Federal Republic of Germany was both a direct and an indirect shareholder via KfW Bankengruppe and held 30.46 % (December 31, 2022: 30.46 %) of the share capital of Deutsche Telekom AG. As of September 30, 2024, the Federal Republic of Germany and KfW held a total direct shareholding of 27.80 %. In its last notification of voting rights dated June 5, 2024, the Federal Republic of Germany reported that a total of 28.18 % of the voting rights in Deutsche Telekom AG were attributable to it.

Executive bodies
Board of Management
By resolution of October 13, 2023, Ferri Abolhassan was appointed as the Board member responsible for T-Systems for the period from January 1, 2024 to December 31, 2026. Mr. Abolhassan thereby succeeds Adel Al-Saleh, who had asked for his contract to be terminated and left the Group as of December 31, 2023.

Events after the reporting period

Deutsche Telekom AG's share buy-back program. In the period from October 1, 2024 to November 12, 2024, Deutsche Telekom AG bought back around 9 million shares with a total volume of around EUR 0.3 billion under the share buy-back program.

For more information, please refer to the section "Other transactions that had no effect on the composition of the Group."

T-Mobile US' share buy-back program continued. In the period from October 1, 2024 to October 18, 2024, T-Mobile US bought back around 4 million additional shares with a total volume of USD 0.9 billion (EUR 0.8 billion) under the share buy-back program.

For further information on the share buy-back program at T-Mobile US, please refer to the section "Other transactions that had no effect on the composition of the Group."

Issue of bonds by T-Mobile US. On October 9, 2024, T-Mobile US issued asset-backed securities (ABS senior notes) in the amount of USD 0.5 billion (EUR 0.5 billion) with terms ending in 2029 and bearing interest of 4.25 %.

Early redemption of senior notes by T-Mobile US. On October 11, 2024, T-Mobile US announced the early redemption of senior notes due in 2025 with a nominal value of USD 1.5 billion (EUR 1.3 billion) and bearing interest of 7.625 %. This early redemption is expected to be completed at par on November 15, 2024.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Bonn, November 14, 2024

Deutsche Telekom AG
The Board of Management

Timotheus Höttges

Dr. Ferri Abolhassan	Birgit Bohle	Srini Gopalan	Dr. Christian P. Illek
Thorsten Langheim	Dominique Leroy	Claudia Nemat	

Review report

To Deutsche Telekom AG, Bonn

We have reviewed the condensed consolidated interim financial statements – comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, and selected explanatory notes – and the interim Group management report of Deutsche Telekom AG, Bonn, for the period from January 1 to September 30, 2024 which are part of the quarterly financial report pursuant to § (Article) 115 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS Accounting Standards (hereinafter referred to as “IFRS Accounting Standards”) issued by the International Accounting Standards Board (IASB) and applicable to interim financial reporting as adopted by the EU and of the interim Group management report in accordance with the provisions of the German Securities Trading Act applicable to interim Group management reports is the responsibility of the parent company’s board of management. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim Group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim Group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additionally observed International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting as adopted by the EU or that the interim Group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim Group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements of Deutsche Telekom AG have not been prepared, in all material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting as adopted by the EU nor that the interim Group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, November 14, 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Christoph Schenk
Wirtschaftsprüfer (German Public Auditor)

Prof. Dr. Tim Hoffmann
Wirtschaftsprüfer (German Public Auditor)

Additional information

Reconciliation for the organic development of key figures for the prior-year period [a]

For the organic presentation of figures, prior-period comparatives are adjusted for the effects of changes in the composition of the Group, exchange rate effects, and other effects. This improves the informative value of the prior-year comparatives by taking account of changes to the company's structure or exchange rates.

millions of €

					Reconciliation to organic figures		Organic change		
	Q1-Q3 2024	Q1-Q3 2023	Change	Change %	Recon-ciliation Q1-Q3 2023	Of which: exchange rate effects	Organic Q1-Q3 2023	Change	Change %
Revenue	**84,838**	**82,616**	**2,221**	**2.7**	**(157)**	**(194)**	**82,459**	**2,379**	**2.9**
Germany	19,132	18,598	534	2.9	(3)	(3)	18,594	538	2.9
United States	54,584	53,455	1,129	2.1	(119)	(176)	53,336	1,248	2.3
Europe	9,142	8,678	464	5.3	(16)	(15)	8,662	480	5.5
Systems Solutions	2,966	2,865	100	3.5	7	(1)	2,872	94	3.3
Group Development	6	108	(102)	(94.0)	(99)	0	9	(2)	(27.3)
Group Headquarters & Group Services	1,659	1,718	(59)	(3.4)	0	0	1,718	(59)	(3.4)
Service revenue	**71,700**	**69,025**	**2,675**	**3.9**	**(72)**	**(164)**	**68,953**	**2,747**	**4.0**
Germany	16,771	16,440	331	2.0	(3)	(3)	16,437	335	2.0
United States	45,280	43,508	1,772	4.1	(96)	(136)	43,412	1,867	4.3
Europe	7,662	7,209	453	6.3	27	(24)	7,236	426	5.9
Systems Solutions	2,878	2,792	87	3.1	7	(1)	2,798	80	2.9
Group Development	0	0	0	n.a.	0	0	0	0	n.a.
Group Headquarters & Group Services	715	756	(41)	(5.4)	0	0	756	(41)	(5.5)
EBITDA AL	**30,858**	**41,492**	**(10,633)**	**(25.6)**	**(74)**	**(68)**	**41,418**	**(10,560)**	**(25.5)**
Germany	6,944	7,278	(334)	(4.6)	13	0	7,291	(347)	(4.8)
United States	21,120	18,552	2,568	13.8	(7)	(63)	18,545	2,575	13.9
Europe	3,306	3,040	266	8.7	(5)	(13)	3,035	271	8.9
Systems Solutions	185	159	26	16.0	4	4	164	21	13.0
Group Development	(21)	13,003	(13,024)	n.a.	(73)	0	12,930	(12,951)	n.a.
Group Headquarters & Group Services	(671)	(514)	(157)	(30.6)	(5)	1	(519)	(152)	(29.3)
EBITDA AL (adjusted for special factors)	**32,389**	**30,488**	**1,901**	**6.2**	**(17)**	**(74)**	**30,471**	**1,918**	**6.3**
Germany	7,859	7,655	205	2.7	13	0	7,667	192	2.5
United States	21,414	19,882	1,532	7.7	50	(69)	19,931	1,483	7.4
Europe	3,356	3,102	254	8.2	(5)	(13)	3,097	259	8.4
Systems Solutions	267	245	22	8.8	4	4	249	17	6.9
Group Development	(23)	53	(76)	n.a.	(73)	0	(20)	(3)	(15.7)
Group Headquarters & Group Services	(480)	(422)	(58)	(13.8)	(5)	1	(427)	(53)	(12.4)

[a] For further information on the presentation of the sold GD Towers business entity in the prior year, please refer to the section "Group organization, strategy, and management" in the interim Group management report.

Glossary

For definitions, please refer to the online report and the glossary therein.

Disclaimer

This Report (particularly the section "Forecast") contains forward-looking statements that reflect the current views of Deutsche Telekom's management with respect to future events. They are generally identified by the words "expect," "anticipate," "believe," "intend," "estimate," "aim," "goal," "plan," "will," "outlook," or similar expressions and include generally any information that relates to expectations or targets for revenue, adjusted EBITDA AL, or other performance measures.

Forward-looking statements are based on current plans, estimates, and projections. 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. They include, for instance, the progress of Deutsche Telekom's staff-related restructuring measures and the impact of other significant strategic or business initiatives, including acquisitions, dispositions, and business combinations.

In addition, movements in exchange rates and interest rates, regulatory rulings, stronger than expected competition, technological change, litigation, and regulatory developments, among other factors, may have a material adverse effect on costs and revenue development.

If these or other risks and uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, Deutsche Telekom's actual results may be materially different from those expressed or implied by such statements. Deutsche Telekom can offer no assurance that its expectations or targets will be achieved.

Without prejudice to existing obligations under capital market law, Deutsche Telekom does not assume any obligation to update forward-looking statements to account for new information or future events or anything else.

In addition to figures prepared in accordance with IFRS, Deutsche Telekom presents alternative non-GAAP performance measures, e.g., service revenue, EBITDA, EBITDA AL, adjusted EBITDA, adjusted EBITDA AL, adjusted core EBITDA AL, adjusted EBITDA AL margin, adjusted EBIT, EBIT margin, adjusted net profit/loss, adjusted earnings per share, free cash flow, free cash flow AL, gross and net debt, and net debt AL. These 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.

> For further information on alternative performance measures, please refer to the section "Management of the Group" in the 2023 combined management report (2023 Annual Report) and our Investor Relations website.

The figures shown in this report were rounded in accordance with standard business rounding principles. However, changes were calculated on the basis of non-rounded values. As a result, the total indicated may not be equal to the precise sum of the individual figures.

Our Interim Group Report (PDF and online) includes references and links to websites with additional information not contained in the Interim Group Report. These references and links are purely of a supplementary nature and are only intended to simplify access to this information. Please note that this information is not part of the Interim Group Report.

Financial calendar

November 14, 2024	February 26, 2025	April 9, 2025
Publication of the Interim Group Report as of September 30, 2024	Press conference on the 2024 financial year and publication of the 2024 Annual Report	2025 Shareholder's Meeting

May 15, 2025	August 7, 2025	November 13, 2025
Publication of the Interim Group Report as of March 31, 2025	Publication of the Interim Group Report as of June 30, 2025	Publication of the Interim Group Report as of September 30, 2025

All dates are subject to change.

For more dates, an updated schedule, and information on webcasts, please visit our Investor Relations website.

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This Interim Group Report for January 1 to September 30, 2024 is a publication of Deutsche Telekom AG and is also available in German. The German version is legally binding.

This Interim Group Report is available online.

Our Annual Report is available online.

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