

# BACKUP Q2 2017

## DEUTSCHE TELEKOM



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We have created the new Board of Management department Technology and Innovation, in which we have pooled our Group's overarching network, innovation, and IT tasks. This resulted in the following organizational changes: The Innovations, Telekom IT, and Technology units of our Germany, Europe, and Systems Solutions operating segments have been transferred into a separate Board department within Group Headquarters & Group Services. Comparative figures have been adjusted retrospectively.

Since January 1, 2017, we have reported on the new Group Development operating segment. Group Development actively manages and increases the value of selected subsidiaries and equity investments of the Group. The following units and subsidiaries have been included: T-Mobile Netherlands (previously in the Europe operating segment), Deutsche Funkturm (DFMG, previously in the Germany operating segment), as well as Deutsche Telekom Capital Partners (DTCP) and the stakes in BT plc, Ströer SE & Co. KGaA, as well as Strato, which was sold in March 2017, and the stake in Scout24 AG, which was sold in June 2017 (previously in the Group Headquarters & Group Services segment). The Group functions of Mergers & Acquisitions and Strategic Portfolio Management have also been assigned to Group Development. Comparative figures have been adjusted retrospectively.

The figures shown in this report were rounded in accordance with standard business rounding principles. As a result, the total indicated may not be equal to the precise sum of the individual figures.



LIFE IS FOR SHARING.

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# GROUP

## AT A GLANCE

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>REVENUE</b>                               |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany                                      |      | 5.338                       | 5.485                       | 5.565                       | 21.774                      | 5.397                       | 5.371                       | 0,6         | 10.723                      | 10.768                      | 0,4         |
| United States                                |      | 8.196                       | 8.281                       | 9.445                       | 33.738                      | 8.982                       | 9.236                       | 12,7        | 16.012                      | 18.218                      | 13,8        |
| Europe                                       |      | 2.794                       | 2.900                       | 2.996                       | 11.454                      | 2.781                       | 2.860                       | 2,4         | 5.558                       | 5.641                       | 1,5         |
| Systems Solutions                            |      | 1.719                       | 1.674                       | 1.741                       | 6.993                       | 1.704                       | 1.688                       | (1,8)       | 3.578                       | 3.392                       | (5,2)       |
| Group Development                            |      | 573                         | 588                         | 610                         | 2.347                       | 595                         | 562                         | (1,9)       | 1.148                       | 1.157                       | 0,8         |
| Group Headquarters & Group Services          |      | 910                         | 846                         | 929                         | 3.467                       | 737                         | 787                         | (13,5)      | 1.691                       | 1.525                       | (9,8)       |
| Reconciliation                               |      | (1.713)                     | (1.670)                     | (1.742)                     | (6.678)                     | (1.550)                     | (1.614)                     | 5,8         | (3.263)                     | (3.164)                     | 3,0         |
| <b>GROUP</b>                                 |      | <b>17.817</b>               | <b>18.105</b>               | <b>19.543</b>               | <b>73.095</b>               | <b>18.646</b>               | <b>18.890</b>               | <b>6,0</b>  | <b>35.447</b>               | <b>37.537</b>               | <b>5,9</b>  |
| <b>NET REVENUE</b>                           |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany                                      |      | 5.000                       | 5.134                       | 5.210                       | 20.405                      | 5.069                       | 5.036                       | 0,7         | 10.062                      | 10.105                      | 0,4         |
| United States                                |      | 8.195                       | 8.282                       | 9.443                       | 33.736                      | 8.982                       | 9.236                       | 12,7        | 16.011                      | 18.218                      | 13,8        |
| Europe                                       |      | 2.704                       | 2.812                       | 2.900                       | 11.111                      | 2.695                       | 2.772                       | 2,5         | 5.399                       | 5.467                       | 1,3         |
| Systems Solutions                            |      | 1.402                       | 1.349                       | 1.382                       | 5.678                       | 1.369                       | 1.349                       | (3,8)       | 2.947                       | 2.717                       | (7,8)       |
| Group Development                            |      | 423                         | 434                         | 458                         | 1.744                       | 444                         | 415                         | (1,9)       | 852                         | 858                         | 0,7         |
| Group Headquarters & Group Services          |      | 92                          | 96                          | 150                         | 421                         | 88                          | 83                          | (9,8)       | 175                         | 171                         | (2,3)       |
| <b>GROUP</b>                                 |      | <b>17.817</b>               | <b>18.105</b>               | <b>19.543</b>               | <b>73.095</b>               | <b>18.646</b>               | <b>18.890</b>               | <b>6,0</b>  | <b>35.447</b>               | <b>37.537</b>               | <b>5,9</b>  |
| <b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b> |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany                                      |      | 2.078                       | 2.095                       | 2.013                       | 8.237                       | 2.070                       | 2.100                       | 1,1         | 4.129                       | 4.170                       | 1,0         |
| United States                                |      | 2.172                       | 2.156                       | 2.325                       | 8.561                       | 2.386                       | 2.640                       | 21,5        | 4.080                       | 5.025                       | 23,2        |
| Europe                                       |      | 968                         | 1.037                       | 930                         | 3.866                       | 889                         | 947                         | (2,2)       | 1.899                       | 1.836                       | (3,3)       |
| Systems Solutions                            |      | 111                         | 139                         | 84                          | 530                         | 96                          | 136                         | 22,5        | 307                         | 232                         | (24,4)      |
| Group Development                            |      | 256                         | 251                         | 213                         | 943                         | 238                         | 236                         | (7,8)       | 479                         | 475                         | (0,8)       |
| Group Headquarters & Group Services          |      | (89)                        | (141)                       | (293)                       | (670)                       | (128)                       | (90)                        | (1,1)       | (236)                       | (218)                       | 7,6         |
| Reconciliation                               |      | (39)                        | (2)                         | (7)                         | (47)                        | (1)                         | (25)                        | 35,9        | (38)                        | (25)                        | 34,2        |
| <b>GROUP</b>                                 |      | <b>5.457</b>                | <b>5.535</b>                | <b>5.265</b>                | <b>21.420</b>               | <b>5.550</b>                | <b>5.944</b>                | <b>8,9</b>  | <b>10.620</b>               | <b>11.495</b>               | <b>8,2</b>  |
| Proportional EBITDA                          |      | 4.384                       | 4.425                       | 4.114                       | 17.096                      | 4.414                       | 4.690                       | 6,3         | 8.557                       | 9.104                       | 6,4         |

# GROUP

## AT A GLANCE II

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>EBITDA MARGIN (ADJUSTED FOR SPECIAL FACTORS)<br/>(EBITDA / TOTAL REVENUE)</b> |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany  |      | 38,9                        | 38,2                        | 36,2                        | 37,8                        | 38,4                        | 39,1                        | 0,2p        | 38,5                        | 38,7                        | 0,2p        |
| United States  |      | 26,5                        | 26,0                        | 24,6                        | 25,4                        | 26,6                        | 28,6                        | 2,1p        | 50,9                        | 27,6                        | (23,3p)     |
| Europe   |      | 34,6                        | 35,8                        | 31,0                        | 33,8                        | 32,0                        | 33,1                        | (1,5p)      | 34,2                        | 32,5                        | (1,7p)      |
| Systems Solutions  |      | 6,5                         | 8,3                         | 4,8                         | 7,6                         | 5,6                         | 8,1                         | 1,6p        | 8,6                         | 6,8                         | (1,8p)      |
| Group Development  |      | 44,7                        | 42,7                        | 34,9                        | 40,2                        | 40,0                        | 42,0                        | (2,7p)      | 41,7                        | 41,1                        | (0,6p)      |
| Group Headquarters & Group Services  |      | -18,8                       | (16,7)                      | (31,5)                      | (19,3)                      | (17,4)                      | (11,4)                      | (1,6p)      | (14,0)                      | (14,3)                      | (0,3p)      |
| <b>GROUP</b>   |      | <b>30,6</b>                 | <b>30,6</b>                 | <b>26,9</b>                 | <b>29,3</b>                 | <b>29,8</b>                 | <b>31,5</b>                 | <b>0,9p</b> | <b>30,0</b>                 | <b>30,6</b>                 | <b>0,6p</b> |
| <b>CASH CAPEX</b>  |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany  |      | 885                         | 1.045                       | 1.228                       | 4.031                       | 1.005                       | 1.052                       | 18,9        | 1.758                       | 2.057                       | 17,0        |
| United States  |      | 1.251                       | 1.671                       | 1.177                       | 5.855                       | 1.442                       | 8.463                       | n.a.        | 3.007                       | 9.905                       | n.a.        |
| Europe   |      | 371                         | 876                         | 413                         | 2.600                       | 475                         | 403                         | 8,6         | 1.311                       | 878                         | (33,0)      |
| Systems Solutions  |      | 96                          | 85                          | 143                         | 402                         | 86                          | 91                          | (5,2)       | 174                         | 177                         | 1,7         |
| Group Development  |      | 40                          | 69                          | 69                          | 271                         | 81                          | 57                          | 42,5        | 133                         | 138                         | 3,8         |
| Group Headquarters & Group Services  |      | 207                         | 222                         | 279                         | 936                         | 242                         | 239                         | 15,5        | 434                         | 481                         | 10,8        |
| Reconciliation   |      | (147)                       | (83)                        | (152)                       | (455)                       | (51)                        | (65)                        | 55,8        | (218)                       | (116)                       | 46,8        |
| <b>GROUP</b>   |      | <b>2.703</b>                | <b>3.885</b>                | <b>3.156</b>                | <b>13.640</b>               | <b>3.280</b>                | <b>10.240</b>               | <b>n.a.</b> | <b>6.599</b>                | <b>13.520</b>               | <b>n.a.</b> |
| - thereof spectrum investment  |      | 39                          | 1.146                       | 432                         | 2.682                       | 35                          | 7.246                       | n.a.        | 1.104                       | 7.282                       | n.a.        |
| <b>NET PROFIT (LOSS)</b>   |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| adjusted for special factors   |      | 1.054                       | 1.040                       | 973                         | 4.114                       | 939                         | 1.199                       | 13,8        | 2.101                       | 2.138                       | 1,8         |
| as reported  |      | 621                         | 1.053                       | (2.124)                     | 2.675                       | 747                         | 874                         | 40,7        | 3.746                       | 1.621                       | (56,7)      |
| <b>FREE CASH FLOW (BEFORE DIVIDEND PAYMENTS AND<br/>SPECTRUM INVESTMENT)</b>     |      |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
|  |      | <b>1.320</b>                | <b>1.904</b>                | <b>893</b>                  | <b>4.939</b>                | <b>1.228</b>                | <b>1.301</b>                | <b>1,4</b>  | <b>2.142</b>                | <b>2.530</b>                | <b>18,1</b> |
| Proportional free cash flow  |      | 1.104                       | 1.607                       | 391                         | 3.939                       | 1.139                       | 1.080                       | (5,2)       | 1.941                       | 2.219                       | 14,3        |
| <b>NET DEBT</b>  |      | <b>48.692</b>               | <b>48.484</b>               | <b>49.959</b>               | <b>49.959</b>               | <b>49.963</b>               | <b>55.249</b>               | <b>13,5</b> | <b>48.693</b>               | <b>55.249</b>               | <b>13,5</b> |

# DT GROUP

## EXCELLENT MARKET POSITION<sup>1</sup>

|   | Note     | Q2             | Q3             | Q4             | Q1             | Q2             | Change compared to |              | Change compared to |              |
|---|----------|----------------|----------------|----------------|----------------|----------------|--------------------|--------------|--------------------|--------------|
|   |          | 2016           | 2016           | 2016           | 2017           | 2017           | prior quarter      |              | prior year         |              |
|   |          | ('000)         | ('000)         | ('000)         | ('000)         | ('000)         | abs.               | %            | abs.               | %            |
| <b>BROADBAND RETAIL LINES (END OF PERIOD)</b> | <b>2</b> | <b>18.077</b>  | <b>18.187</b>  | <b>18.479</b>  | <b>18.609</b>  | <b>18.728</b>  | <b>119</b>         | <b>0,6</b>   | <b>651</b>         | <b>3,6</b>   |
| Germany                                       |          | 12.770         | 12.835         | 12.922         | 12.989         | 13.035         | 46                 | 0,4          | 265                | 2,1          |
| Europe  |          | 5.307          | 5.352          | 5.393          | 5.444          | 5.509          | 65                 | 1,2          | 202                | 3,8          |
| Greece  |          | 1.573          | 1.603          | 1.633          | 1.653          | 1.680          | 27                 | 1,6          | 107                | 6,8          |
| Romania                                       |          | 1.204          | 1.198          | 1.194          | 1.186          | 1.191          | 5                  | 0,4          | (13)               | (1,1)        |
| Hungary                                       |          | 1.003          | 1.014          | 1.011          | 1.026          | 1.047          | 21                 | 2,0          | 44                 | 4,4          |
| Poland  |          | 10             | 10             | 10             | 20             | 18             | (2)                | (10,0)       | 8                  | 80,0         |
| Czech Republic                                |          | 131            | 130            | 132            | 133            | 133            | 0                  | 0,0          | 2                  | 1,5          |
| Croatia                                       |          | 639            | 642            | 649            | 653            | 655            | 2                  | 0,3          | 16                 | 2,5          |
| Slovakia                                      |          | 489            | 496            | 509            | 523            | 532            | 9                  | 1,7          | 43                 | 8,8          |
| other   |          | 258            | 258            | 254            | 250            | 253            | 3                  | 1,2          | (5)                | (1,9)        |
| Group Development                             |          | 0              | 0              | 164            | 176            | 184            | 8                  | 4,5          | 184                | n.a.         |
| Netherlands                                   | 4        | 0              | 0              | 164            | 176            | 184            | 8                  | 4,5          | 184                | n.a.         |
| <b>FIXED NETWORK LINES (END OF PERIOD)</b>    | <b>3</b> | <b>28.610</b>  | <b>28.472</b>  | <b>28.481</b>  | <b>28.310</b>  | <b>28.125</b>  | <b>(185)</b>       | <b>(0,7)</b> | <b>(485)</b>       | <b>(1,7)</b> |
| Germany                                       |          | 19.971         | 19.873         | 19.786         | 19.648         | 19.477         | (171)              | (0,9)        | (494)              | (2,5)        |
| Europe  |          | 8.639          | 8.599          | 8.531          | 8.486          | 8.464          | (22)               | (0,3)        | (175)              | (2,0)        |
| Greece  |          | 2.576          | 2.569          | 2.564          | 2.547          | 2.539          | (8)                | (0,3)        | (37)               | (1,4)        |
| Romania                                       |          | 2.029          | 1.998          | 1.969          | 1.937          | 1.922          | (15)               | (0,8)        | (107)              | (5,3)        |
| Hungary                                       |          | 1.655          | 1.650          | 1.629          | 1.630          | 1.637          | 7                  | 0,4          | (18)               | (1,1)        |
| Poland  |          | 18             | 20             | 20             | 33             | 31             | (2)                | (6,1)        | 13                 | 72,2         |
| Czech Republic                                |          | 140            | 147            | 140            | 143            | 146            | 3                  | 2,1          | 6                  | 4,3          |
| Croatia                                       |          | 1.009          | 1.004          | 1.001          | 992            | 986            | (6)                | (0,6)        | (23)               | (2,3)        |
| Slovakia                                      |          | 848            | 847            | 850            | 854            | 855            | 1                  | 0,1          | 7                  | 0,8          |
| other   |          | 365            | 364            | 358            | 351            | 348            | (3)                | (0,9)        | (17)               | (4,7)        |
| Group Development                             |          | 0              | 0              | 164            | 176            | 184            | 8                  | 4,5          | 184                | n.a.         |
| Netherlands                                   |          | 0              | 0              | 164            | 176            | 184            | 8                  | 4,5          | 184                | n.a.         |
| <b>MOBILE SUBSCRIBERS (END OF PERIOD)</b>     |          | <b>160.734</b> | <b>163.026</b> | <b>165.003</b> | <b>165.848</b> | <b>163.091</b> | <b>(2.757)</b>     | <b>(1,7)</b> | <b>2.357</b>       | <b>1,5</b>   |
| Germany                                       |          | 41.138         | 41.461         | 41.849         | 42.114         | 42.011         | (103)              | (0,2)        | 873                | 2,1          |
| United States                                 |          | 67.384         | 69.354         | 71.455         | 72.597         | 69.562         | (3.035)            | (4,2)        | 2.178              | 3,2          |
| Europe  |          | 48.541         | 48.508         | 47.952         | 47.348         | 47.688         | 340                | 0,7          | (853)              | (1,8)        |
| Greece  |          | 7.610          | 7.666          | 7.725          | 7.733          | 7.737          | 4                  | 0,1          | 127                | 1,7          |
| Romania                                       |          | 5.909          | 5.869          | 5.722          | 5.428          | 5.278          | (150)              | (2,8)        | (631)              | (10,7)       |
| Hungary                                       |          | 5.344          | 5.301          | 5.332          | 5.304          | 5.390          | 86                 | 1,6          | 46                 | 0,9          |
| Poland  |          | 11.635         | 11.221         | 10.634         | 10.229         | 10.251         | 22                 | 0,2          | (1.384)            | (11,9)       |
| Czech Republic                                |          | 6.008          | 6.002          | 6.049          | 6.097          | 6.155          | 58                 | 1,0          | 147                | 2,4          |
| Croatia                                       |          | 2.246          | 2.332          | 2.234          | 2.210          | 2.237          | 27                 | 1,2          | (9)                | (0,4)        |
| Slovakia                                      |          | 2.227          | 2.226          | 2.225          | 2.230          | 2.235          | 5                  | 0,2          | 8                  | 0,4          |
| Austria                                       |          | 4.275          | 4.365          | 4.594          | 4.713          | 4.984          | 271                | 5,8          | 709                | 16,6         |
| other   |          | 3.287          | 3.525          | 3.438          | 3.404          | 3.420          | 16                 | 0,5          | 133                | 4,0          |
| Group Development                             |          | 3.671          | 3.703          | 3.746          | 3.789          | 3.830          | 41                 | 1,1          | 159                | 4,3          |
| Netherlands                                   |          | 3.671          | 3.703          | 3.746          | 3.789          | 3.830          | 41                 | 1,1          | 159                | 4,3          |

<sup>1</sup> Figures rounded to the nearest million. The total is calculated on the basis of precise numbers. Percentages calculated on the basis of figures shown.

<sup>2</sup> Broadband lines in operation excluding lines for internal use and public telecommunications; including IP-based access lines and wholesale services. Including BB via cable in Hungary.

<sup>3</sup> Fixed network lines in operation excluding lines for internal use and public telecommunications.

<sup>4</sup> In the fourth quarter of 2016, the number of fixed-network and broadband lines in the Netherlands grew as a result of the acquisition of Vodafone's fixed-network consumer business.



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# DT CONSOLIDATED INCOME STATEMENT

## ADJUSTED FOR SPECIAL FACTORS

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|--------------|
| <b>NET REVENUE</b>                                      |      | <b>17.827</b>               | <b>18.105</b>               | <b>19.543</b>               | <b>73.105</b>               | <b>18.646</b>               | <b>18.890</b>               | <b>6,0</b>  | <b>35.457</b>               | <b>37.537</b>               | <b>5,9</b>   |
| Other operating income                                  |      | 203                         | 282                         | 280                         | 1.033                       | 251                         | 223                         | 9,9         | 471                         | 474                         | 0,6          |
| Changes in inventories                                  |      | (6)                         | 1                           | (19)                        | (12)                        | 40                          | (6)                         | 0,0         | 6                           | 34                          | n.a.         |
| Own capitalized costs                                   |      | 518                         | 531                         | 581                         | 2.111                       | 542                         | 563                         | 8,7         | 999                         | 1.105                       | 10,6         |
| Goods and services purchased                            |      | (8.683)                     | (8.933)                     | (10.660)                    | (36.863)                    | (9.284)                     | (9.218)                     | (6,2)       | (17.270)                    | (18.503)                    | (7,1)        |
| Personnel costs   |      | (3.702)                     | (3.578)                     | (3.731)                     | (14.824)                    | (3.887)                     | (3.708)                     | (0,2)       | (7.515)                     | (7.596)                     | (1,1)        |
| Other operating expenses                                |      | (700)                       | (873)                       | (729)                       | (3.130)                     | (758)                       | (798)                       | (14,0)      | (1.528)                     | (1.556)                     | (1,8)        |
| Depreciation, amortization, and impairment losses       |      | (3.151)                     | (3.163)                     | (3.301)                     | (12.757)                    | (3.191)                     | (3.154)                     | (0,1)       | (6.293)                     | (6.345)                     | (0,8)        |
| <b>PROFIT (LOSS) FROM OPERATIONS (EBIT)</b>             |      | <b>2.306</b>                | <b>2.372</b>                | <b>1.964</b>                | <b>8.663</b>                | <b>2.359</b>                | <b>2.791</b>                | <b>21,0</b> | <b>4.327</b>                | <b>5.150</b>                | <b>19,0</b>  |
| EBIT margin (EBIT / net revenue)                        | %    | 12,9                        | 13,1                        | 10,0                        | 11,9                        | 12,7                        | 14,8                        | 1,9p        | 12,2                        | 13,7                        | 1,5p         |
| Profit (loss) from financial activities                 |      | (746)                       | (531)                       | (831)                       | (2.323)                     | (1.355)                     | (515)                       | 31,0        | (961)                       | (1.870)                     | (94,6)       |
| of which: finance costs                                 |      | (653)                       | (647)                       | (562)                       | (2.496)                     | (638)                       | (512)                       | 21,6        | (1.287)                     | (1.150)                     | 10,6         |
| <b>PROFIT (LOSS) BEFORE INCOME TAXES (EBT)</b>          |      | <b>1.560</b>                | <b>1.841</b>                | <b>1.133</b>                | <b>6.340</b>                | <b>1.004</b>                | <b>2.276</b>                | <b>45,9</b> | <b>3.366</b>                | <b>3.279</b>                | <b>(2,6)</b> |
| Income taxes  |      | (424)                       | (639)                       | (213)                       | (1.858)                     | 0                           | (753)                       | (77,6)      | (1.006)                     | (753)                       | 25,1         |
| <b>PROFIT (LOSS)</b>                                    |      | <b>1.136</b>                | <b>1.202</b>                | <b>920</b>                  | <b>4.482</b>                | <b>1.004</b>                | <b>1.523</b>                | <b>34,1</b> | <b>2.360</b>                | <b>2.527</b>                | <b>7,1</b>   |
| Profit (loss) attributable to non-controlling interests |      | 82                          | 162                         | (53)                        | 368                         | 64                          | 324                         | n.a.        | 259                         | 389                         | 50,2         |
| <b>NET PROFIT (LOSS)</b>                                |      | <b>1.054</b>                | <b>1.040</b>                | <b>973</b>                  | <b>4.114</b>                | <b>939</b>                  | <b>1.199</b>                | <b>13,8</b> | <b>2.101</b>                | <b>2.138</b>                | <b>1,8</b>   |



# GROUP

## EBITDA RECONCILIATION

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>NET REVENUE</b>   |      | <b>17.817</b>               | <b>18.105</b>               | <b>19.543</b>               | <b>73.095</b>               | <b>18.646</b>               | <b>18.890</b>               | <b>6,0</b>  | <b>35.447</b>               | <b>37.537</b>               | <b>5,9</b>    |
| <b>NET PROFIT (LOSS)</b>   |      | <b>621</b>                  | <b>1.053</b>                | <b>(2.124)</b>              | <b>2.675</b>                | <b>747</b>                  | <b>874</b>                  | <b>40,7</b> | <b>3.746</b>                | <b>1.621</b>                | <b>(56,7)</b> |
| + Profit (loss) attributable to non-controlling interests              |      | 65                          | 169                         | (57)                        | 429                         | 62                          | 317                         | n.a.        | 317                         | 380                         | 19,9          |
| = Profit (loss)  |      | 686                         | 1.222                       | (2.181)                     | 3.104                       | 809                         | 1.192                       | 73,8        | 4.063                       | 2.001                       | (50,8)        |
| - Income taxes   |      | (114)                       | (394)                       | (1)                         | (1.443)                     | 78                          | (686)                       | n.a.        | (1.048)                     | (608)                       | 42,0          |
| = Profit (loss) before income taxes = EBT                              |      | 800                         | 1.616                       | (2.180)                     | 4.547                       | 731                         | 1.877                       | n.a.        | 5.111                       | 2.609                       | (49,0)        |
| - Profit (loss) from financial activities                              |      | (746)                       | (540)                       | (3.117)                     | (4.617)                     | (2.040)                     | (953)                       | (27,7)      | (960)                       | (2.993)                     | n.a.          |
| <b>PROFIT (LOSS) FROM OPERATIONS (EBIT)</b>                            |      | <b>1.546</b>                | <b>2.156</b>                | <b>937</b>                  | <b>9.164</b>                | <b>2.771</b>                | <b>2.830</b>                | <b>83,1</b> | <b>6.071</b>                | <b>5.601</b>                | <b>(7,7)</b>  |
| - Depreciation, amortization and impairment losses                     |      | (3.151)                     | (3.178)                     | (3.909)                     | (13.380)                    | (3.191)                     | (3.156)                     | (0,2)       | (6.293)                     | (6.347)                     | (0,9)         |
| <b>= EBITDA</b>  |      | <b>4.697</b>                | <b>5.334</b>                | <b>4.846</b>                | <b>22.544</b>               | <b>5.963</b>                | <b>5.986</b>                | <b>27,4</b> | <b>12.364</b>               | <b>11.949</b>               | <b>(3,4)</b>  |
| EBITDA margin (EBITDA/net revenue)                                     | %    | 26,4                        | 29,5                        | 24,8                        | 30,8                        | 32,0                        | 31,7                        | 5,3p        | 34,9                        | 31,8                        | (3,1p)        |
| - Special factors affecting EBITDA                                     |      | (760)                       | (201)                       | (419)                       | 1.124                       | 412                         | 42                          | n.a.        | 1.744                       | 454                         | (74,0)        |
| <b>= EBITDA ADJUSTED FOR SPECIAL FACTORS</b>                           |      | <b>5.457</b>                | <b>5.535</b>                | <b>5.265</b>                | <b>21.420</b>               | <b>5.550</b>                | <b>5.944</b>                | <b>8,9</b>  | <b>10.620</b>               | <b>11.495</b>               | <b>8,2</b>    |
| EBITDA margin (adjusted for special factors)<br>(EBITDA / net revenue) | %    | 30,6                        | 30,6                        | 26,9                        | 29,3                        | 29,8                        | 31,5                        | 0,9p        | 30,0                        | 30,6                        | 0,6p          |

# DT CONSOLIDATED INCOME STATEMENT

## AS REPORTED

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>NET REVENUE</b>                                      |      | <b>17.817</b>               | <b>18.105</b>               | <b>19.543</b>               | <b>73.095</b>               | <b>18.646</b>               | <b>18.890</b>               | <b>6,0</b>  | <b>35.447</b>               | <b>37.537</b>               | <b>5,9</b>    |
| Other operating income                                  |      | 258                         | 386                         | 357                         | 4.180                       | 770                         | 479                         | 85,7        | 3.437                       | 1.250                       | (63,6)        |
| Changes in inventories                                  |      | (6)                         | 1                           | (19)                        | (12)                        | 40                          | (6)                         | 0,0         | 6                           | 34                          | n.a.          |
| Own capitalized costs                                   |      | 518                         | 532                         | 582                         | 2.112                       | 542                         | 563                         | 8,7         | 998                         | 1.105                       | 10,7          |
| Goods and services purchased                            |      | (8.764)                     | (8.975)                     | (10.682)                    | (37.084)                    | (9.312)                     | (9.281)                     | (5,9)       | (17.427)                    | (18.593)                    | (6,7)         |
| Personnel costs   |      | (4.365)                     | (3.836)                     | (4.200)                     | (16.463)                    | (3.964)                     | (3.824)                     | 12,4        | (8.427)                     | (7.788)                     | 7,6           |
| Other operating expenses                                |      | (761)                       | (879)                       | (735)                       | (3.284)                     | (761)                       | (835)                       | (9,7)       | (1.670)                     | (1.596)                     | 4,4           |
| Depreciation, amortization, and impairment losses       |      | (3.151)                     | (3.178)                     | (3.909)                     | (13.380)                    | (3.191)                     | (3.156)                     | (0,2)       | (6.293)                     | (6.347)                     | (0,9)         |
| <b>PROFIT (LOSS) FROM OPERATIONS (EBIT)</b>             |      | <b>1.546</b>                | <b>2.156</b>                | <b>937</b>                  | <b>9.164</b>                | <b>2.771</b>                | <b>2.830</b>                | <b>83,1</b> | <b>6.071</b>                | <b>5.601</b>                | <b>(7,7)</b>  |
| EBIT margin (EBIT / net revenue)                        | %    | 8,7                         | 11,9                        | 4,8                         | 12,5                        | 14,9                        | 15,0                        | 6,3p        | 17,1                        | 14,9                        | (2,2p)        |
| Profit (loss) from financial activities                 |      | (746)                       | (540)                       | (3.117)                     | (4.617)                     | (2.040)                     | (953)                       | (27,7)      | (960)                       | (2.993)                     | n.a.          |
| of which: finance costs                                 |      | (652)                       | (646)                       | (561)                       | (2.492)                     | (637)                       | (511)                       | 21,6        | (1.285)                     | (1.148)                     | 10,7          |
| <b>PROFIT (LOSS) BEFORE INCOME TAXES (EBT)</b>          |      | <b>800</b>                  | <b>1.616</b>                | <b>(2.180)</b>              | <b>4.547</b>                | <b>731</b>                  | <b>1.877</b>                | <b>n.a.</b> | <b>5.111</b>                | <b>2.609</b>                | <b>(49,0)</b> |
| Income taxes  |      | (114)                       | (394)                       | (1)                         | (1.443)                     | 78                          | (686)                       | n.a.        | (1.048)                     | (608)                       | 42,0          |
| <b>PROFIT (LOSS)</b>                                    |      | <b>686</b>                  | <b>1.222</b>                | <b>(2.181)</b>              | <b>3.104</b>                | <b>809</b>                  | <b>1.192</b>                | <b>73,8</b> | <b>4.063</b>                | <b>2.001</b>                | <b>(50,8)</b> |
| Profit (loss) attributable to non-controlling interests |      | 65                          | 169                         | (57)                        | 429                         | 62                          | 317                         | n.a.        | 317                         | 380                         | 19,9          |
| <b>NET PROFIT (LOSS)</b>                                |      | <b>621</b>                  | <b>1.053</b>                | <b>(2.124)</b>              | <b>2.675</b>                | <b>747</b>                  | <b>874</b>                  | <b>40,7</b> | <b>3.746</b>                | <b>1.621</b>                | <b>(56,7)</b> |

# GROUP

## SPECIAL FACTORS IN THE CONSOLIDATED INCOME STATEMENT

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>NET REVENUE</b>                                      |          | <b>(10)</b>                 | <b>0</b>                    | <b>0</b>                    | <b>(10)</b>                 | <b>0</b>                    | <b>0</b>                    | <b>(10)</b>                 | <b>0</b>                    |
| Other operating income                                  | 1        | 55                          | 104                         | 77                          | 3.147                       | 519                         | 256                         | 55                          | 775                         |
| Changes in inventories                                  |          | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           |
| Own capitalized costs                                   |          | 0                           | 1                           | 1                           | 1                           | 0                           | 0                           | 0                           | 0                           |
| Goods and services purchased                            |          | (81)                        | (42)                        | (22)                        | (221)                       | (28)                        | (62)                        | (81)                        | (90)                        |
| Personnel costs   |          | (663)                       | (258)                       | (469)                       | (1.639)                     | (77)                        | (115)                       | (663)                       | (192)                       |
| Other operating expenses                                |          | (61)                        | (6)                         | (6)                         | (154)                       | (2)                         | (37)                        | (61)                        | (39)                        |
| Depreciation, amortization, and impairment losses       |          | 0                           | (15)                        | (608)                       | (623)                       | 0                           | (2)                         | 0                           | (2)                         |
| <b>PROFIT (LOSS) FROM OPERATIONS (EBIT)</b>             | <b>1</b> | <b>(760)</b>                | <b>(216)</b>                | <b>(1.027)</b>              | <b>501</b>                  | <b>412</b>                  | <b>40</b>                   | <b>(760)</b>                | <b>452</b>                  |
| Profit (loss) from financial activities                 |          | 0                           | (9)                         | (2.286)                     | (2.294)                     | (685)                       | (438)                       | 0                           | (1.122)                     |
| <b>PROFIT (LOSS) BEFORE INCOME TAXES (EBT)</b>          | <b>1</b> | <b>(760)</b>                | <b>(225)</b>                | <b>(3.313)</b>              | <b>(1.793)</b>              | <b>(272)</b>                | <b>(398)</b>                | <b>(760)</b>                | <b>(670)</b>                |
| Income taxes  |          | 310                         | 245                         | 212                         | 415                         | 78                          | 67                          | 310                         | 145                         |
| <b>PROFIT (LOSS)</b>                                    |          | <b>(450)</b>                | <b>20</b>                   | <b>(3.101)</b>              | <b>(1.378)</b>              | <b>(195)</b>                | <b>(331)</b>                | <b>(450)</b>                | <b>(526)</b>                |
| Profit (loss) attributable to non-controlling interests |          | (17)                        | 7                           | (4)                         | 61                          | (2)                         | (7)                         | (17)                        | (9)                         |
| <b>NET PROFIT (LOSS)</b>                                |          | <b>(433)</b>                | <b>13</b>                   | <b>(3.097)</b>              | <b>(1.439)</b>              | <b>(193)</b>                | <b>(324)</b>                | <b>(433)</b>                | <b>(517)</b>                |

1 Q1/2017: sale of Strato; Q2/2017: sale of Scout and DeTe Medien

# GROUP

## DETAILS ON SPECIAL FACTORS I

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>EFFECT ON OPERATING EXPENSES</b>                               |          | <b>(805)</b>                | <b>(305)</b>                | <b>(496)</b>                | <b>(2.013)</b>              | <b>(107)</b>                | <b>(215)</b>                | <b>73,3</b> | <b>(1.212)</b>              | <b>(321)</b>                | <b>73,5</b>   |
| of which: expenses / income for early retirement (civil servants) |          | (564)                       | (125)                       | (309)                       | (1.136)                     | 5                           | (7)                         | 98,8        | (702)                       | (2)                         | 99,7          |
| of which: expenses for severance payments                         |          | (57)                        | (83)                        | (95)                        | (294)                       | (35)                        | (53)                        | 7,0         | (116)                       | (89)                        | 23,3          |
| of which: expenses / income for partial retirement                |          | (43)                        | (47)                        | (51)                        | (189)                       | (46)                        | (53)                        | (23,3)      | (91)                        | (99)                        | (8,8)         |
| of which: expenses for other personnel restructuring charges      |          | 1                           | (3)                         | (7)                         | (12)                        | (1)                         | (1)                         | n.a.        | (2)                         | (2)                         | 0,0           |
| of which: Vivento transfer payments                               |          | 0                           | 0                           | (6)                         | (7)                         | 0                           | (1)                         | n.a.        | (1)                         | (1)                         | 0,0           |
| of which: restructuring charges                                   |          | (29)                        | (9)                         | (9)                         | (81)                        | (12)                        | (11)                        | 62,1        | (63)                        | (22)                        | 65,1          |
| of which: expenses due to de-consolidations and other asset sales |          | (66)                        | 4                           | 38                          | (103)                       | 8                           | 7                           | n.a.        | (145)                       | 15                          | n.a.          |
| of which: others  |          | (47)                        | (42)                        | (57)                        | (191)                       | (26)                        | (95)                        | n.a.        | (92)                        | (122)                       | (32,6)        |
| <b>EFFECT ON OTHER OPERATING INCOME</b>                           |          | <b>55</b>                   | <b>104</b>                  | <b>77</b>                   | <b>3.147</b>                | <b>519</b>                  | <b>256</b>                  | <b>n.a.</b> | <b>2.966</b>                | <b>775</b>                  | <b>(73,9)</b> |
| of which: income due to asset sales                               |          | 54                          | 104                         | 49                          | 3.118                       | 519                         | 256                         | n.a.        | 2.965                       | 775                         | (73,9)        |
| of which: others  |          | 1                           | 0                           | 28                          | 29                          | 0                           | 0                           | n.a.        | 1                           | 0                           | n.a.          |
| <b>EFFECT ON REVENUE</b>  |          | <b>(10)</b>                 | <b>0</b>                    | <b>0</b>                    | <b>(10)</b>                 | <b>0</b>                    | <b>0</b>                    | <b>n.a.</b> | <b>(10)</b>                 | <b>0</b>                    | <b>n.a.</b>   |
| <b>EFFECT ON EBITDA</b>   | <b>1</b> | <b>(760)</b>                | <b>(201)</b>                | <b>(419)</b>                | <b>1.124</b>                | <b>412</b>                  | <b>42</b>                   | <b>n.a.</b> | <b>1.744</b>                | <b>454</b>                  | <b>(74,0)</b> |
| <b>DEPRECIATION, AMORTIZATION AND IMPAIRMENT</b>                  |          | <b>0</b>                    | <b>(15)</b>                 | <b>(608)</b>                | <b>(623)</b>                | <b>0</b>                    | <b>(2)</b>                  | <b>n.a.</b> | <b>0</b>                    | <b>(2)</b>                  | <b>n.a.</b>   |
| of which: restructuring charges                                   |          | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | n.a.        | 0                           | 0                           | n.a.          |
| of which: expenses due to consolidations and other asset sales    |          | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | n.a.        | 0                           | 0                           | n.a.          |
| of which: others  |          | 0                           | 1                           | (1)                         | 0                           | 0                           | 0                           | n.a.        | 0                           | 0                           | n.a.          |
| <b>EFFECT ON PROFIT FROM OPERATIONS = EBIT</b>                    | <b>1</b> | <b>(760)</b>                | <b>(216)</b>                | <b>(1.027)</b>              | <b>501</b>                  | <b>412</b>                  | <b>40</b>                   | <b>n.a.</b> | <b>1.744</b>                | <b>452</b>                  | <b>(74,1)</b> |

1 Q1/2017: sale of Strato; Q2/2017: sale of Scout and DeTe Medien

# GROUP

## DETAILS ON SPECIAL FACTORS II

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>EFFECT ON PROFIT (LOSS) FROM FINANCIAL ACTIVITIES</b>                 |      | 0                           | (9)                         | (2.286)                     | (2.294)                     | (685)                       | (438)                       | n.a.        | 1                           | (1.122)                     | n.a.        |
| <b>EFFECT ON PROFIT (LOSS) BEFORE INCOME TAXES</b>                       | 1    | (760)                       | (225)                       | (3.313)                     | (1.793)                     | (272)                       | (398)                       | 47,6        | 1.745                       | (670)                       | n.a.        |
| <b>EFFECT ON TAXES</b>   |      | 310                         | 245                         | 212                         | 415                         | 78                          | 67                          | (78,4)      | (42)                        | 145                         | n.a.        |
| Tax effect of special factors within EBIT                                |      | 316                         | 84                          | 132                         | 548                         | 28                          | 48                          | (84,8)      | 332                         | 76                          | (77,1)      |
| Tax effect of special factors on profit (loss) from financial activities |      | (6)                         | 161                         | 80                          | (133)                       | 50                          | 19                          | n.a.        | (374)                       | 69                          | n.a.        |
| Other tax effects  |      | 0                           | 0                           | 0                           | 0                           | 0                           | 0                           | n.a.        | 0                           | 0                           | n.a.        |
| <b>EFFECT ON PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b> |      | (17)                        | 7                           | (4)                         | 61                          | (2)                         | (7)                         | 58,8        | 58                          | (9)                         | n.a.        |
| <b>EFFECT ON NET PROFIT (LOSS)</b>                                       | 1    | (433)                       | 13                          | (3.097)                     | (1.439)                     | (193)                       | (324)                       | 25,2        | 1.645                       | (517)                       | n.a.        |

1 Q1/2017: sale of Strato; Q2/2017: sale of Scout and DeTe Medien

## CHANGE IN THE COMPOSITION OF THE GROUP IN THE SECOND QUARTER <sup>1</sup>

|      | REPORTED NUMBERS | PLUS ACQUISITION EFFECTS |               |             |               |        |             |               | MINUS DECONSOLIDATION EFFECTS |               |             |               |             |             |               | TOTAL EFFECT | PRO FORMA     | REPORTED NUMBERS | ORGANIC CHANGE |
|------|------------------|--------------------------|---------------|-------------|---------------|--------|-------------|---------------|-------------------------------|---------------|-------------|---------------|-------------|-------------|---------------|--------------|---------------|------------------|----------------|
|      |                  | Q2 2016                  | Total         | Germany     | United States | Europe | Group       | Systems       | GHS                           | Total         | Germany     | United States | Europe      | Group       | Systems       |              |               |                  |                |
| Note | millions of      | millions of €            | millions of € | millions of | millions of € | t      | millions of | millions of € | millions of €                 | millions of € | millions of | millions of € | millions of | millions of | millions of € | millions of  | millions of € | millions of €    | %              |
|      |                  | 17.817                   | 22            | 0           | 0             | 0      | 22          | 0             | 41                            | 0             | 0           | 0             | 32          | 0           | 9             | (19)         | 17.798        | 18.890           | 6,1            |
|      |                  | 1.546                    | (4)           | 0           | 0             | (4)    | 0           | 0             | 9                             | 0             | 0           | 0             | 9           | 0           | 0             | (13)         | 1.533         | 2.830            | 84,6           |
|      |                  | (746)                    | 0             | 0           | 0             | 0      | 0           | 0             | 0                             | 0             | 0           | 0             | 0           | 0           | 0             | 0            | (746)         | 953              | n.a.           |
|      |                  | (652)                    | 0             | 0           | 0             | 0      | 0           | 0             | 0                             | 0             | 0           | 0             | 0           | 0           | 0             | 0            | (652)         | 511              | n.a.           |
|      |                  | 800                      | (4)           | 0           | 0             | (4)    | 0           | 0             | 9                             | 0             | 0           | 0             | 9           | 0           | 0             | (13)         | 787           | 1.877            | n.a.           |
|      |                  | (114)                    | 0             | 0           | 0             | 0      | 0           | 0             | 0                             | 0             | 0           | 0             | 0           | 0           | 0             | 0            | (114)         | 686              | n.a.           |
|      |                  | 686                      | (4)           | 0           | 0             | (4)    | 0           | 0             | 9                             | 0             | 0           | 0             | 9           | 0           | 0             | (13)         | 673           | 1.192            | 77,1           |

<sup>1</sup> Since 2015, the prior-year figure has been adjusted to ensure comparability. The prior-year comparative is increased to account for any new acquisitions. Analogously, divestitures reduce the prior-year figure.

## CHANGE IN THE COMPOSITION OF THE GROUP IN THE CURRENT YEAR <sup>1</sup>

|   | REPORTED NUMBERS | PLUS ACQUISITION EFFECTS |                        |                          |                              |                         |                       |                                  | MINUS DECONSOLIDATION EFFECTS |                        |                          |                              |                         |                       |                                  | TOTAL EFFECT | PRO FORMA | REPORTED NUMBERS | ORGANIC CHANGE |
|---|------------------|--------------------------|------------------------|--------------------------|------------------------------|-------------------------|-----------------------|----------------------------------|-------------------------------|------------------------|--------------------------|------------------------------|-------------------------|-----------------------|----------------------------------|--------------|-----------|------------------|----------------|
|   |                  | H1 2016<br>millions of   | Total<br>millions of € | Germany<br>millions of € | United States<br>millions of | Europe<br>millions of € | Group Developmen<br>t | Systems Solutions<br>millions of | GHS<br>millions of €          | Total<br>millions of € | Germany<br>millions of € | United States<br>millions of | Europe<br>millions of € | Group Developmen<br>t | Systems Solutions<br>millions of |              |           |                  |                |
| NET REVENUE                             | 35.447           | 44                       | 0                      | 0                        | 0                            | 44                      | 0                     | 0                                | 44                            | 0                      | 0                        | 0                            | 32                      | 0                     | 12                               | 0            | 35.447    | 37.537           | 5,9            |
| PROFIT (LOSS) FROM OPERATIONS = EBIT    | 6.071            | (10)                     | 0                      | 0                        | 0                            | (10)                    | 0                     | 0                                | 9                             | 0                      | 0                        | 0                            | 9                       | 0                     | 0                                | (19)         | 6.052     | 5.601            | (7,5)          |
| Profit (loss) from financial activities | (960)            | 0                        | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0                             | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0            | (960)     | (2.993)          | n.a.           |
| of which finance costs                  | (1.285)          | 0                        | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0                             | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0            | (1.285)   | 1.148            | n.a.           |
| PROFIT (LOSS) BEFORE INCOME TAXES = EBT | 5.111            | (10)                     | 0                      | 0                        | 0                            | (10)                    | 0                     | 0                                | 9                             | 0                      | 0                        | 0                            | 9                       | 0                     | 0                                | (19)         | 5.092     | 2.609            | (48,8)         |
| Income taxes                            | (1.048)          | 0                        | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0                             | 0                      | 0                        | 0                            | 0                       | 0                     | 0                                | 0            | (1.048)   | (608)            | (42,0)         |
| PROFIT (LOSS)                           | 4.063            | (10)                     | 0                      | 0                        | 0                            | (10)                    | 0                     | 0                                | 9                             | 0                      | 0                        | 0                            | 9                       | 0                     | 0                                | (19)         | 4.044     | 2.001            | (50,5)         |

<sup>1</sup> Since 2015, the prior-year figure has been adjusted to ensure comparability. The prior-year comparative is increased to account for any new acquisitions. Analogously, divestitures reduce the prior-year figure.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## ASSETS

|  | Note | Jun. 30<br>2016<br>millions of € | Sep. 30<br>2016<br>millions of € | Dec. 31<br>2016<br>millions of € | Mar. 31<br>2017<br>millions of € | Jun. 30<br>2017<br>millions of € | Change<br>compared to<br>prior quarter<br>% | Change<br>compared to<br>prior year<br>% |
|--|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---|--|
| <b>CURRENT ASSETS</b>  |      | <b>24.518</b>                    | <b>23.891</b>                    | <b>26.638</b>                    | <b>27.663</b>                    | <b>17.808</b>                    | <b>(35,6)</b>                               | <b>(27,4)</b>                            |
| Cash and cash equivalents  |      | 7.207                            | 7.527                            | 7.747                            | 9.542                            | 2.441                            | (74,4)                                      | (66,1)                                   |
| Trade and other receivables                                      |      | 8.825                            | 8.607                            | 9.362                            | 9.093                            | 9.161                            | 0,7   | 3,8                                      |
| Current recoverable income taxes                                 |      | 159                              | 105                              | 218                              | 192                              | 181                              | (5,7)                                       | 13,8                                     |
| Other financial assets   |      | 4.172                            | 4.194                            | 5.713                            | 4.907                            | 2.116                            | (56,9)                                      | (49,3)                                   |
| Inventories  |      | 1.890                            | 1.599                            | 1.629                            | 1.646                            | 1.729                            | 5,0   | (8,5)                                    |
| Current and non-current assets and disposal groups held for sale |      | 463                              | 250                              | 372                              | 148                              | 204                              | 37,8  | (55,9)                                   |
| Other assets   |      | 1.802                            | 1.609                            | 1.597                            | 2.136                            | 1.975                            | (7,5)                                       | 9,6                                      |
| <b>NON-CURRENT ASSETS</b>  |      | <b>118.948</b>                   | <b>119.226</b>                   | <b>121.847</b>                   | <b>120.961</b>                   | <b>123.682</b>                   | <b>2,2</b>                                  | <b>4,0</b>                               |
| Intangible assets  |      | 58.269                           | 58.951                           | 60.599                           | 60.269                           | 64.809                           | 7,5   | 11,2                                     |
| Property, plant and equipment                                    |      | 44.901                           | 45.148                           | 46.758                           | 46.788                           | 46.203                           | (1,3)                                       | 2,9                                      |
| Investments accounted for using the equity method                |      | 782                              | 782                              | 725                              | 722                              | 606                              | (16,1)                                      | (22,5)                                   |
| Other financial assets   |      | 9.218                            | 8.583                            | 7.886                            | 6.971                            | 6.417                            | (7,9)                                       | (30,4)                                   |
| Deferred tax assets  |      | 5.208                            | 5.136                            | 5.210                            | 5.477                            | 4.898                            | (10,6)                                      | (6,0)                                    |
| Other assets   |      | 570                              | 626                              | 669                              | 733                              | 748                              | 2,0   | 31,2                                     |
| <b>TOTAL ASSETS</b>  |      | <b>143.466</b>                   | <b>143.117</b>                   | <b>148.485</b>                   | <b>148.624</b>                   | <b>141.490</b>                   | <b>(4,8)</b>                                | <b>(1,4)</b>                             |



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## LIABILITIES AND SHAREHOLDERS' EQUITY

|   | Note | Jun. 30<br>2016<br>millions of € | Sep. 30<br>2016<br>millions of € | Dec. 31<br>2016<br>millions of € | Mar. 31<br>2017<br>millions of € | Jun. 30<br>2017<br>millions of € | Change<br>compared to<br>prior quarter<br>% | Change<br>compared to<br>prior year<br>% |
|---|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---|--|
| <b>LIABILITIES</b>  |      | <b>106.498</b>                   | <b>105.496</b>                   | <b>109.640</b>                   | <b>108.806</b>                   | <b>102.896</b>                   | <b>(5,4)</b>                                | <b>(3,4)</b>                             |
| <b>CURRENT LIABILITIES</b>  |      | <b>30.286</b>                    | <b>26.010</b>                    | <b>33.126</b>                    | <b>32.375</b>                    | <b>27.200</b>                    | <b>(16,0)</b>                               | <b>(10,2)</b>                            |
| Financial liabilities   |      | 12.570                           | 8.959                            | 14.422                           | 14.871                           | 10.351                           | (30,4)                                      | (17,7)                                   |
| Trade and other payables  |      | 9.442                            | 8.893                            | 10.441                           | 8.983                            | 8.735                            | (2,8)                                       | (7,5)                                    |
| Income tax liabilities  |      | 203                              | 247                              | 222                              | 238                              | 358                              | 50,4  | 76,4                                     |
| Other provisions  |      | 2.852                            | 2.850                            | 3.068                            | 3.076                            | 2.796                            | (9,1)                                       | (2,0)                                    |
| Liabilities directly associated with non-current assets and disposal groups held for sale |      | 90                               | 99                               | 194                              | 133                              | 0                                | n.a.  | n.a.                                     |
| Other liabilities   |      | 5.129                            | 4.962                            | 4.779                            | 5.075                            | 4.959                            | (2,3)                                       | (3,3)                                    |
| <b>NON-CURRENT LIABILITIES</b>  |      | <b>76.212</b>                    | <b>79.486</b>                    | <b>76.514</b>                    | <b>76.431</b>                    | <b>75.696</b>                    | <b>(1,0)</b>                                | <b>(0,7)</b>                             |
| Financial liabilities   |      | 50.361                           | 53.349                           | 50.228                           | 50.402                           | 50.638                           | 0,5   | 0,6                                      |
| Provisions for pensions and other employee benefits                                       |      | 8.818                            | 9.091                            | 8.451                            | 8.293                            | 8.113                            | (2,2)                                       | (8,0)                                    |
| Other provisions  |      | 3.155                            | 3.189                            | 3.320                            | 3.285                            | 3.215                            | (2,1)                                       | 1,9                                      |
| Deferred tax liabilities  |      | 9.529                            | 9.514                            | 10.007                           | 10.025                           | 9.582                            | (4,4)                                       | 0,6                                      |
| Other liabilities   |      | 4.349                            | 4.343                            | 4.508                            | 4.427                            | 4.148                            | (6,3)                                       | (4,6)                                    |
| <b>SHAREHOLDERS' EQUITY</b>   |      | <b>36.968</b>                    | <b>37.621</b>                    | <b>38.845</b>                    | <b>39.818</b>                    | <b>38.594</b>                    | <b>(3,1)</b>                                | <b>4,4</b>                               |
| Issued capital  |      | 11.973                           | 11.973                           | 11.973                           | 11.973                           | 12.189                           | 1,8   | 1,8                                      |
| Capital reserves  |      | 53.288                           | 53.348                           | 53.356                           | 53.349                           | 54.574                           | 2,3   | 2,4                                      |
| Retained earnings incl. carryforwards   |      | (39.007)                         | (39.174)                         | (38.727)                         | (35.971)                         | (38.622)                         | (7,4)                                       | 1,0                                      |
| Total other comprehensive income  |      | (1.958)                          | (2.459)                          | 78                               | 145                              | (558)                            | n.a.  | 71,5                                     |
| Net profit (loss)   |      | 3.746                            | 4.799                            | 2.675                            | 747                              | 1.621                            | n.a.  | (56,7)                                   |
| Treasury shares   |      | (50)                             | (50)                             | (50)                             | (50)                             | (49)                             | 2,0   | 2,0                                      |
| Non-controlling interests   |      | 8.976                            | 9.184                            | 9.540                            | 9.625                            | 9.439                            | (1,9)                                       | 5,2                                      |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>   |      | <b>143.466</b>                   | <b>143.117</b>                   | <b>148.485</b>                   | <b>148.624</b>                   | <b>141.490</b>                   | <b>(4,8)</b>                                | <b>(1,4)</b>                             |

# DT GROUP

## PROVISIONS FOR PENSIONS

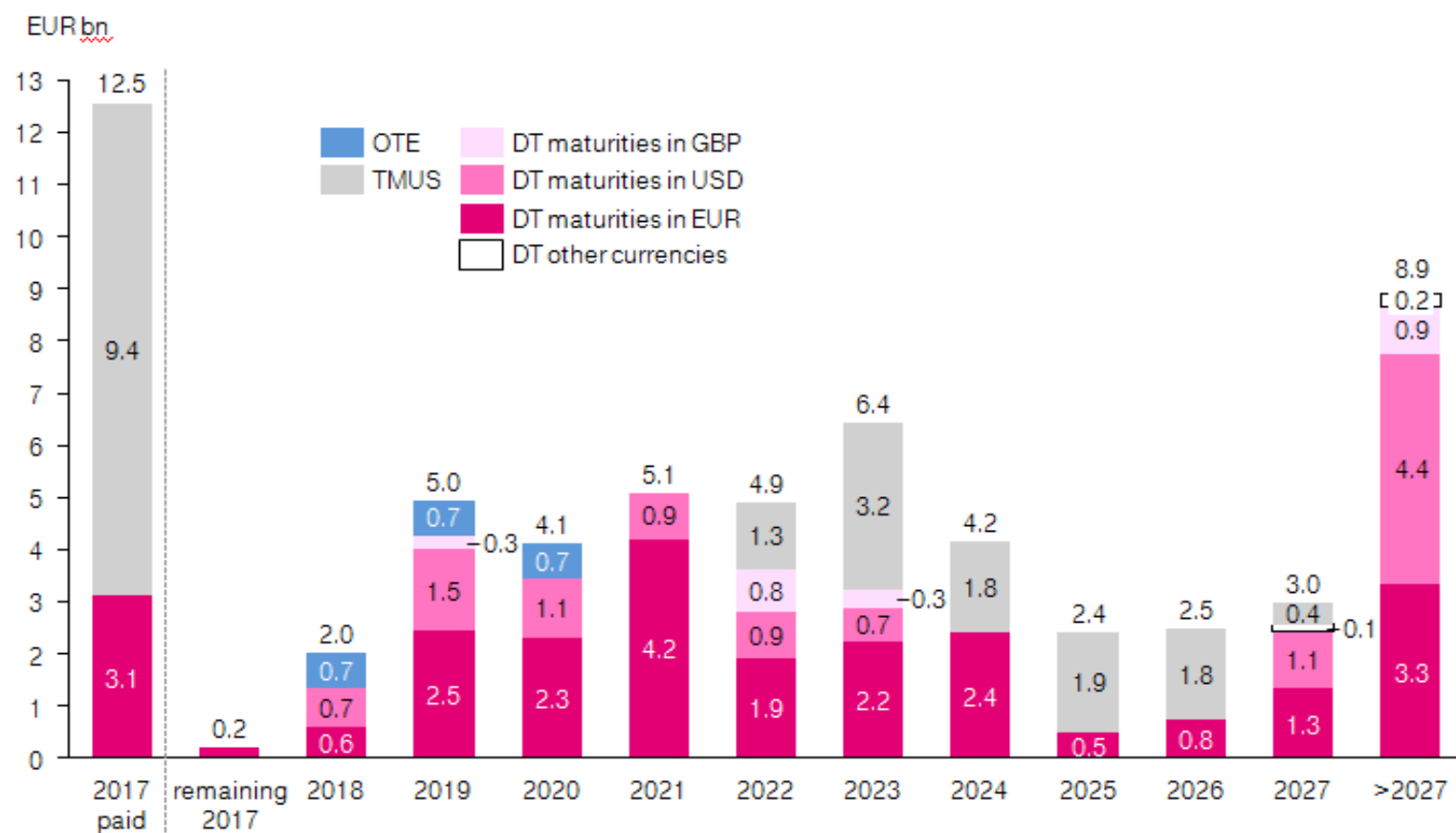
|  |          | 2016<br>millions of € | 2015<br>millions of € | 2014<br>millions of € | 2013<br>millions of € | 2012<br>millions of € |
|--|----------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>FROM DEFINED BENEFIT OBLIGATION TO PROVISION IN BALANCE SHEET</b>               |          |                       |                       |                       |                       |                       |
| Present value of obligation (DBO)  | <b>1</b> | 11.427                | 10.753                | 10.940                | 8.965                 | 8.973                 |
| Plan assets  |          | (2.990)               | (2.744)               | (2.498)               | (1.973)               | (1.680)               |
| Others   |          | 14                    | 19                    | 23                    | 14                    | 19                    |
| Provision in balance sheet   |          | 8.451                 | 8.028                 | 8.465                 | 7.006                 | 7.312                 |
| <b>PENSION COSTS INCLUDED IN P&amp;L (INCLUDED EXPECTED RETURN ON PLAN ASSETS)</b> |          |                       |                       |                       |                       |                       |
|  |          | <b>396</b>            | <b>442</b>            | <b>445</b>            | <b>388</b>            | <b>511</b>            |
| thereof included in EBITDA   |          | 230                   | 285                   | 220                   | 160                   | 197                   |
| thereof included in financial result   |          | 166                   | 157                   | 225                   | 228                   | 313                   |
| <b>CASH PAYMENTS FOR PENSIONS</b>  |          |                       |                       |                       |                       |                       |
| 1) funding of plan assets by DT (investment in financial assets)                   |          | 264                   | 276                   | 266                   | 269                   | 768                   |
| 2) benefits paid through plan assets   | <b>2</b> | 32                    | 31                    | 30                    | 42                    | 45                    |
| 3) benefits paid through provision (included in cash flow from operations)         |          | 375                   | 386                   | 298                   | 366                   | 375                   |
| cash payments included in cash flow statement = 1) + 3)                            |          | 639                   | 662                   | 564                   | 635                   | 1.143                 |
| cash payments included in free cash flow = 3)                                      |          | 375                   | 386                   | 298                   | 366                   | 375                   |
| <b>CHANGE IN THE PRESENT VALUE OF THE OBLIGATION (EXAMPLE 2015)</b>                |          |                       |                       |                       |                       |                       |
| End of 2015  |          | 10.753                |                       |                       |                       |                       |
| pension costs included in P&L  |          | 451                   |                       |                       |                       |                       |
| benefits paid  |          | (375)                 |                       |                       |                       |                       |
| actuarial losses/gains   | <b>3</b> | 698                   |                       |                       |                       |                       |
| F/X  |          | (24)                  |                       |                       |                       |                       |
| Others   |          | (76)                  |                       |                       |                       |                       |
| End of 2016  |          | 11.427                |                       |                       |                       |                       |

1 Increase in obligation mainly due to a change in the discount rate.

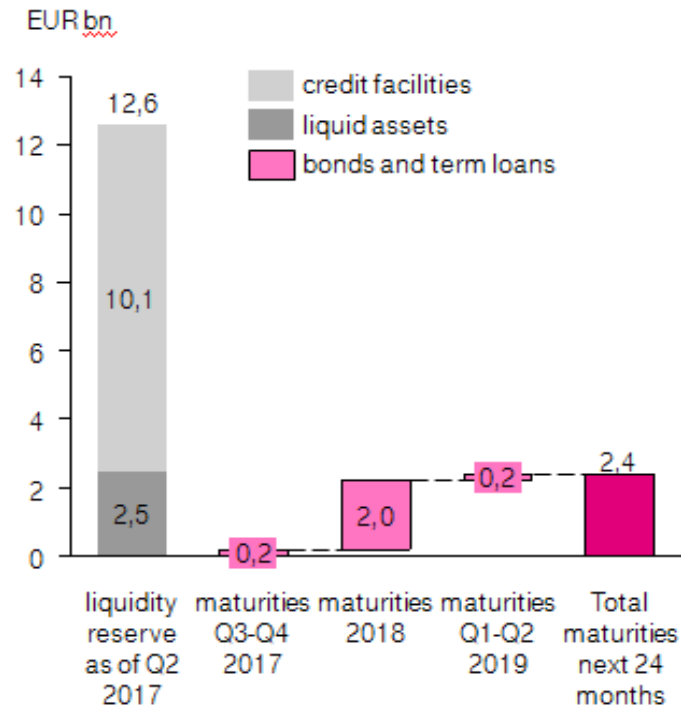
2 The sum of payments through plan assets and the benefit paid through provisions equal the "benefits paid" in "Change in the present value of the obligation".

3 Actuarial losses/gains are via other comprehensive income directly billed vs. equity.

# WELL-BALANCED MATURITY PROFILE AS OF JUNE 30, 2017



# STRONG LIQUIDITY PROFILE AS OF JUNE 30, 2017



- EUR 12.9 bn firm bilateral lines available
  - unconditionally committed
  - no MAC clauses
  - diversified: 22 banks
  - 3 year tenor, staggered maturities
  
- CPs outstanding EUR 2.8 bn
- Residual undrawn amount EUR 10.1 bn
- Maturities of next 24 months several times covered

# DT/TMUS FUNDING – CREDIT POSITIVE FOR DT

## DT's funding support as of June 30<sup>th</sup> 2017

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- USD 10.1bn unsecured HY bonds (disbursed)
- USD 0.5bn unsecured HY bond purchase commitment (to be disbursed in September 2017)
- USD 2.5bn Revolving Credit Facility, thereof 1.5bn secured (partially drawn)
- USD 4.0bn secured term loan (disbursed)

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**USD 17.1bn total inter-company financing, thereof 5.5bn secured**

In addition, TMUS has issued USD 11.9bn High Yield bonds to external investors

## Positive credit implications

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- Results in significant interest costs savings
- DT in preferential creditor position due to large portion of secured financing
- Eliminates structural subordination issues with rating agencies

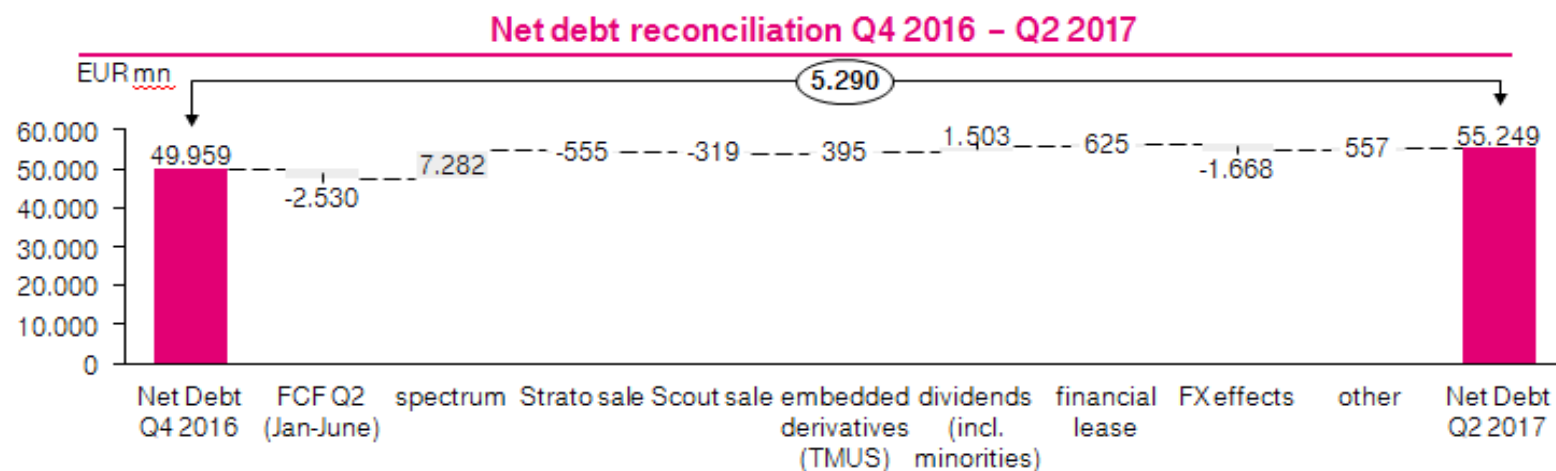
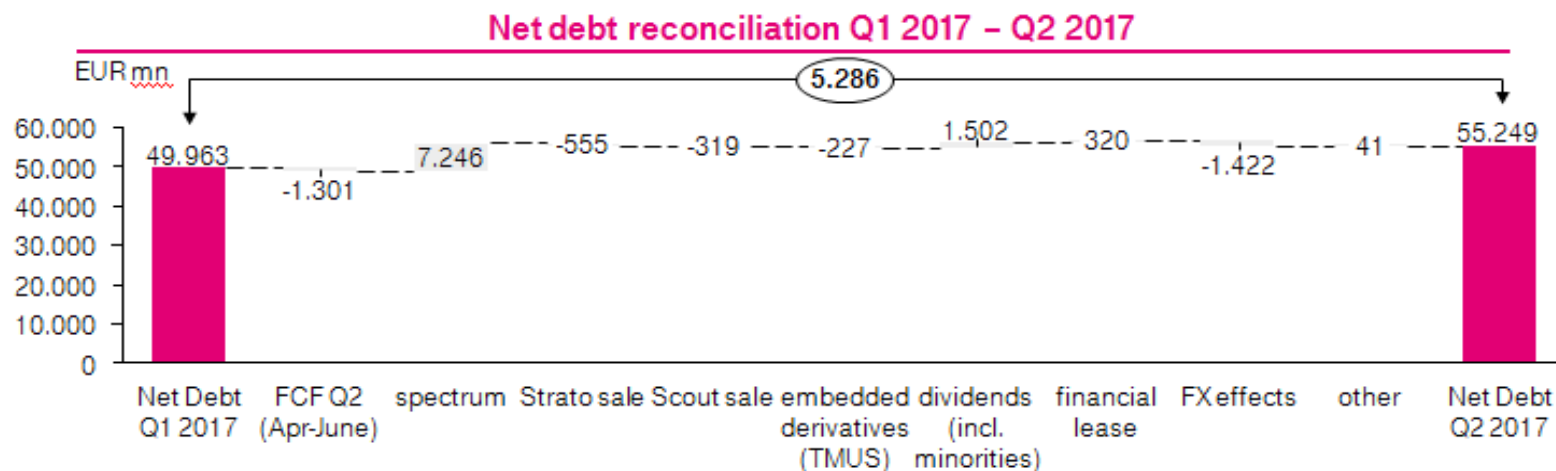
# GROUP

## NET DEBT

|  | Note | Jun. 30,<br>2016<br>millions of € | Sep. 30,<br>2016<br>millions of € | Dec. 31,<br>2016<br>millions of € | Mar. 31,<br>2017<br>millions of € | Jun. 30,<br>2017<br>millions of € | Change<br>compared to<br>prior quarter<br>% | Change<br>compared to<br>prior year<br>% |
|--|------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|--|
| Bonds  |      | 49.707                            | 49.014                            | 50.090                            | 52.791                            | 48.450                            | (8,2)                                       | (2,5)                                    |
| Other financial liabilities                          |      | 11.112                            | 11.673                            | 12.576                            | 10.860                            | 10.998                            | 1,3   | (1,0)                                    |
| <b>GROSS DEBT</b>                                    |      | <b>60.819</b>                     | <b>60.687</b>                     | <b>62.666</b>                     | <b>63.651</b>                     | <b>59.448</b>                     | <b>(6,6)</b>                                | <b>(2,3)</b>                             |
| Cash and cash equivalents                            |      | 7.207                             | 7.527                             | 7.747                             | 9.542                             | 2.441                             | (74,4)                                      | (66,1)                                   |
| Available-for-sale/held-for-trading financial assets |      | 99                                | 99                                | 10                                | 7                                 | 7                                 | n.a.  | (92,9)                                   |
| Other financial assets                               |      | 4.821                             | 4.577                             | 4.950                             | 4.139                             | 1.751                             | (57,7)                                      | (63,7)                                   |
| <b>NET DEBT</b>                                      |      | <b>48.692</b>                     | <b>48.484</b>                     | <b>49.959</b>                     | <b>49.963</b>                     | <b>55.249</b>                     | <b>10,6</b>                                 | <b>13,5</b>                              |

# GROUP

## Net Debt Development Q2 2017



# DT GROUP

## CASH CAPEX

|                                     | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|-------------------------------------|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>CASH CAPEX</b>                   |          |                             |                             |                             |                             |                             |                             |             |                             |                             |             |
| Germany                             |          | 885                         | 1.045                       | 1.228                       | 4.031                       | 1.005                       | 1.052                       | 18,9        | 1.758                       | 2.057                       | 17,0        |
| United States                       |          | 1.251                       | 1.671                       | 1.177                       | 5.855                       | 1.442                       | 8.463                       | n.a.        | 3.007                       | 9.905                       | n.a.        |
| Europe                              |          | 371                         | 876                         | 413                         | 2.600                       | 475                         | 403                         | 8,6         | 1.311                       | 878                         | (33,0)      |
| Systems Solutions                   |          | 96                          | 85                          | 143                         | 402                         | 86                          | 91                          | (5,2)       | 174                         | 177                         | 1,7         |
| Group Development                   |          | 40                          | 69                          | 69                          | 271                         | 81                          | 57                          | 42,5        | 133                         | 138                         | 3,4         |
| Group Headquarters & Group Services |          | 207                         | 222                         | 279                         | 936                         | 242                         | 239                         | 15,5        | 434                         | 481                         | 10,9        |
| Reconciliation                      |          | (147)                       | (84)                        | (153)                       | (455)                       | (51)                        | (65)                        | 55,8        | (218)                       | (116)                       | 46,8        |
| <b>GROUP</b>                        | <b>1</b> | <b>2.703</b>                | <b>3.885</b>                | <b>3.156</b>                | <b>13.640</b>               | <b>3.280</b>                | <b>10.240</b>               | <b>n.a.</b> | <b>6.599</b>                | <b>13.520</b>               | <b>n.a.</b> |
| - thereof spectrum investment       |          | 39                          | 1.146                       | 432                         | 2.682                       | 35                          | 7.246                       | n.a.        | 1.104                       | 7.282                       | n.a.        |

1 Amounts of payouts for property, plant and equipment and intangible assets excluding goodwill.



# DT GROUP

## FREE CASH FLOW

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| Net profit (loss)  |      | 621                         | 1.053                       | (2.124)                     | 2.675                       | 747                         | 874                         | 40,7         | 3.746                       | 1.621                       | (56,7)        |
| Profit (loss) attributable to non-controlling interests  |      | 65                          | 169                         | (57)                        | 429                         | 62                          | 317                         | n.a.         | 317                         | 380                         | 19,9          |
| <b>PROFIT (LOSS) AFTER INCOME TAXES</b>  |      | <b>686</b>                  | <b>1.222</b>                | <b>(2.181)</b>              | <b>3.104</b>                | <b>809</b>                  | <b>1.192</b>                | <b>73,8</b>  | <b>4.063</b>                | <b>2.001</b>                | <b>(50,8)</b> |
| Depreciation, amortization and impairment losses   |      | 3.151                       | 3.178                       | 3.909                       | 13.380                      | 3.191                       | 3.156                       | 0,2          | 6.293                       | 6.347                       | 0,9           |
| Income tax expense/(benefit)   |      | 114                         | 394                         | 1                           | 1.443                       | (78)                        | 686                         | n.a.         | 1.048                       | 608                         | (42,0)        |
| Interest (income) and interest expenses  |      | 652                         | 646                         | 561                         | 2.492                       | 637                         | 511                         | (21,6)       | 1.285                       | 1.148                       | (10,7)        |
| Other financial (income) expense   |      | 93                          | (107)                       | 2.503                       | 2.072                       | 1.406                       | 445                         | n.a.         | (324)                       | 1.851                       | n.a.          |
| Share of (profit) loss of associates and joint ventures<br>accounted for using the equity method |      | 1                           | 1                           | 53                          | 53                          | (4)                         | (3)                         | n.a.         | (1)                         | (7)                         | n.a.          |
| (Profit) loss on the disposal of fully consolidated subsidiaries                                 |      | (1)                         | 0                           | 0                           | (7)                         | (519)                       | (31)                        | n.a.         | (7)                         | (550)                       | n.a.          |
| (Income) loss from the sale of stakes accounted for using the<br>equity method                   |      | (55)                        | 12                          | (41)                        | (2.591)                     | 0                           | (226)                       | n.a.         | (2.562)                     | (226)                       | 91,2          |
| Other non-cash transactions  |      | 73                          | 94                          | 58                          | 316                         | 119                         | 66                          | (9,6)        | 164                         | 185                         | 12,8          |
| (Gain) loss from the disposal of intangible assets and<br>property, plant and equipment          |      | 11                          | (108)                       | 12                          | (495)                       | (33)                        | (2)                         | n.a.         | (399)                       | (35)                        | 91,2          |
| Change in assets carried as working capital  |      | 251                         | 410                         | (1.244)                     | (1.000)                     | 358                         | (467)                       | n.a.         | (166)                       | (109)                       | 34,3          |
| Change in provisions   |      | (302)                       | (14)                        | 174                         | (234)                       | (70)                        | (256)                       | 15,2         | (394)                       | (326)                       | 17,3          |
| Change in other liabilities carried as working capital   |      | (320)                       | (580)                       | 262                         | (510)                       | (531)                       | (31)                        | 90,3         | (192)                       | (562)                       | n.a.          |
| Income taxes received (paid)   |      | (135)                       | (113)                       | (147)                       | (527)                       | (80)                        | (100)                       | 25,9         | (267)                       | (180)                       | 32,6          |
| Dividends received   |      | 5                           | 150                         | 1                           | 331                         | 75                          | 13                          | n.a.         | 180                         | 88                          | (51,1)        |
| Net payments from entering into or canceling interest rate<br>swaps                              |      | 289                         | 0                           | 0                           | 289                         | 0                           | 0                           | n.a.         | 289                         | 0                           | n.a.          |
| <b>CASH GENERATED FROM OPERATIONS</b>  |      | <b>4.513</b>                | <b>5.185</b>                | <b>3.921</b>                | <b>18.116</b>               | <b>5.280</b>                | <b>4.955</b>                | <b>9,8</b>   | <b>9.010</b>                | <b>10.235</b>               | <b>13,6</b>   |
| Interest received (paid)   |      | (582)                       | (628)                       | (372)                       | (2.583)                     | (926)                       | (752)                       | (29,2)       | (1.583)                     | (1.676)                     | (5,9)         |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>  |      | <b>3.931</b>                | <b>4.557</b>                | <b>3.549</b>                | <b>15.533</b>               | <b>4.355</b>                | <b>4.204</b>                | <b>6,9</b>   | <b>7.427</b>                | <b>8.559</b>                | <b>15,2</b>   |
| Cash outflows for investments in<br>(proceeds from disposal of)                                  |      | (2.611)                     | (2.653)                     | (2.656)                     | (10.594)                    | (3.127)                     | (2.903)                     | (11,2)       | (5.285)                     | (6.029)                     | (14,1)        |
| Intangible assets  |      | (824)                       | (1.862)                     | (1.209)                     | (5.602)                     | (718)                       | (7.983)                     | n.a.         | (2.531)                     | (8.701)                     | n.a.          |
| Property, plant and equipment  |      | (1.826)                     | (1.937)                     | (1.879)                     | (7.674)                     | (2.444)                     | (2.166)                     | (18,6)       | (3.858)                     | (4.610)                     | (19,5)        |
| Spectrum investment  |      | 39                          | 1.146                       | 432                         | 2.682                       | 35                          | 7.246                       | n.a.         | 1.104                       | 7.282                       | n.a.          |
| <b>FREE CASH FLOW (BEFORE DIVIDEND PAYMENTS AND<br/>SPECTRUM)</b>                                |      | <b>1.320</b>                | <b>1.904</b>                | <b>893</b>                  | <b>4.939</b>                | <b>1.228</b>                | <b>1.301</b>                | <b>(1,4)</b> | <b>2.142</b>                | <b>2.530</b>                | <b>18,1</b>   |

# DT GROUP

## PERSONNEL

| AT REPORTING DATE  | Note | Jun. 30        | Sep. 30        | Dec. 31        | Mar. 31        | Jun. 30        | Change compared to |              | Change compared to |              |
|--|------|----------------|----------------|----------------|----------------|----------------|--------------------|--------------|--------------------|--------------|
|  |      | 2016           | 2016           | 2016           | 2017           | 2017           | prior quarter      |              | prior year         |              |
|  |      |                |                |                |                |                | abs.               | %            | abs.               | %            |
| Germany  |      | 67.594         | 66.677         | 65.452         | 64.973         | 64.560         | (413)              | (0,6)        | (3.034)            | (4,5)        |
| United States  |      | 43.541         | 44.148         | 44.820         | 42.925         | 43.566         | 641                | 1,5          | 25                 | 0,1          |
| Europe   |      | 47.224         | 46.576         | 46.808         | 47.378         | 47.610         | 232                | 0,5          | 386                | 0,8          |
| Systems Solutions  |      | 37.191         | 37.342         | 37.472         | 37.839         | 37.801         | (38)               | (0,1)        | 610                | 1,6          |
| Group Development  |      | 2.734          | 2.708          | 2.572          | 2.549          | 1.980          | (569)              | (22,3)       | (754)              | (27,6)       |
| Group Headquarters & Group Services  |      | 22.536         | 21.804         | 21.216         | 20.884         | 20.618         | (266)              | (1,3)        | (1.918)            | (8,5)        |
| <b>GROUP</b>   |      | <b>220.821</b> | <b>219.254</b> | <b>218.341</b> | <b>216.548</b> | <b>216.135</b> | <b>(413)</b>       | <b>(0,2)</b> | <b>(4.686)</b>     | <b>(2,1)</b> |
| of which: Domestic   |      | 108.266        | 106.620        | 104.662        | 104.231        | 103.014        | (1.217)            | (1,2)        | (5.252)            | (4,9)        |
| of which: Civil servants (in Germany, with an active service relationship) |      | 17.789         | 16.656         | 15.999         | 15.871         | 15.846         | (25)               | (0,2)        | (1.943)            | (10,9)       |
| of which: International  |      | 112.555        | 112.634        | 113.679        | 112.317        | 113.121        | 804                | 0,7          | 566                | 0,5          |

| AVERAGE  | Note | Q2             | Q3             | Q4             | Q1             | Q2             | Change compared to |              |
|--|------|----------------|----------------|----------------|----------------|----------------|--------------------|--------------|
|  |      | 2016           | 2016           | 2016           | 2017           | 2017           | prior year         |              |
|  |      |                |                |                |                |                | abs.               | %            |
| Germany  |      | 67.680         | 66.800         | 66.009         | 65.040         | 64.539         | (3.141)            | (4,6)        |
| United States  |      | 43.319         | 43.883         | 44.262         | 43.497         | 43.237         | (82)               | (0,2)        |
| Europe   |      | 47.475         | 46.500         | 46.766         | 47.130         | 47.509         | 34                 | 0,1          |
| Systems Solutions  |      | 37.213         | 37.234         | 37.404         | 37.840         | 37.775         | 562                | 1,5          |
| Group Development  |      | 2.749          | 2.713          | 2.594          | 2.599          | 1.989          | (760)              | (27,6)       |
| Group Headquarters & Group Services  |      | 22.842         | 21.899         | 21.576         | 20.920         | 20.813         | (2.029)            | (8,9)        |
| <b>GROUP</b>   |      | <b>221.278</b> | <b>219.029</b> | <b>218.610</b> | <b>217.026</b> | <b>215.862</b> | <b>(5.416)</b>     | <b>(2,4)</b> |
| of which: Domestic   |      | 108.703        | 106.785        | 105.607        | 104.342        | 103.167        | (5.536)            | (5,1)        |
| of which: Civil servants (in Germany, with an active service relationship) |      | 18.122         | 16.788         | 16.361         | 15.906         | 15.850         | (2.272)            | (12,5)       |
| of which: International  |      | 112.575        | 112.244        | 113.003        | 112.684        | 112.695        | 120                | 0,1          |

# EXCHANGE RATES

## AVERAGE

|                         | Q2<br>2016<br>1 € | Q3<br>2016<br>1 € | Q4<br>2016<br>1 € | FY<br>2016<br>1 € | Q1<br>2017<br>1 € | Q2<br>2017<br>1 € |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| US Dollar (USD)         | 1,12935           | 1,11651           | 1,07782           | 1,10662           | 1,06469           | 1,08192           |
| British pound (GBP)     | 0,78663           | 0,84983           | 0,86825           | 0,81965           | 0,86005           | 0,86026           |
| Czech korunas (CZK)     | 27,03886          | 27,02924          | 27,02775          | 27,03349          | 27,02065          | 26,81334          |
| Croatian kunas (HRK)    | 7,50410           | 7,49342           | 7,52327           | 7,53365           | 7,46718           | 7,45359           |
| Hungarian forints (HUF) | 313,28402         | 310,99477         | 309,38976         | 311,39281         | 309,09362         | 309,46069         |
| Macedonian Denar (MKD)  | 61,61680          | 61,59835          | 61,57615          | 61,59350          | 61,56872          | 61,58923          |
| Polish Zloty (PLN)      | 4,37031           | 4,33814           | 4,38094           | 4,36308           | 4,32077           | 4,27205           |
| Romanian leu (RON)      | 4,49802           | 4,46495           | 4,50832           | 4,49035           | 4,52137           | 4,53608           |

## END OF PERIOD

|                         | Jun. 30<br>2016<br>1 € | Sep. 30<br>2016<br>1 € | Dec. 31<br>2016<br>1 € | Mar. 31<br>2017<br>1 € | Jun. 30<br>2017<br>1 € |
|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| US Dollar (USD)         | 1,11055                | 1,11640                | 1,05405                | 1,06830                | 1,14060                |
| British pound (GBP)     | 0,82775                | 0,86160                | 0,85515                | 0,85580                | 0,87880                |
| Czech korunas (CZK)     | 27,13050               | 27,02150               | 27,01943               | 27,02700               | 26,20650               |
| Croatian kunas (HRK)    | 7,52885                | 7,52305                | 7,55583                | 7,43710                | 7,41075                |
| Hungarian forints (HUF) | 317,04500              | 309,86000              | 309,96987              | 307,89500              | 309,35000              |
| Macedonian Denar (MKD)  | 61,58500               | 61,58000               | 61,57000               | 61,57000               | 62,53000               |
| Polish Zloty (PLN)      | 4,43565                | 4,31830                | 4,41368                | 4,22070                | 4,22900                |
| Romanian leu (RON)      | 4,52390                | 4,45380                | 4,54055                | 4,55275                | 4,55450                |

Please note: the above quarterly and yearly average exchange rates are given as an indication only.



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## GERMANY

### FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                             | 1    | 5.348                       | 5.485                       | 5.565                       | 21.784                      | 5.397                       | 5.371                       | 0,4         | 10.733                      | 10.768                      | 0,3         |
| <b>NET REVENUE</b>                               | 1    | 5.010                       | 5.134                       | 5.210                       | 20.415                      | 5.069                       | 5.036                       | 0,5         | 10.072                      | 10.105                      | 0,3         |
| <b>EBITDA</b>                                    |      | 2.078                       | 2.095                       | 2.013                       | 8.237                       | 2.070                       | 2.100                       | 1,1         | 4.129                       | 4.170                       | 1,0         |
| EBITDA margin (EBITDA / total revenue)           | %    | 38,9                        | 38,2                        | 36,2                        | 37,8                        | 38,4                        | 39,1                        | 0,2p        | 38,5                        | 38,7                        | 0,2p        |
| Depreciation, amortization and impairment losses |      | (934)                       | (912)                       | (937)                       | (3.703)                     | (935)                       | (953)                       | (2,0)       | (1.854)                     | (1.888)                     | (1,8)       |
| Profit (loss) from operations = EBIT             |      | 1.144                       | 1.183                       | 1.076                       | 4.534                       | 1.135                       | 1.147                       | 0,3         | 2.275                       | 2.283                       | 0,4         |
| <b>CASH CAPEX</b>                                |      | 885                         | 1.045                       | 1.228                       | 4.031                       | 1.005                       | 1.052                       | 18,9        | 1.758                       | 2.057                       | 17,0        |
| <b>CASH CONTRIBUTION</b>                         |      | 1.193                       | 1.050                       | 785                         | 4.206                       | 1.065                       | 1.048                       | (12,2)      | 2.371                       | 2.113                       | (10,9)      |

### FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                             |      | 5.338                       | 5.485                       | 5.565                       | 21.774                      | 5.397                       | 5.371                       | 0,6         | 10.723                      | 10.768                      | 0,4         |
| <b>NET REVENUE</b>                               |      | 5.000                       | 5.134                       | 5.210                       | 20.405                      | 5.069                       | 5.036                       | 0,7         | 10.062                      | 10.105                      | 0,4         |
| <b>EBITDA</b>                                    |      | 1.699                       | 1.972                       | 1.763                       | 7.327                       | 2.021                       | 1.995                       | 17,4        | 3.592                       | 4.016                       | 11,8        |
| EBITDA margin (EBITDA / total revenue)           | %    | 31,8                        | 36,0                        | 31,7                        | 33,7                        | 37,4                        | 37,1                        | 5,3p        | 33,5                        | 37,3                        | 3,8p        |
| Depreciation, amortization and impairment losses |      | (934)                       | (912)                       | (937)                       | (3.703)                     | (935)                       | (953)                       | (2,0)       | (1.854)                     | (1.888)                     | (1,8)       |
| Profit (loss) from operations = EBIT             |      | 765                         | 1.060                       | 826                         | 3.624                       | 1.086                       | 1.042                       | 36,2        | 1.738                       | 2.129                       | 22,5        |
| <b>CASH CAPEX</b>                                |      | 885                         | 1.045                       | 1.228                       | 4.031                       | 1.005                       | 1.052                       | 18,9        | 1.758                       | 2.057                       | 17,0        |
| <b>CASH CONTRIBUTION</b>                         |      | 814                         | 927                         | 535                         | 3.296                       | 1.016                       | 943                         | 15,8        | 1.834                       | 1.959                       | 6,8         |

1 Q2/16 Special factors related to settlement agreements.

# GERMANY

## EBITDA RECONCILIATION

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                                |          | <b>5.338</b>                | <b>5.485</b>                | <b>5.565</b>                | <b>21.774</b>               | <b>5.397</b>                | <b>5.371</b>                | <b>0,6</b>  | <b>10.723</b>               | <b>10.768</b>               | <b>0,4</b>  |
| <b>TOTAL REVENUE (ADJUSTED FOR SPECIAL FACTORS)</b> | <b>1</b> | <b>5.348</b>                | <b>5.485</b>                | <b>5.565</b>                | <b>21.784</b>               | <b>5.397</b>                | <b>5.371</b>                | <b>0,4</b>  | <b>10.733</b>               | <b>10.768</b>               | <b>0,3</b>  |
| Profit (loss) from operations = EBIT                |          | 765                         | 1.060                       | 826                         | 3.624                       | 1.086                       | 1.042                       | 36,2        | 1.738                       | 2.129                       | 22,5        |
| - Depreciation, amortization and impairment losses  |          | (934)                       | (912)                       | (937)                       | (3.703)                     | (935)                       | (953)                       | (2,0)       | (1.854)                     | (1.888)                     | (1,8)       |
| <b>= EBITDA</b>                                     |          | <b>1.699</b>                | <b>1.972</b>                | <b>1.763</b>                | <b>7.327</b>                | <b>2.021</b>                | <b>1.995</b>                | <b>17,4</b> | <b>3.592</b>                | <b>4.016</b>                | <b>11,8</b> |
| EBITDA margin                                       | %        | 31,8                        | 36,0                        | 31,7                        | 33,7                        | 37,4                        | 37,1                        | 5,3p        | 33,5                        | 37,3                        | 3,8p        |
| - Special factors affecting EBITDA                  |          | (379)                       | (123)                       | (250)                       | (910)                       | (49)                        | (105)                       | 72,3        | (537)                       | (154)                       | 71,3        |
| <b>= EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>      |          | <b>2.078</b>                | <b>2.095</b>                | <b>2.013</b>                | <b>8.237</b>                | <b>2.070</b>                | <b>2.100</b>                | <b>1,1</b>  | <b>4.129</b>                | <b>4.170</b>                | <b>1,0</b>  |
| EBITDA margin (adjusted for special factors)        | %        | 38,9                        | 38,2                        | 36,2                        | 37,8                        | 38,4                        | 39,1                        | 0,2p        | 38,5                        | 38,7                        | 0,2p        |

## SPECIAL FACTORS

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>EFFECTS ON EBITDA</b>                               |      | <b>(379)</b>                | <b>(123)</b>                | <b>(250)</b>                | <b>(910)</b>                | <b>(49)</b>                 | <b>(105)</b>                | <b>72,3</b> | <b>(537)</b>                | <b>(154)</b>                | <b>71,3</b> |
| - of which personnel                                   |      | (355)                       | (117)                       | (238)                       | (854)                       | (37)                        | (54)                        | 84,8        | (499)                       | (91)                        | 81,8        |
| - of which other                                       |      | (24)                        | (6)                         | (12)                        | (56)                        | (12)                        | (51)                        | n.a.        | (38)                        | (63)                        | (65,8)      |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |      | <b>(379)</b>                | <b>(123)</b>                | <b>(250)</b>                | <b>(910)</b>                | <b>(49)</b>                 | <b>(105)</b>                | <b>72,3</b> | <b>(537)</b>                | <b>(154)</b>                | <b>71,3</b> |
| - of which personnel                                   |      | (355)                       | (117)                       | (238)                       | (854)                       | (37)                        | (54)                        | 84,8        | (499)                       | (91)                        | 81,8        |
| - of which other                                       |      | (24)                        | (6)                         | (12)                        | (56)                        | (12)                        | (51)                        | n.a.        | (38)                        | (63)                        | (65,8)      |

1 Q2/16 Special factors related to settlement agreements.

# GERMANY

## OPERATIONALS

|                         |        | Note     | Q2<br>2016 | Q3<br>2016 | Q4<br>2016 | Q1<br>2017 | Q2<br>2017 | Change<br>% |
|-------------------------|--------|----------|------------|------------|------------|------------|------------|-------------|
| <b>GERMANY</b>          |        |          |            |            |            |            |            |             |
| <b>ACCESS LINES</b>     |        |          |            |            |            |            |            |             |
| Fixed network           | ('000) | 1        | 19.971     | 19.873     | 19.786     | 19.648     | 19.477     | (2,5)       |
| retail IP-based         | ('000) | 1        | 7.958      | 8.435      | 9.042      | 9.801      | 10.351     | 30,1        |
| Broadband               | ('000) | 1        | 12.770     | 12.835     | 12.922     | 12.989     | 13.035     | 2,1         |
| Fiber                   | ('000) | 1,2      | 3.577      | 3.857      | 4.250      | 4.693      | 5.033      | 40,7        |
| TV (incl. IPTV, SAT)    |        | 1        | 2.777      | 2.818      | 2.879      | 2.955      | 3.024      | 8,9         |
| ULLs                    | ('000) | 1        | 7.648      | 7.431      | 7.195      | 6.952      | 6.723      | (12,1)      |
| Wholesale bundled       | ('000) | 1        | 192        | 179        | 165        | 148        | 125        | (34,9)      |
| Wholesale unbundled     | ('000) | 1        | 3.621      | 3.905      | 4.212      | 4.554      | 4.855      | 34,1        |
| Fiber                   | ('000) |          | 2.028      | 2.274      | 2.555      | 2.887      | 3.169      | 56,3        |
| <b>MOBILE CUSTOMERS</b> |        |          |            |            |            |            |            |             |
| Total                   | ('000) | <b>3</b> | 41.138     | 41.461     | 41.849     | 42.114     | 42.011     | 2,1         |
| - contract              | ('000) |          | 24.096     | 24.705     | 25.219     | 25.270     | 25.084     | 4,1         |
| - prepaid               | ('000) |          | 17.042     | 16.756     | 16.630     | 16.844     | 16.927     | (0,7)       |

1 Figures do not add up.

2 Sum of all FTTx accesses (e.g. FTTC/VDSL, Vectoring and FTTH).

3 As of 1. January 2017 business customers are effected by two adjustments. At contract, customers are now shown without test cards (minus 41k) and at prepaid, there has been a system integration (plus 180k). Prior year figures have not been adjusted accordingly.



# GERMANY

## REVENUE SPLIT - PRODUCTS

|  | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|--|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|--------------|
| <b>GERMANY</b>   |          | <b>5.338</b>                | <b>5.485</b>                | <b>5.565</b>                | <b>21.774</b>               | <b>5.397</b>                | <b>5.371</b>                | <b>0,6</b>   | <b>10.723</b>               | <b>10.768</b>               | <b>0,4</b>   |
| <b>FIXED NETWORK CORE BUSINESS</b>                                 |          | <b>2.420</b>                | <b>2.394</b>                | <b>2.434</b>                | <b>9.659</b>                | <b>2.392</b>                | <b>2.385</b>                | <b>(1,4)</b> | <b>4.830</b>                | <b>4.777</b>                | <b>(1,1)</b> |
| of which Fixed Revenues  |          | 1.753                       | 1.745                       | 1.739                       | 6.992                       | 1.734                       | 1.722                       | (1,8)        | 3.507                       | 3.457                       | (1,4)        |
| Voice only revenues  |          | 450                         | 439                         | 429                         | 1.776                       | 420                         | 409                         | (9,1)        | 908                         | 830                         | (8,6)        |
| Broadband revenues   |          | 995                         | 994                         | 993                         | 3.976                       | 986                         | 979                         | (1,6)        | 1.988                       | 1.965                       | (1,2)        |
| TV revenues  |          | 308                         | 312                         | 317                         | 1.240                       | 328                         | 334                         | 8,4          | 611                         | 662                         | 8,3          |
| of which Variable Revenues   |          | 225                         | 216                         | 213                         | 880                         | 198                         | 191                         | (15,1)       | 451                         | 390                         | (13,5)       |
| of which Revenues from add-on options                              |          | 49                          | 48                          | 48                          | 196                         | 46                          | 46                          | (6,1)        | 100                         | 92                          | (8,0)        |
| thereof revenues from voice centric options                        |          | 16                          | 15                          | 14                          | 62                          | 14                          | 13                          | (18,8)       | 33                          | 27                          | (18,2)       |
| thereof revenues from broadband centric options                    |          | 17                          | 16                          | 16                          | 66                          | 16                          | 15                          | (11,8)       | 34                          | 31                          | (8,8)        |
| thereof revenues from TV centric options                           |          | 17                          | 17                          | 17                          | 68                          | 17                          | 17                          | 0,0          | 34                          | 34                          | 0,0          |
| of which Revenues from devices (fixed line)                        |          | 115                         | 121                         | 124                         | 478                         | 127                         | 131                         | 13,9         | 233                         | 258                         | 10,7         |
| thereof revenues from sale of devices and accessories (Fixed line) |          | 29                          | 33                          | 33                          | 127                         | 32                          | 33                          | 13,8         | 61                          | 64                          | 4,9          |
| <b>MOBILE COMMUNICATIONS</b>                                       |          | <b>1.887</b>                | <b>2.054</b>                | <b>2.072</b>                | <b>7.955</b>                | <b>1.972</b>                | <b>1.950</b>                | <b>3,3</b>   | <b>3.830</b>                | <b>3.922</b>                | <b>2,4</b>   |
| of which Service Revenues  |          | 1.656                       | 1.697                       | 1.667                       | 6.669                       | 1.635                       | 1.669                       | 0,8          | 3.305                       | 3.305                       | 0,0          |
| <b>WHOLESALE SERVICES FIXED NETWORK</b>                            | <b>1</b> | <b>855</b>                  | <b>850</b>                  | <b>855</b>                  | <b>3.407</b>                | <b>848</b>                  | <b>852</b>                  | <b>(0,4)</b> | <b>1.702</b>                | <b>1.700</b>                | <b>(0,1)</b> |
| of which access full ULL   |          | 258                         | 246                         | 238                         | 1.007                       | 231                         | 222                         | (14,0)       | 523                         | 453                         | (13,4)       |
| of which bundled and unbundled access line                         |          | 239                         | 226                         | 239                         | 903                         | 257                         | 267                         | 11,7         | 438                         | 524                         | 19,6         |
| <b>ONLINE CONSUMER SERVICES</b>                                    |          | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    | <b>n.a.</b>  | <b>0</b>                    | <b>0</b>                    | <b>n.a.</b>  |
| <b>VALUE-ADDED SERVICES</b>  |          | <b>50</b>                   | <b>49</b>                   | <b>52</b>                   | <b>205</b>                  | <b>49</b>                   | <b>47</b>                   | <b>(6,0)</b> | <b>103</b>                  | <b>96</b>                   | <b>(6,8)</b> |
| <b>OTHERS</b>  |          | <b>126</b>                  | <b>137</b>                  | <b>151</b>                  | <b>546</b>                  | <b>136</b>                  | <b>136</b>                  | <b>7,9</b>   | <b>257</b>                  | <b>273</b>                  | <b>6,2</b>   |

## REVENUE SPLIT - SEGMENTS

|                    | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--------------------|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>GERMANY</b>     |      | <b>5.338</b>                | <b>5.485</b>                | <b>5.565</b>                | <b>21.774</b>               | <b>5.397</b>                | <b>5.371</b>                | <b>0,6</b>  | <b>10.723</b>               | <b>10.768</b>               | <b>0,4</b>  |
| Consumer           |      | 2.863                       | 2.967                       | 2.988                       | 11.739                      | 2.918                       | 2.878                       | 0,5         | 5.785                       | 5.796                       | 0,2         |
| Business customers |      | 1.451                       | 1.489                       | 1.537                       | 5.923                       | 1.465                       | 1.473                       | 1,5         | 2.898                       | 2.937                       | 1,3         |
| Wholesale          | 1    | 941                         | 933                         | 938                         | 3.742                       | 926                         | 928                         | (1,4)       | 1.871                       | 1.854                       | (0,9)       |
| Others             | 1    | 83                          | 96                          | 102                         | 370                         | 88                          | 92                          | 10,8        | 169                         | 181                         | 7,1         |

1 Revenues Q2/16 not adjusted for special factors related to settlement agreements.

# GERMANY

## MOBILE COMMUNICATIONS KPIS

|                                  | Note  | Q2<br>2016 | Q3<br>2016 | Q4<br>2016 | FY<br>2016 | Q1<br>2017 | Q2<br>2017 | Change<br>%   |
|----------------------------------|-------|------------|------------|------------|------------|------------|------------|---------------|
| <b>AVERAGE MONTHLY CHURN</b>     | (%)   | <b>1,4</b> | <b>1,6</b> | <b>1,7</b> | <b>1,6</b> | <b>1,7</b> | <b>1,9</b> | <b>0,5p</b>   |
| - contract                       | (%)   | 1,7        | 1,4        | 1,6        | 1,6        | 1,9        | 2,3        | 0,6p          |
| <b>SAC PER GROSS ADD</b>         | (€)   | <b>76</b>  | <b>73</b>  | <b>81</b>  | <b>78</b>  | <b>73</b>  | <b>75</b>  | <b>(1,3)</b>  |
| - contract                       | (€) 1 | 109        | 96         | 112        | 110        | 106        | 107        | (1,8)         |
| - prepaid                        | (€) 1 | 13         | 17         | 14         | 15         | 9          | 11         | (15,4)        |
| <b>SRC PER RETAINED CUSTOMER</b> | (€)   | <b>302</b> | <b>238</b> | <b>275</b> | <b>266</b> | <b>254</b> | <b>263</b> | <b>(12,9)</b> |
| <b>ARPU</b>                      |       | <b>14</b>  | <b>14</b>  | <b>13</b>  | <b>14</b>  | <b>13</b>  | <b>13</b>  | <b>(7,1)</b>  |
| - contract                       | (€)   | 21         | 21         | 20         | 21         | 20         | 20         | (4,8)         |
| - prepaid                        | (€)   | 3          | 3          | 3          | 3          | 3          | 3          | 0,0           |
| <b>MOU PER CUSTOMER</b>          | (min) | <b>90</b>  | <b>89</b>  | <b>88</b>  | <b>89</b>  | <b>89</b>  | <b>89</b>  | <b>(1,1)</b>  |
| - contract                       | (min) | 141        | 140        | 137        | 139        | 138        | 138        | (2,1)         |

1 Shift by Contract/Prepaid in Q1/17 and Q2/17 based on a booking correction

# GERMANY

## Magenta Mobil

| Magenta Mobil PLANS IN €            | S         | M              | L                      | L Plus                 |
|-------------------------------------|-----------|----------------|------------------------|------------------------|
| Monthly charge (without handset)    | 34.95     | 44.95          | 54.95                  | 79.95                  |
| Monthly charge (with handset)       | 44.95     | 54.95          | 64.95                  | —                      |
| Monthly charge (with top handset)   | 54.95     | 64.95          | 74.95                  | 99.95                  |
| Voice and SMS <sup>1</sup>          | flat      | flat           | flat                   | flat                   |
| Data                                | flat      | flat           | flat                   | flat                   |
| - Data Speed (download)             | max       | max            | max                    | max                    |
| - Data Speed (upload)               | max       | max            | max                    | max                    |
| - Data Volume until speed step down | 1 GB      | 3 GB           | 6 GB                   | 10 GB                  |
| - Data Network                      | 3G/LTE    | 3G/LTE         | 3G/LTE                 | 3G/LTE                 |
| Streaming                           | —         | StreamOn Music | StreamOn Music & Video | StreamOn Music & Video |
| VoIP                                | free      | free           | free                   | free                   |
| Tethering                           | free      | free           | free                   | free                   |
| MMS all net                         | 0.39      | 0.39           | 0.39                   | 0.39                   |
| International Calls (minutes)       | —         | —              | —                      | 100                    |
| International SMS (pieces)          | —         | —              | —                      | 100                    |
| HotSpot Flatrate                    | free      | free           | free                   | free                   |
| MultiSim                            | —         | —              | —                      | free <sup>2</sup>      |
| Roaming Voice, SMS and Data         | free (EU) | free (EU)      | free (EU)              | free (EU)              |
| Fixed line number                   | —         | —              | —                      | free                   |
| Activation fee                      | 29.95     | 29.95          | 29.95                  | 29.95                  |
| Duration of contract                | 24 months | 24 months      | 24 months              | 24 months              |

1 voice and sms within all german networks (mobile and fixed network).

2 up to two MultiSIM bookable.

# GERMANY

## Magenta Mobil Premium

| Premium PLANS IN €                         | L PREMIUM              | L Plus PREMIUM         | XL PREMIUM        |
|--|------------------------|------------------------|-------------------|
| Monthly charge (with top handset)          | 84.95                  | 109.95                 | 199,95            |
| handset upgrade period                     | 12 months              | 12 months              | 12 months         |
| Voice and SMS <sup>1</sup>                 | flat                   | flat                   | flat              |
| Data                                       | flat                   | flat                   | flat              |
| - Data Speed (download)                    | max                    | max                    | max               |
| - Data Speed (upload)                      | max                    | max                    | max               |
| - Data Volume until speed step down        | 6 GB                   | 10 GB                  | flat              |
| - Data Network                             | 3G/LTE                 | 3G/LTE                 | 3G/LTE            |
| Streaming                                  | StreamOn Music & Video | StreamOn Music & Video | n.r.              |
| VoIP                                       | free                   | free                   | free              |
| Tethering                                  | free                   | free                   | free              |
| MMS all net                                | 0.39                   | 0.39                   | 0.39              |
| International Calls (minutes) <sup>2</sup> | —                      | 100                    | flat              |
| International SMS (pieces)                 | —                      | 100                    | flat              |
| HotSpot Flatrate                           | free                   | free                   | free              |
| MultiSim                                   | —                      | free <sup>3</sup>      | free <sup>3</sup> |
| Roaming Voice, SMS and Data                | free (EU)              | free (EU)              | free (EU Plus)    |
| Fixed line number                          | —                      | free                   | —                 |
| Activation fee                             | 29.95                  | 29.95                  | 29.95             |
| Duration of contract                       | 24 months              | 24 months              | 24 months         |

1 voice and sms within all german networks (mobile and fixed network).

2 EU and Country Group 2

3 up to two MultiSIM bookable.

4 incl. 50 MB.

# GERMANY

## Mobile Options

| <b>StreamOn</b>                            | <b>StreamOn Music</b>  | <b>StreamOn Music &amp; Video</b>  | <b>MagentaEINS StreamOn Music &amp; Video Max</b>                                     |
|--|--|--|---|
| Monthly charge                             | 0  | 0  | 0   |
| Description                                | Music Streaming zero-rating for connected partners                       | Music & Video Streaming zero-rating for connected partners, mobile optimized | Music & Video Streaming zero-rating for connected partners, high resolution           |
| Booking restrictions                       | Starting with MagentaMobil M /MagentaMobil M Friends / FamilyCard M      | Starting with MagentaMobil L /MagentaMobil L Friends / FamilyCard L          | Only MagentaEINS: Starting with MagentaMobil M /MagentaMobil M Friends / FamilyCard M |
| <b>INTERNATIONAL OPTIONS IN €</b>          | <b>ALL INCLUSIVE (ROAMING)</b>   | <b>INTERNATIONAL 100 or 400</b>  | <b>INTERNATIONAL SMS 100</b>  |
| Monthly charge                             | 5.00   | 9.95 or 29.95  | 9.95  |
| Description                                | Use your flat (voice, SMS & data) tarif in Europe                        | 100 or 400 min. mobile and fixed Network to european countries.              | 100 SMS to EU   |
| <b>VOICE OPTIONS IN €</b>                  | <b>FAMILY</b>  | <b>FIXED LINE NUMBER</b>   |   |
| Monthly charge                             | 4.95   | 4.95   |   |
| Description                                | free calls between 4 mobil numbers (onnet) and to one fixed line number. | fixed line number and call forwarding from this number.                      |   |
| <b>ADDITIONAL DATA VOLUME OPTIONS IN €</b> | <b>Data S</b>  | <b>Data M</b>  | <b>Data L</b>   |
| Monthly charge                             | 9.95   | 14.95  | 24.95   |
| Additional Data Volume (per month)         | 1 GB   | 2GB  | 5GB   |
| <b>OTHER OPTIONS IN €</b>                  | <b>MULTISIM</b>  | <b>DayFlat unlimited</b>   |   |
| Monthly charge                             | 4.95   | 4.95   |   |
| Description                                | up to two MultiSIM bookable.   | Data Full Flat for 24h   |   |
| <b>ADDITIONAL DATA PACKAGES IN €</b>       | <b>MultiData S</b>   | <b>MultiData M</b>   | <b>MultiData L</b>  |
| Monthly charge                             | 10€  | 15€  | 25€   |
| Additional Data Volume (per month)         | 1 GB   | 2GB  | 5GB   |
| Description                                | up to two MultiSIM bookable  | up to two MultiSIM bookable  | up to two MultiSIM bookable   |

# GERMANY

## DOUBLE PLAY VIA WIRELESS (CALL & SURF VIA FUNK)

| <b>DOUBLE PLAY VIA WIRELESS</b> <sup>1 in €</sup> | <b>S</b>                                       | <b>M</b>           | <b>L</b>           |
|---|--|--------------------|--------------------|
| Monthly Charge <sup>2</sup>                       | 34.95 <sup>3</sup>                             | 39.95 <sup>4</sup> | 49.95 <sup>5</sup> |
| Data Speed (Mbit/s)                               | 16 Mbit/s                                      | 50 Mbit/s          | 100 Mbit/s         |
| Data Volume until Speed Step Down (SSD)           | 10 GB  | 15 GB              | 30 GB              |
| <b>Voice minutes</b>                              | <b>€ Cent/Minute</b>                           |                    |                    |
| fixed net national                                | flat   |                    |                    |
| international                                     | from 2.9                                       |                    |                    |
| fixed to mobile                                   | 19.0   |                    |                    |
| <b>Options</b>                                    |  |                    |                    |
| Speed On  | €14.95 per 10GB                                | €14.95 per 15GB    | €14.95 per 30GB    |
| fixed to mobile                                   | 12.9 cents/minute, minimum charge €4 per month |                    |                    |
| mobile flat                                       | to Telekom Mobile €14.95 per month             |                    |                    |
| CountryFlat 1                                     | €3.95 per month                                |                    |                    |
| CountryFlat 2                                     | €14.95 per month                               |                    |                    |
| Mail & Cloud M                                    | €4.95 per month                                |                    |                    |
| Security Package M                                | €3.95 per month                                |                    |                    |

1 Standard-PSTN; Universal-PSTN + €4

2 without terminal equipment. Monthly rent for Router €4.95

3 Promotional price. Regular price €39.95

4 Promotional price. Regular price €49.95

5 Promotional price. Regular price €69.95

For general conditions and further details, please see [www.telekom.de](http://www.telekom.de). All prices in € including VAT.

# GERMANY

## MAGENTA ZUHAUSE

| MAGENTA ZUHAUSE IN €       | ZUHAUSE XS <sup>1</sup>                         | ZUHAUSE S <sup>1</sup>   | ZUHAUSE M <sup>1</sup>  | ZUHAUSE L <sup>1</sup>  |
|----------------------------|---|--|---|---|
|                            | 29.95   | 34.95 <sup>2</sup>   | 39.95 <sup>2</sup>  | 44.95 <sup>2</sup>  |
|                            | 16 Mbit/s bandwidth<br>flat rate Internet usage | 16 Mbit/s bandwidth, flat rate Internet<br>usage flat rate voice usage | 50 Mbit/s bandwidth flat rate Internet<br>usage flat rate voice usage | 100 Mbit/s bandwidth <sup>5</sup> flat rate Internet<br>usage flat rate voice usage |
| <b>ENTERTAIN</b>           |   |  |   |   |
| START TV                   | —   |  | 2.00 <sup>3</sup>   |   |
| ENTERTAIN TV               | —   |  | 10.00 <sup>3,4</sup>  |   |
| ENTERTAIN COMFORT SAT      | —   |  | 10.00 <sup>3,4</sup>  |   |
| ENTERTAIN TV PLUS          | —   |  | 15.00 <sup>3,4</sup>  |   |
| ENTERTAIN SAT              | —   | 5.00 <sup>2</sup>  |   | —   |
| <b>CITY, DLD</b>           |   |  | <b>CENT/MINUTE</b>  |   |
| Peak/Off peak              | 2.9 ct  |  | 0 ct  |   |
| international              |   |  | from 2.9 ct   |   |
| fixed to mobile            |   |  | 19.0 ct   |   |
| <b>CALLING PLANS</b>       |   |  |   |   |
| fixed to mobile            |   | 12.9 ct/minute, 4.00 monthly minimum charge                            |   |   |
| fixed to T-Mobile flatrate |   |  | 14.95   |   |
| fixed to mobile flatrate   |   |  | 19.95   |   |
| CountryFlat 1              |   |  | 3.94  |   |
| CountryFlat 2              |   |  | 14.95   |   |
| Set-up                     |   | 69.95 (non-recurring charge)   |   |   |

1 IP-Access incl. 2 voice channels and 3 telephone no.

2 Promotional price for new broadband customers: -€15.00/-€20.00/-€25.00 for the first 12 months (ZUHAUSE S/M/L); -€5.00 for the first 12 months in combination with Entertain Sat

3 Additional (footnote 2) promotional price for new broadband customers: -€5.00 for the first 24 months (ZUHAUSE S) / ongoing (ZUHAUSE M&L); Start TV for free for the first 12 months

4 Promotional price for upgraders from Double Play tariffs: -€5.00 for the first 24 months

5 SPEED OPTION XL: Also available with 200 Mbit/s for +€5.00

All prices in € including VAT; excl. terminal equipment.

All prices are charged on a monthly basis if not identified separately (usage prices excluded)

For general conditions and further details, please see [www.telekom.de](http://www.telekom.de)

# GERMANY

## MAGENTA ZUHAUSE HYBRID

| MAGENTA ZUHAUSE HYBRID IN € | ZUHAUSE S <sup>1</sup> HYBRID  | ZUHAUSE M <sup>1</sup> HYBRID   | ZUHAUSE L <sup>1</sup> HYBRID  |
|-----------------------------|--|---|--|
|                             | 34.95 <sup>2</sup>   | 39.95 <sup>2</sup>  | 44.95 <sup>2</sup>   |
|                             | 16 Mbit/s bandwidth + Hybrid LTE-Boost (up to 16 Mbit/s), flat rate Internet usage flat rate voice usage | 50 Mbit/s bandwidth <sup>3</sup> + Hybrid LTE-Boost (up to 50 Mbit/s), flat rate Internet usage flat rate voice usage | 100 Mbit/s bandwidth + Hybrid LTE-Boost (up to 100 Mbit/s), flat rate Internet usage flat rate voice usage |
| <b>ENTERTAIN</b>            |  |   |  |
| START TV                    |  | 2.00 <sup>3</sup>   |  |
| ENTERTAIN TV                |  | 10.00 <sup>4,5</sup>  |  |
| ENTERTAIN TV PLUS           |  | 15.00 <sup>4,5</sup>  |  |
| <b>CITY, DLD</b>            |  | <b>CENT/MINUTE</b>  |  |
| national                    |  | 0 ct  |  |
| international               |  | from 2.9 ct   |  |
| fixed to mobile             |  | 19.0 ct   |  |
| <b>CALLING PLANS</b>        |  |   |  |
| fixed to mobile             |  | 12.9 ct/minute, 4.00 monthly minimum charge   |  |
| fixed to T-Mobile flatrate  |  | 14.95   |  |
| fixed to mobile flatrate    |  | 19.95   |  |
| CountryFlat 1               |  | 3.94  |  |
| CountryFlat 2               |  | 14.95   |  |
| Set-up                      |  | 69.95 (non-recurring charge)  |  |

1 IP-Access incl. 2 voice channels and 3 telephone no.

2 Promotional price for new broadband customers: -€15.00/-€20.00/-€25.00 for the first 12 months (ZUHAUSE S/M/L Hybrid)

3 16 Mbit/s DSL-bandwidth in non-VDSL-areas (ZUHAUSE M Hybrid (2))

4 Additional (footnote 2) promotional price for new broadband customers: -€5.00 for the first 24 months (ZUHAUSE S Hybrid) / ongoing (ZUHAUSE M&L Hybrid); Start TV for free for the first 12 months

5 Promotional price for upgraders from Double Play tariffs: -€5.00 for the first 24 months

All prices excl. terminal equipment; Speedport Hybrid required (rental price per month: 9.95€, purchase price 399.99€)

All prices in € including VAT; excl. terminal equipment.

All prices are charged on a monthly basis if not identified separately (usage prices excluded)

For general conditions and further details, please see [www.telekom.de](http://www.telekom.de)



# GERMANY

## SINGLE PLAY

| SINGLE PLAY IN €           | CALL START <sup>1</sup>             | CALL BASIC <sup>1,2</sup>   | CALL COMFORT <sup>1</sup>                   |
|----------------------------|-------------------------------------|---|---|
|                            | 20.95                               | 20.95   | 30.94                                       |
|                            | Standard,<br>voice usage per minute | Standard, voice usage per minute,<br>up to<br>120 minutes included within Germany | Standard,<br>voice flat rate within Germany |
| CITY, CDL                  | € CENT/MINUTE                       |   |   |
| Peak/Off peak              |                                     | 2.9   | flat  |
| international              |                                     | from 2.9  |   |
| fixed to mobile            |                                     | 19.0  |   |
| CALLING PLANS              |                                     |   |   |
| CountryFlat 1              |                                     |   |   |
| CountryFlat 2              |                                     | €14.95 per month  |   |
| fixed to mobile            |                                     | 12.9 cents/minute, minimum charge €4 per month                                    |   |
| fixed to T-Mobile flatrate |                                     | €14.95 per month  |   |
| fixed to mobile flatrate   |                                     | €19.95 per month  |   |
| Set-up                     |                                     | 69.95 (non-recurring charge)  |   |

1 Standard; Universal + €8

2 Universal up to 240 Min included

For general conditions and further details, please see [www.telekom.de](http://www.telekom.de).

All prices in € including VAT.

# GERMANY

## MAGENTA EINS

| MAGENTA EINS <sup>1</sup> IN €         | MagentaEINS S  | MagentaEINS M  | MagentaEINS L  |
|--|--|--|--|
| Monthly charge                         | 39.90 <sup>2</sup>   | 59.85 <sup>2</sup>   | 74.85 <sup>2</sup>   |
| Fixed Line                             | Flatrate from fixed line to all national networks, including calls to all mobile networks. Internet Flat up to 16 Mbit/s download speed.   | Flatrate from fixed line to all national networks, including calls to all mobile networks. Internet Flat up to 50 Mbit/s download speed.   | Flatrate from fixed line to all national networks, including calls to all mobile networks. Internet Flat up to 100 Mbit/s download speed.  |
| Mobile                                 | Unlimited SMS and calls from mobile into all national networks in Germany. 1 GB Internet flat with LTE Max until speed step down. Hotspot Flat and abroad option All Inclusive included. | Unlimited SMS and calls from mobile into all national networks in Germany. 3 GB Internet flat with LTE Max until speed step down. Hotspot Flat and abroad option All Inclusive included. | Unlimited SMS and calls from mobile into all national networks in Germany. 6 GB Internet flat with LTE Max until speed step down. Hotspot Flat and abroad option All Inclusive included. |
| TV                                     | "EntertainTV mobil" included without extra charge.   | EntertainTV incl. HD Receiver 500 GB Memory, including more than 20 channels in HD quality. "EntertainTV mobil" included without extra charge.   | EntertainTV Plus incl. HD Receiver 500 GB Memory, including more than 45 channels in HD quality. "EntertainTV mobil" included without extra charge.                                      |
| MagentaEINS StreamOn Music&Video Max   |  | Music &Video Streaming zero-rating for connected partners, high resolution   | Music &Video Streaming zero-rating for connected partners, high resolution   |
| Set-up                                 | Service fee of 69,95€ for new fixed line & 29,95€ for new mobile contract.   |  |  |
| Duration of contract                   | 24 months for new costumers; duration depends otherwise on fixed network and/or on mobile network contract conditions  |  |  |
| Handsets, options, calling plans, etc. | Available based on comparable mobile and fixed line stand-alone offers.  |  |  |

1 Booking Prerequisites: only available as IP-Tariff; Mobile tariff with monthly charge  $\geq$  €29.95; Identical adress for fixed and mobile contracts.

2 Promotional price in the first 12 months for new customers; Regular price € 59.90 (S), €84.85 (M) and €104,85 (L). Prices might vary in online channel due to special online discounts.

3 Price for international calls depend of fixed-network and/or mobile-network contract. Otherwise from 2.9 cent/min. (fixed line) and from 69 cent/min. (mobile)

More MagentaEINS convergent Bundles including existing customers' tariffs available.

For general terms & conditions and further details, please visit: [www.telekom.de](http://www.telekom.de). All prices in € and include VAT.

# FIXED NETWORK

## OVERVIEW DOM. INTERCONNECTION TARIFFS (EXCL. VAT)

| TERMINATION FEES IN CENT/MIN.                                     | PEAK<br>(9:00-18:00), OLD | PEAK<br>(9:00-18:00), NEW <sup>1</sup> | OFF-PEAK<br>(18:00-9:00), OLD | OFF-PEAK<br>(18:00-9:00), NEW <sup>1</sup> |
|---|---------------------------|--|-------------------------------|--|
| Local   | 0.24                      | 0.10                                   | 0.24                          | 0.10                                       |
| Single transit  | 0.26                      | entfallen                              | 0.26                          | entfallen                                  |
| Double transit national   | 0.26                      | 0.10                                   | 0.26                          | 0.10                                       |
| ORIGINATION FEES IN CENT/MIN.                                     | PEAK<br>(9:00-18:00), OLD | PEAK<br>(9:00-18:00), NEW <sup>1</sup> | OFF-PEAK<br>(18:00-9:00), OLD | OFF-PEAK<br>(18:00-9:00), NEW <sup>1</sup> |
| Local   | 0.24                      | 0.23                                   | 0.24                          | 0.23                                       |
| Single transit  | 0.35                      | entfallen                              | 0.35                          | entfallen                                  |
| Double transit national   | 0.41                      | 0.23                                   | 0.41                          | 0.23                                       |
| FULLY UNBUNDLED ("ULL")   | OLD                       |  | NEW                           |  |
| One time fee  | 29.78 <sup>2</sup>        |  | 27.11 <sup>3</sup>            |  |
| Monthly fee   | 10.19 <sup>4</sup>        |  | 10.02 <sup>5</sup>            |  |
| PARTIALLY UNBUNDLED ("LINE SHARING")                              | OLD                       |  | NEW                           |  |
| One time fee  | 34.13 <sup>11</sup>       |  | 34.23 <sup>12</sup>           |  |
| Monthly fee   | 1.68 <sup>6</sup>         |  | 1.78 <sup>7</sup>             |  |
| IP-BSA ADSL SHARED (CLASSIC)                                      | OLD                       |  | NEW                           |  |
| One time fee  | --                        |  | 44.87 <sup>8,9</sup>          |  |
| Monthly fee   | --                        |  | 8.12 <sup>8,9</sup>           |  |
| IP-BSA ADSL STAND ALONE (CLASSIC)                                 | OLD                       |  | NEW                           |  |
| One time fee  | --                        |  | 47.68 <sup>8,9</sup>          |  |
| Monthly fee   | --                        |  | 18.20 <sup>8,9</sup>          |  |
| IP-BSA VDSL (until 50 Mbit/s) <sup>10</sup> STAND ALONE (CLASSIC) | OLD (IN €)                |  | NEW (IN €)                    |  |
| One time fee  | --                        |  | 46.43 <sup>8,9</sup>          |  |
| Monthly fee   | --                        |  | 25.32 <sup>8,9</sup>          |  |

1 Prices are valid from Jan. 01, 2017 to Dec. 31, 2018.

2 Depending on complexity - valid to Sep. 30, 2016.

3 Depending on complexity - valid to Sep. 30, 2018.

4 Twisted pair copper access line valid to Jun. 30, 2016.

5 Twisted pair copper access line valid to Jun. 30, 2019.

6 valid to Jun. 30, 2014.

7 valid from Jul. 01, 2014.

8 Since Dec. 01, 2010 these prices are ex post.

9 No price changes since Jul. 01, 2011.

10 Monthly fee for VDSL Vectoring (over 50 to 100

Mbit/s): 29.52 €. Launch Aug. 01, 2014.

11 Depending on complexity - valid to Jun. 30, 2014.

12 Depending on complexity - valid from Jul. 01, 2014.



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## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                             |          | <b>8.196</b>                | <b>8.281</b>                | <b>9.445</b>                | <b>33.738</b>               | <b>8.982</b>                | <b>9.236</b>                | <b>12,7</b> | <b>16.012</b>               | <b>18.218</b>               | <b>13,8</b> |
| <b>NET REVENUE</b>                               |          | <b>8.195</b>                | <b>8.282</b>                | <b>9.443</b>                | <b>33.736</b>               | <b>8.982</b>                | <b>9.236</b>                | <b>12,7</b> | <b>16.011</b>               | <b>18.218</b>               | <b>13,8</b> |
| <b>EBITDA</b>                                    | <b>1</b> | <b>2.172</b>                | <b>2.156</b>                | <b>2.325</b>                | <b>8.561</b>                | <b>2.386</b>                | <b>2.640</b>                | <b>21,5</b> | <b>4.080</b>                | <b>5.025</b>                | <b>23,2</b> |
| EBITDA margin (EBITDA / total revenues)          | %        | 26,5                        | 26,0                        | 24,6                        | 25,4                        | 26,6                        | 28,6                        | 2,1p        | 25,5                        | 27,6                        | 2,1p        |
| Depreciation, amortization and impairment losses |          | (1.302)                     | (1.315)                     | (1.353)                     | (5.282)                     | (1.387)                     | (1.308)                     | (0,5)       | (2.614)                     | (2.695)                     | (3,1)       |
| Profit (loss) from operations = EBIT             |          | 870                         | 841                         | 972                         | 3.279                       | 999                         | 1.332                       | 53,1        | 1.466                       | 2.331                       | 59,0        |
| <b>CASH CAPEX</b>                                | <b>2</b> | <b>1.211</b>                | <b>1.042</b>                | <b>746</b>                  | <b>4.199</b>                | <b>1.409</b>                | <b>1.216</b>                | <b>0,4</b>  | <b>2.411</b>                | <b>2.625</b>                | <b>8,9</b>  |
| <b>CASH CONTRIBUTION</b>                         | <b>2</b> | <b>961</b>                  | <b>1.114</b>                | <b>1.579</b>                | <b>4.362</b>                | <b>977</b>                  | <b>1.423</b>                | <b>48,1</b> | <b>1.669</b>                | <b>2.400</b>                | <b>43,8</b> |

## FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                             |      | <b>8.196</b>                | <b>8.281</b>                | <b>9.445</b>                | <b>33.738</b>               | <b>8.982</b>                | <b>9.236</b>                | <b>12,7</b> | <b>16.012</b>               | <b>18.218</b>               | <b>13,8</b> |
| <b>NET REVENUE</b>                               |      | <b>8.195</b>                | <b>8.282</b>                | <b>9.443</b>                | <b>33.736</b>               | <b>8.982</b>                | <b>9.236</b>                | <b>12,7</b> | <b>16.011</b>               | <b>18.218</b>               | <b>13,8</b> |
| <b>EBITDA</b>                                    |      | <b>2.123</b>                | <b>2.241</b>                | <b>2.335</b>                | <b>8.967</b>                | <b>2.390</b>                | <b>2.635</b>                | <b>24,1</b> | <b>4.391</b>                | <b>5.025</b>                | <b>14,4</b> |
| EBITDA margin (EBITDA / total revenue)           | %    | 25,9                        | 27,1                        | 24,7                        | 26,6                        | 26,6                        | 28,5                        | 2,6p        | 27,4                        | 27,6                        | 0,2p        |
| Depreciation, amortization and impairment losses |      | (1.302)                     | (1.315)                     | (1.353)                     | (5.282)                     | (1.387)                     | (1.308)                     | (0,5)       | (2.614)                     | (2.695)                     | (3,1)       |
| Profit (loss) from operations = EBIT             |      | 821                         | 926                         | 982                         | 3.685                       | 1.003                       | 1.328                       | 61,8        | 1.777                       | 2.331                       | 31,2        |
| <b>CASH CAPEX</b>                                |      | <b>1.251</b>                | <b>1.671</b>                | <b>1.177</b>                | <b>5.855</b>                | <b>1.442</b>                | <b>8.463</b>                | <b>n.a.</b> | <b>3.007</b>                | <b>9.905</b>                | <b>n.a.</b> |
| <b>CASH CONTRIBUTION</b>                         |      | <b>872</b>                  | <b>570</b>                  | <b>1.158</b>                | <b>3.112</b>                | <b>948</b>                  | <b>(5.828)</b>              | <b>n.a.</b> | <b>1.384</b>                | <b>(4.880)</b>              | <b>n.a.</b> |

1 Excluding special factors affecting EBITDA of EUR 49mn in Q2/16, EUR (85mn) in Q3/16, EUR (10mn) in Q4/16, in Q1/17 EUR (4mn) and EUR 4mn in Q2/17

2 Adjusted by excluding spectrum purchases of EUR 40mn in Q2/16, EUR 629mn in Q3/16, EUR 431mn in Q4/16, EUR 33mn in Q1/17 and EUR 7.247mn in Q2/17

# UNITED STATES

## EBITDA RECONCILIATION

|  |          | Q2            | Q3            | Q4            | FY            | Q1            | Q2            | Change      | H1            | H1            | Change      |
|--|----------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|---------------|---------------|-------------|
|  | Note     | 2016          | 2016          | 2016          | 2016          | 2017          | 2017          |             | 2016          | 2017          |             |
|  |          | millions of € | millions of € | millions of € | millions of € | millions of € | millions of € | %           | millions of € | millions of € | %           |
| <b>TOTAL REVENUE</b>                               |          | <b>8.196</b>  | <b>8.281</b>  | <b>9.445</b>  | <b>33.738</b> | <b>8.982</b>  | <b>9.236</b>  | <b>12,7</b> | <b>16.012</b> | <b>18.218</b> | <b>13,8</b> |
| Profit (loss) from operations = EBIT               |          | 821           | 926           | 982           | 3.685         | 1.003         | 1.328         | 61,8        | 1.777         | 2.331         | 31,2        |
| - Depreciation, amortization and impairment losses |          | (1.302)       | (1.315)       | (1.353)       | (5.282)       | (1.387)       | (1.308)       | (0,5)       | (2.614)       | (2.695)       | (3,1)       |
| <b>= EBITDA</b>                                    |          | <b>2.123</b>  | <b>2.241</b>  | <b>2.335</b>  | <b>8.967</b>  | <b>2.390</b>  | <b>2.635</b>  | <b>24,1</b> | <b>4.391</b>  | <b>5.025</b>  | <b>14,4</b> |
| EBITDA margin                                      | %        | 25,9          | 27,1          | 24,7          | 26,6          | 26,6          | 28,5          | 2,6p        | 27,4          | 27,6          | 0,2p        |
| - Special factors affecting EBITDA                 |          | (49)          | 85            | 10            | 406           | 4             | (4)           | 91,8        | 311           | 0             | (100,0)     |
| <b>= EBITDA ADJUSTED FOR SPECIAL FACTORS</b>       | <b>1</b> | <b>2.172</b>  | <b>2.156</b>  | <b>2.325</b>  | <b>8.561</b>  | <b>2.386</b>  | <b>2.640</b>  | <b>21,5</b> | <b>4.080</b>  | <b>5.025</b>  | <b>23,2</b> |
| EBITDA margin (adjusted for special factors)       | %        | 26,5          | 26,0          | 24,6          | 25,4          | 26,6          | 28,6          | 2,1p        | 25,5          | 27,6          | 2,1p        |

## SPECIAL FACTORS

|  |      | Q2            | Q3            | Q4            | FY            | Q1            | Q2            | H1            | H1            |
|--|------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|  | Note | 2016          | 2016          | 2016          | 2016          | 2017          | 2017          | 2016          | 2017          |
|  |      | millions of € | millions of € | millions of € | millions of € | millions of € | millions of € | millions of € | millions of € |
| <b>EFFECTS ON EBITDA</b>                               |      | <b>(49)</b>   | <b>85</b>     | <b>10</b>     | <b>406</b>    | <b>4</b>      | <b>(4)</b>    | <b>311</b>    | <b>0</b>      |
| - of which personnel                                   |      | (2)           | (1)           | (1)           | (11)          | (1)           | (4)           | (9)           | (5)           |
| - of which other                                       |      | (47)          | 86            | 11            | 417           | 5             | 0             | 320           | 5             |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |      | <b>(49)</b>   | <b>85</b>     | <b>10</b>     | <b>406</b>    | <b>4</b>      | <b>(4)</b>    | <b>311</b>    | <b>0</b>      |
| - of which personnel                                   |      | (2)           | (1)           | (1)           | (11)          | (1)           | (4)           | (9)           | (5)           |
| - of which other                                       |      | (47)          | 86            | 11            | 417           | 5             | 0             | 320           | 5             |

1 Excluding special factors affecting EBITDA of EUR 49mn in Q2/16, EUR (85mn) in Q3/16, EUR (10mn) in Q4/16, EUR (4mn) in Q1/17 and EUR 4mn in Q2/17.

# UNITED STATES<sup>4</sup>

## OPERATIONAL

|  | Note        | Q2<br>2016    | Q3<br>2016    | Q4<br>2016    | FY<br>2016    | Q1<br>2017    | Q2<br>2017    | Change<br>%   | H1<br>2016    | H1<br>2017    | Change<br>%   |
|--|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>CUSTOMERS (END OF PERIOD)</b>   | ('000)      | <b>67.384</b> | <b>69.354</b> | <b>71.455</b> | <b>71.455</b> | <b>72.597</b> | <b>69.562</b> | <b>3,2</b>    | <b>67.384</b> | <b>69.562</b> | <b>3,2</b>    |
| Branded postpaid   | ('000)      | 33.626        | 33.230        | 34.427        | 34.427        | 35.341        | 36.158        | 7,5           | 33.626        | 36.158        | 7,5           |
| Branded prepay   | ('000)      | 18.914        | 19.272        | 19.813        | 19.813        | 20.199        | 20.293        | 7,3           | 18.914        | 20.293        | 7,3           |
| <b>- BRANDED</b>   | ('000)      | <b>52.540</b> | <b>52.502</b> | <b>54.240</b> | <b>54.240</b> | <b>55.540</b> | <b>56.451</b> | <b>7,4</b>    | <b>52.540</b> | <b>56.451</b> | <b>7,4</b>    |
| <b>- WHOLESALE</b>   | ('000)      | <b>5</b>      | <b>14.844</b> | <b>16.852</b> | <b>17.215</b> | <b>17.057</b> | <b>13.111</b> | <b>(11,7)</b> | <b>14.844</b> | <b>13.111</b> | <b>(11,7)</b> |
| <b>NET ADDS</b>  | ('000)      | <b>1.881</b>  | <b>1.970</b>  | <b>2.101</b>  | <b>8.173</b>  | <b>1.142</b>  | <b>1.333</b>  | <b>(29,1)</b> | <b>4.102</b>  | <b>2.475</b>  | <b>(39,7)</b> |
| Branded postpaid   |             | 890           | 969           | 1.197         | 4.097         | 914           | 817           | (8,2)         | 1.931         | 1.731         | (10,4)        |
| Branded prepay   | ('000)      | 476           | 684           | 541           | 2.508         | 386           | 94            | (80,3)        | 1.283         | 480           | (62,6)        |
| <b>- BRANDED</b>   | ('000)      | <b>1.366</b>  | <b>1.653</b>  | <b>1.738</b>  | <b>6.605</b>  | <b>1.300</b>  | <b>911</b>    | <b>(33,3)</b> | <b>3.214</b>  | <b>2.211</b>  | <b>(31,2)</b> |
| <b>- WHOLESALE</b>   | ('000)      | <b>515</b>    | <b>317</b>    | <b>363</b>    | <b>1.568</b>  | <b>(158)</b>  | <b>422</b>    | <b>(18,1)</b> | <b>888</b>    | <b>264</b>    | <b>(70,3)</b> |
| <b>AVERAGE MONTHLY CHURN</b>   |             |               |               |               |               |               |               |               |               |               |               |
| - Branded postpaid   | (%)         | 1,4           | 1,5           | 1,5           | 1,5           | 1,4           | 1,3           | (0,1)         | 1,4           | 1,3           | (0,1)p        |
| - Branded prepay   | (%)         | 3,9           | 3,8           | 3,9           | 3,9           | 4,0           | 3,9           | 0,0           | 3,9           | 4,0           | 0,1p          |
| <b>TOTAL REVENUES</b>  | (€ million) | <b>8.196</b>  | <b>8.281</b>  | <b>9.445</b>  | <b>33.738</b> | <b>8.982</b>  | <b>9.236</b>  | <b>12,7</b>   | <b>16.012</b> | <b>18.218</b> | <b>13,8</b>   |
| Service revenue  | (€ million) | 1             | 5.982         | 6.258         | 6.602         | 24.712        | 6.783         | 11,4          | 11.852        | 13.448        | 13,5          |
| <b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>                               | (€ million) | <b>2</b>      | <b>2.172</b>  | <b>2.156</b>  | <b>2.325</b>  | <b>8.561</b>  | <b>2.386</b>  | <b>26,40</b>  | <b>4.080</b>  | <b>5.025</b>  | <b>23,2</b>   |
| EBITDA margin (adjusted for special factors)<br>(EBITDA / total revenue)   | (%)         | 26,5          | 26,0          | 24,6          | 25,4          | 26,6          | 28,6          | 2,1p          | 25,5          | 27,6          | 2,1p          |
| EBITDA margin (adjusted for special factors)<br>(EBITDA / service revenue) | (%)         | 36,3          | 34,5          | 35,2          | 34,6          | 35,2          | 39,6          | 3,3p          | 34,4          | 37,4          | 3,0p          |
| <b>ARPU</b>  |             |               |               |               |               |               |               |               |               |               |               |
| - Branded postpaid   | (€)         | 39            | 40            | 42            | 40            | 42            | 40            | 2,6           | 39            | 41            | 5,1           |
| - Branded prepay   | (€)         | 33            | 34            | 35            | 34            | 36            | 35            | 6,1           | 33            | 35            | 6,1           |
| <b>NON-VOICE % OF ARPU</b>   | (%)         | <b>59</b>     | <b>58</b>     | <b>59</b>     | <b>58</b>     | <b>61</b>     | <b>63</b>     | <b>4,0p</b>   | <b>59</b>     | <b>62</b>     | <b>3,0p</b>   |
| <b>CASH CAPEX</b>  | (€ million) | <b>1.251</b>  | <b>1.671</b>  | <b>1.177</b>  | <b>5.855</b>  | <b>1.442</b>  | <b>8.463</b>  | <b>n.a.</b>   | <b>3.007</b>  | <b>9.905</b>  | <b>n.a.</b>   |
| <b>CASH CAPEX (ADJUSTED FOR SPECIAL FACTORS)</b>                           | (€ million) | <b>3</b>      | <b>1.211</b>  | <b>1.042</b>  | <b>746</b>    | <b>4.199</b>  | <b>1.216</b>  | <b>0,4</b>    | <b>2.411</b>  | <b>2.625</b>  | <b>8,9</b>    |
| <b>CASH CONTRIBUTION (ADJUSTED FOR SPECIAL FACTORS)</b>                    | (€ million) | <b>3</b>      | <b>961</b>    | <b>1.114</b>  | <b>1.579</b>  | <b>4.362</b>  | <b>977</b>    | <b>1.423</b>  | <b>1.669</b>  | <b>2.400</b>  | <b>43,8</b>   |

Note: T-Mobile's historical metrics have changed to conform with the current branded customer presentation. Branded customer metrics revenues exclude machine-to-machine, MVNO, third party roaming and third party one-time fees. Certain historical customer numbers may not tie to historical reports due to rounding.

1 Includes revenues from providing recurring wireless, customer roaming and handset insurance services.

2 Excluding special factors affecting EBITDA of EUR 49mn in Q2/16, EUR (85mn) in Q3/16, EUR (10mn) in Q4/16, EUR (4mn) in Q1/17 and EUR 4mn in Q2/17.

3 Adjusted by excluding spectrum purchases of EUR 40mn in Q2/16, EUR 629mn in Q3/16, EUR 431mn in Q4/16, EUR 33mn in Q1/17 and EUR 7.247mn in Q2/17.

4 On September 1, 2016 T-Mobile US sold its marketing rights to certain of T-Mobile US' existing co-branded customers to a current wholesale partner for a nominal consideration (the Wholesale Transaction).

Upon the sale, the transaction resulted in a transfer of 1,365 thousand branded postpaid customers and 326 thousand branded prepay customers to wholesale customers. Prospectively from September 1, 2016, net customer additions for these customers are included within wholesale customers. Ending customers as of September 30, 2016 reflect the transfer in connection with the transaction.

5 T-Mobile US believes current and future regulatory changes have made the Lifeline program offered by T-Mobile US wholesale partners uneconomical. T-Mobile US will continue to support the wholesale partners offering the Lifeline program, but have excluded the Lifeline customers from the reported wholesale subscriber base resulting in a removal of 4,368 thousand reported wholesale customers as of the beginning of the second quarter of 2017.

For plan details see:

<https://prepaid-phones.t-mobile.com/simple-choice-prepaid-plans>

<https://prepaid-phones.t-mobile.com/prepaid-monthly-plans>

<https://explore.t-mobile.com/t-mobile-one>

<https://www.metropcs.com/shop/plans>



# UNITED STATES<sup>4</sup>

## OPERATIONAL IN US-\$

|  | Note          | Q2<br>2016    | Q3<br>2016    | Q4<br>2016    | FY<br>2016    | Q1<br>2017    | Q2<br>2017    | Change<br>%   | H1<br>2016    | H1<br>2017    | Change<br>%   |             |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| <b>CUSTOMERS (END OF PERIOD)</b>   | ('000)        | <b>67.384</b> | <b>69.354</b> | <b>71.455</b> | <b>71.455</b> | <b>72.597</b> | <b>69.562</b> | <b>3,2</b>    | <b>67.384</b> | <b>69.562</b> | <b>3,2</b>    |             |
| Branded postpaid   | ('000)        | 33.626        | 33.230        | 34.427        | 34.427        | 35.341        | 36.158        | 7,5           | 33.626        | 36.158        | 7,5           |             |
| Branded prepay   | ('000)        | 18.914        | 19.272        | 19.813        | 19.813        | 20.199        | 20.293        | 7,3           | 18.914        | 20.293        | 7,3           |             |
| - <b>BRANDED</b>   | ('000)        | <b>52.540</b> | <b>52.502</b> | <b>54.240</b> | <b>54.240</b> | <b>55.540</b> | <b>56.451</b> | <b>7,4</b>    | <b>52.540</b> | <b>56.451</b> | <b>7,4</b>    |             |
| - <b>WHOLESALE</b>   | ('000)        | <b>5</b>      | <b>14.844</b> | <b>16.852</b> | <b>17.215</b> | <b>17.057</b> | <b>13.111</b> | <b>(11,7)</b> | <b>14.844</b> | <b>13.111</b> | <b>(11,7)</b> |             |
| <b>NET ADDS</b>  | ('000)        | <b>1.881</b>  | <b>1.970</b>  | <b>2.101</b>  | <b>8.173</b>  | <b>1.142</b>  | <b>1.333</b>  | <b>(29,1)</b> | <b>4.102</b>  | <b>2.475</b>  | <b>(39,7)</b> |             |
| Branded postpaid   |               | 890           | 969           | 1.197         | 4.097         | 914           | 817           | (8,2)         | 1.931         | 1.731         | (10,4)        |             |
| Branded prepay   | ('000)        | 476           | 684           | 541           | 2.508         | 386           | 94            | (80,3)        | 1.283         | 480           | (62,6)        |             |
| - <b>BRANDED</b>   | ('000)        | <b>1.366</b>  | <b>1.653</b>  | <b>1.738</b>  | <b>6.605</b>  | <b>1.300</b>  | <b>911</b>    | <b>(33,3)</b> | <b>3.214</b>  | <b>2.211</b>  | <b>(31,2)</b> |             |
| - <b>WHOLESALE</b>   | ('000)        | <b>515</b>    | <b>317</b>    | <b>363</b>    | <b>1.568</b>  | <b>(158)</b>  | <b>422</b>    | <b>(18,1)</b> | <b>888</b>    | <b>264</b>    | <b>(70,3)</b> |             |
| <b>AVERAGE MONTHLY CHURN</b>   |               |               |               |               |               |               |               |               |               |               |               |             |
| - Branded postpaid   | (%)           | 1,4           | 1,5           | 1,5           | 1,5           | 1,4           | 1,3           | (0,1)         | 1,4           | 1,3           | (0,1p)        |             |
| - Branded prepay   | (%)           | 3,9           | 3,8           | 3,9           | 3,9           | 4,0           | 3,9           | 0,0           | 3,9           | 4,0           | 0,1p          |             |
| <b>TOTAL REVENUES</b>  | (USD million) | <b>9.256</b>  | <b>9.244</b>  | <b>10.175</b> | <b>37.294</b> | <b>9.563</b>  | <b>10.151</b> | <b>9,7</b>    | <b>17.875</b> | <b>19.714</b> | <b>10,3</b>   |             |
| Service revenue  | (USD million) | 1             | 6.756         | 6.985         | 7.115         | 27.328        | 7.221         | 7.329         | 8,5           | 13.228        | 14.550        | 10,0        |
| <b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>                               | (USD million) | <b>2</b>      | <b>2.453</b>  | <b>2.406</b>  | <b>2.502</b>  | <b>9.465</b>  | <b>2.540</b>  | <b>2.899</b>  | <b>18,2</b>   | <b>4.557</b>  | <b>5.439</b>  | <b>19,4</b> |
| EBITDA margin (adjusted for special factors)<br>(EBITDA / total revenue)   | (%)           | 26,5          | 26,0          | 24,6          | 25,4          | 26,6          | 28,6          | 2,1p          | 25,5          | 27,6          | 2,1p          |             |
| EBITDA margin (adjusted for special factors)<br>(EBITDA / service revenue) | (%)           | 36,3          | 34,4          | 35,2          | 34,6          | 35,2          | 39,6          | 3,3p          | 34,4          | 37,4          | 3,0p          |             |
| <b>BLENDED ARPU</b>  |               |               |               |               |               |               |               |               |               |               |               |             |
| - Branded postpaid   | (USD)         | 44            | 45            | 45            | 44            | 45            | 44            | 0,0           | 44            | 44            | 0,0           |             |
| - Branded prepay   | (USD)         | 37            | 38            | 38            | 38            | 38            | 38            | 2,7           | 37            | 38            | 2,7           |             |
| <b>NON-VOICE % OF ARPU</b>   | (%)           | <b>59</b>     | <b>58</b>     | <b>59</b>     | <b>58</b>     | <b>61</b>     | <b>63</b>     | <b>4,0p</b>   | <b>59</b>     | <b>62</b>     | <b>3,0p</b>   |             |
| <b>CASH CAPEX</b>  | (USD million) | <b>1.413</b>  | <b>1.867</b>  | <b>1.275</b>  | <b>6.488</b>  | <b>1.534</b>  | <b>9.334</b>  | <b>n.a.</b>   | <b>3.346</b>  | <b>10.868</b> | <b>n.a.</b>   |             |
| <b>CASH CAPEX (ADJUSTED FOR SPECIAL FACTORS)</b>                           | (USD million) | <b>3</b>      | <b>1.368</b>  | <b>1.161</b>  | <b>812</b>    | <b>1.498</b>  | <b>1.330</b>  | <b>(2,8)</b>  | <b>2.690</b>  | <b>2.828</b>  | <b>5,1</b>    |             |
| <b>CASH CONTRIBUTION (ADJUSTED FOR SPECIAL FACTORS)</b>                    | (USD million) | <b>3</b>      | <b>1.085</b>  | <b>1.245</b>  | <b>4.802</b>  | <b>1.042</b>  | <b>1.569</b>  | <b>44,6</b>   | <b>1.867</b>  | <b>2.611</b>  | <b>39,9</b>   |             |

Note: T-Mobile's historical metrics have changed to conform with the current branded customer presentation. Branded customer metrics revenues exclude machine-to-machine, MVNO, third party roaming and third party one-time fees. Certain historical customer numbers may not tie to historical reports due to rounding.

1 Includes revenues from providing recurring wireless, customer roaming and handset insurance services.

2 Excluding special factors affecting EBITDA of USD 56mn in Q2/16, USD (96mn) in Q3/16, USD (11mn) in Q4/16, USD (5mn) in Q1/17 and USD 5mn in Q2/17.

3 Adjusted by excluding spectrum purchases of USD 45mn in Q2/16, USD 706mn in Q3/16, USD 463mn in Q4/16, USD 36mn in Q1/17 and USD 8.004mn in Q2/17.

4 On September 1, 2016 T-Mobile US sold its marketing rights to certain of T-Mobile US' existing co-branded customers to a current wholesale partner for a nominal consideration (the Wholesale Transaction).

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For US-GAAP numbers please visit investor.t-mobile.com to download the corresponding T-Mobile US earnings release.

For plan details see:

<https://prepaid-phones.t-mobile.com/simple-choice-prepaid-plans>

<https://prepaid-phones.t-mobile.com/prepaid-monthly-plans>

<https://explore.t-mobile.com/t-mobile-one>

<https://www.metropcs.com/shop/plans>



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## EUROPE

### FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                             |          | <b>2.794</b>                | <b>2.900</b>                | <b>2.996</b>                | <b>11.454</b>               | <b>2.781</b>                | <b>2.860</b>                | <b>2,4</b>   | <b>5.558</b>                | <b>5.641</b>                | <b>1,5</b>    |
| <b>NET REVENUE</b>                               |          | <b>2.704</b>                | <b>2.812</b>                | <b>2.900</b>                | <b>11.111</b>               | <b>2.695</b>                | <b>2.772</b>                | <b>2,5</b>   | <b>5.399</b>                | <b>5.467</b>                | <b>1,3</b>    |
| <b>EBITDA</b>                                    | <b>1</b> | <b>968</b>                  | <b>1.037</b>                | <b>930</b>                  | <b>3.866</b>                | <b>889</b>                  | <b>947</b>                  | <b>(2,2)</b> | <b>1.899</b>                | <b>1.836</b>                | <b>(3,3)</b>  |
| EBITDA margin (EBITDA / total revenue)           | %        | 34,6                        | 35,8                        | 31,0                        | 33,8                        | 32,0                        | 33,1                        | (1,5p)       | 34,2                        | 32,5                        | (1,7p)        |
| Depreciation, amortization and impairment losses |          | (581)                       | (591)                       | (659)                       | (2.405)                     | (553)                       | (557)                       | 4,1          | (1.155)                     | (1.110)                     | 3,9           |
| Profit (loss) from operations = EBIT             | <b>2</b> | 387                         | 446                         | 271                         | 1.461                       | 336                         | 390                         | 0,8          | 744                         | 726                         | (2,4)         |
| <b>CASH CAPEX</b>                                | <b>3</b> | <b>372</b>                  | <b>360</b>                  | <b>411</b>                  | <b>1.598</b>                | <b>473</b>                  | <b>403</b>                  | <b>8,3</b>   | <b>827</b>                  | <b>876</b>                  | <b>5,9</b>    |
| <b>CASH CONTRIBUTION</b>                         |          | <b>596</b>                  | <b>677</b>                  | <b>519</b>                  | <b>2.268</b>                | <b>416</b>                  | <b>544</b>                  | <b>(8,7)</b> | <b>1.072</b>                | <b>960</b>                  | <b>(10,4)</b> |

### FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                             |      | <b>2.794</b>                | <b>2.900</b>                | <b>2.996</b>                | <b>11.454</b>               | <b>2.781</b>                | <b>2.860</b>                | <b>2,4</b>    | <b>5.558</b>                | <b>5.641</b>                | <b>1,5</b>    |
| <b>NET REVENUE</b>                               |      | <b>2.704</b>                | <b>2.812</b>                | <b>2.900</b>                | <b>11.111</b>               | <b>2.695</b>                | <b>2.772</b>                | <b>2,5</b>    | <b>5.399</b>                | <b>5.467</b>                | <b>1,3</b>    |
| <b>EBITDA</b>                                    |      | <b>955</b>                  | <b>1.015</b>                | <b>894</b>                  | <b>3.773</b>                | <b>877</b>                  | <b>913</b>                  | <b>(4,4)</b>  | <b>1.864</b>                | <b>1.791</b>                | <b>(3,9)</b>  |
| EBITDA margin (EBITDA / total revenue)           | %    | 34,2                        | 35,0                        | 29,8                        | 32,9                        | 31,5                        | 31,9                        | (2,3p)        | 33,5                        | 31,7                        | (1,8p)        |
| Depreciation, amortization and impairment losses |      | (581)                       | (591)                       | (843)                       | (2.589)                     | (553)                       | (557)                       | 4,1           | (1.155)                     | (1.110)                     | 3,9           |
| Profit (loss) from operations = EBIT             |      | 373                         | 424                         | 51                          | 1.184                       | 324                         | 357                         | (4,3)         | 709                         | 681                         | (3,9)         |
| <b>CASH CAPEX</b>                                |      | <b>371</b>                  | <b>876</b>                  | <b>413</b>                  | <b>2.600</b>                | <b>475</b>                  | <b>403</b>                  | <b>8,6</b>    | <b>1.311</b>                | <b>878</b>                  | <b>(33,0)</b> |
| <b>CASH CONTRIBUTION</b>                         |      | <b>584</b>                  | <b>139</b>                  | <b>481</b>                  | <b>1.173</b>                | <b>402</b>                  | <b>510</b>                  | <b>(12,7)</b> | <b>553</b>                  | <b>913</b>                  | <b>65,1</b>   |

1 Special factors affecting EBITDA: EUR 13mn in Q2/16, EUR 22mn in Q3/16, EUR 36mn in Q4/16, EUR 12mn in Q1/17 and EUR 33mn in Q2/17.

2 Special factors affecting EBIT: EUR 13mn in Q2/16 (thereof EUR 13mn resulting from EBITDA), EUR 22mn in Q3/16 (thereof EUR 22mn resulting from EBITDA), 220mn EUR in Q4/16 (thereof 36mn EUR resulting from EBITDA), EUR 12mn EUR in Q1/17 (thereof EUR 12mn EUR resulting from EBITDA) and EUR 33mn in Q2/17 (thereof EUR 33mn resulting from EBITDA).

3 EUR -1mn in Poland in Q2/16, EUR 462mn in Poland in Q3/16, EUR 27mn in Czech Republic in Q3/16, EUR 27mn in Montenegro in Q3/16, EUR 1mn in Poland in Q4/16, EUR 1mn in Greece in Q4/16, EUR 1mn in Montenegro in Q4/16 and EUR 2mn in Greece in Q1/17.

# EUROPE

## EBITDA RECONCILIATION

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                                |      | <b>2.794</b>                | <b>2.900</b>                | <b>2.996</b>                | <b>11.454</b>               | <b>2.781</b>                | <b>2.860</b>                | <b>2,4</b>   | <b>5.558</b>                | <b>5.641</b>                | <b>1,5</b>   |
| <b>TOTAL REVENUE (ADJUSTED FOR SPECIAL FACTORS)</b> |      | <b>2.794</b>                | <b>2.900</b>                | <b>2.996</b>                | <b>11.454</b>               | <b>2.781</b>                | <b>2.860</b>                | <b>2,4</b>   | <b>5.558</b>                | <b>5.641</b>                | <b>1,5</b>   |
| Profit (loss) from operations = EBIT                |      | 373                         | 424                         | 51                          | 1.184                       | 324                         | 357                         | (4,3)        | 709                         | 681                         | (3,9)        |
| - Depreciation, amortization and impairment losses  |      | (581)                       | (591)                       | (843)                       | (2.589)                     | (553)                       | (557)                       | 4,1          | (1.155)                     | (1.110)                     | 3,9          |
| <b>= EBITDA</b>                                     |      | <b>955</b>                  | <b>1.015</b>                | <b>894</b>                  | <b>3.773</b>                | <b>877</b>                  | <b>913</b>                  | <b>(4,4)</b> | <b>1.864</b>                | <b>1.791</b>                | <b>(3,9)</b> |
| EBITDA margin                                       | %    | 34,2                        | 35,0                        | 29,8                        | 32,9                        | 31,5                        | 31,9                        | (2,3p)       | 33,5                        | 31,7                        | (1,8p)       |
| - Special factors affecting EBITDA                  |      | (13)                        | (22)                        | (36)                        | (93)                        | (12)                        | (33)                        | n.a.         | (35)                        | (45)                        | (28,6)       |
| <b>= EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>      |      | <b>968</b>                  | <b>1.037</b>                | <b>930</b>                  | <b>3.866</b>                | <b>889</b>                  | <b>947</b>                  | <b>(2,2)</b> | <b>1.899</b>                | <b>1.836</b>                | <b>(3,3)</b> |
| EBITDA margin (adjusted for special factors)        | %    | 34,6                        | 35,8                        | 31,0                        | 33,8                        | 32,0                        | 33,1                        | (1,5p)       | 34,2                        | 32,5                        | (1,7p)       |

## SPECIAL FACTORS

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>EFFECTS ON EBITDA</b>                               |      | <b>(13)</b>                 | <b>(22)</b>                 | <b>(36)</b>                 | <b>(93)</b>                 | <b>(12)</b>                 | <b>(33)</b>                 | <b>n.a.</b> | <b>(35)</b>                 | <b>(45)</b>                 | <b>(28,6)</b> |
| - of which personnel                                   |      | (12)                        | (39)                        | (21)                        | (100)                       | (11)                        | (13)                        | (8,3)       | (40)                        | (24)                        | 40,0          |
| - of which other                                       |      | (1)                         | 18                          | (15)                        | 7                           | 0                           | (21)                        | n.a.        | 5                           | (21)                        | n.a.          |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |      | <b>(13)</b>                 | <b>(22)</b>                 | <b>(220)</b>                | <b>(277)</b>                | <b>(12)</b>                 | <b>(33)</b>                 | <b>n.a.</b> | <b>(35)</b>                 | <b>(45)</b>                 | <b>(28,6)</b> |
| - of which personnel                                   |      | (12)                        | (39)                        | (21)                        | (100)                       | (11)                        | (13)                        | (8,3)       | (40)                        | (24)                        | 40,0          |
| - of which other                                       |      | (1)                         | 18                          | (199)                       | (177)                       | 0                           | (21)                        | n.a.        | 5                           | (21)                        | n.a.          |

# GREECE

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                          |          | <b>702</b>                  | <b>745</b>                  | <b>752</b>                  | <b>2.883</b>                | <b>690</b>                  | <b>693</b>                  | <b>(1,3)</b>  | <b>1.386</b>                | <b>1.383</b>                | <b>(0,2)</b> |
| - of which Fixed network                      |          | 459                         | 479                         | 503                         | 1.890                       | 471                         | 454                         | (1,1)         | 908                         | 925                         | 1,9          |
| - of which Mobile communications              |          | 291                         | 319                         | 307                         | 1.194                       | 274                         | 293                         | 0,7           | 568                         | 566                         | (0,4)        |
| <b>EBITDA</b>                                 | <b>1</b> | <b>268</b>                  | <b>300</b>                  | <b>286</b>                  | <b>1.120</b>                | <b>266</b>                  | <b>273</b>                  | <b>1,9</b>    | <b>535</b>                  | <b>539</b>                  | <b>0,7</b>   |
| - of which Fixed network                      |          | 163                         | 176                         | 172                         | 676                         | 171                         | 166                         | 1,8           | 328                         | 337                         | 2,7          |
| - of which Mobile communications              |          | 97                          | 114                         | 100                         | 403                         | 87                          | 100                         | 3,1           | 189                         | 187                         | (1,1)        |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %        | <b>38,2</b>                 | <b>40,3</b>                 | <b>38,0</b>                 | <b>38,8</b>                 | <b>38,6</b>                 | <b>39,4</b>                 | <b>1,2p</b>   | <b>38,6</b>                 | <b>39,0</b>                 | <b>0,4p</b>  |
| - of which Fixed network                      | %        | 35,5                        | 36,7                        | 34,2                        | 35,8                        | 36,3                        | 36,6                        | 1,1p          | 36,1                        | 36,4                        | 0,3p         |
| - of which Mobile communications              | %        | 33,3                        | 35,7                        | 32,6                        | 33,8                        | 31,8                        | 34,1                        | 0,8p          | 33,3                        | 33,0                        | (0,3p)       |
| <b>CASH CAPEX (AS REPORTED)</b>               |          | <b>99</b>                   | <b>94</b>                   | <b>95</b>                   | <b>375</b>                  | <b>102</b>                  | <b>123</b>                  | <b>24,2</b>   | <b>187</b>                  | <b>225</b>                  | <b>20,3</b>  |
| - of which Fixed network                      |          | 50                          | 62                          | 53                          | 221                         | 64                          | 71                          | 42,0          | 106                         | 135                         | 27,4         |
| - of which Mobile communications              |          | 47                          | 28                          | 37                          | 142                         | 38                          | 51                          | 8,5           | 78                          | 89                          | 14,1         |
| <b>CASH CONTRIBUTION</b>                      |          | <b>169</b>                  | <b>206</b>                  | <b>191</b>                  | <b>745</b>                  | <b>164</b>                  | <b>150</b>                  | <b>(11,2)</b> | <b>348</b>                  | <b>314</b>                  | <b>(9,8)</b> |
| - of which Fixed network                      |          | 113                         | 114                         | 119                         | 455                         | 107                         | 95                          | (15,9)        | 222                         | 202                         | (9,0)        |
| - of which Mobile communications              |          | 50                          | 86                          | 63                          | 261                         | 49                          | 49                          | (2,0)         | 111                         | 98                          | (11,7)       |

1 Special factors affecting EBITDA: EUR 1mn in Q2/16, EUR 17mn in Q3/16, EUR 7mn in Q4/16 and EUR 2mn in Q1/17.

# GREECE

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 2.576        | 2.569        | 2.564        | 2.564        | 2.547        | 2.539        | (1,4)         | 2.576        | 2.539        | (1,4)         |
| - IP   | ('000)        | 302          | 437          | 607          | 607          | 759          | 937          | n.a.          | 302          | 937          | n.a.          |
| Broadband Access Lines Retail                | ('000)        | 1.573        | 1.603        | 1.633        | 1.633        | 1.653        | 1.680        | 6,8           | 1.573        | 1.680        | 6,8           |
| TV (IPTV, SAT, Cable)                        | ('000)        | 457          | 476          | 497          | 497          | 499          | 501          | 9,6           | 457          | 501          | 9,6           |
| Wholesale Bundled Access Lines               | ('000)        | 38           | 43           | 49           | 49           | 56           | 67           | 76,3          | 38           | 67           | 76,3          |
| ULLs/Wholesale PSTN                          | ('000)        | 2.063        | 2.061        | 2.091        | 2.091        | 2.108        | 2.111        | 2,3           | 2.063        | 2.111        | 2,3           |
| Wholesale Unbundled Access Lines             | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0            | 0            | n.a.          |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 234          | 258          | 230          | 944          | 218          | 236          | 0,9           | 456          | 454          | (0,4)         |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>7.610</b> | <b>7.666</b> | <b>7.725</b> | <b>7.725</b> | <b>7.733</b> | <b>7.737</b> | <b>1,7</b>    | <b>7.610</b> | <b>7.737</b> | <b>1,7</b>    |
| - contract                                   | ('000)        | 2.226        | 2.225        | 2.218        | 2.218        | 2.226        | 2.224        | (0,1)         | 2.226        | 2.224        | (0,1)         |
| - prepaid                                    | ('000)        | 5.384        | 5.442        | 5.507        | 5.507        | 5.507        | 5.513        | 2,4           | 5.384        | 5.513        | 2,4           |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>133</b>   | <b>56</b>    | <b>58</b>    | <b>326</b>   | <b>8</b>     | <b>4</b>     | <b>(97,0)</b> | <b>211</b>   | <b>12</b>    | <b>(94,3)</b> |
| - contract                                   | ('000)        | (5)          | (2)          | (6)          | (31)         | 8            | (2)          | 60,0          | (23)         | 6            | n.a.          |
| - prepaid                                    | ('000)        | 138          | 58           | 65           | 357          | 0            | 6            | (95,7)        | 234          | 6            | (97,4)        |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>1,6</b>   | <b>2,0</b>   | <b>1,8</b>   | <b>1,7</b>   | <b>1,7</b>   | <b>2,2</b>   | <b>0,6p</b>   | <b>1,6</b>   | <b>1,9</b>   | <b>0,3p</b>   |
| - contract                                   | (%)           | 1,4          | 1,3          | 1,4          | 1,4          | 1,2          | 1,3          | (0,1p)        | 1,5          | 1,3          | (0,2p)        |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>12</b>    | <b>10</b>    | <b>11</b>    | <b>11</b>    | <b>15</b>    | <b>11</b>    | <b>(8,3)</b>  | <b>12</b>    | <b>13</b>    | <b>8,3</b>    |
| - contract                                   | €             | 62           | 61           | 63           | 63           | 73           | 69           | 11,3          | 64           | 71           | 10,9          |
| - prepaid                                    | €             | 2            | 2            | 2            | 2            | 4            | 3            | 50,0          | 2            | 3            | 50,0          |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>36</b>    | <b>39</b>    | <b>42</b>    | <b>39</b>    | <b>43</b>    | <b>35</b>    | <b>(2,8)</b>  | <b>38</b>    | <b>39</b>    | <b>2,6</b>    |
| <b>ARPU</b>                                  | <b>€</b>      | <b>10</b>    | <b>11</b>    | <b>10</b>    | <b>10</b>    | <b>9</b>     | <b>10</b>    | <b>0,0</b>    | <b>10</b>    | <b>10</b>    | <b>0,0</b>    |
| - contract                                   | €             | 25           | 27           | 24           | 25           | 23           | 25           | 0,0           | 24           | 24           | 0,0           |
| - prepaid                                    | €             | 4            | 5            | 4            | 4            | 4            | 4            | 0,0           | 4            | 4            | 0,0           |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>29</b>    | <b>32</b>    | <b>31</b>    | <b>30</b>    | <b>33</b>    | <b>34</b>    | <b>5p</b>     | <b>29</b>    | <b>33</b>    | <b>4p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>282</b>   | <b>278</b>   | <b>273</b>   | <b>276</b>   | <b>263</b>   | <b>276</b>   | <b>(2,1)</b>  | <b>276</b>   | <b>270</b>   | <b>(2,2)</b>  |
| - contract                                   | (min)         | 452          | 451          | 441          | 442          | 421          | 441          | (2,4)         | 438          | 431          | (1,6)         |

# ROMANIA

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                          |      | <b>242</b>                  | <b>242</b>                  | <b>267</b>                  | <b>985</b>                  | <b>230</b>                  | <b>236</b>                  | <b>(2,5)</b>  | <b>476</b>                  | <b>466</b>                  | <b>(2,1)</b> |
| <b>PRODUCT VIEW</b>                           |      | <b>242</b>                  | <b>242</b>                  | <b>267</b>                  | <b>985</b>                  | <b>230</b>                  | <b>236</b>                  | <b>(2,5)</b>  | <b>476</b>                  | <b>466</b>                  | <b>(2,1)</b> |
| - Fixed network                               |      | 135                         | 136                         | 159                         | 557                         | 127                         | 133                         | (6,7)         | 263                         | 260                         | (7,6)        |
| - Mobile communications                       |      | 107                         | 107                         | 108                         | 428                         | 104                         | 103                         | (3,7)         | 213                         | 206                         | (3,3)        |
| <b>SEGMENT VIEW</b>                           |      | <b>242</b>                  | <b>242</b>                  | <b>267</b>                  | <b>985</b>                  | <b>230</b>                  | <b>236</b>                  | <b>(2,5)</b>  | <b>476</b>                  | <b>466</b>                  | <b>(2,1)</b> |
| - of which Consumer                           |      | 152                         | 152                         | 152                         | 608                         | 144                         | 144                         | (5,3)         | 306                         | 288                         | (5,9)        |
| - of which Business                           |      | 56                          | 54                          | 81                          | 240                         | 49                          | 41                          | (26,8)        | 107                         | 82                          | (23,4)       |
| <b>EBITDA</b>                                 | 1    | <b>37</b>                   | <b>53</b>                   | <b>46</b>                   | <b>175</b>                  | <b>37</b>                   | <b>39</b>                   | <b>5,4</b>    | <b>76</b>                   | <b>76</b>                   | <b>0,0</b>   |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %    | <b>15,3</b>                 | <b>21,9</b>                 | <b>17,2</b>                 | <b>17,8</b>                 | <b>16,1</b>                 | <b>16,5</b>                 | <b>1,2p</b>   | <b>16,0</b>                 | <b>16,3</b>                 | <b>0,3p</b>  |
| <b>CASH CAPEX (AS REPORTED)</b>               |      | <b>29</b>                   | <b>30</b>                   | <b>24</b>                   | <b>117</b>                  | <b>48</b>                   | <b>36</b>                   | <b>24,1</b>   | <b>63</b>                   | <b>85</b>                   | <b>34,9</b>  |
| <b>CASH CONTRIBUTION</b>                      |      | <b>8</b>                    | <b>23</b>                   | <b>22</b>                   | <b>58</b>                   | <b>(11)</b>                 | <b>3</b>                    | <b>(62,5)</b> | <b>13</b>                   | <b>(9)</b>                  | <b>n.a.</b>  |

1 Special factors affecting EBITDA: EUR 5mn in Q2/16, EUR 1mn in Q3/16 and EUR 8mn in Q2/17.



# ROMANIA

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 2.029        | 1.998        | 1.969        | 1.969        | 1.937        | 1.922        | (5,3)         | 2.029        | 1.922        | (5,3)         |
| - IP   | ('000)        | 437          | 467          | 493          | 493          | 520          | 562          | 28,6          | 437          | 562          | 28,6          |
| Broadband Access Lines Retail                | ('000)        | 1.204        | 1.198        | 1.194        | 1.194        | 1.186        | 1.191        | (1,1)         | 1.204        | 1.191        | (1,1)         |
| TV (IPTV, SAT, Cable)                        | ('000)        | 1.461        | 1.461        | 1.464        | 1.464        | 1.457        | 1.471        | 0,7           | 1.461        | 1.471        | 0,7           |
| Wholesale Bundled Access Lines               | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0            | 0            | n.a.          |
| ULLs/Wholesale PSTN                          | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0            | 0            | n.a.          |
| Wholesale Unbundled Access Lines             | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0            | 0            | n.a.          |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 81           | 83           | 80           | 326          | 78           | 80           | (1,2)         | 162          | 158          | (2,5)         |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>5.909</b> | <b>5.869</b> | <b>5.722</b> | <b>5.722</b> | <b>5.428</b> | <b>5.278</b> | <b>(10,7)</b> | <b>5.909</b> | <b>5.278</b> | <b>(10,7)</b> |
| - contract                                   | ('000)        | 1.956        | 1.966        | 2.007        | 2.007        | 2.024        | 2.047        | 4,7           | 1.956        | 2.047        | 4,7           |
| - prepaid                                    | ('000)        | 3.953        | 3.903        | 3.715        | 3.715        | 3.403        | 3.231        | (18,3)        | 3.953        | 3.231        | (18,3)        |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>(25)</b>  | <b>(40)</b>  | <b>(147)</b> | <b>(270)</b> | <b>(294)</b> | <b>(149)</b> | <b>n.a.</b>   | <b>(83)</b>  | <b>(444)</b> | <b>n.a.</b>   |
| - contract                                   | ('000)        | 33           | 10           | 41           | 114          | 17           | 23           | (30,3)        | 63           | 40           | (36,5)        |
| - prepaid                                    | ('000)        | (58)         | (50)         | (188)        | (384)        | (312)        | (172)        | n.a.          | (146)        | (484)        | n.a.          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>3,1</b>   | <b>3,1</b>   | <b>3,3</b>   | <b>3,3</b>   | <b>3,7</b>   | <b>3,4</b>   | <b>0,3p</b>   | <b>3,3</b>   | <b>3,6</b>   | <b>0,3p</b>   |
| - contract                                   | (%)           | 1,5          | 1,5          | 1,6          | 1,6          | 1,8          | 1,4          | (0,1p)        | 1,6          | 1,6          | 0,0p          |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>8</b>     | <b>6</b>     | <b>10</b>    | <b>9</b>     | <b>10</b>    | <b>14</b>    | <b>75,0</b>   | <b>10</b>    | <b>12</b>    | <b>20,0</b>   |
| - contract                                   | €             | 35           | 27           | 34           | 35           | 27           | 58           | 65,7          | 39           | 41           | 5,1           |
| - prepaid                                    | €             | 0            | 1            | 1            | 1            | 1            | 0            | n.a.          | 1            | 1            | 0,0           |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>20</b>    | <b>22</b>    | <b>11</b>    | <b>16</b>    | <b>12</b>    | <b>14</b>    | <b>(30,0)</b> | <b>16</b>    | <b>13</b>    | <b>(18,8)</b> |
| <b>ARPU</b>                                  | <b>€</b>      | <b>5</b>     | <b>5</b>     | <b>5</b>     | <b>5</b>     | <b>5</b>     | <b>5</b>     | <b>0,0</b>    | <b>5</b>     | <b>5</b>     | <b>0,0</b>    |
| - contract                                   | €             | 9            | 9            | 9            | 9            | 8            | 9            | 0,0           | 9            | 9            | 0,0           |
| - prepaid                                    | €             | 3            | 3            | 2            | 3            | 3            | 3            | 0,0           | 3            | 3            | 0,0           |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>29</b>    | <b>30</b>    | <b>31</b>    | <b>30</b>    | <b>31</b>    | <b>32</b>    | <b>3p</b>     | <b>29</b>    | <b>32</b>    | <b>3p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>292</b>   | <b>281</b>   | <b>284</b>   | <b>290</b>   | <b>286</b>   | <b>293</b>   | <b>0,3</b>    | <b>298</b>   | <b>289</b>   | <b>(3,0)</b>  |
| - contract                                   | (min)         | 428          | 409          | 415          | 421          | 402          | 401          | (6,3)         | 431          | 401          | (7,0)         |

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## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                          |      | <b>408</b>                  | <b>415</b>                  | <b>447</b>                  | <b>1.673</b>                | <b>415</b>                  | <b>454</b>                  | <b>11,3</b>   | <b>811</b>                  | <b>869</b>                  | <b>7,2</b>    |
| <b>PRODUCT VIEW</b>                           |      | <b>408</b>                  | <b>415</b>                  | <b>447</b>                  | <b>1.673</b>                | <b>415</b>                  | <b>454</b>                  | <b>11,3</b>   | <b>811</b>                  | <b>869</b>                  | <b>7,2</b>    |
| - Fixed network                               |      | 187                         | 187                         | 217                         | 787                         | 198                         | 222                         | 18,7          | 382                         | 420                         | 9,9           |
| - Mobile communications                       |      | 220                         | 227                         | 229                         | 885                         | 217                         | 232                         | 5,5           | 429                         | 449                         | 4,7           |
| <b>SEGMENT VIEW</b>                           |      | <b>408</b>                  | <b>415</b>                  | <b>447</b>                  | <b>1.673</b>                | <b>415</b>                  | <b>454</b>                  | <b>11,3</b>   | <b>811</b>                  | <b>869</b>                  | <b>7,2</b>    |
| - of which Consumer                           |      | 235                         | 238                         | 247                         | 948                         | 239                         | 248                         | 5,5           | 463                         | 487                         | 5,2           |
| - of which Business                           |      | 134                         | 138                         | 166                         | 577                         | 143                         | 170                         | 26,9          | 273                         | 313                         | 14,7          |
| <b>EBITDA</b>                                 | 1    | <b>144</b>                  | <b>145</b>                  | <b>124</b>                  | <b>539</b>                  | <b>109</b>                  | <b>141</b>                  | <b>(2,1)</b>  | <b>270</b>                  | <b>250</b>                  | <b>(7,4)</b>  |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %    | <b>35,3</b>                 | <b>34,9</b>                 | <b>27,7</b>                 | <b>32,2</b>                 | <b>26,3</b>                 | <b>31,1</b>                 | <b>(4,2p)</b> | <b>33,3</b>                 | <b>28,8</b>                 | <b>(4,5p)</b> |
| <b>CASH CAPEX (AS REPORTED)</b>               |      | <b>66</b>                   | <b>61</b>                   | <b>81</b>                   | <b>279</b>                  | <b>69</b>                   | <b>58</b>                   | <b>(12,1)</b> | <b>137</b>                  | <b>127</b>                  | <b>(7,3)</b>  |
| <b>CASH CONTRIBUTION</b>                      |      | <b>78</b>                   | <b>84</b>                   | <b>43</b>                   | <b>260</b>                  | <b>40</b>                   | <b>83</b>                   | <b>6,4</b>    | <b>133</b>                  | <b>123</b>                  | <b>(7,5)</b>  |

1 Special factors affecting EBITDA: EUR 3mn in Q4/16, EUR 2mn in Q1/17 and EUR 2mn in Q2/17.

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## OPERATIONALS<sup>1</sup>

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 1.655        | 1.650        | 1.629        | 1.629        | 1.630        | 1.637        | (1,1)         | 1.655        | 1.637        | (1,1)         |
| - IP   | ('000)        | 1.428        | 1.506        | 1.583        | 1.583        | 1.587        | 1.597        | 11,8          | 1.428        | 1.597        | 11,8          |
| Broadband Access Lines Retail                | ('000) 1      | 1.003        | 1.014        | 1.011        | 1.011        | 1.026        | 1.047        | 4,4           | 1.003        | 1.047        | 4,4           |
| TV (IPTV, SAT, Cable)                        | ('000) 1      | 971          | 979          | 969          | 969          | 985          | 1.006        | 3,6           | 971          | 1.006        | 3,6           |
| Wholesale Bundled Access Lines               | ('000)        | 16           | 15           | 14           | 14           | 13           | 13           | (18,8)        | 16           | 13           | (18,8)        |
| ULLs/Wholesale PSTN                          | ('000)        | 9            | 8            | 7            | 7            | 6            | 6            | (33,3)        | 9            | 6            | (33,3)        |
| Wholesale Unbundled Access Lines             | ('000)        | 12           | 12           | 12           | 12           | 11           | 20           | 66,7          | 12           | 20           | 66,7          |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 176          | 179          | 177          | 706          | 175          | 180          | 2,3           | 350          | 355          | 1,4           |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>5.344</b> | <b>5.301</b> | <b>5.332</b> | <b>5.332</b> | <b>5.304</b> | <b>5.390</b> | <b>0,9</b>    | <b>5.344</b> | <b>5.390</b> | <b>0,9</b>    |
| - contract                                   | ('000)        | 3.110        | 3.122        | 3.155        | 3.155        | 3.188        | 3.327        | 7,0           | 3.110        | 3.327        | 7,0           |
| - prepaid                                    | ('000)        | 2.234        | 2.179        | 2.177        | 2.177        | 2.116        | 2.063        | (7,7)         | 2.234        | 2.063        | (7,7)         |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>(27)</b>  | <b>(43)</b>  | <b>31</b>    | <b>(172)</b> | <b>(28)</b>  | <b>86</b>    | <b>n.a.</b>   | <b>(160)</b> | <b>58</b>    | <b>n.a.</b>   |
| - contract                                   | ('000)        | 10           | 12           | 33           | 52           | 33           | 139          | n.a.          | 7            | 172          | n.a.          |
| - prepaid                                    | ('000)        | (37)         | (55)         | (2)          | (224)        | (61)         | (53)         | (43,2)        | (167)        | (114)        | 31,7          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>1,4</b>   | <b>1,6</b>   | <b>1,3</b>   | <b>1,6</b>   | <b>1,3</b>   | <b>1,3</b>   | <b>(0,1p)</b> | <b>1,6</b>   | <b>1,3</b>   | <b>(0,3p)</b> |
| - contract                                   | (%)           | 0,8          | 0,8          | 0,8          | 0,8          | 0,7          | 0,7          | (0,1p)        | 0,9          | 0,7          | (0,2p)        |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>20</b>    | <b>18</b>    | <b>21</b>    | <b>19</b>    | <b>25</b>    | <b>12</b>    | <b>(40,0)</b> | <b>19</b>    | <b>17</b>    | <b>(10,5)</b> |
| - contract                                   | €             | 45           | 44           | 46           | 44           | 44           | 18           | (60,0)        | 42           | 27           | (35,7)        |
| - prepaid                                    | €             | 6            | 5            | 6            | 5            | 5            | 3            | (50,0)        | 4            | 4            | 0,0           |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>56</b>    | <b>57</b>    | <b>64</b>    | <b>59</b>    | <b>68</b>    | <b>29</b>    | <b>(48,2)</b> | <b>56</b>    | <b>47</b>    | <b>(16,1)</b> |
| <b>ARPU</b>                                  | <b>€</b>      | <b>11</b>    | <b>11</b>    | <b>11</b>    | <b>11</b>    | <b>11</b>    | <b>11</b>    | <b>0,0</b>    | <b>11</b>    | <b>11</b>    | <b>0,0</b>    |
| - contract                                   | €             | 16           | 16           | 16           | 16           | 16           | 16           | 0,0           | 16           | 16           | 0,0           |
| - prepaid                                    | €             | 4            | 4            | 4            | 4            | 3            | 4            | 0,0           | 4            | 3            | (25,0)        |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>33</b>    | <b>34</b>    | <b>35</b>    | <b>34</b>    | <b>36</b>    | <b>37</b>    | <b>4p</b>     | <b>33</b>    | <b>37</b>    | <b>4p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>201</b>   | <b>199</b>   | <b>200</b>   | <b>197</b>   | <b>201</b>   | <b>212</b>   | <b>5,5</b>    | <b>194</b>   | <b>206</b>   | <b>6,2</b>    |
| - contract                                   | (min)         | 309          | 298          | 304          | 300          | 300          | 307          | (0,6)         | 298          | 304          | 2,0           |

<sup>1</sup> The Q4/16 numbers are including 19k disconnections in BB and 22k disconnections in TV.

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## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                          |          | <b>344</b>                  | <b>373</b>                  | <b>394</b>                  | <b>1.488</b>                | <b>364</b>                  | <b>378</b>                  | <b>9,9</b>  | <b>721</b>                  | <b>742</b>                  | <b>2,9</b>    |
| <b>PRODUCT VIEW</b>                           |          | <b>344</b>                  | <b>373</b>                  | <b>394</b>                  | <b>1.488</b>                | <b>364</b>                  | <b>378</b>                  | <b>9,9</b>  | <b>721</b>                  | <b>742</b>                  | <b>2,9</b>    |
| - Fixed network                               |          | 24                          | 25                          | 25                          | 99                          | 25                          | 25                          | 4,2         | 49                          | 50                          | 2,0           |
| - Mobile communications                       |          | 319                         | 347                         | 368                         | 1.388                       | 339                         | 352                         | 10,3        | 673                         | 692                         | 2,8           |
| <b>SEGMENT VIEW</b>                           |          | <b>344</b>                  | <b>373</b>                  | <b>394</b>                  | <b>1.488</b>                | <b>364</b>                  | <b>378</b>                  | <b>9,9</b>  | <b>721</b>                  | <b>742</b>                  | <b>2,9</b>    |
| - of which Consumer                           |          | 197                         | 201                         | 217                         | 812                         | 206                         | 207                         | 5,1         | 394                         | 413                         | 4,8           |
| - of which Business                           |          | 126                         | 129                         | 138                         | 516                         | 122                         | 129                         | 2,4         | 250                         | 251                         | 0,4           |
| <b>EBITDA</b>                                 | <b>1</b> | <b>100</b>                  | <b>125</b>                  | <b>136</b>                  | <b>482</b>                  | <b>100</b>                  | <b>125</b>                  | <b>25,0</b> | <b>220</b>                  | <b>224</b>                  | <b>1,8</b>    |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | <b>%</b> | <b>29,1</b>                 | <b>33,5</b>                 | <b>34,5</b>                 | <b>32,4</b>                 | <b>27,5</b>                 | <b>33,1</b>                 | <b>4,0p</b> | <b>30,5</b>                 | <b>30,2</b>                 | <b>(0,3p)</b> |
| <b>CASH CAPEX (AS REPORTED)</b>               |          | <b>34</b>                   | <b>493</b>                  | <b>70</b>                   | <b>1.143</b>                | <b>76</b>                   | <b>34</b>                   | <b>0,0</b>  | <b>581</b>                  | <b>111</b>                  | <b>(80,9)</b> |
| <b>CASH CONTRIBUTION</b>                      |          | <b>66</b>                   | <b>(368)</b>                | <b>66</b>                   | <b>(661)</b>                | <b>24</b>                   | <b>91</b>                   | <b>37,9</b> | <b>(361)</b>                | <b>113</b>                  | <b>n.a.</b>   |

1 Special factors affecting EBITDA: EUR 1mn in Q3/16, EUR 4mn in Q4/16 EUR 1mn in Q1/17 and EUR 1mn in Q2/17.

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## OPERATIONALS<sup>1,2</sup>

|  | Note          | Q2<br>2016    | Q3<br>2016    | Q4<br>2016    | FY<br>2016     | Q1<br>2017    | Q2<br>2017    | Change<br>%   | H1<br>2016    | H1<br>2017    | Change<br>%   |
|--|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |               |               |               |                |               |               |               |               |               |               |
| Fixed network Access Lines                   | ('000) 2      | 18            | 20            | 20            | 20             | 33            | 31            | 72,2          | 18            | 31            | 72,2          |
| - IP   | ('000)        | 2             | 2             | 2             | 2              | 2             | 1             | (50,0)        | 2             | 1             | (50,0)        |
| Broadband Access Lines Retail                | ('000) 2      | 10            | 10            | 10            | 10             | 20            | 18            | 80,0          | 10            | 18            | 80,0          |
| TV (IPTV, SAT, Cable)                        | ('000)        | 0             | 0             | 0             | 0              | 0             | 0             | n.a.          | 0             | 0             | n.a.          |
| Wholesale Bundled Access Lines               | ('000)        | 0             | 0             | 0             | 0              | 0             | 0             | n.a.          | 0             | 0             | n.a.          |
| ULLs/Wholesale PSTN                          | ('000)        | 0             | 0             | 0             | 0              | 0             | 0             | n.a.          | 0             | 0             | n.a.          |
| Wholesale Unbundled Access Lines             | ('000)        | 5             | 5             | 5             | 5              | 0             | 0             | (100,0)       | 5             | 0             | (100,0)       |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |               |               |               |                |               |               |               |               |               |               |
| Service revenue                              | (€)           | 220           | 235           | 246           | 945            | 217           | 227           | 3,2           | 464           | 445           | (4,1)         |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>11.635</b> | <b>11.221</b> | <b>10.634</b> | <b>10.634</b>  | <b>10.229</b> | <b>10.251</b> | <b>(11,9)</b> | <b>11.635</b> | <b>10.251</b> | <b>(11,9)</b> |
| - contract                                   | ('000)        | 6.516         | 6.541         | 6.612         | 6.612          | 6.696         | 6.741         | 3,5           | 6.516         | 6.741         | 3,5           |
| - prepaid                                    | ('000) 1      | 5.119         | 4.680         | 4.022         | 4.022          | 3.533         | 3.510         | (31,4)        | 5.119         | 3.510         | (31,4)        |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>(186)</b>  | <b>(414)</b>  | <b>(587)</b>  | <b>(1.422)</b> | <b>(405)</b>  | <b>21</b>     | <b>n.a.</b>   | <b>(421)</b>  | <b>(383)</b>  | <b>9,0</b>    |
| - contract                                   | ('000)        | (3)           | 25            | 70            | 43             | 84            | 45            | n.a.          | (53)          | 129           | n.a.          |
| - prepaid                                    | ('000)        | (183)         | (440)         | (657)         | (1.465)        | (489)         | (24)          | 86,9          | (368)         | (513)         | (39,4)        |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>3,3</b>    | <b>3,2</b>    | <b>3,4</b>    | <b>3,3</b>     | <b>3,2</b>    | <b>2,0</b>    | <b>(1,3p)</b> | <b>3,4</b>    | <b>2,6</b>    | <b>(0,8p)</b> |
| - contract                                   | (%)           | 1,1           | 1,2           | 1,4           | 1,2            | 1,3           | 1,1           | 0,0p          | 1,1           | 1,2           | 0,1p          |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>6</b>      | <b>6</b>      | <b>10</b>     | <b>7</b>       | <b>7</b>      | <b>2</b>      | <b>(66,7)</b> | <b>6</b>      | <b>5</b>      | <b>(16,7)</b> |
| - contract                                   | €             | 27            | 16            | 15            | 21             | 12            | 3             | (88,9)        | 29            | 7             | (75,9)        |
| - prepaid                                    | €             | 1             | 1             | 4             | 2              | 2             | 2             | 100,0         | 1             | 2             | 100,0         |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>0</b>      | <b>(1)</b>    | <b>13</b>     | <b>4</b>       | <b>(3)</b>    | <b>(5)</b>    | <b>n.a.</b>   | <b>0</b>      | <b>(4)</b>    | <b>n.a.</b>   |
| <b>ARPU</b>                                  | <b>€</b>      | <b>6</b>      | <b>7</b>      | <b>8</b>      | <b>7</b>       | <b>7</b>      | <b>7</b>      | <b>16,7</b>   | <b>7</b>      | <b>7</b>      | <b>0,0</b>    |
| - contract                                   | €             | 9             | 10            | 11            | 10             | 10            | 10            | 11,1          | 10            | 10            | 0,0           |
| - prepaid                                    | €             | 2             | 2             | 2             | 2              | 2             | 3             | 50,0          | 2             | 3             | 50,0          |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>46</b>     | <b>42</b>     | <b>42</b>     | <b>42</b>      | <b>47</b>     | <b>48</b>     | <b>2p</b>     | <b>42</b>     | <b>48</b>     | <b>6p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>213</b>    | <b>215</b>    | <b>232</b>    | <b>216</b>     | <b>246</b>    | <b>248</b>    | <b>16,4</b>   | <b>209</b>    | <b>247</b>    | <b>18,2</b>   |
| - contract                                   | (min)         | 334           | 327           | 338           | 331            | 340           | 330           | (1,2)         | 330           | 335           | 1,5           |

1 In Q1/17 the number of prepaid customers has been influenced by the Prepaid Registration which ended in January 2017.

2 From Q1/17 reporting has been amended to cover additional local GTS accesses.

# CZECH REPUBLIC

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                          |          | <b>234</b>                  | <b>239</b>                  | <b>258</b>                  | <b>959</b>                  | <b>237</b>                  | <b>248</b>                  | <b>6,0</b>    | <b>462</b>                  | <b>485</b>                  | <b>5,0</b>    |
| <b>PRODUCT VIEW</b>                           |          | <b>234</b>                  | <b>239</b>                  | <b>258</b>                  | <b>959</b>                  | <b>237</b>                  | <b>248</b>                  | <b>6,0</b>    | <b>462</b>                  | <b>485</b>                  | <b>5,0</b>    |
| - Fixed network                               |          | 51                          | 52                          | 66                          | 220                         | 54                          | 59                          | 15,7          | 102                         | 113                         | 10,8          |
| - Mobile communications                       |          | 182                         | 187                         | 192                         | 739                         | 182                         | 189                         | 3,8           | 360                         | 372                         | 3,3           |
| <b>SEGMENT VIEW</b>                           |          | <b>234</b>                  | <b>239</b>                  | <b>258</b>                  | <b>959</b>                  | <b>237</b>                  | <b>248</b>                  | <b>6,0</b>    | <b>462</b>                  | <b>485</b>                  | <b>5,0</b>    |
| - of which Consumer                           |          | 117                         | 120                         | 124                         | 474                         | 117                         | 121                         | 3,4           | 230                         | 238                         | 3,5           |
| - of which Business                           |          | 105                         | 106                         | 119                         | 433                         | 104                         | 111                         | 5,7           | 208                         | 215                         | 3,4           |
| <b>EBITDA</b>                                 | <b>1</b> | <b>100</b>                  | <b>103</b>                  | <b>98</b>                   | <b>400</b>                  | <b>100</b>                  | <b>100</b>                  | <b>0,0</b>    | <b>199</b>                  | <b>200</b>                  | <b>0,5</b>    |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | <b>%</b> | <b>42,7</b>                 | <b>43,1</b>                 | <b>38,0</b>                 | <b>41,7</b>                 | <b>42,2</b>                 | <b>40,3</b>                 | <b>(2,4p)</b> | <b>43,1</b>                 | <b>41,2</b>                 | <b>(1,9p)</b> |
| <b>CASH CAPEX (AS REPORTED)</b>               |          | <b>42</b>                   | <b>51</b>                   | <b>26</b>                   | <b>160</b>                  | <b>37</b>                   | <b>28</b>                   | <b>(33,3)</b> | <b>84</b>                   | <b>64</b>                   | <b>(23,8)</b> |
| <b>CASH CONTRIBUTION</b>                      |          | <b>58</b>                   | <b>52</b>                   | <b>72</b>                   | <b>240</b>                  | <b>63</b>                   | <b>72</b>                   | <b>24,1</b>   | <b>115</b>                  | <b>136</b>                  | <b>18,3</b>   |

1 Special factors affecting EBITDA: EUR 1mn in Q3/16, EUR 2mn in Q4/16, EUR 1mn in Q1/17 and EUR 1mn in Q2/17.

# CZECH REPUBLIC

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 140          | 147          | 140          | 140          | 143          | 146          | 4,3           | 140          | 146          | 4,3           |
| - IP   | ('000)        | 125          | 132          | 126          | 126          | 130          | 133          | 6,4           | 125          | 133          | 6,4           |
| Broadband Access Lines Retail                | ('000)        | 131          | 130          | 132          | 132          | 133          | 133          | 1,5           | 131          | 133          | 1,5           |
| TV (IPTV, SAT, Cable)                        | ('000)        | 6            | 16           | 12           | 12           | 15           | 19           | n.a.          | 6            | 19           | n.a.          |
| Wholesale Bundled Access Lines               | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0            | 0            | n.a.          |
| ULLs/Wholesale PSTN                          | ('000)        | 6            | 6            | 6            | 6            | 6            | 6            | 0,0           | 6            | 6            | 0,0           |
| Wholesale Unbundled Access Lines             | ('000)        | 2            | 2            | 2            | 2            | 2            | 2            | 0,0           | 2            | 2            | 0,0           |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 169          | 173          | 171          | 678          | 169          | 177          | 4,7           | 335          | 346          | 3,3           |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>6.008</b> | <b>6.002</b> | <b>6.049</b> | <b>6.049</b> | <b>6.097</b> | <b>6.155</b> | <b>2,4</b>    | <b>6.008</b> | <b>6.155</b> | <b>2,4</b>    |
| - contract                                   | ('000)        | 3.623        | 3.646        | 3.687        | 3.687        | 3.736        | 3.790        | 4,6           | 3.623        | 3.790        | 4,6           |
| - prepaid                                    | ('000)        | 2.385        | 2.356        | 2.362        | 2.362        | 2.361        | 2.365        | (0,8)         | 2.385        | 2.365        | (0,8)         |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>(16)</b>  | <b>(5)</b>   | <b>46</b>    | <b>30</b>    | <b>48</b>    | <b>58</b>    | <b>n.a.</b>   | <b>(11)</b>  | <b>107</b>   | <b>n.a.</b>   |
| - contract                                   | ('000)        | (5)          | 23           | 40           | 90           | 49           | 55           | n.a.          | 26           | 104          | n.a.          |
| - prepaid                                    | ('000)        | (11)         | (29)         | 6            | (60)         | (1)          | 4            | n.a.          | (37)         | 3            | n.a.          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>1,4</b>   | <b>1,4</b>   | <b>1,3</b>   | <b>1,4</b>   | <b>1,2</b>   | <b>1,2</b>   | <b>(0,2p)</b> | <b>1,4</b>   | <b>1,2</b>   | <b>(0,2p)</b> |
| - contract                                   | (%)           | 0,6          | 0,5          | 0,5          | 0,5          | 0,5          | 0,5          | (0,1p)        | 0,6          | 0,5          | (0,1p)        |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>23</b>    | <b>18</b>    | <b>25</b>    | <b>22</b>    | <b>21</b>    | <b>24</b>    | <b>4,3</b>    | <b>22</b>    | <b>23</b>    | <b>4,5</b>    |
| - contract                                   | €             | 54           | 48           | 58           | 52           | 49           | 55           | 1,9           | 51           | 52           | 2,0           |
| - prepaid                                    | €             | 3            | 3            | 5            | 4            | 2            | 2            | (33,3)        | 4            | 2            | (50,0)        |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>14</b>    | <b>15</b>    | <b>17</b>    | <b>14</b>    | <b>19</b>    | <b>21</b>    | <b>50,0</b>   | <b>13</b>    | <b>20</b>    | <b>53,8</b>   |
| <b>ARPU</b>                                  | <b>€</b>      | <b>9</b>     | <b>10</b>    | <b>9</b>     | <b>9</b>     | <b>9</b>     | <b>10</b>    | <b>11,1</b>   | <b>9</b>     | <b>9</b>     | <b>0,0</b>    |
| - contract                                   | €             | 13           | 14           | 13           | 13           | 13           | 13           | 0,0           | 13           | 13           | 0,0           |
| - prepaid                                    | €             | 3            | 4            | 4            | 3            | 3            | 4            | 33,3          | 3            | 4            | 33,3          |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>47</b>    | <b>49</b>    | <b>49</b>    | <b>48</b>    | <b>50</b>    | <b>50</b>    | <b>3p</b>     | <b>47</b>    | <b>50</b>    | <b>3p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>161</b>   | <b>152</b>   | <b>158</b>   | <b>157</b>   | <b>158</b>   | <b>159</b>   | <b>(1,2)</b>  | <b>158</b>   | <b>159</b>   | <b>0,6</b>    |
| - contract                                   | (min)         | 238          | 222          | 230          | 231          | 230          | 230          | (3,4)         | 235          | 230          | (2,1)         |

# CROATIA

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note     | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|---|----------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                          |          | <b>230</b>                  | <b>238</b>                  | <b>237</b>                  | <b>925</b>                  | <b>224</b>                  | <b>231</b>                  | <b>0,4</b>    | <b>450</b>                  | <b>455</b>                  | <b>1,1</b>    |
| <b>PRODUCT VIEW</b>                           |          | <b>230</b>                  | <b>238</b>                  | <b>237</b>                  | <b>925</b>                  | <b>224</b>                  | <b>231</b>                  | <b>0,4</b>    | <b>450</b>                  | <b>455</b>                  | <b>1,1</b>    |
| - Fixed network                               |          | 137                         | 135                         | 144                         | 551                         | 133                         | 134                         | (2,2)         | 272                         | 268                         | (1,5)         |
| - Mobile communications                       |          | 93                          | 102                         | 93                          | 374                         | 90                          | 97                          | 4,3           | 179                         | 187                         | 4,5           |
| <b>SEGMENT VIEW</b>                           |          | <b>230</b>                  | <b>238</b>                  | <b>237</b>                  | <b>925</b>                  | <b>224</b>                  | <b>231</b>                  | <b>0,4</b>    | <b>450</b>                  | <b>455</b>                  | <b>1,1</b>    |
| - of which Consumer                           |          | 120                         | 125                         | 126                         | 488                         | 120                         | 124                         | 3,3           | 236                         | 244                         | 3,4           |
| - of which Business                           |          | 72                          | 67                          | 88                          | 297                         | 70                          | 73                          | 1,4           | 142                         | 143                         | 0,7           |
| <b>EBITDA</b>                                 | <b>1</b> | <b>95</b>                   | <b>103</b>                  | <b>94</b>                   | <b>374</b>                  | <b>84</b>                   | <b>96</b>                   | <b>1,1</b>    | <b>177</b>                  | <b>180</b>                  | <b>1,7</b>    |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | <b>%</b> | <b>41,3</b>                 | <b>43,3</b>                 | <b>39,7</b>                 | <b>40,4</b>                 | <b>37,5</b>                 | <b>41,6</b>                 | <b>0,3p</b>   | <b>39,3</b>                 | <b>39,6</b>                 | <b>0,3p</b>   |
| <b>CASH CAPEX (AS REPORTED)</b>               |          | <b>39</b>                   | <b>35</b>                   | <b>28</b>                   | <b>155</b>                  | <b>34</b>                   | <b>48</b>                   | <b>23,1</b>   | <b>92</b>                   | <b>82</b>                   | <b>(10,9)</b> |
| <b>CASH CONTRIBUTION</b>                      |          | <b>56</b>                   | <b>68</b>                   | <b>66</b>                   | <b>219</b>                  | <b>50</b>                   | <b>48</b>                   | <b>(14,3)</b> | <b>85</b>                   | <b>98</b>                   | <b>15,3</b>   |

1 Special factors affecting EBITDA: EUR 3mn in Q4/16, EUR 4mn in Q1/17 and EUR 2mn in Q2/17.



# CROATIA

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 1.009        | 1.004        | 1.001        | 1.001        | 992          | 986          | (2,3)         | 1.009        | 986          | (2,3)         |
| - IP   | ('000)        | 1.008        | 1.004        | 1.000        | 1.000        | 991          | 985          | (2,3)         | 1.008        | 985          | (2,3)         |
| Broadband Access Lines Retail                | ('000)        | 639          | 642          | 649          | 649          | 653          | 655          | 2,5           | 639          | 655          | 2,5           |
| TV (IPTV, SAT, Cable)                        | ('000)        | 391          | 394          | 401          | 401          | 408          | 411          | 5,1           | 391          | 411          | 5,1           |
| Wholesale Bundled Access Lines               | ('000)        | 30           | 25           | 21           | 21           | 17           | 15           | (50,0)        | 30           | 15           | (50,0)        |
| ULLs/Wholesale PSTN                          | ('000)        | 153          | 151          | 148          | 148          | 144          | 140          | (8,5)         | 153          | 140          | (8,5)         |
| Wholesale Unbundled Access Lines             | ('000)        | 93           | 104          | 113          | 113          | 124          | 127          | 36,6          | 93           | 127          | 36,6          |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 72           | 83           | 71           | 292          | 69           | 75           | 4,2           | 138          | 144          | 4,3           |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>2.246</b> | <b>2.332</b> | <b>2.234</b> | <b>2.234</b> | <b>2.210</b> | <b>2.237</b> | <b>(0,4)</b>  | <b>2.246</b> | <b>2.237</b> | <b>(0,4)</b>  |
| - contract                                   | ('000)        | 1.128        | 1.130        | 1.159        | 1.159        | 1.165        | 1.206        | 6,9           | 1.128        | 1.206        | 6,9           |
| - prepaid                                    | ('000)        | 1.119        | 1.202        | 1.075        | 1.075        | 1.045        | 1.030        | (8,0)         | 1.119        | 1.030        | (8,0)         |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>40</b>    | <b>86</b>    | <b>(98)</b>  | <b>2</b>     | <b>(24)</b>  | <b>27</b>    | <b>(32,5)</b> | <b>14</b>    | <b>3</b>     | <b>(78,6)</b> |
| - contract                                   | ('000)        | 8            | 2            | 29           | 40           | 6            | 41           | n.a.          | 9            | 47           | n.a.          |
| - prepaid                                    | ('000)        | 32           | 84           | (127)        | (38)         | (30)         | (15)         | n.a.          | 5            | (45)         | n.a.          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>2,2</b>   | <b>2,4</b>   | <b>3,9</b>   | <b>2,8</b>   | <b>2,6</b>   | <b>2,2</b>   | <b>0,0p</b>   | <b>2,4</b>   | <b>2,4</b>   | <b>0,0p</b>   |
| - contract                                   | (%)           | 1,1          | 1,1          | 1,1          | 1,1          | 1,2          | 1,0          | (0,1p)        | 1,1          | 1,1          | 0,0p          |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>14</b>    | <b>11</b>    | <b>19</b>    | <b>14</b>    | <b>20</b>    | <b>16</b>    | <b>14,3</b>   | <b>14</b>    | <b>18</b>    | <b>28,6</b>   |
| - contract                                   | €             | 51           | 64           | 56           | 56           | 66           | 49           | (3,9)         | 52           | 57           | 9,6           |
| - prepaid                                    | €             | 2            | 2            | 2            | 2            | 2            | 2            | 0,0           | 2            | 2            | 0,0           |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>49</b>    | <b>54</b>    | <b>51</b>    | <b>56</b>    | <b>53</b>    | <b>51</b>    | <b>4,1</b>    | <b>59</b>    | <b>52</b>    | <b>11,9</b>   |
| <b>ARPU</b>                                  | <b>€</b>      | <b>11</b>    | <b>12</b>    | <b>10</b>    | <b>11</b>    | <b>10</b>    | <b>11</b>    | <b>0,0</b>    | <b>10</b>    | <b>11</b>    | <b>10,0</b>   |
| - contract                                   | €             | 16           | 18           | 15           | 16           | 15           | 16           | 0,0           | 15           | 15           | 0,0           |
| - prepaid                                    | €             | 6            | 6            | 5            | 6            | 5            | 6            | 0,0           | 5            | 6            | 20,0          |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>49</b>    | <b>49</b>    | <b>50</b>    | <b>49</b>    | <b>50</b>    | <b>51</b>    | <b>2p</b>     | <b>49</b>    | <b>51</b>    | <b>2p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>214</b>   | <b>208</b>   | <b>207</b>   | <b>206</b>   | <b>209</b>   | <b>219</b>   | <b>2,3</b>    | <b>205</b>   | <b>214</b>   | <b>4,4</b>    |
| - contract                                   | (min)         | 285          | 282          | 276          | 276          | 270          | 282          | (1,1)         | 272          | 276          | 1,5           |

# SLOVAKIA

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                          |      | <b>186</b>                  | <b>191</b>                  | <b>202</b>                  | <b>766</b>                  | <b>183</b>                  | <b>185</b>                  | <b>(0,5)</b>  | <b>373</b>                  | <b>368</b>                  | <b>(1,3)</b> |
| <b>PRODUCT VIEW</b>                           |      | <b>186</b>                  | <b>191</b>                  | <b>202</b>                  | <b>766</b>                  | <b>183</b>                  | <b>185</b>                  | <b>(0,5)</b>  | <b>373</b>                  | <b>368</b>                  | <b>(1,3)</b> |
| - Fixed network                               |      | 95                          | 98                          | 108                         | 398                         | 90                          | 94                          | (1,1)         | 192                         | 184                         | (4,2)        |
| - Mobile communications                       |      | 90                          | 93                          | 93                          | 368                         | 93                          | 92                          | 2,2           | 181                         | 184                         | 1,7          |
| <b>SEGMENT VIEW</b>                           |      | <b>186</b>                  | <b>191</b>                  | <b>202</b>                  | <b>766</b>                  | <b>183</b>                  | <b>185</b>                  | <b>(0,5)</b>  | <b>373</b>                  | <b>368</b>                  | <b>(1,3)</b> |
| - of which Consumer                           |      | 118                         | 120                         | 122                         | 480                         | 98                          | 99                          | (16,1)        | 237                         | 197                         | (16,9)       |
| - of which Business                           |      | 45                          | 45                          | 59                          | 195                         | 69                          | 70                          | 55,6          | 91                          | 139                         | 52,7         |
| <b>EBITDA</b>                                 | 1    | <b>79</b>                   | <b>83</b>                   | <b>62</b>                   | <b>302</b>                  | <b>77</b>                   | <b>81</b>                   | <b>2,5</b>    | <b>157</b>                  | <b>158</b>                  | <b>0,6</b>   |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %    | <b>42,5</b>                 | <b>43,5</b>                 | <b>30,7</b>                 | <b>39,4</b>                 | <b>42,1</b>                 | <b>43,8</b>                 | <b>1,3p</b>   | <b>42,1</b>                 | <b>42,9</b>                 | <b>0,8p</b>  |
| <b>CASH CAPEX (AS REPORTED)</b>               |      | <b>43</b>                   | <b>20</b>                   | <b>25</b>                   | <b>119</b>                  | <b>37</b>                   | <b>32</b>                   | <b>(25,6)</b> | <b>63</b>                   | <b>69</b>                   | <b>9,5</b>   |
| <b>CASH CONTRIBUTION</b>                      |      | <b>35</b>                   | <b>59</b>                   | <b>37</b>                   | <b>183</b>                  | <b>40</b>                   | <b>49</b>                   | <b>40,0</b>   | <b>94</b>                   | <b>89</b>                   | <b>(5,3)</b> |

1 Special factors affecting EBITDA: EUR 28mn in Q4/16 and EUR 18mn in Q2/17.

# SLOVAKIA

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |              |              |               |
| Fixed network Access Lines                   | ('000)        | 848          | 847          | 850          | 850          | 854          | 855          | 0,8           | 848          | 855          | 0,8           |
| - IP   | ('000)        | 848          | 847          | 850          | 850          | 854          | 855          | 0,8           | 848          | 855          | 0,8           |
| Broadband Access Lines Retail                | ('000)        | 489          | 496          | 509          | 509          | 523          | 532          | 8,8           | 489          | 532          | 8,8           |
| TV (IPTV, SAT, Cable)                        | ('000)        | 509          | 517          | 538          | 538          | 564          | 574          | 12,8          | 509          | 574          | 12,8          |
| Wholesale Bundled Access Lines               | ('000)        | 16           | 16           | 15           | 15           | 15           | 14           | (12,5)        | 16           | 14           | (12,5)        |
| Wholesale Unbundled Access Lines             | ('000)        | 113          | 113          | 113          | 113          | 111          | 109          | (3,5)         | 113          | 109          | (3,5)         |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)           | 80           | 83           | 82           | 327          | 83           | 82           | 2,5           | 162          | 165          | 1,9           |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>2.227</b> | <b>2.226</b> | <b>2.225</b> | <b>2.225</b> | <b>2.230</b> | <b>2.235</b> | <b>0,4</b>    | <b>2.227</b> | <b>2.235</b> | <b>0,4</b>    |
| - contract                                   | ('000)        | 1.463        | 1.467        | 1.478        | 1.478        | 1.398        | 1.410        | (3,6)         | 1.463        | 1.410        | (3,6)         |
| - prepaid                                    | ('000)        | 763          | 759          | 747          | 747          | 832          | 825          | 8,1           | 763          | 825          | 8,1           |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>(4)</b>   | <b>0</b>     | <b>(1)</b>   | <b>(10)</b>  | <b>5</b>     | <b>5</b>     | <b>n.a.</b>   | <b>(9)</b>   | <b>10</b>    | <b>n.a.</b>   |
| - contract                                   | ('000)        | 2            | 4            | 11           | 24           | (80)         | 12           | n.a.          | 10           | (68)         | n.a.          |
| - prepaid                                    | ('000)        | (6)          | (4)          | (12)         | (35)         | 85           | (7)          | (16,7)        | (18)         | 78           | n.a.          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>1,2</b>   | <b>1,2</b>   | <b>1,4</b>   | <b>1,3</b>   | <b>1,4</b>   | <b>1,1</b>   | <b>(0,1p)</b> | <b>1,3</b>   | <b>1,2</b>   | <b>(0,1p)</b> |
| - contract                                   | (%)           | 0,8          | 0,8          | 1,0          | 0,9          | 2,8          | 0,7          | (0,1p)        | 0,9          | 1,8          | 0,9p          |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>48</b>    | <b>46</b>    | <b>66</b>    | <b>51</b>    | <b>45</b>    | <b>44</b>    | <b>(8,3)</b>  | <b>46</b>    | <b>44</b>    | <b>(4,3)</b>  |
| - contract                                   | €             | 93           | 90           | 113          | 95           | 98           | 86           | (7,5)         | 86           | 92           | 7,0           |
| - prepaid                                    | €             | 4            | 3            | 3            | 3            | 2            | 3            | (25,0)        | 3            | 3            | 0,0           |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>133</b>   | <b>118</b>   | <b>174</b>   | <b>143</b>   | <b>133</b>   | <b>114</b>   | <b>(14,3)</b> | <b>132</b>   | <b>124</b>   | <b>(6,1)</b>  |
| <b>ARPU</b>                                  | <b>€</b>      | <b>12</b>    | <b>12</b>    | <b>12</b>    | <b>12</b>    | <b>12</b>    | <b>12</b>    | <b>0,0</b>    | <b>12</b>    | <b>12</b>    | <b>0,0</b>    |
| - contract                                   | €             | 17           | 17           | 17           | 17           | 17           | 18           | 5,9           | 17           | 18           | 5,9           |
| - prepaid                                    | €             | 3            | 3            | 3            | 3            | 3            | 3            | 0,0           | 3            | 3            | 0,0           |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>39</b>    | <b>41</b>    | <b>41</b>    | <b>40</b>    | <b>42</b>    | <b>42</b>    | <b>3p</b>     | <b>40</b>    | <b>42</b>    | <b>2p</b>     |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>179</b>   | <b>171</b>   | <b>180</b>   | <b>175</b>   | <b>115</b>   | <b>179</b>   | <b>0,0</b>    | <b>175</b>   | <b>179</b>   | <b>2,3</b>    |
| - contract                                   | (min)         | 249          | 236          | 247          | 242          | 158          | 251          | 0,8           | 244          | 247          | 1,2           |

# AUSTRIA

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                          |      | <b>208</b>                  | <b>219</b>                  | <b>220</b>                  | <b>855</b>                  | <b>228</b>                  | <b>215</b>                  | <b>3,4</b>    | <b>416</b>                  | <b>443</b>                  | <b>6,5</b>  |
| - of which Consumer                           |      | 155                         | 158                         | 163                         | 630                         | 161                         | 151                         | (2,6)         | 309                         | 313                         | 1,3         |
| - of which Business                           |      | 45                          | 47                          | 50                          | 184                         | 39                          | 39                          | (13,3)        | 88                          | 78                          | (11,4)      |
| <b>EBITDA</b>                                 | 1    | <b>70</b>                   | <b>79</b>                   | <b>41</b>                   | <b>258</b>                  | <b>89</b>                   | <b>69</b>                   | <b>(1,4)</b>  | <b>139</b>                  | <b>158</b>                  | <b>13,7</b> |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %    | <b>33,7</b>                 | <b>36,1</b>                 | <b>18,6</b>                 | <b>30,2</b>                 | <b>39,0</b>                 | <b>32,1</b>                 | <b>(1,6p)</b> | <b>33,4</b>                 | <b>35,7</b>                 | <b>2,3p</b> |
| <b>CASH CAPEX (AS REPORTED)</b>               |      | <b>24</b>                   | <b>32</b>                   | <b>43</b>                   | <b>139</b>                  | <b>45</b>                   | <b>30</b>                   | <b>25,0</b>   | <b>64</b>                   | <b>75</b>                   | <b>17,2</b> |
| <b>CASH CONTRIBUTION</b>                      |      | <b>46</b>                   | <b>47</b>                   | <b>(2)</b>                  | <b>119</b>                  | <b>44</b>                   | <b>39</b>                   | <b>(15,2)</b> | <b>75</b>                   | <b>83</b>                   | <b>10,7</b> |

## OPERATIONALS

|  | Note   | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016   | H1<br>2017   | Change<br>%   |
|--|--------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |        |              |              |              |              |              |              |               |              |              |               |
| Service revenue                              | (€)    | 179          | 189          | 186          | 732          | 200          | 185          | 3,4           | 357          | 386          | 8,1           |
| <b>CUSTOMERS</b>                             | ('000) | <b>4.275</b> | <b>4.365</b> | <b>4.594</b> | <b>4.594</b> | <b>4.713</b> | <b>4.984</b> | <b>16,6</b>   | <b>4.275</b> | <b>4.984</b> | <b>16,6</b>   |
| - contract                                   | ('000) | 3.057        | 3.120        | 3.175        | 3.175        | 3.195        | 3.240        | 6,0           | 3.057        | 3.240        | 6,0           |
| - prepaid                                    | ('000) | 1.218        | 1.244        | 1.418        | 1.418        | 1.518        | 1.744        | 43,2          | 1.218        | 1.744        | 43,2          |
| <b>NET ADDS</b>                              | ('000) | <b>54</b>    | <b>90</b>    | <b>229</b>   | <b>386</b>   | <b>102</b>   | <b>271</b>   | <b>n.a.</b>   | <b>67</b>    | <b>373</b>   | <b>n.a.</b>   |
| - contract                                   | ('000) | 56           | 64           | 55           | 216          | 2            | 46           | (17,9)        | 98           | 48           | (51,0)        |
| - prepaid                                    | ('000) | (2)          | 26           | 174          | 169          | 100          | 226          | n.a.          | (31)         | 326          | n.a.          |
| <b>AVERAGE MONTHLY CHURN</b>                 | (%)    | <b>2,7</b>   | <b>2,8</b>   | <b>2,5</b>   | <b>2,7</b>   | <b>2,4</b>   | <b>2,2</b>   | <b>(0,5p)</b> | <b>2,7</b>   | <b>2,3</b>   | <b>(0,4p)</b> |
| - contract                                   | (%)    | 2,4          | 2,7          | 2,2          | 2,4          | 2,7          | 2,5          | 0,1p          | 2,4          | 2,6          | 0,2p          |
| <b>SAC PER GROSS ADD</b>                     | €      | <b>24</b>    | <b>25</b>    | <b>35</b>    | <b>28</b>    | <b>21</b>    | <b>19</b>    | <b>(20,8)</b> | <b>26</b>    | <b>20</b>    | <b>(23,1)</b> |
| - contract                                   | €      | 32           | 33           | 71           | 42           | 33           | 36           | 12,5          | 33           | 34           | 3,0           |
| - prepaid                                    | €      | 4            | 3            | 2            | 3            | 3            | 2            | (50,0)        | 4            | 2            | (50,0)        |
| <b>SRC PER RETAINED CUSTOMER</b>             | €      | <b>107</b>   | <b>113</b>   | <b>156</b>   | <b>122</b>   | <b>113</b>   | <b>128</b>   | <b>19,6</b>   | <b>105</b>   | <b>120</b>   | <b>14,3</b>   |
| <b>ARPU</b>                                  | €      | <b>14</b>    | <b>15</b>    | <b>14</b>    | <b>14</b>    | <b>14</b>    | <b>13</b>    | <b>(7,1)</b>  | <b>14</b>    | <b>14</b>    | <b>0,0</b>    |
| - contract                                   | €      | 18           | 19           | 18           | 18           | 20           | 18           | 0,0           | 18           | 19           | 5,6           |
| - prepaid                                    | €      | 4            | 4            | 4            | 4            | 3            | 3            | (25,0)        | 4            | 3            | (25,0)        |
| <b>NON-VOICE % OF ARPU</b>                   | (%)    | <b>45</b>    | <b>46</b>    | <b>46</b>    | <b>46</b>    | <b>42</b>    | <b>47</b>    | <b>2p</b>     | <b>45</b>    | <b>44</b>    | <b>(1p)</b>   |
| <b>MOU PER CUSTOMER</b>                      | (min)  | <b>192</b>   | <b>179</b>   | <b>181</b>   | <b>186</b>   | <b>174</b>   | <b>166</b>   | <b>(13,5)</b> | <b>192</b>   | <b>170</b>   | <b>(11,5)</b> |
| - contract                                   | (min)  | 219          | 203          | 211          | 214          | 205          | 199          | (9,1)         | 221          | 202          | (8,6)         |

1 Special factors affecting EBITDA: EUR -15mn in Q4/16.



# CONTENT

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# SYSTEMS SOLUTIONS

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                             |      | <b>1.719</b>                | <b>1.674</b>                | <b>1.741</b>                | <b>6.993</b>                | <b>1.704</b>                | <b>1.688</b>                | <b>(1,8)</b>  | <b>3.578</b>                | <b>3.392</b>                | <b>(5,2)</b>  |
| International Revenue                            |      | 501                         | 487                         | 499                         | 2.143                       | 482                         | 477                         | (4,8)         | 1.158                       | 959                         | (17,2)        |
| <b>NET REVENUE</b>                               |      | <b>1.402</b>                | <b>1.349</b>                | <b>1.382</b>                | <b>5.678</b>                | <b>1.369</b>                | <b>1.349</b>                | <b>(3,8)</b>  | <b>2.947</b>                | <b>2.717</b>                | <b>(7,8)</b>  |
| <b>EBITDA</b>                                    |      | <b>111</b>                  | <b>139</b>                  | <b>84</b>                   | <b>530</b>                  | <b>96</b>                   | <b>136</b>                  | <b>22,5</b>   | <b>307</b>                  | <b>232</b>                  | <b>(24,4)</b> |
| EBITDA margin (EBITDA / total revenue)           | %    | 6,5                         | 8,3                         | 4,8                         | 7,6                         | 5,6                         | 8,1                         | 1,6p          | 8,6                         | 6,8                         | (1,8p)        |
| Depreciation, amortization and impairment losses |      | (95)                        | (102)                       | (110)                       | (404)                       | (98)                        | (95)                        | 0,0           | (191)                       | (193)                       | (1,0)         |
| Profit (loss) from operations = EBIT             |      | 15                          | 37                          | (26)                        | 126                         | (2)                         | 41                          | n.a.          | 116                         | 39                          | (66,4)        |
| <b>EBIT MARGIN</b>                               | %    | <b>0,9</b>                  | <b>2,2</b>                  | <b>(1,5)</b>                | <b>1,8</b>                  | <b>(0,1)</b>                | <b>2,4</b>                  | <b>1,5p</b>   | <b>3,2</b>                  | <b>1,1</b>                  | <b>(2,1p)</b> |
| <b>CASH CAPEX</b>                                |      | <b>96</b>                   | <b>85</b>                   | <b>143</b>                  | <b>402</b>                  | <b>86</b>                   | <b>91</b>                   | <b>(5,2)</b>  | <b>174</b>                  | <b>177</b>                  | <b>1,7</b>    |
| <b>CASH CONTRIBUTION</b>                         |      | <b>15</b>                   | <b>54</b>                   | <b>(59)</b>                 | <b>128</b>                  | <b>10</b>                   | <b>45</b>                   | <b>n.a.</b>   | <b>133</b>                  | <b>55</b>                   | <b>(58,6)</b> |
| <b>ORDER ENTRY</b>                               |      | <b>1.496</b>                | <b>1.303</b>                | <b>2.495</b>                | <b>6.851</b>                | <b>1.274</b>                | <b>1.295</b>                | <b>(13,4)</b> | <b>3.053</b>                | <b>2.569</b>                | <b>(15,9)</b> |

## FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                             |      | <b>1.719</b>                | <b>1.674</b>                | <b>1.741</b>                | <b>6.993</b>                | <b>1.704</b>                | <b>1.688</b>                | <b>(1,8)</b> | <b>3.578</b>                | <b>3.392</b>                | <b>(5,2)</b>  |
| <b>NET REVENUE</b>                               |      | <b>1.402</b>                | <b>1.349</b>                | <b>1.382</b>                | <b>5.678</b>                | <b>1.369</b>                | <b>1.349</b>                | <b>(3,8)</b> | <b>2.947</b>                | <b>2.717</b>                | <b>(7,8)</b>  |
| <b>EBITDA</b>                                    |      | <b>33</b>                   | <b>87</b>                   | <b>11</b>                   | <b>278</b>                  | <b>61</b>                   | <b>97</b>                   | <b>n.a.</b>  | <b>180</b>                  | <b>158</b>                  | <b>(12,2)</b> |
| EBITDA margin (EBITDA / total revenue)           | %    | 1,9                         | 5,2                         | 0,6                         | 4,0                         | 3,6                         | 5,7                         | 3,8p         | 5,0                         | 4,7                         | (0,3p)        |
| Depreciation, amortization and impairment losses |      | (95)                        | (118)                       | (119)                       | (428)                       | (98)                        | (97)                        | (2,1)        | (191)                       | (195)                       | (2,1)         |
| Profit (loss) from operations = EBIT             |      | (62)                        | (31)                        | (108)                       | (150)                       | (37)                        | 0                           | n.a.         | (11)                        | (37)                        | n.a.          |
| <b>CASH CAPEX</b>                                |      | <b>96</b>                   | <b>85</b>                   | <b>143</b>                  | <b>402</b>                  | <b>86</b>                   | <b>91</b>                   | <b>(5,2)</b> | <b>174</b>                  | <b>177</b>                  | <b>1,7</b>    |
| <b>CASH CONTRIBUTION</b>                         |      | <b>(63)</b>                 | <b>2</b>                    | <b>(132)</b>                | <b>(124)</b>                | <b>(25)</b>                 | <b>6</b>                    | <b>n.a.</b>  | <b>6</b>                    | <b>(19)</b>                 | <b>n.a.</b>   |

# SYSTEMS SOLUTIONS

## EBITDA RECONCILIATION

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                               |      | <b>1.719</b>                | <b>1.674</b>                | <b>1.741</b>                | <b>6.993</b>                | <b>1.704</b>                | <b>1.688</b>                | <b>(1,8)</b> | <b>3.578</b>                | <b>3.392</b>                | <b>(5,2)</b>  |
| Profit (loss) from operations = EBIT               |      | (62)                        | (31)                        | (108)                       | (150)                       | (37)                        | 0                           | 100,0        | (11)                        | (37)                        | n.a.          |
| - Depreciation, amortization and impairment losses |      | (95)                        | (118)                       | (119)                       | (428)                       | (98)                        | (97)                        | (2,1)        | (191)                       | (195)                       | (2,1)         |
| <b>= EBITDA</b>                                    |      | <b>33</b>                   | <b>87</b>                   | <b>11</b>                   | <b>278</b>                  | <b>61</b>                   | <b>97</b>                   | <b>n.a.</b>  | <b>180</b>                  | <b>158</b>                  | <b>(12,2)</b> |
| EBITDA margin                                      | %    | 1,9                         | 5,2                         | 0,6                         | 4,0                         | 3,6                         | 5,7                         | 3,8p         | 5,0                         | 4,7                         | (0,3p)        |
| - Special factors affecting EBITDA                 |      | (77)                        | (52)                        | (73)                        | (252)                       | (35)                        | (39)                        | 49,4         | (127)                       | (74)                        | 41,7          |
| <b>= EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>     |      | <b>111</b>                  | <b>139</b>                  | <b>84</b>                   | <b>530</b>                  | <b>96</b>                   | <b>136</b>                  | <b>22,5</b>  | <b>307</b>                  | <b>232</b>                  | <b>(24,4)</b> |
| EBITDA margin (adjusted for special factors)       | %    | 6,5                         | 8,3                         | 4,8                         | 7,6                         | 5,6                         | 8,1                         | 1,6p         | 8,6                         | 6,8                         | (1,8p)        |

## SPECIAL FACTORS

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>EFFECTS ON EBITDA</b>                               |      | <b>(77)</b>                 | <b>(52)</b>                 | <b>(73)</b>                 | <b>(252)</b>                | <b>(35)</b>                 | <b>(39)</b>                 | <b>49,4</b> | <b>(127)</b>                | <b>(74)</b>                 | <b>41,7</b> |
| - of which personnel                                   |      | (50)                        | (25)                        | (37)                        | (136)                       | (14)                        | (18)                        | 64,0        | (74)                        | (32)                        | 56,8        |
| - of which other                                       |      | (27)                        | (27)                        | (36)                        | (116)                       | (21)                        | (21)                        | 22,2        | (53)                        | (42)                        | 20,8        |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |      | <b>(77)</b>                 | <b>(67)</b>                 | <b>(82)</b>                 | <b>(276)</b>                | <b>(35)</b>                 | <b>(42)</b>                 | <b>45,5</b> | <b>(127)</b>                | <b>(76)</b>                 | <b>40,2</b> |
| - of which personnel                                   |      | (50)                        | (25)                        | (37)                        | (136)                       | (14)                        | (18)                        | 64,0        | (74)                        | (32)                        | 56,8        |
| - of which other                                       |      | (27)                        | (43)                        | (45)                        | (140)                       | (21)                        | (23)                        | 14,8        | (53)                        | (44)                        | 17,0        |





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## GROUP DEVELOPMENT

### FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                             |      | <b>573</b>                  | <b>588</b>                  | <b>610</b>                  | <b>2.347</b>                | <b>595</b>                  | <b>562</b>                  | <b>(1,9)</b>  | <b>1.148</b>                | <b>1.157</b>                | <b>0,8</b>   |
| Netherlands                                      |      | 319                         | 332                         | 356                         | 1.331                       | 341                         | 345                         | 8,2           | 643                         | 687                         | 6,8          |
| DFMG   |      | 220                         | 221                         | 218                         | 876                         | 217                         | 213                         | (3,2)         | 437                         | 430                         | (1,6)        |
| Other  |      | 34                          | 35                          | 36                          | 140                         | 37                          | 4                           | (88,2)        | 68                          | 40                          | (41,2)       |
| <b>EBITDA</b>                                    |      | <b>256</b>                  | <b>251</b>                  | <b>213</b>                  | <b>943</b>                  | <b>238</b>                  | <b>236</b>                  | <b>(7,8)</b>  | <b>479</b>                  | <b>475</b>                  | <b>(0,8)</b> |
| Netherlands                                      |      | 102                         | 91                          | 77                          | 358                         | 110                         | 119                         | 16,7          | 190                         | 229                         | 20,5         |
| DFMG   |      | 146                         | 156                         | 133                         | 563                         | 124                         | 126                         | (13,7)        | 275                         | 250                         | (9,1)        |
| Other  |      | 8                           | 4                           | 3                           | 22                          | 4                           | (9)                         | n.a.          | 14                          | (4)                         | n.a.         |
| EBITDA margin (EBITDA / total revenue)           | %    | 44,7                        | 42,7                        | 34,9                        | 40,2                        | 40,0                        | 42,0                        | (2,7p)        | 41,7                        | 41,1                        | (0,6p)       |
| Depreciation, amortization and impairment losses |      | (87)                        | (85)                        | (83)                        | (345)                       | (71)                        | (71)                        | 18,4          | (177)                       | (143)                       | 19,2         |
| Profit (loss) from operations = EBIT             |      | 168                         | 167                         | 130                         | 598                         | 167                         | 165                         | (1,8)         | 302                         | 332                         | 9,9          |
| <b>CASH CAPEX</b>                                |      | <b>40</b>                   | <b>69</b>                   | <b>69</b>                   | <b>247</b>                  | <b>81</b>                   | <b>57</b>                   | <b>42,5</b>   | <b>110</b>                  | <b>138</b>                  | <b>25,5</b>  |
| <b>CASH CONTRIBUTION</b>                         |      | <b>216</b>                  | <b>182</b>                  | <b>144</b>                  | <b>696</b>                  | <b>157</b>                  | <b>179</b>                  | <b>(17,1)</b> | <b>369</b>                  | <b>337</b>                  | <b>(8,7)</b> |

### FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                             |      | <b>573</b>                  | <b>588</b>                  | <b>610</b>                  | <b>2.347</b>                | <b>595</b>                  | <b>562</b>                  | <b>(1,9)</b> | <b>1.148</b>                | <b>1.157</b>                | <b>0,8</b>    |
| <b>NET REVENUE</b>                               |      | <b>423</b>                  | <b>433</b>                  | <b>458</b>                  | <b>1.744</b>                | <b>444</b>                  | <b>415</b>                  | <b>(1,9)</b> | <b>852</b>                  | <b>858</b>                  | <b>0,7</b>    |
| <b>EBITDA</b>                                    | 1,2  | <b>305</b>                  | <b>239</b>                  | <b>217</b>                  | <b>3.490</b>                | <b>758</b>                  | <b>460</b>                  | <b>50,8</b>  | <b>3.034</b>                | <b>1.217</b>                | <b>(59,9)</b> |
| Depreciation, amortization and impairment losses |      | (87)                        | (85)                        | (498)                       | (760)                       | (71)                        | (71)                        | 18,4         | (177)                       | (143)                       | 19,2          |
| Profit (loss) from operations = EBIT             |      | 217                         | 154                         | (281)                       | 2.730                       | 686                         | 388                         | 78,8         | 2.857                       | 1.074                       | (62,4)        |
| <b>CASH CAPEX</b>                                |      | <b>40</b>                   | <b>69</b>                   | <b>69</b>                   | <b>271</b>                  | <b>81</b>                   | <b>57</b>                   | <b>42,5</b>  | <b>133</b>                  | <b>138</b>                  | <b>3,8</b>    |
| <b>CASH CONTRIBUTION</b>                         |      | <b>265</b>                  | <b>170</b>                  | <b>148</b>                  | <b>3.219</b>                | <b>677</b>                  | <b>403</b>                  | <b>52,1</b>  | <b>2.901</b>                | <b>1.079</b>                | <b>(62,8)</b> |

1 Q1/17: Income from the sale of stake in Strato AG.

2 Q2/17: Income from the sale of stake in Scout24.

## GROUP DEVELOPMENT

### EBITDA RECONCILIATION

|  | Note        | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|-------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|---------------|
| <b>TOTAL REVENUE</b>                               |             | <b>573</b>                  | <b>588</b>                  | <b>610</b>                  | <b>2.347</b>                | <b>595</b>                  | <b>562</b>                  | <b>(1,9)</b> | <b>1.148</b>                | <b>1.157</b>                | <b>0,8</b>    |
| Profit (loss) from operations = EBIT               | 1, 2        | 217                         | 154                         | (281)                       | 2.730                       | 686                         | 388                         | 78,8         | 2.857                       | 1.074                       | (62,4)        |
| - Depreciation, amortization and impairment losses |             | (87)                        | (85)                        | (498)                       | (760)                       | (71)                        | (71)                        | 18,4         | (177)                       | (143)                       | 19,2          |
| <b>= EBITDA</b>                                    | <b>1, 2</b> | <b>305</b>                  | <b>239</b>                  | <b>217</b>                  | <b>3.490</b>                | <b>758</b>                  | <b>460</b>                  | <b>50,8</b>  | <b>3.034</b>                | <b>1.217</b>                | <b>(59,9)</b> |
| EBITDA margin                                      | %           | 53,2                        | 40,6                        | 35,6                        | n.a.                        | n.a.                        | 81,9                        | 28,7p        | n.a.                        | n.a.                        | n.a.          |
| - Special factors affecting EBITDA                 |             | 49                          | (12)                        | 4                           | 2.547                       | 519                         | 223                         | n.a.         | 2.555                       | 742                         | (71,0)        |
| <b>= EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>     |             | <b>256</b>                  | <b>251</b>                  | <b>213</b>                  | <b>943</b>                  | <b>238</b>                  | <b>236</b>                  | <b>(7,8)</b> | <b>479</b>                  | <b>475</b>                  | <b>(0,8)</b>  |
| EBITDA margin (adjusted for special factors)       | %           | 44,7                        | 42,7                        | 34,9                        | 40,2                        | 40,0                        | 42,0                        | (2,7p)       | 41,7                        | 41,1                        | (0,6p)        |

### SPECIAL FACTORS<sup>1, 2</sup>

|  | Note        | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%   |
|--|-------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|---------------|
| <b>EFFECTS ON EBITDA</b>                               | <b>1, 2</b> | <b>49</b>                   | <b>(12)</b>                 | <b>4</b>                    | <b>2.547</b>                | <b>519</b>                  | <b>223</b>                  | <b>n.a.</b> | <b>2.555</b>                | <b>742</b>                  | <b>(71,0)</b> |
| - of which personnel                                   |             | (6)                         | (1)                         | (28)                        | (35)                        | 5                           | (1)                         | 83,3        | (6)                         | 4                           | n.a.          |
| - of which other                                       | 1, 2        | 55                          | (12)                        | 32                          | 2.582                       | 514                         | 224                         | n.a.        | 2.562                       | 738                         | (71,2)        |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |             | <b>49</b>                   | <b>(12)</b>                 | <b>(411)</b>                | <b>2.132</b>                | <b>519</b>                  | <b>223</b>                  | <b>n.a.</b> | <b>2.555</b>                | <b>742</b>                  | <b>(71,0)</b> |
| - of which personnel                                   |             | (6)                         | (1)                         | (28)                        | (35)                        | 5                           | (1)                         | 83,3        | (6)                         | 4                           | n.a.          |
| - of which other                                       | 1, 2        | 55                          | (12)                        | (383)                       | 2.167                       | 514                         | 224                         | n.a.        | 2.562                       | 738                         | (71,2)        |

1 Q1/17: Income from the sale of stake in Strato AG.

2 Q2/17: Income from the sale of stake in Scout24.

# NETHERLANDS

## FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|   | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%  | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|---|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|-------------|
| <b>TOTAL REVENUE</b>                          |      | <b>319</b>                  | <b>332</b>                  | <b>356</b>                  | <b>1.331</b>                | <b>341</b>                  | <b>345</b>                  | <b>8,2</b>   | <b>643</b>                  | <b>687</b>                  | <b>6,8</b>  |
| <b>PRODUCT VIEW</b>                           |      | <b>319</b>                  | <b>332</b>                  | <b>356</b>                  | <b>1.331</b>                | <b>341</b>                  | <b>345</b>                  | <b>8,2</b>   | <b>643</b>                  | <b>687</b>                  | <b>6,8</b>  |
| - Fixed network                               |      | 0                           | 0                           | 4                           | 4                           | 21                          | 22                          | n.a.         | 0                           | 44                          | n.a.        |
| - Mobile communications                       |      | 319                         | 332                         | 353                         | 1.327                       | 320                         | 323                         | 1,3          | 643                         | 643                         | 0,0         |
| <b>SEGMENT VIEW</b>                           |      | <b>319</b>                  | <b>332</b>                  | <b>356</b>                  | <b>1.331</b>                | <b>341</b>                  | <b>345</b>                  | <b>8,2</b>   | <b>643</b>                  | <b>687</b>                  | <b>6,8</b>  |
| - of which Consumer                           |      | 222                         | 232                         | 247                         | 929                         | 228                         | 229                         | 3,2          | 450                         | 457                         | 1,6         |
| - of which Business                           |      | 58                          | 62                          | 66                          | 247                         | 63                          | 64                          | 10,3         | 119                         | 127                         | 6,7         |
| <b>EBITDA</b>                                 |      | <b>102</b>                  | <b>91</b>                   | <b>77</b>                   | <b>358</b>                  | <b>110</b>                  | <b>119</b>                  | <b>16,7</b>  | <b>190</b>                  | <b>229</b>                  | <b>20,5</b> |
| <b>EBITDA MARGIN (EBITDA / TOTAL REVENUE)</b> | %    | <b>32,0</b>                 | <b>27,4</b>                 | <b>21,6</b>                 | <b>26,9</b>                 | <b>32,3</b>                 | <b>34,5</b>                 | <b>2,5p</b>  | <b>29,5</b>                 | <b>33,3</b>                 | <b>3,8p</b> |
| <b>CASH CAPEX (AS REPORTED)</b>               |      | <b>13</b>                   | <b>27</b>                   | <b>29</b>                   | <b>123</b>                  | <b>41</b>                   | <b>36</b>                   | n.a.         | <b>67</b>                   | <b>77</b>                   | <b>14,9</b> |
| <b>CASH CONTRIBUTION</b>                      |      | <b>89</b>                   | <b>64</b>                   | <b>48</b>                   | <b>235</b>                  | <b>69</b>                   | <b>83</b>                   | <b>(6,7)</b> | <b>123</b>                  | <b>152</b>                  | <b>23,6</b> |

# NETHERLANDS

## OPERATIONALS

|  | Note          | Q2<br>2016   | Q3<br>2016   | Q4<br>2016   | FY<br>2016   | Q1<br>2017   | Q2<br>2017   | Change<br>%   | H1<br>2016    | H1<br>2017   | Change<br>%   |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------|
| <b>FIXED NETWORK (END OF PERIOD)</b>         |               |              |              |              |              |              |              |               |               |              |               |
| Fixed network Access Lines                   | ('000)        | 0            | 0            | 164          | 164          | 176          | 184          | n.a.          | 0             | 184          | n.a.          |
| - IP   | ('000)        | 0            | 0            | 164          | 164          | 176          | 184          | n.a.          | 0             | 184          | n.a.          |
| Broadband Access Lines Retail                | ('000)        | 0            | 0            | 164          | 164          | 176          | 184          | n.a.          | 0             | 184          | n.a.          |
| TV (IPTV, SAT, Cable)                        | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0             | 0            | n.a.          |
| Wholesale Bundled Access Lines               | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0             | 0            | n.a.          |
| ULLs/Wholesale PSTN                          |               | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0             | 0            | n.a.          |
| Wholesale Unbundled Access Lines             | ('000)        | 0            | 0            | 0            | 0            | 0            | 0            | n.a.          | 0             | 0            | n.a.          |
| <b>MOBILE COMMUNICATIONS (END OF PERIOD)</b> |               |              |              |              |              |              |              |               |               |              |               |
| Service revenue                              | (€ million)   | 226          | 232          | 230          | 916          | 226          | 228          | 0,9           | 454           | 454          | 0%            |
| <b>CUSTOMERS</b>                             | <b>('000)</b> | <b>3.671</b> | <b>3.703</b> | <b>3.746</b> | <b>3.746</b> | <b>3.789</b> | <b>3.830</b> | <b>4,3</b>    | <b>3.671</b>  | <b>3.830</b> | <b>4,3</b>    |
| - contract                                   | ('000)        | 2.857        | 2.911        | 2.982        | 2.982        | 3.051        | 3.112        | 8,9           | 2.857         | 3.112        | 8,9           |
| - prepaid                                    | ('000)        | 814          | 792          | 764          | 764          | 738          | 719          | (11,7)        | 814           | 719          | (11,7)        |
| <b>NET ADDS</b>                              | <b>('000)</b> | <b>3</b>     | <b>31</b>    | <b>44</b>    | <b>69</b>    | <b>43</b>    | <b>41</b>    | <b>n.a.</b>   | <b>(6)</b>    | <b>84</b>    | <b>n.a.</b>   |
| - contract                                   | ('000)        | 32           | 54           | 71           | 183          | 69           | 61           | 90,6          | 57            | 130          | n.a.          |
| - prepaid                                    | ('000)        | (29)         | (23)         | (27)         | (114)        | (26)         | (19)         | 34,5          | (63)          | (45)         | 28,6          |
| <b>AVERAGE MONTHLY CHURN</b>                 | <b>(%)</b>    | <b>1,4</b>   | <b>1,4</b>   | <b>1,3</b>   | <b>1,4</b>   | <b>1,3</b>   | <b>1,2</b>   | <b>(0,2p)</b> | <b>1,5</b>    | <b>1,2</b>   | <b>(0,3p)</b> |
| - contract                                   | (%)           | 1,0          | 1,1          | 1,1          | 1,1          | 1,0          | 0,9          | (0,1p)        | 1,1           | 0,9          | (0,2p)        |
| <b>SAC PER GROSS ADD</b>                     | <b>€</b>      | <b>1</b>     | <b>98</b>    | <b>110</b>   | <b>175</b>   | <b>126</b>   | <b>79</b>    | <b>52</b>     | <b>(46,9)</b> | <b>104</b>   | <b>88</b>     |
| - contract                                   | €             | 115          | 135          | 196          | 148          | 92           | 59           | (48,7)        | 123           | 101          | (17,9)        |
| - prepaid                                    | €             | 14           | 11           | 16           | 15           | (1)          | 3            | (78,6)        | 16            | 1            | (93,8)        |
| <b>SRC PER RETAINED CUSTOMER</b>             | <b>€</b>      | <b>1</b>     | <b>104</b>   | <b>92</b>    | <b>181</b>   | <b>126</b>   | <b>56</b>    | <b>38</b>     | <b>(63,5)</b> | <b>113</b>   | <b>53</b>     |
| <b>ARPU</b>                                  | <b>€</b>      | <b>21</b>    | <b>21</b>    | <b>21</b>    | <b>21</b>    | <b>20</b>    | <b>20</b>    | <b>(4,8)</b>  | <b>21</b>     | <b>20</b>    | <b>(3,8)</b>  |
| - contract                                   | €             | 25           | 26           | 25           | 25           | 24           | 23           | (8,0)         | 26            | 30           | 15,4          |
| - prepaid                                    | €             | 4            | 4            | 4            | 4            | 4            | 3            | (25,0)        | 4             | 4            | 0,0           |
| <b>NON-VOICE % OF ARPU</b>                   | <b>(%)</b>    | <b>62</b>    | <b>64</b>    | <b>60</b>    | <b>61</b>    | <b>56</b>    | <b>59</b>    | <b>(4,8)</b>  | <b>61</b>     | <b>58</b>    | <b>(3p)</b>   |
| <b>MOU PER CUSTOMER</b>                      | <b>(min)</b>  | <b>189</b>   | <b>178</b>   | <b>191</b>   | <b>184</b>   | <b>181</b>   | <b>189</b>   | <b>0,0</b>    | <b>184</b>    | <b>187</b>   | <b>1,6</b>    |
| - contract                                   | (min)         | 233          | 218          | 233          | 228          | 217          | 226          | (3,0)         | 230           | 224          | (2,6)         |

1 The Subscriber Acquisition Costs per Gross Add and Subscriber Retention Cost per Retained Subscriber show a sharp decline. This reflects the changes in customer protection law effective from Jan-17.



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## GROUP HEADQUARTERS & GROUP SERVICES

### FINANCIALS (ADJUSTED FOR SPECIAL FACTORS)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                             |      | <b>910</b>                  | <b>846</b>                  | <b>929</b>                  | <b>3.467</b>                | <b>737</b>                  | <b>787</b>                  | <b>(13,5)</b> | <b>1.691</b>                | <b>1.525</b>                | <b>(9,8)</b> |
| <b>NET REVENUE</b>                               |      | <b>92</b>                   | <b>96</b>                   | <b>150</b>                  | <b>421</b>                  | <b>88</b>                   | <b>83</b>                   | <b>(9,8)</b>  | <b>175</b>                  | <b>171</b>                  | <b>(2,3)</b> |
| <b>EBITDA</b>                                    |      | <b>(89)</b>                 | <b>(141)</b>                | <b>(293)</b>                | <b>(670)</b>                | <b>(128)</b>                | <b>(90)</b>                 | <b>(1,1)</b>  | <b>(236)</b>                | <b>(218)</b>                | <b>7,6</b>   |
| EBITDA margin (EBITDA / total revenue)           | %    | (9,8)                       | (16,7)                      | (31,5)                      | (19,3)                      | (17,4)                      | (11,4)                      | (1,6p)        | (14,0)                      | (14,3)                      | (0,3p)       |
| Depreciation, amortization and impairment losses |      | (192)                       | (158)                       | (176)                       | (676)                       | (148)                       | (192)                       | 0,0           | (342)                       | (341)                       | 0,3          |
| Profit (loss) from operations = EBIT             |      | (281)                       | (298)                       | (469)                       | (1.346)                     | (276)                       | (282)                       | (0,4)         | (578)                       | (559)                       | 3,3          |
| <b>CASH CAPEX</b>                                |      | <b>207</b>                  | <b>222</b>                  | <b>279</b>                  | <b>936</b>                  | <b>242</b>                  | <b>239</b>                  | <b>15,5</b>   | <b>434</b>                  | <b>481</b>                  | <b>10,8</b>  |
| <b>CASH CONTRIBUTION</b>                         |      | <b>(296)</b>                | <b>(363)</b>                | <b>(572)</b>                | <b>(1.606)</b>              | <b>(370)</b>                | <b>(329)</b>                | <b>(11,1)</b> | <b>(670)</b>                | <b>(699)</b>                | <b>(4,3)</b> |

### FINANCIALS (AS REPORTED)

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                             |      | <b>910</b>                  | <b>846</b>                  | <b>929</b>                  | <b>3.467</b>                | <b>737</b>                  | <b>787</b>                  | <b>(13,5)</b> | <b>1.691</b>                | <b>1.525</b>                | <b>(9,8)</b> |
| <b>NET REVENUE</b>                               |      | <b>92</b>                   | <b>96</b>                   | <b>150</b>                  | <b>421</b>                  | <b>88</b>                   | <b>83</b>                   | <b>(9,8)</b>  | <b>175</b>                  | <b>171</b>                  | <b>(2,3)</b> |
| <b>EBITDA</b>                                    |      | <b>(379)</b>                | <b>(219)</b>                | <b>(365)</b>                | <b>(1.243)</b>              | <b>(144)</b>                | <b>(90)</b>                 | <b>76,3</b>   | <b>(659)</b>                | <b>(233)</b>                | <b>64,6</b>  |
| EBITDA margin (EBITDA / total revenue)           | %    | (41,6)                      | (25,9)                      | (39,3)                      | (35,9)                      | (19,5)                      | (11,4)                      | 30,2p         | (39,0)                      | (15,3)                      | 23,7p        |
| Depreciation, amortization and impairment losses |      | (192)                       | (158)                       | (176)                       | (676)                       | (148)                       | (192)                       | 0,0           | (342)                       | (341)                       | 0,3          |
| Profit (loss) from operations = EBIT             |      | (571)                       | (376)                       | (542)                       | (1.919)                     | (292)                       | (282)                       | 50,6          | (1.001)                     | (574)                       | 42,7         |
| <b>CASH CAPEX</b>                                |      | <b>207</b>                  | <b>222</b>                  | <b>279</b>                  | <b>936</b>                  | <b>242</b>                  | <b>239</b>                  | <b>15,5</b>   | <b>434</b>                  | <b>481</b>                  | <b>10,8</b>  |
| <b>CASH CONTRIBUTION</b>                         |      | <b>(586)</b>                | <b>(441)</b>                | <b>(644)</b>                | <b>(2.179)</b>              | <b>(386)</b>                | <b>(329)</b>                | <b>43,9</b>   | <b>(1.093)</b>              | <b>(714)</b>                | <b>34,7</b>  |

## GROUP HEADQUARTERS & GROUP SERVICES

### EBITDA RECONCILIATION

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>%   | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>%  |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|--------------|
| <b>TOTAL REVENUE</b>                               |      | <b>910</b>                  | <b>846</b>                  | <b>929</b>                  | <b>3.467</b>                | <b>737</b>                  | <b>787</b>                  | <b>(13,5)</b> | <b>1.691</b>                | <b>1.525</b>                | <b>(9,8)</b> |
| Profit (loss) from operations = EBIT               |      | (571)                       | (376)                       | (542)                       | (1.919)                     | (292)                       | (282)                       | 50,6          | (1.001)                     | (574)                       | 42,7         |
| - Depreciation, amortization and impairment losses |      | (192)                       | (158)                       | (176)                       | (676)                       | (148)                       | (192)                       | 0,0           | (342)                       | (341)                       | 0,3          |
| <b>= EBITDA</b>                                    |      | <b>(379)</b>                | <b>(219)</b>                | <b>(365)</b>                | <b>(1.243)</b>              | <b>(144)</b>                | <b>(90)</b>                 | <b>76,3</b>   | <b>(659)</b>                | <b>(233)</b>                | <b>64,6</b>  |
| EBITDA margin                                      | %    | (41,6)                      | (25,9)                      | (39,3)                      | (35,9)                      | (19,5)                      | (11,4)                      | 30,2p         | (39,0)                      | (15,3)                      | 23,7p        |
| - Special factors affecting EBITDA                 |      | (290)                       | (78)                        | (72)                        | (574)                       | (16)                        | 1                           | n.a.          | (423)                       | (15)                        | 96,5         |
| <b>= EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>     |      | <b>(89)</b>                 | <b>(141)</b>                | <b>(293)</b>                | <b>(670)</b>                | <b>(128)</b>                | <b>(90)</b>                 | <b>(1,1)</b>  | <b>(236)</b>                | <b>(218)</b>                | <b>7,6</b>   |
| EBITDA margin (adjusted for special factors)       | %    | (9,8)                       | (16,7)                      | (31,5)                      | (19,3)                      | (17,4)                      | (11,4)                      | (1,6p)        | (14,0)                      | (14,3)                      | (0,3p)       |

### SPECIAL FACTORS

|  | Note | Q2<br>2016<br>millions of € | Q3<br>2016<br>millions of € | Q4<br>2016<br>millions of € | FY<br>2016<br>millions of € | Q1<br>2017<br>millions of € | Q2<br>2017<br>millions of € | Change<br>% | H1<br>2016<br>millions of € | H1<br>2017<br>millions of € | Change<br>% |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------|-----------------------------|-----------------------------|-------------|
| <b>EFFECTS ON EBITDA</b>                               |      | <b>(290)</b>                | <b>(78)</b>                 | <b>(72)</b>                 | <b>(574)</b>                | <b>(16)</b>                 | <b>1</b>                    | <b>n.a.</b> | <b>(423)</b>                | <b>(15)</b>                 | <b>96,5</b> |
| - of which personnel                                   |      | (238)                       | (75)                        | (144)                       | (502)                       | (19)                        | (25)                        | 89,5        | (284)                       | (44)                        | 84,5        |
| - of which other                                       |      | (52)                        | (3)                         | 71                          | (71)                        | 3                           | 26                          | n.a.        | (139)                       | 29                          | n.a.        |
| <b>EFFECTS ON PROFIT (LOSS) FROM OPERATIONS = EBIT</b> |      | <b>(290)</b>                | <b>(78)</b>                 | <b>(72)</b>                 | <b>(574)</b>                | <b>(16)</b>                 | <b>1</b>                    | <b>n.a.</b> | <b>(423)</b>                | <b>(15)</b>                 | <b>96,5</b> |
| - of which personnel                                   |      | (238)                       | (75)                        | (144)                       | (502)                       | (19)                        | (25)                        | 89,5        | (284)                       | (44)                        | 84,5        |
| - of which other                                       |      | (52)                        | (3)                         | 71                          | (71)                        | 3                           | 26                          | n.a.        | (139)                       | 29                          | n.a.        |



## GLOSSARY AND DISCLAIMER

|   |  |
|---|--|
| In addition to financial information presented in accordance with IFRS, this presentation contains non-GAAP financial measures, |  |
| such as ...   | which is defined as ...  |
| <b>EBIT</b>   | Abbreviation for EARNINGS BEFORE INTEREST AND TAXES. EBIT is equivalent to the P&L-line "Profit from operations".  |
| <b>Adj. EBIT</b>  | EBIT adjusted for special factors.   |
| <b>EBT</b>  | Abbreviation for EARNINGS BEFORE TAXES. EBT is equivalent to the P&L-line "Profit before income taxes".  |
| <b>Adj. EBT</b>   | EBT adjusted for special factors.  |
| <b>EBITDA</b>   | Abbreviation for EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION. EBITDA is equivalent to EBIT before Depreciation and Amortization. Depreciation and Amortization is not a line in the P&L but provided in the notes as "Other disclosures".         |
| <b>Adj. EBITDA</b>  | EBITDA adjusted for special factors.   |
|   | Net profit/loss adjusted for special factors.  |
| <b>Special factors</b>  | Special factors impair the comparability of the results with previous periods. Details on the special factors are given for the group and each operating segment.  |
| <b>Cash capex</b>   | Cash outflows for investments in intangible assets (excluding goodwill) and property, plant and equipment.   |
| <b>Cash contribution</b>  | EBITDA minus capex.  |
| <b>Free cash flow</b>   | Net cash from operating activities minus net cash outflows for investments in intangible assets (excluding goodwill) and property, plant and equipment.  |
| <b>Gross debt</b>   | Gross debt includes not only bonds and liabilities to banks, but also liabilities to non-banks from promissory notes, lease liabilities, liabilities arising from ABS transactions (capital market liabilities), liabilities from derivatives and cash collateral. |
| <b>Net debt</b>   | Net debt is calculated by deducting cash and cash equivalents as well as financial assets classified as held for trading and available for sale (due ≤ 1 year). In addition, receivables from derivatives and other financial assets are deducted from gross debt. |
| <b>n.a.</b>   | not applicable   |
| <b>n.m.</b>   | not meaningful   |
| <b>ARPU</b>   | Abbreviation for AVERAGE REVENUE PER USER. Calculation: Service fee, as well as voice, non voice, roaming and visitor revenues, divided by the average number of customers in the period. Visitor revenues are allocated exclusively to contract customers.        |
| <b>SAC</b>  | Abbreviation for SUBSCRIBER ACQUISITION COSTS. Calculation: Customer acquisition costs divided by the number of gross customers added during the respective period.  |

The figures in this presentation are unaudited. These and the other non-GAAP financial measures used by Deutsche Telekom are derived from our IFRS financial information but do not comply with IFRS and should not be viewed as a substitute for our IFRS figures.