

*This document constitutes two prospectuses for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "**Prospectus Directive**"): (i) the prospectus of Deutsche Telekom AG in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended ("**Non-Equity Securities**") and (ii) the prospectus of Deutsche Telekom International Finance B.V. in respect of Non-Equity Securities (together, the "**Prospectus**").*



## Deutsche Telekom AG

Bonn, Federal Republic of Germany

as Issuer and as Guarantor for Notes issued by

## Deutsche Telekom International Finance B.V.

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands and having its corporate seat (*statutaire zetel*) in Amsterdam, The Netherlands as Issuer

## EUR 25,000,000,000 Debt Issuance Programme

(the "**Programme**")

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of the Prospectus Directive, for its approval of this Prospectus.

Application has been made to list Notes to be issued under the Programme on the official list of the Luxembourg Stock Exchange and to trade Notes on the regulated market "*Bourse de Luxembourg*". The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004, as amended, (the "**Regulated Market**"). Notes issued under the Programme may also not be listed at all.

Each Issuer has requested the CSSF to provide the competent authorities in the Federal Republic of Germany ("**Germany**"), The Netherlands, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland and the Republic of Austria, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the *Loi relative aux prospectus pour valeurs mobilières* which implements the Prospectus Directive into Luxembourg law ("**Notification**"). Each Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification. By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the issuer.

See "*Risk Factors*" for a discussion of certain factors which should be considered by prospective investors in connection with an investment in any of the Notes

*Arranger*

**Deutsche Bank**

*Dealers*

<b>Barclays</b>	<b>BNP PARIBAS</b>	<b>Citigroup</b>
<b>Deutsche Bank</b>	<b>DZ BANK AG</b>	<b>Goldman Sachs International</b>
<b>J.P. Morgan</b>	<b>Morgan Stanley</b>	<b>Société Générale Corporate &amp; Investment Banking</b>
<b>The Royal Bank of Scotland</b>		<b>UniCredit Bank</b>

This Prospectus has been filed with the CSSF and will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the website of Deutsche Telekom AG (<http://www.telekom.com/bonds>). This Prospectus replaces the Prospectus dated 30 April 2014 pertaining to the Programme.

## Responsibility Statement

Deutsche Telekom AG ("**Deutsche Telekom AG**", the "**Guarantor**" or the "**Company**" and together with its consolidated subsidiaries, "**Deutsche Telekom**", the "**Group**" or "**Deutsche Telekom Group**") with its registered office in Bonn and Deutsche Telekom International Finance B.V. ("**Finance**") with its registered office in Maastricht (each an "**Issuer**" and together the "**Issuers**") are solely responsible for the information given in this Prospectus and for the information which will be contained in the Final Terms (as defined herein),

provided that:

Finance is not responsible for the description of Deutsche Telekom.

Each Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

## Notice

This Prospectus should be read and construed in conjunction with any supplement thereto and with any document incorporated herein by reference (the "**Reference Documents**"). Full information on each Issuer and any tranche of Notes (as hereinafter defined) is only available on the basis of the Prospectus as supplemented, together with the Reference Documents and the relevant final terms (the "**Final Terms**").

Each Issuer has confirmed to the dealers set forth on the cover page and any additional dealer appointed from time to time under the Programme (each a "**Dealer**" and together the "**Dealers**") that this Prospectus contains, as of the date hereof, all information with regard to the Issuers and the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder; that the information contained herein with respect to the Issuers and the Notes is accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts, the omission of which would make any statement, whether fact or opinion, in this Prospectus misleading in any material respect; and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained herein.

No person has been authorised to give any information which is not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any information supplied by any Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by the Issuers, the Guarantor, the Dealers or any of them.

Neither the Arranger nor any Dealer nor any other person mentioned in this Prospectus, excluding the Issuers, is responsible for the information contained in this Prospectus or any supplement thereof, or any Final Terms or any other Reference Document, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility as to the accuracy and completeness of the information contained in any of these documents.

This Prospectus is valid for 12 months after its approval and this Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of this Prospectus as supplemented or any Final Terms and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial condition of each of the Issuers since such date or that any other information supplied in connection with the Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Each of the Issuers has undertaken with the Dealers to supplement this Prospectus or publish a new Prospectus at any time after submission of the Prospectus for approval to the Commission if and when the information herein should become materially inaccurate or incomplete or in the event of any significant new factor, that is capable of affecting the assessment of the Notes by potential Investors.

The Notes will not be registered under the United States Securities Act of 1933, as amended, and will include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons, see "*Selling Restrictions*".

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms comes are required by the Issuers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus or any Final Terms and other offering material relating to the Notes, see "*Selling Restrictions*".

This Prospectus is drawn up in the English language. The German versions of the English language Terms and Conditions and Guarantee are shown in the prospectus for additional information. As to form and content, and all rights and obligations of the Holders and the Issuer under the Notes to be issued, German is the controlling legally binding language if so specified in the relevant Final Terms. In respect of the Guarantee, the German language version is always controlling and legally binding as to form and content, and all rights and obligations of the Holders and the Guarantor thereunder. The Issuers accept responsibility for the information contained in this Prospectus and confirm that the non-binding translation of the Terms and Conditions, either in the German or English language, correctly and adequately reflects the respective binding language version.

**This Prospectus may only be used for the purpose for which it has been published.**

**Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Notes issued under the Programme is entitled to use the Prospectus as set out in "*Consent to the Use of the Prospectus*" below.**

**This Prospectus and any Final Terms must not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

**In connection with the issue of any Tranche of Notes under the Programme, the Dealer(s) who is(are) specified in the relevant Final Terms as the stabilising manager(s) (or persons acting on its(their) behalf) may overallot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that such stabilising manager (or persons acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilising action or over-allotment must be conducted by the relevant stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.**

*All terms not otherwise defined in this Prospectus shall have the meaning as set out in the "Terms and Conditions" of the Notes.*

### **Forward-Looking Statements**

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding Deutsche Telekom Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuers make to the best of their present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including Deutsche Telekom Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking

statements. Deutsche Telekom Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*", "*Deutsche Telekom AG*" and "*Deutsche Telekom Finance International B.V.*". These sections include more detailed descriptions of factors that might have an impact on Deutsche Telekom's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuers nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

## Table of Contents

Responsibility Statement .....	2
Notice .....	2
Summary .....	7
Section A Introduction and Warnings .....	7
Section B Issuer and Guarantor .....	8
Section B Issuer .....	11
Section C Securities .....	13
Section D Risks .....	16
Risks specific to Deutsche Telekom AG as Issuer and Guarantor .....	16
Risks specific to Deutsche Telekom International Finance B.V. as Issuer .....	18
Risks specific to the Securities .....	18
Section E Offer .....	19
German Translation of the Summary .....	21
Abschnitt A Einleitung und Warnhinweise .....	21
Abschnitt B Emittentin und Garantin .....	22
Abschnitt B Emittentin .....	26
Abschnitt C Wertpapiere .....	28
Abschnitt D Risiken .....	31
Risiken, die der Deutsche Telekom AG als Emittentin und Garantin eigen sind .....	31
Risiken, die der Deutsche Telekom International Finance B.V. als Emittentin eigen sind .....	34
Risiken, die den Wertpapieren eigen sind .....	34
Abschnitt E Angebot .....	35
Risk Factors .....	36
Risk Factors regarding Deutsche Telekom AG .....	36
Risk Factors regarding Deutsche Telekom International Finance B.V. ....	45
Risk Factors regarding the Notes .....	46
Deutsche Telekom AG as Issuer and Guarantor .....	48
Deutsche Telekom International Finance B.V. as Issuer .....	90
Consent to the Use of the Prospectus .....	94
General Description of the Programme .....	95
Issue Procedures .....	97
English Language Terms and Conditions .....	99
Option I – Terms and Conditions that apply to Notes with fixed interest rates .....	99
Option II - Terms and Conditions that apply to Notes with floating interest rates .....	116
German Language Version of the Terms and Conditions .....	133
Option I - Anleihebedingungen für Schuldverschreibungen mit fester Verzinsung .....	134
Option II - Anleihebedingungen für Schuldverschreibungen mit variabler Verzinsung .....	152
English Language Guarantee .....	171
Non-binding translation of the Guarantee into German .....	174
Form of Final Terms/Muster der Endgültigen Bedingungen .....	177
Taxation .....	192
General Information .....	201
Selling Restrictions .....	201
Use of Proceeds .....	204
Listing and Admission to Trading Information .....	204

Authorisation .....204  
Incorporation by Reference / Documents on Display .....206  
Names and Addresses .....208

## Summary

Summaries are made up of disclosure requirements known as "*Elements*". These elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of Notes and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of Notes and Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of "*not applicable*".

[The Summary contains options, characterised by square brackets or typesetting in italics (other than the respective translations of specific legal terms), and placeholders regarding the Notes to be issued under the Programme. The summary of the individual issue of Notes will include the options relevant to this issue of Notes as determined by the applicable Final Terms and will contain the information, which had been left blank, as completed by the applicable Final Terms.]<sup>1</sup>

Element	Section A – Introduction and warnings	
A.1	Warnings	<p><b>Warning that:</b></p> <ul style="list-style-type: none"> <li>▪ this Summary should be read as an introduction to the Prospectus;</li> <li>▪ any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor;</li> <li>▪ where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated; and</li> <li>▪ civil liability attaches only to the Issuer which has tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</li> </ul>
A.2	Consent to the use of the Prospectus	<p>[Each Dealer and/or each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus for the subsequent resale or final placement of the Notes during the offer period for the subsequent resale or final placement of the Notes from [●] to [●], provided however, that the Prospectus is still valid in accordance with Article 11(2) of the Luxembourg Law relating to prospectuses for securities (<i>Loi relative aux prospectus pour valeurs mobilières</i>), as amended, which implements Directive 2003/71/EC of the European Parliament and of the</p>

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<sup>1</sup> To be deleted for the summary of an individual issue of Notes.

		<p>Council of 4 November 2003 (as amended).</p> <p>The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (<a href="http://www.bourse.lu">www.bourse.lu</a>) and on the website of Deutsche Telekom AG (<a href="http://www.telekom.com/investor-relations/debt-market/dip-mtn-program/64276">http://www.telekom.com/investor-relations/debt-market/dip-mtn-program/64276</a>).</p> <p>When using the Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.</p> <p><b>In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.</b> [Not applicable. No consent has been given.]</p>
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Element	Section B – [Issuer] [Guarantor]	
B.1	Legal and commercial name	Deutsche Telekom AG (" <b>Deutsche Telekom AG</b> ").
B.2	Domicile / Legal form / Legislation / Country of incorporation	Deutsche Telekom AG is a private stock corporation organised under German law registered with the local court ( <i>Amtsgericht</i> ) of Bonn in the country of incorporation, Federal Republic of Germany. The registered office is located at Friedrich-Ebert-Allee 140, 53113 Bonn, Federal Republic of Germany.
B.4b	Known trends affecting the Issuer and the industries in which it operates	Prices for voice and data service are continuously decreasing in the fixed network and in mobile communications. Aside from price regulations imposed by the regulatory authorities, e.g., for interconnection, mobile termination and international roaming, this is primarily due to intense competition in the telecommunications industry and cannibalisation effects from technological progress.
B.5	Description of the Group and the Issuer's position within the Group	Deutsche Telekom AG is the parent company of the Deutsche Telekom Group (" <b>Deutsche Telekom Group</b> ").
B.9	Profit forecast or estimate	Not applicable. No profit forecast or estimate are included.
B.10	Nature of any qualifications in the audit report on historical financial information	Not applicable. The auditors' reports on the audited consolidated financial statements of Deutsche Telekom AG for the financial years ended 31 December 2014 and 31 December 2013 do not include any qualifications.



**B.12**
**Selected historical key financial information of Deutsche Telekom Group**

		2014	2013 <sup>b</sup>
	Change -compared to prior year percent <sup>a</sup>	billions of EUR	billions of EUR
<b>REVENUE AND EARNINGS</b>			
Net revenue	4.2	62.7	60.1
Of which: domestic <sup>a</sup>	percent (5.5)	39.9	42.2
Of which: international <sup>a</sup>	percent 4.0	60.1	57.8
Profit (loss) from operations (EBIT)	47.0	7.2	4.9
Net profit (loss)	n. a.	2.9	0.9
Net profit (loss) (adjusted for special factors)	(12.1)	2.4	2.8
EBITDA <sup>b,c</sup>	12.5	17.8	15.8
EBITDA (adjusted for special factors) <sup>b,c</sup>	0.8	17.6	17.4
EBITDA margin (adjusted for special factors) <sup>a</sup> percent	(0.9)	28.0	28.9
<b>PROFITABILITY</b>			
ROCE	percent 1.7	5.5	3.8
<b>STATEMENT OF FINANCIAL POSITION</b>			
Total assets	9.5	129.4	118.1
Shareholders' equity	6.2	34.1	32.1
Equity ratio <sup>a</sup>	percent (0.8)	26.3	27.1
Net debt <sup>c</sup>	8.7	42.5	39.1
Relative debt (Net debt/EBITDA (adjusted for special factors)) <sup>a,b</sup>	n. a.	2.4	2.2
<b>CASH FLOWS</b>			
Net cash from operating activities	2.9	13.4	13.0
Cash capex	(7.0)	(11.8)	(11.1)
Free cash flow (before dividend payments, spectrum investment) <sup>d</sup>	(10.1)	4.1	4.6
Net cash used in investing activities	(8.7)	(10.8)	(9.9)
Net cash (used in) from financing activities	n. a.	(3.4)	1.0

	EMPLOYEES			
	Average number of employees (full-time equivalents, without trainees) thousands	(0.6)	228	230
	Revenue per employee <sup>a</sup> thousands of EUR	4.9	274.5	261.8
	<p><sup>a</sup> Calculated on the basis of millions for the purpose of greater precision. Changes to percentages expressed as percentage points.</p> <p><sup>b</sup> Deutsche Telekom defines EBITDA as profit/loss from operations before depreciation, amortisation and impairment losses.</p> <p><sup>c</sup> EBITDA, EBITDA adjusted for special factors, net debt, and free cash flow are non-GAAP figures not governed by the International Financial Reporting Standards (IFRS). They should not be viewed in isolation as an alternative to profit or loss from operations, net profit or loss, net cash from operating activities, the liabilities reported in the consolidated statement of financial position, or other Deutsche Telekom key performance indicators presented in accordance with IFRS.</p> <p><sup>d</sup> Deutsche Telekom has defined free cash flow as cash generated from operations less interest paid and net cash outflows for investments in intangible assets (excluding goodwill) and property, plant and equipment.</p>			
	<b>No Material adverse change in the prospects of the Issuer</b>	There has been no material adverse change in the prospects of Deutsche Telekom AG since 31 December 2014.		
	<b>Significant change in the financial and trading position</b>	Not applicable. There has been no significant change in the financial or trading position of Deutsche Telekom AG since 31 December 2014.		
<b>B.13</b>	<b>Recent events</b>	On 5 February 2015 Deutsche Telekom and Orange signed an agreement on the sale of EE to BT. Upon closing of the transaction at an agreed purchase price of GBP 12.5 billion, Deutsche Telekom will become the largest shareholder in BT with a stake of approximately 12 percent. Depending on BT's share price and other factors at closing, Deutsche Telekom may receive a cash payment in addition to the 12 percent stake in BT. The transaction is yet to be approved by BT's shareholders and the responsible authorities.		
<b>B.14</b>	<b>Please see Element B.5</b>			
	<b>Statement of dependency upon other entities within the group</b>	Not applicable. Deutsche Telekom AG is not dependent upon other entities within the Deutsche Telekom Group.		
<b>B.15</b>	<b>Principal activities</b>	<p>Deutsche Telekom Group, in which Deutsche Telekom AG is the parent company, is one of the world's leading service providers in the telecommunications and information technology industry and offers its customers a wide variety of products and services for connected life and work. In addition to the core business (traditional fixed-network and mobile access), Deutsche Telekom Group is tapping new growth areas with investments in intelligent networks and its portfolio of IT, Internet, and network services.</p> <p>Deutsche Telekom Group has four operating segments whose business activities are assigned in three segments by region (Germany, Europe and the United States) and in one segment by customer and product.</p>		

		Deutsche Telekom AG's business activities relate primarily to all areas of telecommunications, information technology, multimedia, information and entertainment.						
<b>B.16</b>	<b>Controlling Persons</b>	<p>The holders of more than 3 percent of Deutsche Telekom AG's ordinary shares and their percentage of ownership, based on information supplied to Deutsche Telekom AG by such holders are as follows:</p> <table> <tr> <td>KfW:</td> <td>17.44 percent</td> </tr> <tr> <td>Federal Republic of Germany:</td> <td>14.26 percent</td> </tr> <tr> <td>Blackrock:</td> <td>5.93 percent</td> </tr> </table>	KfW:	17.44 percent	Federal Republic of Germany:	14.26 percent	Blackrock:	5.93 percent
KfW:	17.44 percent							
Federal Republic of Germany:	14.26 percent							
Blackrock:	5.93 percent							
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	At the end of 2014, the rating agencies Fitch <sup>1,2</sup> , Moody's <sup>3,2</sup> and Standard & Poor's <sup>4,2</sup> rated Deutsche Telekom as a solid investment grade company at BBB+/Baa1/BBB+ <sup>5</sup> . The outlook from all three rating agencies was "stable."						
<b>[B.18]</b>	<b>Nature and scope of the Guarantee</b>	Notes issued by Finance will have the benefit of a guarantee provided by Deutsche Telekom AG (the " <b>Guarantee</b> " and the " <b>Guarantor</b> ", respectively). The Guarantee constitutes an irrevocable, unconditional, unsecured and unsubordinated obligation of the Guarantor ranking <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Guarantor. The terms of the Guarantee contain a negative pledge undertaking of the Guarantor. The Guarantee is governed by German law. The Guarantee constitutes a contract for the benefit of Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 of the German Civil Code ( <i>Bürgerliches Gesetzbuch – BGB</i> ).]						

<b>[Element]</b>	<b>Section B – Issuer</b>	
<b>B.1</b>	<b>Legal and commercial name</b>	Deutsche Telekom International Finance B.V. (" <b>Finance</b> ").
<b>B.2</b>	<b>Domicile / Legal form / Legislation / Country of incorporation</b>	Finance is incorporated and operates under the laws of the Netherlands as a private company with limited liability with its statutory seat in Amsterdam, The Netherlands and its registered office located at Stationsplein 8-K, 6221 BT Maastricht, The Netherlands.

<sup>1</sup> Fitch is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>2</sup> The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

<sup>3</sup> Moody's is established in the European Community and is registered under the CRA Regulation.

<sup>4</sup> Standard & Poor's is established in the European Community and is registered under the CRA Regulation.

<sup>5</sup> A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

<b>B.4b</b>	<b>Known trends affecting the Issuer and the industries in which it operates</b>	Finance acts solely to finance the Deutsche Telekom Group and its ability to raise funding depends primarily on the guarantee provided by Deutsche Telekom AG, Bonn, Germany (" <b>Deutsche Telekom AG</b> "). The trends affecting Deutsche Telekom AG therefore also affect Finance. For more information on trends affecting Deutsche Telekom AG <b>please see Deutsche Telekom AG - B.4b.</b>																																	
<b>B.5</b>	<b>Description of the Group and the Issuer's position within the Group</b>	Finance is wholly owned by Deutsche Telekom AG and has no subsidiaries of its own.																																	
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable. No profit forecast or estimate are included.																																	
<b>B.10</b>	<b>Nature of any qualifications in the audit report on historical financial information</b>	Not applicable. The auditor's reports on the audited unconsolidated financial statements of Finance for the financial years ended 31 December 2014 and 31 December 2013 do not include any qualifications.																																	
<b>B.12</b>	<p><b>Selected historical key financial information</b></p> <p><b>Statement of financial position</b></p> <table border="1" data-bbox="336 1032 1378 1794"> <thead> <tr> <th data-bbox="336 1032 975 1088">thousands of EUR</th> <th data-bbox="975 1032 1166 1088"><b>Dec. 31, 2014</b></th> <th data-bbox="1166 1032 1378 1088"><b>Dec. 31, 2013</b></th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="336 1133 1378 1167"><b>Assets</b></td> </tr> <tr> <td data-bbox="336 1200 975 1234">Current assets</td> <td data-bbox="975 1200 1166 1234">4,236,215</td> <td data-bbox="1166 1200 1378 1234">3,254,819</td> </tr> <tr> <td data-bbox="336 1234 975 1267">Non-current assets</td> <td data-bbox="975 1234 1166 1267">21,462,548</td> <td data-bbox="1166 1234 1378 1267">23,726,172</td> </tr> <tr> <td data-bbox="336 1301 975 1335"><b>Total Assets</b></td> <td data-bbox="975 1301 1166 1335"><b>25,698,763</b></td> <td data-bbox="1166 1301 1378 1335"><b>26,980,991</b></td> </tr> <tr> <td colspan="3" data-bbox="336 1391 1378 1424"><b>Liabilities and shareholder's equity</b></td> </tr> <tr> <td data-bbox="336 1458 975 1491">Current liabilities</td> <td data-bbox="975 1458 1166 1491">4,199,068</td> <td data-bbox="1166 1458 1378 1491">3,271,160</td> </tr> <tr> <td data-bbox="336 1491 975 1525">Non-current liabilities</td> <td data-bbox="975 1491 1166 1525">21,192,044</td> <td data-bbox="1166 1491 1378 1525">23,388,659</td> </tr> <tr> <td data-bbox="336 1559 975 1592"><b>Liabilities</b></td> <td data-bbox="975 1559 1166 1592"><b>25,391,112</b></td> <td data-bbox="1166 1559 1378 1592"><b>26,659,819</b></td> </tr> <tr> <td data-bbox="336 1637 975 1671"><b>Shareholder's equity</b></td> <td data-bbox="975 1637 1166 1671"><b>307,651</b></td> <td data-bbox="1166 1637 1378 1671"><b>321,172</b></td> </tr> <tr> <td data-bbox="336 1715 975 1749"><b>Total Liabilities and shareholder's equity</b></td> <td data-bbox="975 1715 1166 1749"><b>25,698,763</b></td> <td data-bbox="1166 1715 1378 1749"><b>26,980,991</b></td> </tr> </tbody> </table>		thousands of EUR	<b>Dec. 31, 2014</b>	<b>Dec. 31, 2013</b>	<b>Assets</b>			Current assets	4,236,215	3,254,819	Non-current assets	21,462,548	23,726,172	<b>Total Assets</b>	<b>25,698,763</b>	<b>26,980,991</b>	<b>Liabilities and shareholder's equity</b>			Current liabilities	4,199,068	3,271,160	Non-current liabilities	21,192,044	23,388,659	<b>Liabilities</b>	<b>25,391,112</b>	<b>26,659,819</b>	<b>Shareholder's equity</b>	<b>307,651</b>	<b>321,172</b>	<b>Total Liabilities and shareholder's equity</b>	<b>25,698,763</b>	<b>26,980,991</b>
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<b>No material adverse change in the prospects of the Issuer</b>	There has been no material adverse change in the prospects of Finance since 31 December 2014.																																		
<b>Significant change in the financial and</b>	Not applicable. There has been no significant change in the financial or trading position of Finance since 31 December																																		

	<b>trading position</b>	2014.
<b>B.13</b>	<b>Recent events</b>	Not applicable. There are no recent events since the date of the last published audited financial statements (31 December 2014) particular to Finance which are to a material extent relevant to the solvency of Finance.
<b>B.14</b>	Please see Element B.5	
	<b>Statement of dependency upon other entities within the group</b>	Finance is wholly owned by Deutsche Telekom AG.
<b>B.15</b>	<b>Principal activities</b>	Finance is the financing company of Deutsche Telekom Group. In this position, Finance issues debt instruments in the capital market on its own (but guaranteed by Deutsche Telekom AG) on the basis of the capital needs within Deutsche Telekom Group.
<b>B.16</b>	<b>Controlling Persons</b>	Deutsche Telekom AG (100 percent). Finance is a wholly owned subsidiary of Deutsche Telekom AG.
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	Not applicable. No own credit ratings.
<b>B.19</b>	<b>Summary information about the Guarantor</b>	<p><b>Please see Deutsche Telekom AG B.1 to B. 18</b></p> <p>In the case of an issue of Notes by Deutsche Telekom International Finance B.V. insert the information under Deutsche Telekom AG - B.1 to B.18 into the summary of the individual issue of Notes under this Element B.19 and number the Elements about Deutsche Telekom AG as Guarantor as follows: B.19 B.1., etc.]</p>

<b>Element</b>	<b>Section C – Securities</b>	
<b>C.1</b>	<b>Class and type of the Notes / Security Identification Number</b>	<b>Class</b> The Notes are unsecured.
		<b>[Fixed Rate Notes]</b> The Notes bear interest at a fixed rate throughout the entire term of the Notes.]
		<b>[Floating Rate Notes]</b> The Notes will bear interest at a rate determined [(and as adjusted for the applicable margin)] on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.]
		<b>ISIN</b> [•]

		<p><b>Common Code</b></p> <p>[•]</p> <p><b>WKN</b></p> <p>[•]</p>
<b>C.2</b>	<b>Currency</b>	The Notes are issued in [•].
<b>C.5</b>	<b>Restrictions on free transferability</b>	Not applicable. The Notes are freely transferable.
<b>C.8</b>	<b>Rights attached to the Notes (including ranking of the Notes and limitations to those rights)</b>	<p><b>Governing law</b></p> <p>The Notes will be governed by German law.</p>
		<p><b>Interest Payments</b></p> <p>The Notes bear an interest claim against the Issuer.</p>
		<p><b>Status of the Notes</b></p> <p>The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer <i>ranking pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer.</p>
		<p><b>Negative pledge</b></p> <p>The Terms and Conditions of the Notes contain a negative pledge provision of the Issuer.</p>
		<p>[Early redemption in the case of fixed rate Notes</p> <p>The Notes can be redeemed prior to their stated maturity [at the option of the] [Issuer,] [and] [or] [the holders of the Notes (the "<b>Holders</b>")], for taxation reasons and upon the occurrence of an event of default).]</p>
		<p>[Early redemption in the case of floating rate Notes</p> <p>The Notes can be redeemed prior to their stated maturity [at the option of the Issuer,] for taxation reasons and upon the occurrence of an event of default).]</p>
		<p><b>[Early Redemption at the option of the [Issuer] [and] [or] [the Holders] at specified redemption amount(s)</b></p> <p>The Notes can be redeemed at the option of the [Issuer] [and] [or] [the Holders] upon giving notice within the specified notice period to [the Holders] [or] [the Issuer][, as the case may be,] on a date or dates specified prior to such stated maturity and at the specified redemption amount(s) together with accrued interest to, but excluding, the relevant redemption date.]</p>
<p><b>Early redemption for taxation reasons</b></p> <p>Early Redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to</p>		

		<p>the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations), of [<i>in the case of Notes issued by Deutsche Telekom AG – the Federal Republic of Germany</i>] [<i>in case of Notes issued by Deutsche Telekom International Finance B.V. – The Netherlands or the Federal Republic of Germany</i>] or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer [<i>in case of Notes issued by Deutsche Telekom International Finance B.V. or the Guarantor.</i>] will become obligated to pay additional amounts on the Notes.</p>
		<p><b>Early redemption in an event of default (including the cross default)</b></p> <p>The Notes provide for events of default (including the cross default) entitling Holders to demand immediate redemption of Notes at their principal amount together with accrued interest to, the date of repayment.</p>
<b>C.9</b>	<b>Please see Element C.8.</b>	
	<b>Interest rate</b>	[ <i>In the case of fixed rate Notes. [●] percent per annum</i> ]
		[ <i>In the case of floating rate Notes. [EURIBOR][LIBOR for the specified currency] [[plus] [minus] the [applicable] margin [of [●] percent per annum for each interest period]. [The minimum interest rate is [●] percent.] [The maximum interest rate is [●] percent.]]</i> ]
	<b>Interest commencement date</b>	[The issue date of the Notes.]
	<b>Interest payment dates</b>	[●]
	<b>Underlying on which interest rate is based</b>	[ <i>In the case of fixed rate Notes. Not applicable. The interest rate is not based on an underlying.</i> ]
		[ <i>In the case of floating rate Notes. [EURIBOR][LIBOR for the specified currency]</i> ]
	<b>Maturity date including repayment procedures</b>	[In the case of fixed rate Notes [●].]
		[ <i>In the case of floating rate Notes The interest payment date falling in [the redemption month].</i> ]
		Payment of principal in respect of Notes shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
<b>Indication of yield</b>	[In the case of fixed rate Notes. [●] percent per annum]	
	[ <i>In the case of floating rate Notes. Not applicable No yield is calculated.</i> ]	
<b>Name of representative of the</b>	Not applicable. No Holders' Representative has been designated in the Terms and Conditions of the Notes.	

	<b>Holders</b>	
<b>C.10</b>	<b>Please see Element C.9.</b>	
	<b>Explanation how the value of the investment is affected in the case the Notes have a derivative component in the interest payment</b>	Not applicable. The interest payment has no derivative component.
<b>C.11</b>	<b>Admission to trading on a regulated market or equivalent market</b>	[Regulated market of the Luxembourg Stock Exchange.] [Not applicable. It is not intended to admit the Notes to trading on a regulated market.]

<b>Element</b>	<b>Section D - Risks</b>	
	<b>Risks specific to Deutsche Telekom AG as [Issuer] [Guarantor]</b>	
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer</b>	<p><b>General Economic Development</b></p> <p>Due the expansive monetary policy of the European Central Bank (ECB) and the U.S. Federal Reserve (Fed), the capital markets were able to continue to stabilise in 2014. The sovereign debt crisis remains the biggest economic risk for Deutsche Telekom's core countries. Uncertainty is attached to both the long-term development of sovereign debt as well as the performance of national economies, especially in the European crisis states. If the euro crisis were to flare up again or individual countries were to leave the eurozone, the capital markets and the real economy could be adversely affected. Risks to economic development could manifest themselves in different ways in some of Deutsche Telekom core countries, where consumers and business customers could restrain their consumption if the economy slows again sharply and uncertainty continues to rise. Government austerity measures , could lead to further negative effects on telecommunications consumption – caused by reduced public demand and lower disposable incomes in the private sector.</p> <p>In view of national efforts at consolidation, Deutsche Telekom operational business also faces the risk of further, unannounced tax rises or special taxes, particularly in Deutsche Telekom Southern and Eastern European markets. Furthermore, the risks arising from the sovereign debt crises also give rise to volatile exchange rate fluctuations. Each of these factors, on their own or combined with others, could have a negative impact on the operating results and financial condition of Deutsche Telekom.</p> <p><b>Decisions of Regulatory Authorities</b></p> <p>Because Deutsche Telekom operates in heavily regulated business environments, decisions that regulatory authorities impose on Deutsche Telekom restrict flexibility in managing its business and may force it to offer services to competitors or reduce the prices it charges for products and services,</p>



	<p>either of which could have a material negative impact on Deutsche Telekom's revenues, profits and market shares.</p> <p><b>Intense Business Competition</b></p> <p>Deutsche Telekom Group faces intense competition in all areas of its business, which could lead to reduced prices for its products and services and a decrease in market share in certain service areas, thereby adversely affecting Deutsche Telekom's revenues and net profit.</p> <p><b>Non-Realisation of Expected Revenues</b></p> <p>Deutsche Telekom Group may not realise either the expected level of demand for its new/existing products and services or the expected level and timing of revenues generated by those products and services, on account of the lack of market acceptance, or technological change or delays from suppliers, which could adversely affect Deutsche Telekom's cash flows.</p> <p><b>Uncertainties for strategic transformations and integration</b></p> <p>A substantive or temporal deviation from planned measures for strategic transformations and integration may reduce its benefits and could have a negative impact on Deutsche Telekom's business situation, financial position and results of operations.</p> <p><b>Uncertainty of Meeting Restructuring Goals</b></p> <p>Failure to achieve the planned reduction and restructuring of personnel or the human resources-related cost-savings goals could negatively affect the reputation and achievement of Deutsche Telekom's financial objectives and profitability.</p> <p><b>Return of Civil Servants</b></p> <p>As a result of dispositions of certain non-core businesses in Germany, there is an increased risk of return of civil servants transferred out of Deutsche Telekom, which could have a negative impact on the staff and cost reduction objectives.</p> <p><b>Health Risks of Wireless Communications Devices</b></p> <p>Alleged health risks of wireless communications devices have led to intense public, political, and scientific debates with Deutsche Telekom's mobile telecommunications operations subsidiaries and could lead to decreased wireless communications usage or increased difficulty in obtaining sites for base stations and, as a result, adversely affect the financial condition and results of operations of Deutsche Telekom's wireless services business.</p> <p><b>Risks in Connection with Implementation of IT-Programs</b></p> <p>Deutsche Telekom regularly engage in large-scale programs to reshape the information technology ("IT") and network infrastructure to adapt to changing customer needs and organisational and accounting requirements. The implementation of any of these programs may require substantial investments and a failure to effectively plan and monitor them could lead to misallocations of resources and impaired processes with negative consequences for Deutsche Telekom's operations.</p>
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		<p><b>System Failures and Disruptions</b></p> <p>System failures due to natural or man-made disruptions and loss of data could result in reduced user traffic and reduced revenues and could harm Deutsche Telekom's reputation and results.</p> <p><b>Shortcomings in Supply or Procurement</b></p> <p>Shortcomings in Deutsche Telekom's supply and procurement process could negatively affects its product portfolio, revenues and profits.</p> <p><b>Litigations</b></p> <p>Deutsche Telekom is continuously involved in disputes and litigation with regulators, competition authorities, competitors and other parties. The ultimate outcome of such legal proceedings is generally uncertain. When finally concluded, they may have a material adverse effect on Deutsche Telekom's results of operations and financial condition.</p> <p><b>Changes in Currency Exchange Rates, Interest rates, Rating and Tax statutory provisions</b></p> <p>Exchange-rate, interest-rate, rating risks and tax risks have had, and may continue to have, an adverse effect on Deutsche Telekom's revenue and cost development..</p> <p><b>Potential Breaches of Compliance Requirements</b></p> <p>Potential breaches of compliance requirements or the identification of material weaknesses in Deutsche Telekom's internal control over financial reporting may have an adverse impact on Deutsche Telekom's corporate reputation, financial condition and the trading price of its securities.</p> <p><b>Brand, communication, and reputation</b></p> <p>An unforeseeable negative media report on products and services or corporate activities and responsibilities of Deutsche Telekom Group can have a huge impact on the reputation, the standing and the brand image of Deutsche Telekom Group.</p> <p><b>General Developments in Telecommunication Sector</b></p> <p>Developments in the telecommunications sector have resulted, and may in the future result, in substantial write-downs of the carrying value of certain of Deutsche Telekom Group's assets.</p>
	<b>Risks specific to Deutsche Telekom International Finance B.V. as Issuer</b>	
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer</b>	Payment of principal of and interest on notes issued by Finance are guaranteed by Deutsche Telekom AG. Therefore the risks in respect of Finance substantially correspond with the ones of Deutsche Telekom AG. For the risks specific to Deutsche Telekom AG <b>please see "Section D.2 – Risks specific to Deutsche Telekom AG"</b> .
	<b>Risks specific to the Securities</b>	
<b>D.3</b>	<b>Key information on the</b>	<b>Notes may not be a suitable Investment for all Investors</b>

	<p><b>key risks that are specific to the securities</b></p>	<p>Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances.</p> <p><b>Liquidity Risk</b></p> <p>There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.</p> <p><b>Market Price Risk</b></p> <p>The Holder of Notes is exposed to the risk of an unfavourable development of market prices of its Notes, which materialises if the Holder sells the Notes prior to the final maturity of such Notes.</p> <p><b>Risk of Early Redemption</b></p> <p>A Holder of Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield. Also, the Holder may only be able to reinvest on less favourable conditions as compared to the original investment.</p> <p><b>[Currency Risk</b></p> <p>A Holder of Notes denominated in a foreign currency is exposed to the risk, that changes in currency exchange rates may affect the yield of such Notes.]</p> <p><b>[Fixed Rate Notes</b></p> <p>A Holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate.]</p> <p><b>[Floating Rate Notes</b></p> <p>A Holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance.]</p>
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Element	Section E – Offer	
E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks	[•]
E.3	A description of the terms and conditions of the offer	<p>[No public offer is being made or contemplated]</p> <p>The total amount of the [issue] [offer] is [•].</p> <p>[The offer period commences on [•] and ends on [•].]</p> <p>[The minimum subscription amount is [•].]</p> <p>[The maximum subscription amount is [•].]</p> <p>[The expected price at which the Notes will be offered is [•].]</p>

		[•]
<b>E.4</b>	<b>Any interest that is material to the issue/offer including conflicting interests</b>	[•]
<b>E.7</b>	<b>Estimated expenses charged to the investor by the issuer or the offeror</b>	[•]

## German Translation of the Summary

### Zusammenfassung

Zusammenfassungen sind zusammengesetzt aus Offenlegungspflichten, die als "*Punkte*" benannt sind. Diese Punkte sind in die Abschnitte A – E (A.1 – E.7) nummeriert.

Diese Zusammenfassung (die "**Zusammenfassung**") enthält alle Punkte, die in eine Zusammenfassung für diese Art von Schuldverschreibungen und die Emittenten aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, kann die Nummerierung Lücken aufweisen.

Auch wenn ein Punkt wegen der Art der Schuldverschreibungen und der Emittenten in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punktes keine relevante Information gegeben werden kann. In einem solchen Fall ist in der Zusammenfassung eine kurze Beschreibung des Punktes unter Bezeichnung als "*nicht anwendbar*" enthalten.

[Die Zusammenfassung enthält durch eckige Klammern oder Kursivschreibung gekennzeichnete Optionen und Leerstellen bezüglich der Schuldverschreibungen, die unter dem Programm begeben werden können. Die Zusammenfassung der einzelnen Emission der Schuldverschreibungen wird die nur für diese Emission von Schuldverschreibungen relevanten Optionen, wie durch die Endgültigen Bedingungen festgelegt, und die ausgelassenen, durch die Endgültigen Bedingungen vervollständigten Leerstellen beinhalten.]<sup>1</sup>

Punkt	Abschnitt A – Einleitung und Warnhinweise	
A.1		<p style="text-align: center;"><b>Warnhinweis, dass</b></p> <ul style="list-style-type: none"> <li>▪ die Zusammenfassung als Einleitung zum Prospekt verstanden werden sollte;</li> <li>▪ sich der Anleger bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzen stützen sollte;</li> <li>▪ ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften der Mitgliedstaaten möglicherweise für die Übersetzung des Prospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und</li> </ul> <p>zivilrechtlich nur die Emittentin haftet, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.</p>
A.2		<p>[Jeder Platzeur und/oder jeder weitere Finanzintermediär, der die emittierten Schuldverschreibungen nachfolgend weiter verkauft oder endgültig platziert, ist berechtigt, den Prospekt für den späteren Weiterverkauf oder die</p>

<sup>1</sup> Für die Zusammenfassung einer einzelnen Emission von Schuldverschreibungen zu löschen.

		<p>endgültige Platzierung der Schuldverschreibungen während der Angebotsperiode für den späteren Weiterverkauf oder die endgültige Platzierung vom [●] bis [●] zu verwenden, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 Absatz 2 des Luxemburger Wertpapierprospektgesetzes (<i>Loi relative aux prospectus pour valeurs mobilières</i>), in der jeweils geltenden Fassung, welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (in der jeweils geltenden Fassung) umsetzt, noch gültig ist.</p> <p>Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zur Übergabe veröffentlichten Nachträgen übergeben werden. Jeder Nachtrag zum Prospekt kann in elektronischer Form auf der Internetseite der Wertpapierbörse Luxemburg (<a href="http://www.bourse.lu">www.bourse.lu</a>) und der Internetseite der Deutsche Telekom AG (<a href="http://www.telekom.com/investor-relations/debt-market/dip-mtn-program/64276">http://www.telekom.com/investor-relations/debt-market/dip-mtn-program/64276</a>) eingesehen werden.</p> <p>Bei der Nutzung des Prospektes hat jeder Platzeur und/oder jeweiliger weiterer Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.</p> <p>Für den Fall, dass ein Platzeur und/oder weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weiterer Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen. [Nicht anwendbar. Die Zustimmung wurde nicht erteilt.]</p>
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Punkt	Abschnitt B – [Emittentin] [Garantin]	
B.1	<b>Gesetzliche und kommerzielle Bezeichnung</b>	Deutsche Telekom AG (" <b>Deutsche Telekom AG</b> ").
B.2	<b>Sitz / Rechtsform / geltendes Recht / Land der Gründung</b>	Deutsche Telekom AG ist eine nach dem Recht der Bundesrepublik Deutschland gegründete Aktiengesellschaft, eingetragen im Amtsgericht Bonn, im Land der Gründung, Bundesrepublik Deutschland. Der eingetragene Sitz der Gesellschaft lautet Friedrich-Ebert-Allee 140, 53113 Bonn, Bundesrepublik Deutschland.
B.4b	<b>Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken</b>	Das Preisniveau bei Sprach- und Datendiensten im Festnetz und im Mobilfunk sinkt kontinuierlich. Die Ursachen hierfür sind neben regulierungsbedingten Preissenkungen, wie etwa bei den Interconnection-, den Mobilfunk-Terminierungsentgelten oder bei International Roaming, vor allem der intensive Wettbewerb in der Telekommunikationsbranche und Kannibalisierungseffekte durch den technologischen Fortschritt.
B.5	<b>Beschreibung der Gruppe und der Stellung des Emittenten innerhalb</b>	Deutsche Telekom AG ist die Muttergesellschaft der Deutschen Telekom Gruppe (die " <b>Deutsche Telekom Gruppe</b> ").

	<b>dieser Gruppe</b>				
<b>B.9</b>	<b>Gewinnprognosen oder -schätzungen</b>	Nicht anwendbar. Es wurden keine Gewinnprognosen oder -schätzungen aufgenommen.			
<b>B.10</b>	<b>Art etwaiger Einschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen</b>	Nicht anwendbar. Die Bestätigungsvermerke in Bezug auf die Konzernabschlüsse der Deutschen Telekom AG für die zum 31. Dezember 2014 und 31. Dezember 2013 endenden Geschäftsjahre enthalten keine Einschränkungen.			
<b>B.12</b>	<b>Ausgewählte wesentliche historische Finanzinformationen der Deutschen Telekom Gruppe</b>				
		2014	2013 <sup>b</sup>		
		Veränderung zum Vorjahr in % <sup>a</sup>	Mrd. EUR	Mrd. EUR	
	<b>UMSATZ UND ERGEBNIS</b>				
	Umsatzerlöse	4,2	62,7	60,1	
	davon: Inlandsanteil a	%	(5,5)	39,9	42,2
	davon: Auslandsanteil a	%	4,0	60,1	57,8
	Betriebsergebnis (EBIT)	47,0	7,2	4,9	
	Konzernüberschuss/(-fehlbetrag)	n. a.	2,9	0,9	
	Konzernüberschuss/(-fehlbetrag) (bereinigt um Sondereinflüsse)	(12,1)	2,4	2,8	
	EBITDA <sup>b,c</sup>	12,5	17,8	15,8	
	EBITDA (bereinigt um Sondereinflüsse) <sup>b,c</sup>	0,8	17,6	17,4	
	EBITDA-Marge (bereinigt um Sondereinflüsse) <sup>a</sup> %	(0,9)	28,0	28,9	
	<b>RENTABILITÄT</b>				
	ROCE	%	1,7	5,5	3,8
	<b>BILANZ</b>				
	Bilanzsumme	9,5	129,4	118,1	
	Eigenkapital	6,2	34,1	32,1	
	Eigenkapitalquote <sup>a</sup> %	(0,8)	26,3	27,1	
	Netto-Finanzverbindlichkeiten <sup>c</sup>	8,7	42,5	39,1	
	Relative Verschuldung (Netto-Finanzverbindlichkeiten / EBITDA (bereinigt um Sondereinflüsse) <sup>a, b</sup>	n.a.	2,4	2,2	

CASHFLOW				
Cashflow aus Geschäftstätigkeit		2,9	13,4	13,0
Cash Capex		(7,0)	(11,8)	(11,1)
Free Cashflow (vor Ausschüttung, Investitionen in Spektrum) <sup>d</sup>		(10,1)	4,1	4,6
Cashflow aus Investitionstätigkeit		(8,7)	(10,8)	(9,9)
Cashflow aus Finanzierungstätigkeit		n. a.	(3,4)	1,0
MITARBEITER				
Anzahl der Beschäftigten im Jahresdurchschnitt (Vollzeitkräfte ohne Auszubildende)		Tsd.		
		(0,6)	228	230
Umsatz je Mitarbeiter <sup>a</sup>		Tsd. EUR	4,9	274,5
			261,8	
<p><sup>a</sup> Berechnet auf Basis der genaueren Millionenwerte. Veränderungen von Prozentwerten sind in Prozentpunkten dargestellt.</p> <p><sup>b</sup> Die Deutsche Telekom definiert das EBITDA als Betriebsergebnis vor Abschreibungen auf immaterielle Vermögenswerte und Sachanlagen.</p> <p><sup>c</sup> EBITDA, EBITDA bereinigt um Sondereinflüsse, Netto-Finanzverbindlichkeiten und Free Cashflow sind sog. "Pro-forma-Kennzahlen", die nicht Bestandteil der internationalen Rechnungslegungsvorschriften nach den International Financial Reporting Standards (IFRS) sind. Sie sollten nicht isoliert als Alternative zum Betriebsergebnis, Konzernüberschuss, Cashflow aus Geschäftstätigkeit sowie den in der Konzern-Bilanz ausgewiesenen Schulden oder sonstigen nach IFRS ausgewiesenen Kenngrößen der Deutschen Telekom betrachtet werden.</p> <p><sup>d</sup> Die Deutsche Telekom definiert den Free Cashflow als den operativen Cashflow abzüglich gezahlter Zinsen und Nettozahlungen für Investitionen in immaterielle Vermögenswerte (ohne Goodwill) und Sachanlagen.</p>				
<b>Keine wesentliche Verschlechterung der Aussichten des Emittenten</b>		Seit dem 31. Dezember 2014 gab es im Geschäftsausblick der Deutsche Telekom AG keine wesentliche Verschlechterung.		
<b>Signifikante Veränderungen in der Finanz- bzw. Handelsposition</b>		Nicht anwendbar. Seit dem 31. Dezember 2014 hat es keine signifikanten Veränderungen in der Finanz- bzw. Handelsposition der Deutsche Telekom AG gegeben.		
<b>B.13</b>	<b>Letzte Ereignisse</b>	Am 5. Februar 2015 haben Deutsche Telekom und Orange den Vertrag über einen Verkauf von EE an BT unterzeichnet. Nach Vollzug der Transaktion zu einem vereinbarten Kaufpreis von GBP 12,5 Milliarden wird die Deutsche Telekom mit einem Anteil von rund 12% größter Anteilseigner von BT werden. Abhängig vom Aktienkurs von BT sowie weiteren Faktoren beim Vollzug der Transaktion können wir neben dem 12%-Anteil an BT auch eine Barkomponente erhalten. Die Transaktion steht noch unter dem Vorbehalt der Zustimmung der BT-Aktionäre sowie der zuständigen Behörden.		



<b>B.14</b>	Bitte siehe Element B.5							
	<b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b>	Nicht anwendbar. Die Deutsche Telekom AG ist nicht von anderen Unternehmen innerhalb der Deutschen Telekom Gruppe abhängig.						
<b>B.15</b>	<b>Haupttätigkeiten</b>	<p>Die Deutsche Telekom Gruppe, von der die Deutsche Telekom AG die Muttergesellschaft ist, ist weltweit eines der führenden Dienstleistungsunternehmen in der Telekommunikations- und Informationstechnologiebranche und bietet ihren Kunden ein weites Spektrum an Produkten und Dienstleistungen rund um das vernetzte Leben und Arbeiten an. Neben dem Stammgeschäft (dem klassischen Anschlussgeschäft im Festnetz und im Mobilfunk) erschließt die Deutsche Telekom Gruppe mit Investitionen in Intelligente Netze, mit IT-Services sowie mit Internet und Netzwerk Diensten gezielt neue Wachstumsfelder.</p> <p>Die Deutsche Telekom Gruppe hat vier operative Segmente, deren Geschäftstätigkeit sich bei drei Segmenten nach Regionen (Deutschland, Europa und die USA) und bei einem Segment nach Kunden und Produkten aufteilt.</p> <p>Die Deutsche Telekom AG ist hauptsächlich in den Bereichen Telekommunikation, Informationstechnologie, Multimedia und Unterhaltung tätig.</p>						
<b>B.16</b>	<b>Beherrschungsverhältnis</b>	<p>Gemäß den zur Verfügung gestellten Informationen halten die folgenden Parteien mehr als 3% der Stammaktien der Deutsche Telekom AG:</p> <table> <tr> <td>KfW:</td> <td>17,44%</td> </tr> <tr> <td>Bundesrepublik Deutschland:</td> <td>14,26%</td> </tr> <tr> <td>Blackrock:</td> <td>5,93%</td> </tr> </table>	KfW:	17,44%	Bundesrepublik Deutschland:	14,26%	Blackrock:	5,93%
KfW:	17,44%							
Bundesrepublik Deutschland:	14,26%							
Blackrock:	5,93%							
<b>B.17</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Ende 2014 stuften die Ratingagenturen Fitch, <sup>1,2</sup> Moody's <sup>3,2</sup> und Standard & Poor's <sup>4,2</sup> die Deutsche Telekom AG mit BBB+/Baa1/BBB+ <sup>5</sup> als solides Investment-Grade Unternehmen ein. Der Ausblick der Agenturen war jeweils						

<sup>1</sup> Fitch hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "Ratingagentur-Verordnung") registriert.

<sup>2</sup> Die Europäische Wertpapier- und Marktaufsichtsbehörde veröffentlicht auf ihrer Webseite (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.

<sup>3</sup> Moody's hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Ratingagentur-Verordnung registriert.

<sup>4</sup> Standard & Poor's hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Ratingagentur-Verordnung registriert.

<sup>5</sup> Ein Kreditrating ist eine Einschätzung der Kreditwürdigkeit einer Rechtsperson und informiert den Anleger daher über die Wahrscheinlichkeit mit der die Rechtsperson in der Lage ist, angelegtes Kapital zurückzuzahlen. Es ist keine Empfehlung Wertpapiere zu kaufen, zu verkaufen oder zu halten und kann jederzeit durch die Ratingagentur geändert oder zurückgenommen werden

		stabil.
<b>[B.18</b>	<b>Art und Umfang der Garantie</b>	Die von Finance begebenen Schuldverschreibungen profitieren von einer Garantie der Deutschen Telekom AG (entsprechend die " <b>Garantie</b> " und die " <b>Garantin</b> "). Die Garantie begründet eine unwiderrufliche, nicht besicherte und nicht nachrangige Verpflichtung der Garantin, die mit allen sonstigen unbesicherten und nicht nachrangigen Verpflichtungen der Garantin wenigstens im gleichen Rang steht. Die Bedingungen der Garantie enthalten eine Negativverpflichtung der Garantin. Die Garantie unterliegt deutschem Recht. Die Garantie ist ein Vertrag zu Gunsten der Gläubiger der Schuldverschreibungen als begünstigte Dritte gemäß § 328 Absatz 1 BGB.]

<b>[Punkt</b>	<b>Abschnitt B – Emittentin</b>		
<b>B.1</b>	<b>Gesetzliche und kommerzielle Bezeichnung</b>	Deutsche Telekom International Finance B.V. (" <b>Finance</b> ").	
<b>B.2</b>	<b>Sitz / Rechtsform / geltendes Recht/ Land der Gründung</b>	Die Finance wurde als eine private Gesellschaft mit beschränkter Haftung nach dem Recht der Niederlande gegründet unter dessen Recht sie agiert. Der Sitz von Finance ist in Amsterdam, den Niederlanden und die Geschäftsadresse der Gesellschaft lautet Stationsplein 8-K, 6221 BT Maastricht, den Niederlanden.	
<b>B.4b</b>	<b>Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken</b>	Die Tätigkeit von Finance besteht ausschließlich in der Finanzierung der Deutschen Telekom Gruppe und ihre Fähigkeit zur Aufnahme von Finanzierungen beruht maßgeblich auf der Garantie der Deutschen Telekom AG, Bonn, Deutschland (" <b>Deutsche Telekom AG</b> "). Die Trends, die sich auf Deutsche Telekom auswirken, beeinflussen deshalb auch Finance. Für weitere Informationen zu den Trends, die sich auf Deutsche Telekom AG auswirken, <b>siehe Deutsche Telekom B.4b.</b>	
<b>B.5</b>	<b>Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe</b>	Finance ist eine 100%ige Tochter der Deutsche Telekom AG und verfügt selbst über keine eigenen Tochtergesellschaften.	
<b>B.9</b>	<b>Gewinnprognosen oder -schätzungen</b>	Nicht anwendbar. Es wurden keine Gewinnprognosen oder -schätzungen aufgenommen.	
<b>B.10</b>	<b>Art etwaiger Einschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen</b>	Nicht anwendbar. Die Bestätigungsvermerke in Bezug auf die Jahresabschlüsse der Finance für die zum 31. Dezember 2014 und 31. Dezember 2013 endenden Geschäftsjahre enthalten keine Einschränkungen.	
<b>B.12</b>	in TEUR	<b>31.12.2014</b>	<b>31.12.2013</b>
	<b>Aktiva</b>		

	Kurzfristige Vermögenswerte	4.236.215	3.254.819
	Langfristige Vermögenswerte	21.462.548	23.726.172
	<b>Bilanzsumme</b>	<b>25.698.763</b>	<b>26.980.991</b>
	<b>Passiva</b>		
	Kurzfristige Schulden	4.199.068	3.271.160
	Langfristige Schulden	21.192.044	23.388.659
	<b>Schulden</b>	<b>25.391.112</b>	<b>26.659.819</b>
	<b>Eigenkapital</b>	<b>307.651</b>	<b>321.172</b>
	<b>Bilanzsumme</b>	<b>25.698.763</b>	<b>26.980.991</b>
	<b>Keine wesentliche Verschlechterung der Aussichten des Emittenten</b>	Seit dem 31. Dezember 2014 gab es keine wesentliche Verschlechterung der Aussichten von Finance.	
	<b>Signifikante Veränderungen in der Finanz- bzw. Handelsposition</b>	Nicht anwendbar. Seit dem 31. Dezember 2014 gab es keine wesentliche Änderung der Finanz- bzw. Handelsposition von Finance.	
<b>B.13</b>	<b>Letzte Ereignisse</b>	Nicht anwendbar. Es gibt keine Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit der Finance seit dem letzten veröffentlichten geprüften Jahresabschluss (31. Dezember 2014), die für die Bewertung der Zahlungsfähigkeit der Finance in hohem Maße relevant sind.	
<b>B.14</b>	<b>Bitte siehe Element B.5</b>		
	<b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b>	Finance ist eine 100%ige Tochter der Deutschen Telekom AG.	
<b>B.15</b>	<b>Haupttätigkeiten</b>	Finance ist die Finanzierungsgesellschaft der Deutschen Telekom Gruppe. In dieser Position emittiert Finance eigenständig (jedoch garantiert durch die Deutsche Telekom AG) Schuldtitel auf dem Kapitalmarkt auf Basis des Kapitalbedarfs innerhalb der Deutschen Telekom Gruppe.	
<b>B.16</b>	<b>Beherrschungsverhältnis</b>	Deutsche Telekom AG (100%). Finance ist eine 100%ige Tochtergesellschaft der Deutschen Telekom AG.	
<b>B.17</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Nicht anwendbar. Keine eigenen Kreditratings.	
<b>B.19</b>	<b>Zusammenfassende</b>	<b>Deutsche Telekom AG - Siehe B.1 bis B.18</b>	

	<b>Informationen in Bezug auf die Garantin</b>	Im Falle einer Emission von Schuldverschreibungen durch die Deutsche Telekom International Finance B.V., die Informationen unter Deutsche Telekom AG – B.1 bis B.18 in die emissionspezifische Zusammenfassung unter diesem Element B.19 einfügen und die Elemente in Bezug auf Deutsche Telekom AG als Garantin wie folgt nummerieren: B.19 B.1 etc.]
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<b>Punkt</b>	<b>Abschnitt C – Wertpapiere</b>	
<b>C.1</b>	<b>Gattung und Art der Schuldverschreibungen / Wertpapierkennnummer</b>	<p><b>Gattung</b> Die Schuldverschreibungen sind nicht besichert.</p> <p><b>[Fest verzinsliche Schuldverschreibungen]</b> Die Schuldverschreibungen werden mit einem festen Zinssatz über die gesamte Laufzeit der Schuldverschreibungen verzinst.]</p> <p><b>[Variabel verzinsliche Schuldverschreibungen]</b> Die Schuldverschreibungen werden mit einem Zinssatz verzinst [(angepasst um die anwendbare Marge)], der auf der Basis eines Referenzzinssatzes bestimmt wird, der auf der vereinbarten Bildschirmseite eines Kursdienstes angezeigt wird.]</p> <p><b>ISIN</b> [•]</p> <p><b>Common Code</b> [•]</p> <p><b>WKN</b> [•]</p>
<b>C.2</b>	<b>Währung</b>	Die Schuldverschreibungen sind in [•] begeben.
<b>C.5</b>	<b>Beschränkungen der freien Übertragbarkeit</b>	Nicht anwendbar. Die Schuldverschreibungen sind frei übertragbar.
<b>C.8</b>	<b>Rechte, die mit den Schuldverschreibungen verbunden sind (einschließlich Rang der Schuldverschreibungen und Beschränkungen dieser Rechte)</b>	<p><b>Anwendbares Recht</b> Die Schuldverschreibungen unterliegen deutschem Recht.</p> <p><b>Zinszahlungen</b> Die Schuldverschreibungen verbriefen einen Zinszahlungsanspruch gegenüber der Emittentin.</p> <p><b>Status der Schuldverschreibungen</b> Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.</p>

		<p><b>Negativklärung</b></p> <p>Die Bedingungen der Schuldverschreibungen enthalten eine Negativverpflichtung der Emittentin.</p> <hr/> <p>[Vorzeitige Rückzahlung im Fall von festverzinslichen Schuldverschreibungen]</p> <p>Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit [nach Wahl] [der Emittentin[,] [und] [oder] [der Gläubiger,], aus steuerlichen Gründen, und bei Eintritt eines Kündigungsereignisses rückzahlbar.]</p> <hr/> <p>[Vorzeitige Rückzahlung im Fall von variabel verzinslichen Schuldverschreibungen]</p> <p>Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit [nach Wahl der Emittentin,], aus steuerlichen Gründen, und bei Eintritt eines Kündigungsereignisses rückzahlbar.]</p> <hr/> <p><b>[Vorzeitige Rückzahlung nach Wahl der [Emittentin] [und/oder] [der Gläubiger] zu dem(n) festgelegten Rückzahlungsbetrag(beträgen)]</b></p> <p>Die Schuldverschreibungen sind nach Wahl der [Emittentin] [und/oder] [der Gläubiger] unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber [den Gläubigern] [oder] [der Emittentin] rückzahlbar, und zwar zu dem(n) festgelegten Zeitpunkt(en) vor der angegebenen Fälligkeit und zu dem(n) festgelegten Rückzahlungsbetrag(beträgen) nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.]</p> <hr/> <p><b>Vorzeitige Rückzahlung aus Steuergründen</b></p> <p>Die vorzeitige Rückzahlung der Schuldverschreibungen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Gesetze oder Vorschriften (einschließlich einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) <i>[im Fall von Schuldverschreibungen, die von der Deutsche Telekom AG begeben werden – der Bundesrepublik Deutschland]</i> <i>[im Fall von Schuldverschreibungen, die von der Deutsche Telekom International Finance B.V. begeben werden – der Niederlande oder der Bundesrepublik Deutschland]</i> oder deren politischen Untergliederungen oder Steuerbehörden, die Emittentin <i>[im Falle von Schuldverschreibungen, die von Deutsche Telekom International Finance B.V. begeben werden, oder die Garantin]</i> zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist, wie im Einzelnen in den Anleihebedingungen der Schuldverschreibungen dargelegt.</p> <hr/> <p><b>Vorzeitige Rückzahlung bei Eintritt eines Kündigungsereignisses (einschließlich Drittverzug)</b></p>
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		Die Schuldverschreibungen sehen Kündigungsgründe (einschließlich einer Kündigung im Fall eines Drittverzugs ( <i>Cross-Default</i> ) vor, die die Gläubiger berechtigen, die unverzügliche Rückzahlung ihrer Schuldverschreibungen zum Nennbetrag nebst etwaigen bis zum jeweiligen Rückzahlungstag aufgelaufener Zinsen zu verlangen.
<b>C.9</b>	<b>Bitte siehe Element C.8.</b>	
	<b>Zinssatz</b>	[[•]]% <i>per annum im Fall von fest verzinslichen Schuldverschreibungen</i>
		<i>[Im Fall von variabel verzinslichen Schuldverschreibungen der [EURIBOR] [LIBOR für die festgelegte Währung] [[zuzüglich] [abzüglich] die [anwendbare] Marge [in Höhe von [•]]% per annum für jede Zinsperiode]]. [Der Mindestzinssatz beträgt [•]]%.] [Der Höchstzinssatz beträgt [•]]%.]</i>
	<b>Verzinsungsbeginn</b>	[Begebungstag der Schuldverschreibungen.]
	<b>Zinszahlungstage</b>	[•]
	<b>Basiswert auf dem der Zinssatz basiert</b>	[Nicht anwendbar <i>im Fall von fest verzinslichen Schuldverschreibungen</i> . Der Zinssatz basiert nicht auf einem Basiswert.]
		[[EURIBOR] [LIBOR für die festgelegte Währung] im Fall von variabel verzinslichen Schuldverschreibungen]
	<b>Fälligkeitstag einschließlich Rückzahlungsverfahren</b>	[[•] im Fall von fest verzinslichen Schuldverschreibungen]
		<i>[Im Fall von variabel verzinslichen Schuldverschreibungen am in den [Rückzahlungsmonat] fallenden Zinszahlungstag.]</i>
Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.		
<b>Rendite</b>	[[•]]% <i>per annum im Fall von festverzinslichen Schuldverschreibungen.</i>	
	[Nicht anwendbar im Fall von variabel verzinslichen Schuldverschreibungen. Es wird keine Rendite berechnet.]	
<b>Name des Vertreters der Inhaber der Schuldverschreibungen</b>	Nicht anwendbar. Es ist kein gemeinsamer Vertreter in den Anleihebedingungen der Schuldverschreibungen bestellt.	
<b>C.10</b>	<b>Bitte siehe Element C.9.</b>	
	<b>Erläuterung wie der Wert der Anlage beeinflusst</b>	Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf.

	<b>wird, falls die Schuldverschreibungen eine derivative Komponente bei der Zinszahlung aufweisen</b>	
<b>C.11</b>	<b>Einführung in einen regulierten Markt oder einem gleichwertigen Markt</b>	[Regulierter Markt der Luxemburger Wertpapierbörse.] [Nicht anwendbar. Es ist nicht beabsichtigt, dass die Schuldverschreibungen in einen regulierten Markt eingeführt werden].

<b>Punkt</b>	<b>Abschnitt D – Risiken</b>	
	<b>Risiken, die der Deutsche Telekom AG als [Emittentin] [Garantin] eigen sind</b>	
<b>D.2</b>	<b>Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind</b>	<p><b>Allgemeine konjunkturelle Entwicklung</b></p> <p>– Durch die expansive Geldpolitik der Europäischen Zentralbank (EZB) und der US-Notenbank (Fed) konnten sich die Kapitalmärkte in 2014 weiter beruhigen. Für Kernländer der Deutschen Telekom ist die Staatsschuldenkrise weiterhin das größte volkswirtschaftliche Risiko. Diese Unsicherheit besteht sowohl für die langfristige Entwicklung der Staatsschulden sowie die Leistung von Volkswirtschaften, vor allem in den europäischen Krisenstaaten. Ein erneutes Aufflammen der Euro-Krise bzw. der mögliche Austritt einzelner Länder aus dem Euro-Raum könnten zu einer Belastung für die Kapitalmärkte und die Realwirtschaft werden. Die Risiken der Konjunkturerwicklung könnten sich in einigen Kernländer der Deutschen Telekom unterschiedlich bemerkbar machen: Bei einer erneuten starken Eintrübung der Wirtschaft und ansteigender Unsicherheit könnten sich Privat- und Geschäftskunden beim Konsum zurückhalten. Daneben könnten auch staatliche Sparmaßnahmen negative Auswirkungen auf die Nachfrage nach Telekommunikationsdienstleistungen haben – als Folge einer reduzierten Staatsnachfrage und eines verringerten verfügbaren Einkommens im Privatsektor. Durch staatliche Konsolidierungsanstrengungen droht für das operative Geschäft zudem das Risiko unangekündigter und weiterer Steuererhöhungen bzw. Sondersteuern, speziell in den süd- und osteuropäischen Märkten.</p> <p>Darüber hinaus resultieren aus den Risiken der Staatsschuldenkrise weiterhin volatile Wechselkursbewegungen.</p> <p>Jeder dieser Faktoren, allein oder in Kombination mit anderen, können einen negativen Einfluss auf das Betriebsergebnis und die Finanzlage der Deutschen Telekom haben.</p> <p><b>Entscheidungen von Aufsichtsbehörden</b></p> <p>Da die Deutsche Telekom in stark regulierten Wirtschaftssektoren tätig ist, schränken Entscheidungen, die ihr von Aufsichtsbehörden auferlegt werden, ihre Flexibilität im Geschäftsmanagement ein und könnten sie dazu zwingen, ihren Mitbewerbern Dienstleistungen</p>

	<p>anzubieten oder die Preise für ihre Produkte und Dienstleistungen zu senken. Beides könnte die Umsätze, Gewinne und Marktanteile der Deutschen Telekom sehr nachteilig beeinflussen.</p> <p><b>Intensiver Wettbewerb</b></p> <p>Die Deutsche Telekom ist in allen ihren Geschäftsfeldern mit intensivem Wettbewerb konfrontiert, was zu Preissenkungen für ihre Produkte und Dienstleistungen und einem rückläufigen Marktanteil in bestimmten Dienstbereichen führen und damit ihre Umsatz- und Gewinnsituation nachteilig beeinflussen könnte.</p> <p><b>Nicht-Realisierung von erwarteten Einnahmen</b></p> <p>Es ist möglich, dass die Deutsche Telekom weder die erwartete Nachfrage für ihre neuen/existierenden Produkte und Dienstleistungen noch die erwartete Höhe und den Zeitpunkt der mit diesen Produkten und Dienstleistungen generierten Umsätze aufgrund eines Mangels an Marktakzeptanz, technologischer Veränderungen oder lieferantenbedingter Verzögerungen realisieren kann, was sich nachteilig auf ihre Cash-Flows auswirken könnte.</p> <p><b>Unsicherheiten in Verbindung aus strategischen Transformationen und Integration</b></p> <p>Eine inhaltliche oder zeitliche Abweichung von geplanten Maßnahmen für strategischen Transformationen und Integration kann deren Nutzen verringern und sich negativ auf die Geschäfts-, Vermögens-, Finanz- und Ertragslage der Deutschen Telekom auswirken.</p> <p><b>Unsicherheiten in Verbindung mit Personalabbau</b></p> <p>Sollte es der Deutschen Telekom nicht gelingen, ihre geplanten Maßnahmen für den Personalabbau und –umbau bzw. ihre personalbezogenen Kostensparziele umzusetzen, könnte sich dies negativ auf das Ansehen und auf die Erreichung ihrer Finanzzielsetzungen und Profitabilität auswirken.</p> <p><b>Rückkehr von Beamten</b></p> <p>Aufgrund von Veräußerungen bestimmter, nicht zum Kerngeschäft gehörender Unternehmen in Deutschland besteht ein erhöhtes Risiko der Rückkehr von aus der Deutsche Telekom ausgegliederten Beamten, was einen negativen Einfluss auf die Personal- und Kostensenkungsziele der Deutschen Telekom Gruppe haben könnte.</p> <p><b>Gesundheitsrisiken drahtloser Kommunikationsgeräte</b></p> <p>Vermeintliche Gesundheitsrisiken drahtloser Kommunikationsgeräte haben zu intensiven öffentlichen, politischen und wissenschaftlichen Diskussion geführt und die Märkte im Mobilfunkgeschäft der Deutschen Telekom beeinträchtigt. Dies könnte einen Rückgang der Mobilfunknutzung nach sich ziehen oder die Beschaffung von Standorten für Basisstationen erschweren, was wiederum negative Auswirkungen auf die Finanzlage und operativen Ergebnisse des Mobilfunkgeschäfts der</p>
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		<p>Deutschen Telekom Gruppe haben könnte.</p> <p><b>Risiken in Verbindung mit Implementierung von IT- und NT-Programmen</b></p> <p>Im Rahmen groß angelegter Programme zur Neugestaltung ihrer IT- und Netzinfrastruktur ist die Deutsche Telekom stets darum bemüht, immer neuen Kundenbedürfnissen, organisatorischen und buchhalterischen Anforderungen Rechnung zu tragen. Die Umsetzung dieser Programme erfordert erhebliche Investitionen und wenn diese Aktivitäten nicht effektiv geplant und überwacht werden, kann dies eine falsche Ressourcenzuweisung sowie eine Behinderung von Prozessen mit negativen Konsequenzen für ihren Geschäftsbetrieb nach sich ziehen.</p> <p><b>Systemausfälle und Störungen</b></p> <p>Systemausfälle aufgrund naturbedingter oder menschlich verursachter Störungen und Datenverluste könnten zu Verkehrseinbußen und rückläufigen Umsätzen führen und das Ansehen der Deutschen Telekom und ihre Ergebnisse schädigen.</p> <p><b>Defizite im Versorgungs- und Beschaffungsprozess</b></p> <p>Defizite im Versorgungs- und Beschaffungsprozess der Deutschen Telekom könnten sich negativ auf ihr Produktportfolio, ihre Umsätze und Gewinne auswirken.</p> <p><b>Rechtsstreitigkeiten</b></p> <p>Die Deutsche Telekom befindet sich laufend mit Aufsichts- und Wettbewerbsbehörden, Mitbewerbern und anderen Parteien im Rechtsstreit. Das Endergebnis solcher Gerichtsverfahren ist generell ungewiss. Nach deren endgültigem Abschluss können sie erhebliche nachteilige Auswirkungen auf die operativen Ergebnisse der Deutschen Telekom und ihre Finanzlage haben.</p> <p><b>Wechselkurs-, Zins-, Rating- und Steuer-Risiken</b></p> <p>Wechselkurs-, Zins-, Rating- und Steuer-Risiken haben nachteilige Auswirkungen auf die Umsatz- und Kostenentwicklung der Deutschen Telekom gehabt und werden dies möglicherweise auch in Zukunft haben.</p> <p><b>Potenzielle Nichterfüllung von Compliance-Anforderungen</b></p> <p>Die potenzielle Nichterfüllung von Compliance-Anforderungen oder die Ermittlung wesentlicher Schwächen der internen Kontrolle der Finanzberichterstattung der Deutschen Telekom könnten einen negativen Einfluss auf den Ruf des Unternehmens, auf seine Finanzlage und die Kurse seiner Wertpapiere haben.</p> <p><b>Marke, Kommunikation und Reputation</b></p> <p>Eine unvorhersehbare negative mediale Berichterstattung über die Produkte und Dienstleistungen oder unternehmerische Tätigkeit und Verantwortung der Deutschen Telekom kann einen großen Einfluss auf die Reputation, den Ruf und das Marken-Image der Deutschen</p>
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		<p>Telekom haben.</p> <p><b>Allgemeine Entwicklungen im Telekommunikationssektor</b></p> <p>Entwicklungen im Telekommunikationssektor resultierten in der Vergangenheit und könnten auch zukünftig in umfangreichen Abschreibungen des Buchwertes bestimmter Vermögenswerte resultieren.</p>
	<p><b>Risiken, die der Deutsche Telekom International Finance B.V. als Emittentin eigen sind</b></p>	
D.2	<p><b>Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind</b></p>	<p>Zahlung von Kapital und Zinsen unter den durch Finance begebenen Schuldverschreibungen sind durch die Deutsche Telekom AG garantiert. Deshalb entsprechen die Risiken, die der Finance eigen sind, denjenigen die die Deutsche Telekom AG betreffen. Für die zentralen Risiken von Deutschen Telekom siehe "<b>Abschnitt D.2 – Risiken, die der Deutschen Telekom AG als Emittentin oder Garantin eigen sind</b>".</p>
	<p><b>Risiken, die den Wertpapieren eigen sind</b></p>	
D.3	<p><b>Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind</b></p>	<p><b>Schuldverschreibungen als nicht für alle Investoren geeignetes Investment</b></p> <p>Jeder potentielle Anleger in Schuldverschreibungen muss die Geeignetheit dieser Investition unter Berücksichtigung seiner eigenen Lebensverhältnisse einschätzen.</p> <p><b>Liquiditätsrisiko</b></p> <p>Es besteht keine Gewissheit, dass ein liquider Sekundärmarkt für Schuldverschreibungen entstehen wird, oder sofern er entsteht, dass er fortbestehen wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit, Schuldverschreibungen zu veräußern, kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.</p> <p><b>Marktpreisrisiko</b></p> <p>Der Gläubiger von Schuldverschreibungen ist dem Risiko nachteiliger Entwicklungen der Marktpreise seiner Schuldverschreibungen ausgesetzt, welches sich verwirklichen kann, wenn der Gläubiger seine Schuldverschreibungen vor End-fälligkeit veräußert.</p> <p><b>Risiko der vorzeitigen Rückzahlung</b></p> <p>Der Gläubiger von Schuldverschreibungen ist dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen wird. Außerdem besteht die Möglichkeit, dass der Gläubiger der Schuldverschreibungen eine Wiederanlage nur zu schlechteren als den Bedingungen des ursprünglichen Investments tätigen kann.</p> <p><b>[Währungsrisiko</b></p> <p>Der Gläubiger von Schuldverschreibungen, die auf eine fremde Währung lauten ist dem Risiko ausgesetzt, dass</p>

		<p>Wechselkursschwankungen die Rendite solcher Schuldverschreibungen beeinflussen können.]</p> <p><b>[Festverzinsliche Schuldverschreibungen]</b></p> <p>Der Gläubiger von festverzinslichen Schuldverschreibungen ist dem Risiko ausgesetzt, dass der Kurs einer solchen Schuldverschreibung infolge von Veränderungen des aktuellen Marktzinssatzes fällt.]</p> <p><b>[Variabel verzinsliche Schuldverschreibungen]</b></p> <p>Der Gläubiger von variabel verzinslichen Schuldverschreibungen ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Schuldverschreibungen im Voraus zu bestimmen.]</p>
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<b>Punkt</b>	<b>Abschnitt E – Angebot</b>	
<b>E.2b</b>	<b>Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen.</b>	<b>[•]</b>
<b>E.3</b>	<b>Beschreibung der Angebotskonditionen</b>	<p>[Ein öffentliches Angebot findet nicht statt und wird nicht in Betracht gezogen.]</p> <p>Die Gesamtsumme [der Emission] [des Angebots] beträgt <b>[•]</b>.</p> <p>[Die Angebotsfrist beginnt am <b>[•]</b> und endet am <b>[•]</b>.]</p> <p>[Der Mindestzeichnungsbetrag beträgt <b>[•]</b>.]</p> <p>[Der Höchstzeichnungsbetrag beträgt <b>[•]</b>.]</p> <p>[Der Preis zu dem die Schuldverschreibungen voraussichtlich angeboten werden ist <b>[•]</b>.]</p> <p><b>[•]</b></p>
<b>E.4</b>	<b>Beschreibung aller für die Emission/das Angebot wesentlichen, auch kollidierenden Interessen.</b>	<b>[•]</b>
<b>E.7</b>	<b>Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.</b>	<b>[•]</b>

## Risk Factors

*Prospective investors should consider all information provided in this Prospectus and the Reference Documents and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus accumulate.*

*Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.*

### Risk Factors regarding the Issuers

*The following is a disclosure of risk factors that are material to each Issuer and that may affect each Issuer's ability to fulfill its obligations under the Notes or the Guarantee, as the case may be. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.*

### Risk Factors regarding Deutsche Telekom AG

The risk related to Deutsche Telekom AG's ability to fulfill its obligations as Issuer of debt securities is described by reference to the ratings assigned to Deutsche Telekom AG. Deutsche Telekom AG is rated by Fitch Ratings CIS Limited ("**Fitch**")<sup>1,2</sup> Moody's Investors Service España SA ("**Moody's**")<sup>3,2</sup> and by Standard & Poor's Credit Market Services Europe Limited ("**S&P**")<sup>4,2</sup> together with Fitch and Moody's, the "**Rating Agencies**".

As of the publication date of the Prospectus, the ratings assigned to Deutsche Telekom by the Rating Agencies were as follows:

by Fitch: long-term rating: BBB+<sup>5</sup>  
short-term rating: F2<sup>5</sup>

Fitch defines:

BBB: "BBB" ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

F2: Indicates satisfactory capacity for timely payment of financial commitments.

by Moody's: long-term rating: Baa1<sup>5</sup>  
short-term rating: P-2<sup>5</sup>

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<sup>1</sup> Fitch is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>2</sup> The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

<sup>3</sup> Moody's is established in the European Community and is registered under the CRA Regulation.

<sup>4</sup> S&P is established in the European Community and is registered under the CRA Regulation.

<sup>5</sup> A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Moody's defines<sup>2</sup>:

Baa1: Obligations rated Baa are subject to moderate credit risks. They are considered medium-grade and as such may possess certain speculative characteristics.

P-2: Issuers have a strong ability to repay short-term obligations.

by S&P: long-term rating: BBB+<sup>5</sup>  
short-term rating: A-2<sup>5</sup>

S&P defines<sup>3</sup>:

BBB+: An obligation rated "BBB" exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

A-2: A short-term obligation rated "A-2" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

<sup>1</sup> Note: "+" or "-" may be appended to a rating to denote the relative status within major rating categories. Such suffixes are not added to the "AAA" category or to categories below "CCC".

<sup>2</sup> Note: Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa to Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

<sup>3</sup> Note: Plus (+) or minus (-): The ratings from "AA" to "CCC" may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

**An economic downturn, an intensification of the European debt crisis, a considerably slowdown in consumer spending or radical escalation of current or future geopolitical crises could adversely affect Deutsche Telekom's customers' purchases of products and services in each of the operating segments, which could have a negative impact on the operating results and financial condition of Deutsche Telekom.**

Deutsche Telekom's business is influenced by general economic conditions in Germany, Europe and the United States. Continued exchange rate and financial market volatility, pressure on private consumption owing to high unemployment in some countries and the dangers arising from high levels of national debt in many countries present risks to the economy that could result in long periods of stagnation or economic contraction. The sovereign debt crisis continued to have a significant impact on economic performance.

Thanks to the expansive monetary policy of the European Central Bank (ECB) and the U.S. Federal Reserve (Fed), the capital markets continued to stabilise in 2014. However, the sovereign debt crisis slowed down the expansion of the global economy. The sovereign debt crisis remains the biggest economic risk for Deutsche Telekom core countries. Uncertainty is attached to both the long-term development of sovereign debt as well as the performance of national economies, especially in the European crisis states. If the euro crisis were to flare up again or individual countries were to leave the eurozone, the capital markets and the real economy could be adversely affected. Risks to economic development could manifest themselves in different ways in some of Deutsche Telekom core countries, where consumers and business customers could restrain their consumption if the economy slows again sharply and uncertainty continues to rise. Government austerity measures could also lead to further negative effects on telecommunications consumption – caused by reduced public demand and lower disposable incomes in the private sector. In view of national efforts at consolidation, Deutsche Telekom operational business also faces the risk of further, unannounced tax rises or special taxes, particularly in Deutsche Telekom Southern and Eastern European markets. Furthermore, the risks arising from the sovereign debt crises also give rise to volatile exchange rate

fluctuations. Each of these factors, on their own or combined with others, could have a negative impact on the operating results and financial condition of Deutsche Telekom.

**Because Deutsche Telekom operates in heavily regulated business environments, decisions that regulatory authorities impose on Deutsche Telekom restrict flexibility in managing its business and may force it to offer services to competitors, or reduce the prices it charges for products and services, either of which could have a material negative impact on Deutsche Telekom's revenues, profits and market shares.**

Deutsche Telekom AG and its international companies remain subject to sector-specific market regulation. The national regulatory authorities have extensive powers to intervene in product design and pricing, with significant effects on operations. Deutsche Telekom can only to a limited extent anticipate such regulatory interventions, which may additionally intensify existing price and competitive pressure.

Deutsche Telekom AG is always subject to strict regulation in cases where national regulatory bodies consider Deutsche Telekom to have "significant market power" in the relevant telecommunications market. Deutsche Telekom therefore faces ex-post control of anti-competitive practices in Germany in the market for fixed-network telephone lines and related packages. Deutsche Telekom also has to offer its competitors wholesale services at prices set by the regulatory authority on the basis of a strict cost review. Examples of this kind of regulated service include access to unbundled local loops, bitstream access and fixed-network and mobile termination. The European subsidiaries are also subject to corresponding regulatory regimes in the fixed-network and mobile areas.

Furthermore, the European Commission is issuing recommendations which are not directly binding but do have to be taken into account by the national regulatory authorities.

There are concerns that regulatory interventions in Germany and other European countries may continue to impact the revenue trend in the fixed-network and mobile market in the medium and long term.

In the following section, the main regulatory and political risks are described that, from today's perspective, have an influence on the results of operations, financial position or cash flows and / or reputation.

#### *Assignment of frequencies.*

In terms of risks and opportunities regarding spectrum regulation and policy, particular note should be made of the spectrum allocation processes currently in preparation or being planned in some countries. The allocation procedures mainly relate to the auctioning of spectrum in the 0.8 GHz, 1.8 GHz, and 2.6 GHz ranges.

Risks could arise from the fact that inappropriate auction rules and frequency usage requirements, excessive launch price demands and disproportionately high annual spectrum fees can jeopardise the acquisition of Deutsche Telekom's target spectrum. By contrast, there is an opportunity in the fact that via such spectrum allocation procedures, mobile operators can acquire sufficient spectrum that is ideal for their purposes. Allocation procedures are currently being prepared in Albania, Germany, and the Czech Republic, which are expected to start in the first half of 2015, and an auction in Poland is currently ongoing. Frequency auctions will also be held in the medium term in Montenegro, the United Kingdom, the Netherlands and the United States.

#### *Consumer protection*

In February 2014, the German Federal Network Agency presented a draft regulation designed to achieve more transparency and greater cost control in telecommunications services. The extensive requirements will give consumers and other end users the opportunity to check their Internet speeds in the mobile and fixed network on request, for example. Warnings in the event of high data consumption and new regulations for avoiding bill shocks are also envisaged. These new regulations will entail significant adjustments for Telekom Deutschland. In parts, the draft regulation addresses considerations being discussed at EU level in the context of the regulation on the single market for electronic communications which may apply across the EU at a later date. At present, the Federal Network Agency's draft is being agreed with the government ministries involved, following which it must be agreed with the German national parliament, the Bundestag. The regulation will enter into force after a six-month transposition period. An extended transposition period of twelve months is

envisaged for individual rules.

#### *Retrospective new ruling on rate approvals*

In Germany, in addition to the general regulatory risks already described, there are also uncertainties arising from the fact that administrative courts can reverse rate rulings made by the national regulatory authority. The regulatory authority then has to decide again on the rates for past periods. It is generally not clear at all, whether, to what extent, and in which direction rates will be revised.

At EU level, the relevant regulatory framework is largely determined by regulations to be applied directly by the member states, by directives to be transposed into national law by the member states, and by recommendations by the European Commission that, while not directly binding, must be taken into account by the national regulatory authorities. Examples of important regulations and recommendations:

The Roaming Regulation, which entered into force on 1 July 2012, specifies price caps for retail roaming services through 2017. Risks arise from possible early new regulations on roaming as part of the draft regulation by the European Commission on the single market for electronic communications. For example, the draft envisages abolition of roaming premiums compared with national rates from 2016. The introduction of Roam Like at Home, as it is called, could give rise to substantial revenue losses as well as significant implementation costs.

The European Commission Recommendation of 7 May 2009 on the Regulatory Treatment of Fixed and Mobile Termination Rates in the EU set out that termination rates across the European Union are to be set on the basis of a new costing approach from 1 January 2013. As a result, the termination rates of Deutsche Telekom's subsidiaries in Europe and in Germany were substantially reduced and will be reduced further in 2015 through regulatory decisions and preliminary drafts by the relevant regulatory authorities. The European Commission had also announced that in the event of non-compliance with the recommendation to change the cost standard, it would consider legal action with regard to the final decisions by the Federal Network Agency on the mobile and fixed-network termination rates.

In the revision of the Recommendation on Relevant Markets published on 9 October 2014, various product markets are defined in which regulatory measures are to apply in general. According to the revised recommendation, the number of markets to be regulated has been reduced from seven to four. The recommendation carries the risk of an increase in regulation for individual wholesale services for business customer markets. The national regulatory authorities have to take the recommendation into account in future market analysis procedures.

Depending on how they are implemented, the planned EU regulations on Net neutrality might significantly curtail our freedom in product design. The regulations in the form agreed by the European Parliament would only allow "special services" to be offered under strict conditions - for example, data traffic management in set cases; on the other hand, they would impede optional calling plans in mobile communications, limit access to certain Internet services and applications, or exclude them from volume restrictions. The European Council is currently debating a less restrictive, more principles-based approach. The European Council and the Parliament have to agree on a joint text. In mobile communications in particular, there is a risk arising from EU legislation that numerous business models that differentiate between services and applications can no longer be legally offered.

A complete overhaul of the applicable EU legal framework for telecommunications will be initiated by the European Commission next year. Risks, such as in the area of universal service obligations or customer protection, cannot yet be conclusively assessed at the present time.

#### **Deutsche Telekom faces intense competition in all areas of its business, which could lead to reduced prices for its products and services and a decrease in market share in certain service areas, thereby adversely affecting Deutsche Telekom's revenues and net profit.**

Competitive pressure will increase further, especially in the fixed network in Germany and Europe. In the broadband market, Deutsche Telekom continues to observe a growing dominance of cable network operators in the new customer business, especially in Germany. Furthermore, regional telecommunications carriers will further increase their market coverage. In certain regions, Deutsche Telekom competitors are extending their own fiber-optic network to the home so that they are independent of Deutsche Telekom's network in the local loop too. Another competitive risk lies in the

fact that Deutsche Telekom is increasingly faced with competitors who are not part of the telecommunications sector as such but rather major players in the Internet and consumer electronics industries. Deutsche Telekom continues to be exposed to the risk of a further loss of market share and falling margins.

Deutsche Telekom also expects prices in mobile voice telephony and mobile data services to decline further, which could adversely affect on the mobile revenue. Among the main reasons for the decrease in prices are discount operators that are expanding in Germany and other European markets.

The pure eSIM smartphone offerings from major smartphone manufacturers could also further push down prices in mobile voice telephony and for mobile data services. Deutsche Telekom national companies in Europe in particular operate in a highly competitive environment. Competition remains intense due to new market players as a result of frequency auctions and wholesale agreements (especially in mobile communications). In addition, there is also the risk that smaller competitors will take unforeseen, aggressive pricing measures. During the reporting year, Deutsche Telekom was the smallest of the four national mobile providers in the United States and the third largest in the prepaid segment. Deutsche Telekom's relative market position in the United States entails particular risks, especially in connection with its market shares, brand positioning, network coverage - including in roaming agreements -, and network quality. Deutsche Telekom expects joint ventures, mergers, acquisitions and strategic business combinations in the U.S. mobile industry to result in increased competition in the U.S. market. Thanks to their market position and market shares, Deutsche Telekom's three strongest competitors (Verizon Wireless, AT&T, Sprint-Nextel) can react faster and more effectively to market opportunities and invest more in customer acquisition. In the future, Deutsche Telekom intends to require additional spectrum in order to meet the rising demand for capacity. Deutsche Telekom is also pursuing the option of acquiring spectrum from other providers and to conclude agreements on sharing network capacity with other network operators. If Deutsche Telekom cannot acquire needed spectrum, if new competitors acquire spectrum that will allow them to provide services competitive with Deutsche Telekom services, or if Deutsche Telekom cannot deploy services on a timely basis without burdensome conditions, at adequate cost, and while maintaining network quality levels, then Deutsche Telekom's ability to attract and retain customers and Deutsche Telekom's associated financial performance could be materially adversely affected.

Deutsche Telekom Systems Solutions operating segment also faces challenges; after all, the information and communications technology market is dominated by continued strong competition, price erosion, long sales cycles, and restrained awarding of projects. This creates a potential risk of revenue losses and declining margins for T-Systems.

**Deutsche Telekom may not realise either the expected level of demand for its new/existing products and services, or the expected level and timing of revenues generated by those products and services, on account of the lack of market acceptance or technological change, which could adversely affect Deutsche Telekom's cash flows.**

There is a risk that Deutsche Telekom will not succeed in making customers sufficiently aware of existing and future value-added services or in creating customer acceptance of these services at the prices Deutsche Telekom would want to charge. In addition, market acceptance for these new products and services could be negatively affected by an unwillingness to pay for additional features. These risks exist, in particular, with respect to Deutsche Telekom's anticipated future growth drivers in the mobile and the fixed-line telecommunications area.

Ever shorter innovation cycles confront the telecommunications sector with the challenge of bringing out new products and services at shorter and shorter intervals. New technologies are superseding existing technologies, products, or services in part, in some cases even completely. This could lead to lower prices and revenues in both voice and data traffic. In future, the effects of new technological developments, such as WebRTC (Web Real Time Communication) could have a significant impact on the telecommunications market, in that, for example, customers may only demand pure data rates. These substitution risks could impact Deutsche Telekom's revenue and earnings in particular in the Europe and United States operating segments.



**A substantive or temporal deviation from planned measures for strategic transformation and integration may reduce its benefits and this could negatively impact Deutsche Telekom's business situation, financial position and results of operations.**

Deutsche Telekom is in a continuous process of strategic adjustments and cost-cutting initiatives. If Deutsche Telekom is unable to implement these transformations and integration measures as planned, they will be exposed to risks. This means the benefits could be less than originally estimated or they could arrive later than expected or not at all. Each of these factors, on their own or combined with others, could have a negative impact on Deutsche Telekom's business situation, financial position and results of operations.

**Failure to achieve the planned reduction and restructuring of personnel or the human resources-related cost-savings goals could negatively affect the reputation and achievement of Deutsche Telekom's financial objectives and profitability.**

In 2014, Deutsche Telekom once again used socially responsible measures to restructure the workforce in the Group, essentially by means of voluntary redundancies, partial and early retirement, and employment opportunities for civil servants and employees offered by Vivento, especially in the public sector. Staff restructuring will continue in the coming financial year. If it is not possible to implement the measures as planned or at all, this may have negative effects on Deutsche Telekom's financial targets and profitability.

**As a result of dispositions of certain non-core businesses in Germany, there is an increased risk of return of civil servants transferred out of Deutsche Telekom Group, which could have a negative impact on the staff and cost reduction objectives.**

When Group entities that employ civil servants are disposed of, it is generally possible to continue to employ them at the Group entity to be sold, provided the civil servant agrees or submits an application to be employed at the respective unit in future. However, there is a risk that they may return to Deutsche Telekom from a sold entity, for instance after the end of their temporary leave from civil servant status, without the Company being able to offer them jobs.

There are currently around 2,200 civil servants who are entitled to return to Deutsche Telekom in this way (as of 31 December 2014). On the assumption that all these civil servants return to Deutsche Telekom in 2014, the maximum risk would be around EUR 0.1 billion per year. This risk could be reduced by compensation payments, for example, but not completely eliminated.

If further Group units employing civil servants are disposed of, the risk of additional civil servants returning after the end of their temporary leave may again increase.

**Alleged health risks of wireless communications devices have led to litigation affecting markets with Deutsche Telekom's mobile telecommunications operations subsidiaries, and could lead to decreased wireless communications usage or increased difficulty in obtaining sites for base stations and, as a result, adversely affect the financial condition and results of operations of Deutsche Telekom's wireless services business.**

Mobile communications, or the electromagnetic fields used in mobile communications, regularly give rise to concerns among the general population about potential health risks. There is intense public, political, and scientific debate of this issue. Acceptance problems among the general public concern both mobile communications networks and the use of mobile handsets. In mobile communications, this affects projects like the build-out of mobile networks and the use of mobile terminal devices. In the fixed network, it affects sales of traditional DECT (digital cordless) phones and devices that use WiFi technology. There is a risk of regulatory interventions, such as reduced thresholds or the implementation of precautionary measures in mobile communications (e.g., amendments to building law or labeling requirements for handsets).

Over the past few years, recognised expert organisations such as the World Health Organisation (WHO) and the International Commission on Non-Ionizing Radiation Protection (ICNIRP) have repeatedly reviewed the current limit values for mobile communications and confirmed that the use of mobile technology is safely based on current scientific knowledge. In 2011, despite a lack of scientific evidence, the International Agency for Research on Cancer (IARC), a WHO agency, classified high-frequency electromagnetic fields as "possibly carcinogenic" on the basis of isolated indications. This is

the weakest category indicating a potential carcinogenic effect. Drinking coffee is also included in the same category. The classification provoked an increase in media coverage, as well as controversy among experts. The German Commission on Radiology Protection, for example, criticised this classification on the basis that there is insufficient scientific evidence for it in the Commission's view. There is agreement among all institutions and expert committees on the need for more research into this issue and that there is no scientific evidence of a health risk from electromagnetic fields.

Deutsche Telekom is convinced that mobile communications technology is safe if specific threshold values are complied with. It is supported in this conviction by the assessment of recognised bodies. The basis of Deutsche Telekom's responsible management of mobile communications is its EMF Policy. With this policy, Deutsche Telekom is committing itself to more transparency, information, participation and financial support of independent research on mobile communications, far beyond that which is stipulated by legal requirements. Deutsche Telekom aims to overcome uncertainty among the general public by pursuing an objective, scientifically well-founded and transparent information policy.

**Deutsche Telekom regularly engages in large-scale programs to reshape the information technology ("IT") and network infrastructure ("NT") to adapt to changing customer needs and organisational and accounting requirements. The implementation of any of these programs may require substantial investments and a failure to effectively plan and monitor them could lead to misallocations of resources and impaired processes with negative consequences for Deutsche Telekom's operations.**

Deutsche Telekom's IT and network resources and infrastructure represents its organisational and technical backbone. This infrastructure is the basis for innovative telecommunications products and services that Deutsche Telekom offers or plans to offer in the future.

Deutsche Telekom implemented comprehensive programs to adapt its IT systems and infrastructure to changing customer needs and its new organisational structure resulting from the consolidation of its fixed-line and mobile networks in Germany.

Deutsche Telekom is replacing the various architectures, access types and services with a standardised architecture. Risks could arise in this area relating to all IT systems and products that require Internet access.

Due to the enormous complexity of the implementation of this IT initiative, malfunctions, connectivity issues, implementation delays, inadequate planning and management and other unforeseen problems could result in costly process impairments and remediation and possible extended down-times of IT processes. These problems could result in revenue losses and may hamper the attainment of Deutsche Telekom's goals in terms of cost savings and quality improvements.

In addition, one of Deutsche Telekom's most important IT programs deals with the long-term development and implementation of a comprehensive IP platform that will support both fixed-line and mobile telephony services. This means that the traditional platform will be completely replaced by an IP-based system. Upon implementing this joint IP platform, Deutsche Telekom will be subject to risks inherent in all IT systems connected to the Internet, such as hacker attacks, "*spam calls*" and other disruptions. These risks could lead to a temporary interruption of Deutsche Telekom's IT resources and, as a result, impair the performance of Deutsche Telekom's technical infrastructure.

Deutsche Telekom is exposed to risks in relation to its existing IT architecture: The Systems for sales and service have become less efficient over time, leading to interruptions or outages. For as long as it takes to upgrade their IT systems, they will have to continue to expect limitations in the sales process and service.

Future viability of the IT architecture: If Deutsche Telekom is not ready in time to exploit the benefits of technological advances, they will have reason to fear a decline in demand for their services. System failures, security breaches, data protection violations, disruption of operations and unauthorised use or impairment of Deutsche Telekom network and other systems could damage Deutsche Telekom's reputation and adversely impact its financial situation. In the United States, Deutsche Telekom is in the process of transferring its customer billing systems from its existing third-party vendor to a new third-party vendor. Any unanticipated difficulties, disruption or significant delays could have adverse operational, financial and reputational effects on its business.

**System failures due to natural or man-made disruptions and loss of data could result in reduced user traffic and reduced revenues and could harm Deutsche Telekom's reputation and results.**

Deutsche Telekom has a complex information/network technology (IT/NT) infrastructure, which Deutsche Telekom constantly expands and modernises. Technical infrastructure outages cannot be completely ruled out. Any such disruptions could result in revenue losses or increased costs, since IT/NT resources and structures are the organisational and technical backbone for Deutsche Telekom operations.

Faults between newly developed and existing IT/NT systems could cause interruptions to business process, products and services. In order to avoid the risk of failures, e.g., arising from natural disasters or fire, Deutsche Telekom uses technical early warning systems and duplicate IT/NT systems. The Computer Emergency Response Team (CERT) at T-Systems provides security for corporate customers' servers. In cloud computing, all data and applications are stored at a data centre. Deutsche Telekom's data centres have security certification and meet strict legal data protection provisions and EU regulations. All data relating to companies and private persons are protected from external access. Constant maintenance and automatic updates keep the security precautions up to date at all times. Based on a standardised Group-wide Business Continuity Management process, Deutsche Telekom is also taking organisational and technical measures to prevent or reduce any damage. Furthermore, Deutsche Telekom has Group-wide insurance cover for insurable risks.

*Data privacy and data security.*

Deutsche Telekom's products and services are subject to risks in relation to data privacy and data security, especially in connection with unauthorised access to customer, partner or employee data.

Deutsche Telekom's top priority has always been security and privacy of customer data. This also applies to the growing cloud computing business, which is subject to the same rigorous requirements for security and data privacy as all other products of Deutsche Telekom. In order to maintain these high standards and largely exclude risks, Deutsche Telekom supports the view that European data protection rules should be made mandatory where a company offers its services on the European market. This would provide consumers with the same rights all over Europe. Loopholes in data protection in Europe could also be closed and uniform competitive conditions created.

With regards to IT security, Deutsche Telekom is faced with numerous new challenges. In recent years, the focus has shifted from prevention to analysis. This is where Deutsche Telekom's early warning system comes in: It detects new sources and types of cyber attack, analyses the behaviour of the attackers while maintaining strict data privacy, and identifies new trends in the field of security. Along with the "honeypot systems", which simulate weaknesses in IT systems, the early warning system includes alerts and analytical tools for spam mails, viruses, and Trojans. The information Deutsche Telekom obtains from these sensors is exchanged with public and private bodies to enable new attack patterns to be detected and new protection systems to be developed.

Cyber crime and industrial espionage are on the rise. Deutsche Telekom is addressing these risks with comprehensive security concepts, and is increasingly doing so in partnerships, for example with public and private organisations. This allows Deutsche Telekom to create greater transparency and thus be better able to tackle the threats. With "Security by Design" Deutsche Telekom has established security as a fixed development component for new products and information systems. In addition, Deutsche Telekom carries out intensive and mandatory digital security tests.

**Shortcomings in Deutsche Telekom's supply and procurement process could negatively affect its product portfolio, revenues and profits.**

As a service provider and an operator and provider of telecommunications and IT products, Deutsche Telekom cooperate with a variety of suppliers of technical components, such as software, hardware, transmission systems, switching systems, outside plant, and terminal equipment.

Supply risks cannot be entirely ruled out. Delivery bottlenecks, price increases, changes in the prevailing economic conditions or suppliers' product strategies may have a negative impact on Deutsche Telekom's business processes and results. Risks may result from the dependence on individual suppliers or from individual vendors' defaulting as a direct result of the economic crisis. Deutsche Telekom employ organisational, contractual, and procurement strategy measures to

counteract such risks.

**Deutsche Telekom is continuously involved in disputes and litigation with regulators, competition authorities, competitors and other parties. The ultimate outcome of such legal proceedings is generally uncertain. When finally concluded, they may have a material adverse effect on Deutsche Telekom's results of operations and financial condition.**

Deutsche Telekom is subject to numerous risks relating to legal and regulatory proceedings, in which Deutsche Telekom is currently a party or which could develop in the future. Litigation and regulatory proceedings, including patent infringement lawsuits, are inherently unpredictable. Legal or regulatory proceedings in which Deutsche Telekom is or comes to be involved (or settlements thereof) may have a material adverse effect on Deutsche Telekom's results of operations or financial condition.

**Exchange-rate, interest-rate, rating risks and tax risks have had, and may continue to have, an adverse effect on Deutsche Telekom's revenue and cost development.**

Deutsche Telekom is exposed to currency risks from its investing, financing, and operating activities. Risks from foreign currency fluctuations are hedged if they affect the Group's cash flows (i.e., if the cash flow is not denominated in the functional currency of the respective Group company). Foreign-currency risks that do not influence the Group's cash flows (i.e., the risks resulting from the translation of statements of assets and liabilities of foreign operations into the Group's reporting currency) are generally not hedged, however. Deutsche Telekom may nevertheless also hedge this foreign-currency risk under certain circumstances.

Deutsche Telekom's interest rate risks mainly result from interest-bearing liabilities and exist primarily in the euro zone and the United States. To minimise the effects of interest rate fluctuations in these regions, Deutsche Telekom manages the interest rate risk for net debt denominated in euros and U.S. dollars separately. Once a year, the Board of Management stipulates the desired mix of fixed- and variable-interest net debt for a planning period of at least three years. Taking account of the Group's existing and planned debt structure. Treasury uses interest rate derivatives to adjust the interest structure for the net debt of the composition specified by the Board of Management.

As of 31 December 2014, Deutsche Telekom's credit rating with Moody's was Baa1, while Fitch and Standard & Poor's rated Deutsche Telekom BBB+. All three agencies gave Deutsche Telekom a "stable" outlook. If the Deutsche Telekom rating fell below certain defined levels, interest rates for some of the bonds and MTNs issued would rise.

In many countries, Deutsche Telekom is subject to the applicable legal tax regulations. Risks that affect tax expenses and income as well as tax receivables and liabilities can arise from changes in local taxation laws or jurisdiction and different interpretations of existing regulations.

**Potential breaches of compliance requirements or the identification of material weaknesses in Deutsche Telekom's internal control over financial reporting may have an adverse impact on Deutsche Telekom's corporate reputation, financial condition and the trading price of its securities.**

In general, compliance requirements for publicly-traded companies and, in particular, the investigation of potential breaches and corporate misconduct are increasing and leading to major financial implications for the companies concerned. At the same time, the legal framework governing the monitoring of companies is becoming more comprehensive, which increases the liability risks for executive bodies and associated costs.

While Deutsche Telekom believes that it has established an appropriate compliance organisation to detect, assess, reduce and manage these risks, the global and diverse nature of Deutsche Telekom's operations means that these risks and their related consequences will continue to exist. Although Deutsche Telekom intends to take prompt measures to remediate any identified shortcomings in its internal controls over financial reporting, activities of this kind may involve significant effort and expense, and disclosure of any failures, material weakness or other conditions, may result in a deterioration of Deutsche Telekom's corporate image and negative market reactions.

**An unforeseeable negative media report on products and services or corporate activities and responsibilities of Deutsche Telekom Group can have a huge impact on the reputation, the standing and the brand image of Deutsche Telekom Group.**

An unforeseeable negative media report on products and services or corporate activities and responsibilities of Deutsche Telekom can have a huge impact on the reputation of the Company, the standing and the brand image. Social networks have made it possible that such information and opinions can spread much more quickly and extensively than they could just a few years ago.

Ultimately, negative reports can impact on revenue and brand value. In order to avoid negative reports, Deutsche Telekom seeks out a constant, intensive and constructive dialog, in particular with its customers, the media and the financial world. Keeping Deutsche Telekom's stakeholders happy and thereby upholding its reputation is a top priority for Deutsche Telekom.

In light of the ongoing public coverage of the monitoring of Internet traffic by secret services, surveys from Germany show that the German public's trust in internet services has been undermined. For network operators, indirect damage to their reputation and therefore commercial risks cannot be ruled out since, like all network operators, Deutsche Telekom is obliged to cooperate with national security agencies.

**Developments in the telecommunications sector have resulted, and may in the future result, in substantial write-downs of the carrying value of certain of Deutsche Telekom's assets.**

The value of the assets of Deutsche Telekom AG and its subsidiaries is reviewed periodically. In addition to the regular annual measurements, specific impairment tests may be carried out, for example where changes in the economic, regulatory, business or political environment suggest that the value of goodwill, intangible assets or property, plant and equipment might have decreased. These tests may lead to the recognition of impairment losses that do not, however, result in cash outflows. This could impact to a considerable extent on our results, which in turn may negatively affect the T-Share price.

**Risk Factors regarding Deutsche Telekom International Finance B.V.**

Payment of principal of and interest on notes issued by Finance are guaranteed by Deutsche Telekom AG. Therefore the risks in respect of Finance substantially correspond with the ones of Deutsche Telekom AG.

## **Risk Factors regarding the Notes**

***The following is a disclosure of risk factors that are material to the Notes issued under the Programme in order to assess the market risk associated with these Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.***

### **Notes may not be a suitable investment for all investors**

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

### **Liquidity Risk**

Application has been made to list Notes to be issued under the Programme on the official list of and to admit such Notes to trading on the Regulated Market of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity than if they were not listed. If the Notes are not listed on any exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

### **Market Price Risk**

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The holder of a Note is therefore exposed to the risk of an unfavourable development of market prices of its Note which materialises if the holder sells the Notes prior to the final maturity of such Notes.

### **Currency Risk**

A holder of a Note denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks.

A change in the value of any currency other than euro against the euro, for example, will result in a corresponding change in the euro value of a Note denominated in a currency other than euro and the euro value of interest and principal payments made in accordance with the terms of such Note. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Note

and the value of interest payments made thereunder expressed in euro falls.

### **Risk of Early Redemption**

The applicable Final Terms will indicate whether an Issuer may have the right to call the Notes prior to maturity (optional call right) on one or several dates determined beforehand or whether the Notes will be subject to early redemption upon the occurrence of an event specified in the applicable Final Terms (early redemption event). In addition, each Issuer will always have the right to redeem the Notes if the relevant Issuer is required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions. If the relevant Issuer redeems the Notes prior to maturity or the Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that due to such early redemption his investment will have a lower than expected yield. The Issuer can be expected to exercise his optional call right if the yield on comparable Notes in the capital market has fallen which means that the investor may only be able to reinvest the redemption proceeds in comparable Notes with a lower yield. On the other hand, the Issuer can be expected not to exercise his optional call right if the yield on comparable Notes in the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable Notes with a higher yield. It should be noted, however, that the relevant Issuer may exercise any optional call right irrespective of market interest rates on a call date.

### **Fixed Rate Notes**

A holder of a Fixed Rate Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. While the nominal interest rate of a Fixed Rate Note as specified in the applicable Final Terms is fixed during the life of such Note, the current interest rate on the capital market ("**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of a Fixed Rate Note also changes, but in the opposite direction. If the market interest rate increases, the price of a Fixed Rate Note typically falls, until the yield of such Note is approximately equal to the market interest rate of comparable issues. If the market interest rate falls, the price of a Fixed Rate Note typically increases, until the yield of such Note is approximately equal to the market interest rate of comparable issues. If the holder of a Fixed Rate Note holds such Note until maturity, changes in the market interest rate for comparable issuers are without relevance to such holder as the Note will be redeemed at the principal amount of such Note.

### **Floating Rate Notes**

A holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance.

A Floating Rate Note may include caps or floors. In such case, their market value may be more volatile than those for Floating Rate Notes that do not include these features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap.

Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

## Deutsche Telekom AG as Issuer and Guarantor

### STATUTORY AUDITORS

The statutory auditor of Deutsche Telekom AG for the financial year ended on 31 December 2013 and the financial year ended on 31 December 2014 was PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("**PwC**"), Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany. PwC is a member of the chamber of public accountants (*Wirtschaftsprüferkammer*).

### GENERAL INFORMATION ABOUT DEUTSCHE TELEKOM

#### Introduction

The legal and commercial name of the Company is Deutsche Telekom AG. Deutsche Telekom AG is a private stock corporation organised under German law registered with the local court (*Amtsgericht*) of Bonn under the number HRB 6794 in the country of incorporation, the Federal Republic of Germany. The registered office is located at Friedrich-Ebert-Allee 140, 53113 Bonn, Federal Republic of Germany, and its telephone number is +49 (228) 181-0.

#### Corporate Purpose

According to Article 2 of the Articles of Association (*Satzung*) of Deutsche Telekom AG its object is activity in all areas of telecommunications, information technology, multimedia, information and entertainment, security services, sales and brokerage services, e-banking, e-money, collection, factoring and reception and surveillance services as well as any services connected with these areas, and also in related areas in Germany and abroad. Deutsche Telekom AG is entitled to enter into all other transactions and take all other measures deemed appropriate to serve this object. It may also set up, acquire and participate in other undertakings of the same or similar kind in Germany and abroad, as well as run such undertakings or confine itself to the administration of its participation. It may spin off its operations wholly or partly to affiliated undertakings, provided that applicable legal requirements, such as requisite shareholder resolutions, are satisfied.

#### Historical Background

Deutsche Telekom is an integrated telecommunications provider offering its customers around the world a comprehensive portfolio of state-of-the-art services in the areas of telecommunications and IT. The provision of public telecommunications services in Germany was long a state monopoly, as formerly provided in the constitution of Germany. In 1989, Germany began to transform the postal, telephone and telegraph services administered by the former monopoly provider of such services into market-oriented businesses, and ordered the former monopoly into three distinct entities along their lines of business, one of which was Deutsche Telekom's predecessor, Deutsche Bundespost Telekom. At the same time, Germany also began the liberalisation of the German telecommunications market. Deutsche Telekom was transformed into a private stock corporation effective 1 January 1995. The operation of networks (including cable networks) for all telecommunications services, other than public fixed-line voice telephony, was opened to competition in Germany on 1 August 1996, when the new legal framework for the regulation of the telecommunications sector in Germany, the Telecommunications Act, became effective. As required by the Telecommunications Act, and mandated by the directives of the E.U. Commission, the telecommunications sector in Germany was further liberalised on 1 January 1998, through the opening of the public fixed-line voice telephony services to competition. Since then, Deutsche Telekom has faced intense competition and has been required, among other things, to offer competitors access to its fixed-line network at regulated interconnection rates.

### DESCRIPTION OF BUSINESS

#### Group Organisation

##### *Overview of Business Activities*

Deutsche Telekom is an integrated telecommunications company with around 151 million mobile customers, 30 million fixed-network and over 17 million broadband lines. Deutsche Telekom provides fixed-network/broadband, mobile communications, Internet, and internet-based TV products and



services for consumers, and ICT solutions for business customers and corporate customers. Deutsche Telekom has an international focus and is represented in more than 50 countries. In the 2014 financial year, Deutsche Telekom generated more than 60 percent of net revenue, i.e., EUR 37.7 billion outside Germany. Overall, Deutsche Telekom employs around 227,800 people (31 December 2014).

The fixed-network business encompasses all voice and data communications activities based on fixed-network and broadband technology. This includes the sale of terminal equipment and other hardware, as well as the sale of services to resellers.

The mobile communications business offers mobile voice and data services to consumers and business customers. When marketing these services, Deutsche Telekom also sells mobile handsets and other hardware. In addition, Deutsche Telekom also sells mobile services to resellers and to companies that buy network services and market them independently to third parties (mobile virtual network operator, or MVNOs).

Drawing on a global infrastructure of data centers and networks, T-Systems, the Group's corporate customer arm, operates information and communication technology (ICT) systems for multinational corporations and public sector institutions. On this basis, T-Systems provides integrated solutions for the future of a connected business world and society, focusing increasingly on dynamic platforms - such as cloud computing.

Deutsche Telekom is broken down into four operating segments whose business activities are assigned in three segments by region and in one segment by customer and product.

The **Germany** operating segment comprises all fixed-network and mobile activities in Germany. In addition, it provides wholesale telecommunications services for the Group's other operating segments.

The **United States** operating segment combines all mobile activities in the U.S. market.

The **Europe** operating segment comprises all fixed-network and mobile operations of the national companies in Greece, Romania, Hungary, Poland, the Czech Republic, Croatia, the Netherlands, Slovakia, Austria, Albania, the F.Y.R.O. Macedonia, and Montenegro. The EE joint venture in the United Kingdom, which had previously been assigned to the Europe operating segment, was transferred to the Group Headquarters & Group Services segment as of 1 January 2014. Since then, it has been reported under the Finance board department due to the new definition of the management model of the EE joint venture. Comparative figures have been adjusted retrospectively.

In addition to consumer business, individual national companies also offer ICT solutions to business customers. On 30 May 2014, Deutsche Telekom completed the acquisition of GTS Central Europe Group (GTS). Since then, GTS has been helping Deutsche Telekom to further develop the international business customer segment. The Europe operating segment also comprises the units International Carrier Sales & Solutions (ICSS), Group Technology, and the Global Network Factory (GNF): ICSS mainly provides wholesale telecommunications services for other operating segments in the Group; Group Technology ensures efficient and customised provision of technologies, platforms, and services for mobile and fixed-network communications; and GNF designs and operates a global network for providing wholesale customers with voice and data communications. The ICSS/GNF business of the local business units (LBUs), which had been organisationally assigned to the Systems Solutions operating segment until 31 December 2013, was brought together as of 1 January 2014 and is now reported under the Europe operating segment. These are units in and outside of Europe (excluding Germany) that predominantly perform wholesale telecommunications services for ICSS as part of the Europe operating segment and for third parties. Furthermore, as of 1 January 2014, the local business customer units of T-Systems Czech Republic, which had previously been managed under the Systems Solutions operating segment, were merged with T-Mobile Czech Republic. In addition to mobile and fixed-network business activities, the company will now also offer ICT solutions for business customers and public administrations. The activities will be disclosed under the Europe operating segment. Reporting was changed to improve the way in which these units can be managed. Comparative figures have been adjusted retrospectively.

Drawing on a global infrastructure of data centers and networks, the **Systems Solutions** operating segment operates information and communication technology (ICT) systems for multinational corporations and public sector institutions. On this basis, T-Systems provides its customers with integrated solutions for the future of a connected business world and society. But it also offers small

and medium-sized enterprises ICT solutions for an increasingly complex digital world. The offering primarily includes services from the cloud, M2M and security solutions, complementary, highly standardised mobile and fixed-network products, as well as solutions for virtual collaboration and IT platforms. They form the basis for the digital business models of corporate customers.

The Systems Solutions operating segment comprises two business areas: Market Unit and Telekom IT. The Market Unit is mainly responsible for business with external customers. Telekom IT focuses on the Group's internal national IT projects.

**Group Headquarters & Group Services** comprises all Group units that cannot be allocated directly to one of the operating segments. Group Headquarters sets the course and provides impetus. It defines strategic aims for the Group, ensures they are met, and becomes directly involved in selected Group projects. Group Services provides services to the entire Group: in addition to typical services such as financial accounting, human resources services, and operational procurement, Group Services also includes Vivento Vivento secures external employment opportunities for civil servants and employees, predominantly in the public sector. Furthermore, the service provider additionally took on a new central role at the start of 2014, with the aim of retaining expertise within the Group, so as to reduce the use of external staff. Further units are Group Real Estate Management and MobilitySolutions, full-service providers for fleet management and mobility services. The tasks and functions of the Digital Services growth business as well as the Internet service provider STRATO have been pooled within the Digital Business Unit under Group Headquarters & Group Services. In February 2014, Deutsche Telekom sold 70 percent of the shares in Scout24 Holding GmbH to Hellman & Friedman LLC (H&F). The remaining investment in the Scout24 group accounted for using the equity method of around 30 percent continues to be part of this segment.

## **START-UP FUNDING**

Beside the traditional approach with in-house research and development, Deutsche Telekom also relies on open innovation. Through its participation in joint ventures, Deutsche Telekom provides advice and support as well as financing. To broaden the access to innovations, Deutsche Telekom plans a significant increase in the scope and volume of its investments in the areas of venture capital and technology innovation. Over a period of five years, Deutsche Telekom is looking at providing an investment volume of EUR 500 million, doubling its current venture capital and innovation investments. A new fund structure under the name **Deutsche Telekom Capital Partners** (DTCP) will provide the basis for its activities. DTCP was launched in April 2015, and will be one of the biggest innovation funds in Europe. In the future, Deutsche Telekom will mainly handle new investments outside its core business via DTCP. Alongside venture capital investments that focus on the steadily growing start-up scene, DTCP will extend its activities to include private equity investments in established companies in order to drive collaboration between the Group and what are known as "OTT players". Over and above this, DTCP will provide the Group with consulting services on existing shareholdings. DTCP combines the strengths of a large corporation with the expertise, agility and flexibility of a small investment company, and hence considerably enhances the Group's spectrum.

Deutsche Telekom also promoted innovation in 2014 through **T-Venture**, the venture capital arm. Since the inception of T-Venture in 1997, Deutsche Telekom has acquired over 200 minority shareholdings, supported these companies in their development as an active investor, and sold numerous companies at a profit. Following the launch of DTCP, T-Venture will not handle any new investments from the existing fund, but will continue to manage the existing portfolio and be responsible for follow-up investments in this portfolio. Over EUR 100 million will be available for this purpose in the next few years. In addition, T-Venture will continue to support Telekom Innovation Pool GmbH (TIP) and make investments for hub:raum. T-Venture currently holds interests in around 100 companies.

The object of **Telekom Innovation Pool GmbH** (TIP) is to integrate young companies in the Group. TIP also takes over internal company spin-offs, units that are outsourced from Deutsche Telekom as standalone companies.

Deutsche Telekom also makes a point of supporting start-ups at their inception with the hub:raum incubator, which aims to promote the networking of people and capital with innovative business ideas and to build up new business. Already, hub:raum is a familiar name in the start-up scene. hub:raum has also gained a foothold at international level, firstly by setting up a program that specifically addresses Israeli start-ups and, secondly, with the launch of Poland's own hub:raum in Krakow. Also in

2014, hub:raum entered into partnerships in Western Europe's leading start-up markets, e.g., London, Paris, and Stockholm.

## **CORPORATE TRANSACTIONS**

On 12 February 2014, Deutsche Telekom completed the sale of 70 percent of the shares in **Scout24 Holding GmbH** to Hellman & Friedman LLC (H&F). The responsible authorities approved the transaction in January 2014. Deutsche Telekom retains a stake of around 30 percent in the Scout24 group, which is part of Deutsche Telekom Group Headquarters & Group Services segment. By acquiring 100 percent of the shares in Scout24 International Management AG, Ringier Digital AG took over effective 24 January 2014 the 57.6 percent stake in **Scout24 Schweiz AG** that was held indirectly by Scout24 Holding GmbH. Scout24 International Management AG now operates under the name of Classifieds Business Beteiligungs- und Verwaltungs AG. The total sale price for both transactions amounted to EUR 1.6 billion. Income from divestitures including the revalued retained shares of around 30 percent stood at EUR 1.7 billion.

On 7 February 2014, Deutsche Telekom signed a purchase agreement for the acquisition of the remaining 39.23 percent of shares in T-Mobile Czech Republic, which Deutsche Telekom did not yet own, for EUR 0.8 billion. The transaction was closed on 25 February 2014. The transaction was not subject to regulatory approval. T-Mobile Czech Republic had already been fully consolidated in the Europe operating segment of Deutsche Telekom.

At the start of November 2013, Deutsche Telekom had concluded an agreement with a consortium of international private equity investors to take over the **GTS Central Europe group (GTS)**, one of the leading infrastructure-based providers of telecommunications services in Central and Eastern Europe, for a total of approx. EUR 0.5 billion. This transaction was completed on 30 May 2014. The responsible authorities have already approved the acquisition without conditions by 15 April 2014. GTS has been consolidated in Deutsche Telekom Europe operating segment since 30 May 2014. With this acquisition, Deutsche Telekom intends to strengthen and further develop the local and pan-European B2B segment.

## **AGREED CORPORATE TRANSACTIONS**

Since December 2014, Deutsche Telekom and Orange have been conducting negotiations with BT for the sale of Deutsche Telekom respective 50 percent stakes in the **EE** joint venture. The sale agreement was signed on 5 February 2015. Upon closing of the transaction at an agreed purchase price of GBP 12.5 billion, Deutsche Telekom will become the largest shareholder in BT with a stake of approximately 12 percent. Depending on BT's share price and other factors at closing, Deutsche Telekom may receive a cash payment in addition to the 12 percent stake in BT. The transaction is yet to be approved by BT's shareholders and the responsible authorities. The transaction will allow Deutsche Telekom to benefit from the opportunities provided by BT as an integrated provider of fixed-network and mobile communications.

## **INVESTMENTS IN NETWORKS AND NEW SPECTRUM**

In Deutsche Telekom Germany operating segment, Deutsche Telekom is making good progress in the implementation of Deutsche Telekom integrated network strategy.

The fiber-optic roll-out in Germany is in full swing: As of the end of the 2014 Deutsche Telekom had achieved coverage of 44.4 percent; which is around 18.7 million households. Furthermore, since September 2014, Deutsche Telekom has been marketing VDSL lines with the new vectoring technology, which offers customers transmission speeds of up to 100 Mbit/s for download and up to 40 Mbit/s for upload.

Deutsche Telekom continues to upgrade its LTE mobile network: For this purpose, Deutsche Telekom is further rolling out spectrum in metropolitan areas in the 1.8 GHz range as well as in the 2.6 GHz range. Combining the two LTE frequencies creates additional capacity and as such a maximum transmission rate of up to 300 Mbit/s. Deutsche Telekom already covers around 80 percent of the population with fast Internet via LTE, with speeds of up to 150 Mbit/s; that is around 65.3 million inhabitants.

The IP transformation is in full swing: By the end of 2014, Deutsche Telekom had migrated more than 5.8 million fixed network lines (retail and wholesale) to IP technology, thereby achieving an IP rate of

25 percent. At times Deutsche Telekom were migrating up to 60,000 customers a week - and this during ongoing operations. For Deutsche Telekom customers, the IP technology brings many advantages, such as voice transmission in HD quality for calls between fixed and mobile networks.

T-Mobile US is picking up the pace in its network roll-out.

The T-Mobile US 4G/LTE network now covers 265 million people. The company is making rapid progress in rolling out the broadband LTE network. At the same time, it is also rolling out the 700 MHz spectrum from the A-Block and 4G/LTE in the 1,900 PCS spectrum. In addition, T-Mobile US was first to launch VoLTE (voice over LTE) and first to achieve nationwide VoLTE coverage, covering more than 200 million people.

At the end of April 2014, T-Mobile US acquired A-Block spectrum in the 0.7 GHz range from Verizon Communications. Also at the end of April, both companies exchanged certain AWS and PCS spectrum; this was done on the basis of an agreement from November 2013. The new spectrum covers more than 150 million inhabitants in 23 markets, which corresponds to approximately 50 percent of the U.S. population or 70 percent of T-Mobile US customers. T-Mobile US has entered into transactions with various other companies to acquire additional 700 MHz A-Block, AWS and PCS spectrum licenses which cover more than 40 million people, for cash and the exchange of certain AWS and PCS spectrum licenses. Upon the consummation of certain pending transactions, T-Mobile US will own 700 MHz A-Block spectrum covering over 185 million people. T-Mobile US also bid in the auction of AWS-3 spectrum, which ended on 29 January 2015.

T-Mobile US is rapidly and continuously improving speed, capacity and coverage within the entire network. Even before the merger with MetroPCS, T-Mobile US had developed integration plans that among other things provided for the decommissioning of the MetroPCS Code Division Multiple Access (CDMA) network and certain redundant network cell sites; T-Mobile US began the decommissioning in July 2014. This enables T-Mobile US to realise network synergies associated with the business combination of T-Mobile USA and MetroPCS.

Deutsche Telekom continues to work on implementing its integrated network strategy in its Europe operating segment, too. In Poland, Deutsche Telekom has been offering LTE mobile technology since the start of June 2014. This means Deutsche Telekom is represented with LTE in all of its European mobile markets, with the exception of Albania. In Greece, Hungary and Poland, Deutsche Telekom participated successfully in license auctions. In the national companies, the migration to IP-based lines gained significant momentum: in the F.Y.R.O. Macedonia and Slovakia it is already complete. As of the end of 2014, IP-based lines accounted for 38.6 percent of all lines overall, corresponding to some 3.5 million lines.

T-Systems continues to strengthen Germany's standing as a center of IT. In Biere near Magdeburg, Deutsche Telekom opened a large data center by July 2014. This will allow Deutsche Telekom to meet the steep increase in demand for secure cloud services based in Germany. T-Systems will bundle its IT production at eleven international sites by 2018. The data center in Biere will be a major hub in the global data center infrastructure.

### **Markets and Regulation**

Worldwide, the market for information and communications technologies (ICT) grew by 4.0 percent in 2014. This increase was due to strong demand for telecommunications equipment and services, especially in China and the United States. The high-tech association BITKOM (Federal Association for Information Technology, Telecommunications and New Media) and the EITO (European Information Technology Observatory) expect the telecommunications market segment to record a clear increase of 4.8 percent to EUR 1.64 trillion for 2014. Revenues from telecommunications infrastructure are forecast to grow by 7.4 percent. The increase in telecommunications services is expected to stand at 3.9 percent. According to estimates, business with mobile data services in particular will grow significantly by 15.7 percent worldwide.

By contrast, persistently intense competition impacted the development of the telecommunications markets in Europe. Revenue from traditional telecommunications services continued to decline, although this trend did slow down. On the one hand, the decrease is attributable to regulatory interventions such as the reduction in termination rates and the focus on low retail prices. On the other hand, the substitution of traditional voice and messaging services with OTT players had a negative impact on the European telecommunications markets.

The digitisation of the economy and society changes on the one hand the existing market structures, and on the other, the market realities of many industries that have previously been analog. Use of data services is growing exponentially. This leads to constantly rising demand for more speed - for both download and upload, for fixed and mobile networks. New technologies, like the Internet of Things, Industry 4.0, big data or cloud computing place high demands on network infrastructure: ubiquitous connectivity and high performance standards and security are critical to success for many applications. In a market environment in which the network infrastructure needs to be substantially upgraded and a broad ecosystem of rival market players has developed, investment incentives must be created - for the good of consumers, the industry, and a digitally sovereign economy.

Consolidation pressure remained high in the European telecommunications industry in 2014. This was primarily due to falling revenues while the need for investment in network roll-out remained high. Ultimately, the aim was to keep pace with the rapidly rising data volumes and speeds. After Vodafone took over Kabel Deutschland in 2013, consolidation also advanced in other EU member states: In May 2014, the European Commission approved the takeover of Telefónica Ireland by Hutchison 3G; the takeover of E-Plus by Telefónica Deutschland followed in July. The European Commission has been reviewing the planned takeover of Jazztel by Orange in Spain since December 2014, and BT is in negotiations to acquire the joint venture EE in the United Kingdom. Furthermore, the low stock market valuation of many European telecommunications companies in comparison to international competitors, ultimately again attributable to excessive network access and price regulation, has awakened the interest of strategic investors in purchasing or expanding equity interests. While América Móvil and Hutchison 3G have already gained a foothold in a number of European markets, the U.S. telecommunications group AT&T also continues to signal interest in entering the European market.

### **European regulatory environment**

The European Union largely sets the relevant regulatory framework: through regulations, which member states must apply directly, directives, which member states must transpose into national law, and recommendations of the EU Commission, which although not directly binding, must be taken into account by the national regulatory authorities. The further development of the European legal framework offers opportunities for greater legal certainty and consistent framework conditions in the single European market, but also risks of additional regulatory restrictions. Next year, the EU Commission will introduce a complete revision of the applicable EU legal framework for telecommunications. At present, it is not possible to conclusively assess the opportunities, for instance for a return to ex-ante regulation, and the risks.

### **Germany**

Germany's future viability depends crucially on innovation and functioning competition. The digitisation of the economy is advancing rapidly in all industries and sectors, from research, production and sales to corporate communications and logistics. Companies are exploiting the opportunities of Internet technologies to make value chains more effective and energy-efficient, and to develop new business models.

Market data on information and communications technology as well as consumer electronics is published by the European Information Technology Observatory (EITO): According to EITO, revenue from IT products and services, telecommunications and the entertainment industry increased by 1.6 percent to EUR 153 billion in Germany in 2014. Information technology above all performed well; the advance of digitisation in SMEs played an important role in this regard. According to BITKOM's estimate, telecommunications revenue in Germany fell 0.9 percent to EUR 65 billion. The slight increase in data services was not able to compensate the substantial revenue decrease from voice services. Despite this difficult situation, network operators are once again investing more in the networks.

The German mobile communications and fixed-network markets were dominated by takeovers and business combinations, in particular the merger of Telefónica and E-Plus and the takeover of Kabel Deutschland by Vodafone. The market was also characterised by significant investments in fiber-optic networks and LTE technology. Furthermore, as part of conditions imposed by the EU competition authorities, the merged Telefónica was forced to give up network capacities to operators without their own network. At the end of 2013, Deutsche Telekom introduced the contingent model for fixed-network wholesale services, especially for VDSL and vectoring: The contingent model was well received by the market in 2014.

The German broadband market grew by more than 3 percent in 2014. There are now some 30 million broadband lines in Germany. This growth is primarily attributable to the positive trend among broadband cable operators. According to VATM (Association of Telecommunications and Value-Added Service Providers), the total data volume of broadband Internet traffic in the fixed network increased by around 30 percent compared with 2013 to 9.3 billion gigabytes. In Germany, mobile service revenues fell by around 1.6 percent year-on-year to almost EUR 19 billion, mainly due to tough price competition and increased use of social networks such as Facebook and IP services like WhatsApp. More flat rates were marketed, and the rapid spread of smartphones and tablets continued. As a result, text messages are increasingly being substituted. According to VATM's forecast, the total outgoing data volumes from mobile networks climbed 48 percent to around 395 million gigabytes in 2014. The percentage of mobile Internet users continues to accelerate: In Germany, 37 million people used the mobile Internet in 2014, 25 percent more than in 2013. As in previous years, the proportion of contracts concluded in the telecommunications market that offer combined products consisting of telephone and Internet lines continued to grow. A largely new development is the increase in convergent offers combining fixed network and mobile communications. In fall 2014, Deutsche Telekom launched the first integrated offer combining fixed network and mobile communications with MagentaEINS. Integrated offers increase attractiveness compared with traditional individual offerings, on the one hand due to, for example, fast speeds and a simpler customer relationship, and on the other due to greater customer retention for the Company.

## **United States**

The mobile market in the United States is still divided between four major national mobile providers - AT&T, Verizon Wireless, Sprint-Nextel, and T-Mobile US - and various regional network operators. In addition, there are a number of mobile virtual network operators, which use the networks of one or more of the four national operators to transport their mobile and data traffic. The two largest national network operators are AT&T and Verizon Wireless. The market penetration of smartphones slowed in the United States; in addition, the mobile market is now saturated, as market penetration has reached over 100 percent. This had an impact on the mobile market, which recorded only slight growth in 2014. Voice revenues fell again overall in 2014. However, this was more than offset by the ongoing increase in data revenues.

Since 2013, T-Mobile US has undergone a significant operational turnaround, and has heightened the level of competition in the U.S. mobile market. This is mainly due to improvement in its network, device parity with other operators due to the launch of the iPhone, and its Un-carrier initiatives which contributed successfully to customer satisfaction. As a result, T-Mobile US recorded more than 1 million net contract adds for seven quarters in a row.

In early 2014, the British telecommunications company Vodafone sold its shares in Verizon Wireless and withdrew from the U.S. market altogether. On 31 July 2014, the French mobile provider Iliad announced in a press release that a provisional offer had been made to the T-Mobile Board of Directors to takeover 56.6 percent of the company. On 13 October 2014, Iliad issued a further press release to the effect that the takeover plans would no longer be pursued.

## **Europe**

The macroeconomic environment of the Europe operating segment improved slightly in 2014. Traditional telecommunications markets declined less sharply in 2014 than in prior years, mainly due to the fact that mobile termination rates were reduced in fewer markets in 2014 and the reductions were not as sharp as, for example, in 2013, when nearly all of Deutsche Telekom's markets were affected by significant reductions in mobile termination rates. However, the markets in the Europe operating segment continued to be dominated by tough competition, led by network operators and MVNOs. Added to this, offerings of OTT players like WhatsApp and Apple's iMessage are increasingly replacing traditional voice and text messages. National austerity programs, e.g., in Greece and Hungary, also impacted the telecommunications industry in 2014, for instance through infrastructure levies or special taxes on telecommunications services.

Deutsche Telekom has around 80 competitors in total in the markets of the Europe operating segment. As a result, the race for market shares is mainly based on aggressive pricing. On the one hand, the markets settle down through network partnerships and business combinations, such as Hutchison 3G's acquisition of Orange in Austria, which could slow down the fall in prices. On the other hand, new competitors continue to enter the markets, e.g., in the course of spectrum auctions, as

MVNOs, or even established fixed-network providers that are expanding their business to include mobile communications, like RCS & RDS in Romania. This means competitive pressure remains high in the telecommunications markets of the Europe operating segment.

High quality networks as well as attractive and innovative content and services that offer customers real added value are key competitive advantages. In addition, the volume and transmission speeds of data are constantly rising. As such, Deutsche Telekom is continuing to invest in high-performance broadband coverage and roll out the fiber-optic networks; Deutsche Telekom is also converting its networks to the Internet protocol (IP). Migration of fixed-network lines to IP has started in all its integrated subsidiaries, associates and joint ventures, and is already complete in the F.Y.R.O. Macedonia and in Slovakia. Building on this, Deutsche Telekom is harmonising its network and IT architectures, so as to enable the centralised, cloud-based production of its services. The advantages of the new IP-based production model can be seen in products like "Broadband on Demand" in the F.Y.R.O. Macedonia, the new IPTV platform in Romania or TeraStream in Croatia: Deutsche Telekom is creating a new customer experience here in terms of immediate availability, personalisation, and reliability and bandwidth of the data connection. Together with partner companies, Deutsche Telekom can also offer modern Internet services like Spotify or Evernote. The need for faster data transmission is also growing in mobile communications. Deutsche Telekom is therefore constantly modernising and upgrading the mobile networks in the countries of the Europe operating segment, especially with the mobile communications standard LTE. In 2014, Deutsche Telekom was able to secure the necessary network frequencies in Greece, Hungary and Poland.

There is strong demand for product packages in Deutsche Telekom's markets. Deutsche Telekom meets this demand with high network quality as well as an intelligent mix of fixed-network and mobile technologies. As an established integrated telecommunications operator, Deutsche Telekom is playing a leading role in shaping the FMC (Fixed Mobile Convergence) industry trend and Deutsche Telekom is developing most of its international holdings into an integrated business model. Of particular note in this regard is the acquisition of the GTS Central Europe group, with which Deutsche Telekom wants to strengthen the key business customer segment with integrated offerings, especially in Poland and the Czech Republic. FMC, the bridge between fixed network and mobile communications, can also be seen in the increasing merging of broadband lines toward hybrid lines. Deutsche Telekom is reflecting this in its integrated network strategy. In addition, all of its already integrated national companies now offer FMC products.

### **Systems Solutions**

The change in overall demand in the Systems Solutions operating segment progressed further in 2014: Cyber security services or ICT security, cloud services, intelligent networks, and above all, the growth and innovation areas of big data, Industry 4.0 and communications between machines (M2M), all gained in importance.

Slow global economic recovery only had a limited effect on the ICT market for the Systems Solutions operating segment. There was substantial variation in the development of the individual segments of the ICT market.

The overall economic trend had a comparatively small effect on the telecommunications market segment. As in previous years, this market was dominated by continued price erosion in telecommunications services and intense competition.

Growth in the IT services market was significantly higher in 2014 than in the previous year. Further recovery has been especially tangible in the area of computing & desktop services. This was due to the growing success of cloud services and platform-based solutions. The IT project business remains largely dependent on the economy. After relatively weak development in 2013 compared to the two previous years, growth gained momentum in 2014. The main contributing factors were the migration to cloud services, the growth areas such as big data, M2M, the standard project business, and the industry-specific systems integration business in the environment of the automotive, healthcare and energy sectors.

## Major Regulatory Decisions

Deutsche Telekom's business activities are largely subject to national and European regulation, which is associated with extensive powers to intervene in its product design and pricing. Deutsche Telekom was again subject to extensive regulation in the mobile and fixed-network businesses in 2014.

This primarily involved the regulation of wholesale services - in particular broadband wholesale services and investments in new networks and infrastructure (next-generation network & next-generation access; NGN & NGA) - and the corresponding rates, along with the allocation of mobile spectrum.

### Regulation of Services for Wholesale Customers

The Federal Network Agency had essentially already given the green light to the use of vectoring transmission technology in August 2013, although some regulations were subject to the provision of a certain wholesale offer (bitstream access). The Federal Network Agency had to define this offer, as well as other contractual provisions, in a further administrative procedure. Deutsche Telekom was informed of an interim decision in early June 2014 that allowed Deutsche Telekom to implement vectoring in Germany. After completion of the European notification, the Federal Network Agency issued its final ruling on 29 July 2014. Deutsche Telekom started marketing VDSL lines with vectoring technology on 1 September 2014. Customers in roll-out areas can surf the Internet with download speeds of up to 100 Mbit/s and upload speeds of up to 40 Mbit/s.

On 12 November 2014, the Agency submitted a new draft bitstream market analysis, which provides for a regionalised bitstream market in Germany for the first time. The Federal Network Agency only sees potential for deregulation in the following cities: Bochum, Bottrop, Bremerhaven, Cologne, Gelsenkirchen, Herne, Karlsruhe, Kiel, Leipzig, Leverkusen, Mannheim, Osnabrück, Pforzheim, Recklinghausen, and Reutlingen. This corresponds to deregulation of 5 percent of households. Thus the Federal Network Agency continues to insist on regulation in competitive regions like Hamburg and Berlin and ignores the strong competitive pressure emanating from cable operators and companies demanding unbundled local loop lines (ULLs). The process is expected to be completed in mid-2015.

### Regulation of Pricing and Special Taxes

Rate measures by Telekom Deutschland GmbH for bitstream products are subject to "ex-post" price regulation by the Federal Network Agency, to whom they must be announced before they take effect. Accordingly, Telekom Deutschland GmbH announced pricing measures on the IP bitstream market in connection with planned partnerships for broadband roll-out. The Federal Network Agency reviewed the pricing measures and found no evidence of anti-competitive behavior. Following an international consolidation and comments by the European Commission on 14 March 2014, the Federal Network Agency has also formally concluded its review, paving the way for the pricing measures to take effect as of 1 April 2014.

The Federal Network Agency set the charges for provision and termination of unbundled local loop lines (ULLs) on 30 June 2014. The charge for the most frequently requested ULL option decreased only slightly. For certain options, charges increased. The charges will apply until 30 September 2016.

Following an initial draft text, the regulatory authorities are considering for the first time deregulation of the bitstream market in some regions. Deutsche Telekom sees further potential for deregulation due to strong competitive pressure from cable operators and companies demanding ULLs in other regions. The process is expected to be completed in mid-2015.

On 28 April 2014 and 2 May 2014, Telekom Deutschland GmbH submitted rate applications to the Federal Network Agency for mobile- and fixed- network termination rates. On 11 July 2014, the Federal Network Agency published a draft ruling reducing fixed-network termination rates by 20 percent to 0.24 eurocents/minute as of 1 December 2014. On 3 September 2014, the Federal Network Agency also published the draft ruling to set new mobile termination rates: From 1 December 2014 to 30 November 2015, the rates are to fall to 1.72 eurocents/minute, from 1 December 2015 to 30 November 2016 to 1.66 eurocents/minute. The new rates have been charged on the market since 1 December 2014 on the basis of a preliminary approval. There will be no final ruling on the rates until the EU-wide consolidation process is complete.

As of 1 December 2014, the Federal Network Agency, in a preliminary approval, reduced the rates for terminating calls in Telekom Deutschland's fixed network by 20 percent and in its mobile network by



around 4 percent. The Federal Network Agency issued final decisions on 1 April 2015 (for fixed network termination rates) and 25 April 2015 (for mobile termination rates) without changing the rates which have been charged since 1 December 2014.

In addition to the special taxes already in place, e.g., in Greece, Hungary and Romania, the Croatian government decided to triple frequency usage charges with effect from 23 May 2014. A public consultation is also currently underway concerning a change in right-of-way fees in Croatia, which could put additional pressure on Hrvatski Telekom.

### **Allocation of Mobile Spectrum**

The following significant spectrum auctions or preparations took place in Germany and Deutsche Telekom's international subsidiaries in 2014:

Following the approval for the merger of Telefónica Deutschland and E-Plus in Germany at the start of July 2014, in fall 2014, the Federal Network Agency launched a consultation on the auction concept for the process for reassigning the 0.9 and 1.8 GHz frequency rights from the German network operators' GSM licenses and for tendering further frequencies from the 0.7 GHz (digital dividend II) and 1.5 GHz ranges. The auction is scheduled for the second quarter of 2015.

In Greece, the regulatory authority EETT allocated frequencies in the 0.8 GHz (digital dividend) and 2.6 GHz ranges on 13 October 2014 in the form of a simultaneous multi-round auction. Apart from the Greek subsidiary Cosmote, only the two other mobile operators, Vodafone and WIND, took part in the auction. Cosmote was able to secure a competitive frequency allocation.

In Hungary, the three-stage process to assign frequencies in the 0.8, 0.9, 1.8, and 2.6 GHz ranges was completed. Magyar Telekom successfully took part in the tender process and was able to secure the frequency resources it desired.

The Czech regulatory authority CTU launched a consultation on the auction of the remaining spectrum in the 1.8 and 2.6 GHz ranges that was not sold in the 2013 auction. T-Mobile Czech Republic is analysing the terms and conditions and preparing to take part in the process, which is planned for 2015.

In Albania, AMC applied to extend its GSM license with frequencies in the 0.9 and 1.8 GHz ranges, which expired in August 2014. Due to the fact that all the requirements are met, the extension certificate is expected to be sent out soon. The Albanian regulatory authority AKEP plans to tender further mobile frequencies in the 0.9, 1.8 and 2.6 GHz ranges in 2015.

In Poland, the regulator UKE began the tender process for frequencies from the 0.8 and 2.6 GHz ranges on 14 October 2014. It is based largely on the conditions of award already known from the planning for the last auction. The award in the form of a simultaneous multi-round auction started in February 2015. The auction is still ongoing

There have been further delays in preparations for the frequency auctions in Montenegro, where the publication of the final allocation rules and the start of the bidding phase were expected in the first half of 2014. This process has been postponed until after 2015.

The U.S. telecommunications regulator (FCC) carried out an auction for a total of 65 MHz of spectrum in the 1.6, 1.7, and 2.1 GHz bands (AWS-3). At a final price of USD 44.9 billion, the reserve price of approximately USD 10.5 billion for the entire spectrum was surpassed several times over. T-Mobile US participated in the auction, which ended on 29 January 2015. The licenses acquired by T-Mobile US cover 97 million people and have a total value of USD 1.8 billion. On 8 April 2015, the FCC has formally awarded these licenses to T-Mobile US.

### **DEVELOPMENT OF DEUTSCHE TELEKOM'S BUSINESS**

Potential Investors should read the following discussion in conjunction with Deutsche Telekom's annual consolidated financial statements for the years ended 31 December 2013 and 31 December 2014, including the notes to those consolidated financial statements, which are incorporated by reference into this Prospectus. Deutsche Telekom's consolidated financial statements prepared in accordance with IFRS are dependent upon and sensitive to accounting methods, assumptions and estimates that Deutsche Telekom uses as bases for the preparation of its consolidated financial statements. The strategies and expectations referred to in the following discussions are considered forward-looking statements and may be strongly influenced or changed by shifts in market conditions,

new initiatives Deutsche Telekom implements and other factors. Deutsche Telekom cannot provide assurance that the strategies and expectations referred to in these discussions will come to fruition.

Forward-looking statements are based on current plans, estimates and projections, and therefore, potential investors should not place too much reliance on them. Forward-looking statements speak only as of the date they are made, and Deutsche Telekom undertakes no obligation to update any forward-looking statements in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom's control. Deutsche Telekom cautions you that a number of important factors could cause actual results or outcomes to differ materially from those expressed in, or implied by, the forward-looking statements. Please refer to "*Forward-Looking Statements*" and "*Risk Factors*" for descriptions of some of the factors relevant to these discussions and other forward-looking statements in this Prospectus.

### Consolidated Income Statement of Deutsche Telekom

The following table presents information concerning Deutsche Telekom's consolidated income statements for the periods indicated.

millions of EUR	2014	2013
<b>NET REVENUE</b>	<b>62,658</b>	<b>60,132</b>
<b>GROSS PROFIT (LOSS)</b>	<b>24,119</b>	<b>23,877</b>
<b>PROFIT (LOSS) FROM OPERATIONS (EBIT)</b>	<b>7,247</b>	<b>4,930</b>
<b>PROFIT (LOSS) FROM FINANCIAL ACTIVITIES</b>	<b>(2,897)</b>	<b>(2,802)</b>
<b>PROFIT (LOSS) BEFORE INCOME TAXES</b>	<b>4,350</b>	<b>2,128</b>
<b>PROFIT (LOSS)</b>	<b>3,244</b>	<b>1,204</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO</b>		
Owners of the parent (net profit (loss))	2,924	930
Non-controlling interests	320	274

### Results of Operations of the Group

#### Net Revenue

In 2014 Deutsche Telekom generated net revenue of EUR 62.7 billion, a EUR 2.5 billion increase compared with the previous year. The United States operating segment in particular contributed to this trend with the revenue generated by MetroPCS, which was only taken into account from the second quarter of 2013 as a result of the inclusion of MetroPCS as of 1 May 2013 and continued strong customer additions. The Germany operating segment held its own, particularly in the mobile market, in the prevailing competitive environment, but recorded a slight decline in revenue overall, mainly due to the line losses in the traditional fixed-network business. In the Europe operating segment, the revenue was again substantially adversely affected by decisions by regulatory authorities and by competition-induced price reductions. The initiated realignment of T-Systems' business model had a negative impact on revenue in the Systems Solutions operating segment, as did the general downward trend in prices for IT and communications services. The revenue of the Group Headquarters & Group Services segment decreased year-on-year, mainly on account of the sale of 70 percent of the shares in the Scout24 group consummated in early February 2014.

Adjusted for the effects of changes in the composition of the Group of EUR 0.8 billion in total, revenue was up EUR 1.7 billion or 2.9 percent against the prior-year level. Net exchange rate effects only had an insignificant effect on the development of the revenue: The translation from U.S. dollars into euros gave rise to marginally positive effects that in turn were offset by the translation from Eastern

European currencies into euros.

Contribution of the segments to net revenue. millions of EUR				
	2014	2013	Change	Change percent
<b>NET REVENUE</b>	<b>62,658</b>	<b>60,132</b>	<b>2,526</b>	<b>4.2</b>
Germany	22,257	22,435	(178)	(0.8)
United States	22,408	18,556	3,852	20.8
Europe	12,972	13,704	(732)	(5.3)
Systems Solutions	8,601	9,038	(437)	(4.8)
Group Headquarters & Group Services	2,516	2,879	(363)	(12.6)
Intersegment revenue	(6,096)	(6,480)	384	5.9

At 35.8 percent, the United States operating segment provided the largest contribution to net revenue of the Group, increasing its share in net revenue of the Group by as much as 4.9 percentage points compared with the previous year, partly due to the inclusion of MetroPCS and ongoing strong new customer growth. By contrast, the contribution by the Germany, Europe, and Systems Solutions operating segments and the Group Headquarters & Group Services segment decreased. The proportion of net revenue generated internationally continued to increase, up from 57.8 percent in 2013 to 60.1 percent in 2014.

#### **EBITDA, adjusted EBITDA**

The EBITDA increased year-on-year by EUR 2.0 billion to EUR 17.8 billion. Positive net special factors amounting to EUR 0.3 billion were included in EBITDA in 2014. They were mainly attributable to income from the divestiture of the Scout24 group of EUR 1.7 billion. Income of some EUR 0.4 billion from a transaction consummated in April 2014 between T-Mobile US and Verizon Communications for the acquisition and exchange of A-Block spectrum also had a positive effect. Expenses of around EUR 0.3 billion arising from the decommissioning of the MetroPCS CDMA network in the United States operating segment and the fine imposed as part of the European Commission proceedings against Slovak Telekom and Deutsche Telekom, by contrast, had a decreasing effect. Expenses incurred in connection with staff-related measures and non-staff-related restructuring expenses decreased by EUR 0.4 billion compared with the prior year to EUR 1.2 billion. In the previous year, a loss of around EUR 0.1 billion had been incurred in connection with the disposal of T-Systems Italia and the sale of the SI business area of T-Systems France. Deconsolidation gains arising from the sale of the stake in Hellas Sat of around EUR 0.1 billion and from the sale of the national companies in Bulgaria, also totaling around EUR 0.1 billion, had had an offsetting effect in 2013.

Excluding special factors, adjusted EBITDA increased slightly year-on-year to EUR 17.6 billion in 2014. Net exchange rate effects only had an insignificant effect on the development of the adjusted EBITDA. Here, too, the translation from U.S. dollars into euros gave rise to marginally positive effects that in turn were offset by the translation from Eastern European currencies into euros.

	2014 millions of EUR	Proportion of adjusted Group EBITDA percent	2013 millions of EUR	Proportion of adjusted Group EBITDA percent	Change millions of EUR	Change percent
<b>EBITDA (ADJUSTED FOR SPECIAL FACTORS) IN THE GROUP</b>	<b>17,569</b>	<b>100.0</b>	<b>17,424</b>	<b>100.0</b>	<b>145</b>	<b>0.8</b>
Germany	8,810	50.1	8,936	51.3	(126)	(1.4)
United States	4,296	24.5	3,874	22.2	422	10.9
Europe	4,432	25.2	4,550	26.1	(118)	(2.6)
Systems Solutions	835	4.8	774	4.4	61	7.9
Group Headquarters & Group Services	(667)	(3.8)	(655)	(3.8)	(12)	(1.8)
Reconciliation	(137)	(0.8)	(55)	(0.2)	(82)	n. a.

## EBIT

Group EBIT increased by EUR 2.3 billion year-on-year to EUR 7.2 billion. Impairment losses recognised on goodwill and other non-current assets of EUR 0.1 billion in 2014 were down by EUR 0.7 billion year-on-year. This effect was partially offset by a EUR 0.4 billion increase in depreciation and amortisation compared with 2013, attributable in particular to the inclusion of MetroPCS since May of last year as well as the roll-out of the LTE network as part of T-Mobile US' network modernisation program.

## Profit/loss before income taxes

Profit before income taxes increased by EUR 2.2 billion year-on-year to EUR 4.4 billion as a result of the aforementioned effects. Loss from financial activities increased only marginally as against the prior year in spite of the EUR 0.1 billion higher share of losses in the EE joint venture compared with the previous year, the inclusion of MetroPCS for the first-time for a full year, and the local financing conditions for T-Mobile US. Loss from financial activities was also impacted by negative effects on earnings from currency translation, including from derivatives used as hedges in hedge accounting in foreign currency, offset by positive earnings effects from other derivatives.

## Net profit/loss

Net profit increased by EUR 2.0 billion to EUR 2.9 billion. Tax expense for the current financial year amounted to EUR 1.1 billion and was thus EUR 0.2 billion higher than the prior-year level.

Profit attributable to non-controlling interests remained stable compared with the previous year at EUR 0.3 billion. The acquisition of the remaining shares in T-Mobile Czech Republic, which Deutsche Telekom did not yet own, had a decreasing effect. The increase in non-controlling interests in T-Mobile US had an offsetting effect.

millions of EUR				
	EBITDA 2014	EBIT 2014	EBITDA 2013 <sup>a</sup>	EBIT 2013 <sup>a</sup>
<b>EBITDA/EBIT</b>	<b>17,821</b>	<b>7,247</b>	<b>15,834</b>	<b>4,930</b>
<b>GERMANY</b>	<b>(254)</b>	<b>(254)</b>	<b>(535)</b>	<b>(540)</b>
Staff-related measures	(223)	(223)	(506)	(506)

Non-staff-related restructuring	(9)	(9)	(16)	(16)
Effects on earnings from business combinations and other transactions	0	0	(23)	(23)
Other	(22)	(22)	10	5
<b>UNITED STATES</b>	<b>(52)</b>	<b>(52)</b>	<b>(232)</b>	<b>(329)</b>
Staff-related measures	(133)	(133)	(179)	(179)
Non-staff-related restructuring	0	0	(1)	(1)
Effects on earnings from business combinations and other transactions	78	78	(52)	(52)
Impairment losses	-	0	-	(97)
Other	3	3	0	0
<b>EUROPE</b>	<b>(131)</b>	<b>(153)</b>	<b>(179)</b>	<b>(793)</b>
Staff-related measures	(91)	(91)	(327)	(327)
Non-staff-related restructuring	(9)	(9)	3	3
Effects on earnings from business combinations and other transactions	(5)	(5)	183	183
Impairment losses	-	(22)	-	(614)
Other	(26)	(26)	(38)	(38)
<b>SYSTEMS SOLUTIONS</b>	<b>(540)</b>	<b>(549)</b>	<b>(416)</b>	<b>(431)</b>
Staff-related measures	(286)	(286)	(212)	(212)
Non-staff-related restructuring	(205)	(212)	(128)	(130)
Effects on earnings from business combinations and other transactions	(23)	(23)	(71)	(84)
Other	(26)	(28)	(5)	(5)
<b>GROUP HEADQUARTERS &amp; GROUP SERVICES</b>	<b>1,229</b>	<b>1,200</b>	<b>(228)</b>	<b>(228)</b>
Staff-related measures	(174)	(174)	(226)	(226)
Non-staff-related restructuring	(54)	(54)	(34)	(34)
Effects on earnings from business combinations and other transactions	1,631	1,631	40	40
Impairment losses	-	(29)	-	0
Other	(174)	(174)	(8)	(8)
<b>GROUP RECONCILIATION</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Staff-related measures	0	0	(1)	(1)
Non-staff-related restructuring	0	0	0	0
Effects on earnings from business combinations and other transactions	0	0	1	1

Other	0	0	0	0
<b>TOTAL SPECIAL FACTORS</b>	<b>252</b>	<b>192</b>	<b>(1,590)</b>	<b>(2,321)</b>
<b>EBITDA/EBIT (ADJUSTED FOR SPECIAL FACTORS)</b>	<b>17,569</b>	<b>7,055</b>	<b>17,424</b>	<b>7,251</b>
Profit (loss) from financial activities (adjusted for special factors)		(2,784)		(2,772)
<b>PROFIT (LOSS) BEFORE INCOME TAXES (ADJUSTED FOR SPECIAL FACTORS)</b>		<b>4,271</b>		<b>4,479</b>
Income taxes (adjusted for special factors)		(1,474)		(1,364)
<b>PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS)</b>		<b>2,797</b>		<b>3,115</b>
<b>PROFIT (LOSS) (ADJUSTED FOR SPECIAL FACTORS) ATTRIBUTABLE TO</b>				
Owners of the parent (net profit (loss)) (adjusted for special factors)		2,422		2,755
Non-controlling interests (adjusted for special factors)		375		360

## Financial Position of the Group

millions of EUR			
	31 Dec. 2014	Change	31 Dec. 2013 <sup>a</sup>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>	<b>29,798</b>	<b>7,835</b>	<b>21,963</b>
<b>NON-CURRENT ASSETS</b>	<b>99,562</b>	<b>3,377</b>	<b>96,185</b>
<b>TOTAL ASSETS</b>	<b>129,360</b>	<b>11,212</b>	<b>118,148</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>	<b>28,198</b>	<b>5,702</b>	<b>22,496</b>
<b>NON-CURRENT LIABILITIES</b>	<b>67,096</b>	<b>3,507</b>	<b>63,589</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>34,066</b>	<b>2,003</b>	<b>32,063</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>129,360</b>	<b>11,212</b>	<b>118,148</b>

## Financial liabilities

millions of €	31 Dec. 2014			
	Total	Due within ≤ 1 year	Due >1 year ≤ 5 years	Due > 5 years
Bonds and other securitised liabilities				

millions of €				
Bonds	32,751	3,250	9,333	20,168
Commercial paper, medium-term notes and similar liabilities	11,468	2,175	4,557	4,736
Liabilities to banks	3,676	1,369	1,934	373
	47,895	6,794	15,824	25,277
Finance lease liabilities	1,461	180	570	711
Liabilities to non-banks from promissory notes	946	40	647	259
Other interest-bearing liabilities	1,775	1,196	392	187
Other non-interest-bearing liabilities	2,055	1,942	110	3
Derivative financial liabilities	1,095	406	442	247
	7,332	3,764	2,161	1,407
<b>FINANCIAL LIABILITIES</b>	<b>55,227</b>	<b>10,558</b>	<b>17,985</b>	<b>26,684</b>

**Cost of debt.** At the end of the financial year, the average interest rate for financial liabilities was 5.8 percent (2013: 5.6 percent). The average interest rate was higher than in the previous year, mainly due to the significant increase in T-Mobile US' self-financing in 2014.

millions of EUR			
	31 Dec. 2014	Change	31 Dec. 2013
Financial liabilities (current)	10,558	2,667	7,891
Financial liabilities (non-current)	44,669	961	43,708
<b>FINANCIAL LIABILITIES</b>	<b>55,227</b>	<b>3,628</b>	<b>51,599</b>
Accrued interest	(1,097)	(6)	(1,091)
Liabilities from corporate transactions	-	-	-
Other	(1,038)	(157)	(881)
<b>GROSS DEBT</b>	<b>53,092</b>	<b>3,465</b>	<b>49,627</b>
Cash and cash equivalents	7,523	(447)	7,970
Available-for-sale financial assets/Financial assets held for trading	289	(21)	310
Derivative financial assets	1,343	572	771
Other financial assets	1,437	(46)	1,483

<b>NET DEBT</b>	<b>42,500</b>	<b>3,407</b>	<b>39,093</b>
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The net debt increased by EUR 3.4 billion year-on-year to EUR 42.5 billion. Factors positively influencing net debt were the positive Free cash flow of EUR 4.1 billion and the sale of Scout24 group of EUR 1.6 billion. Spectrum acquisition increased net debt by EUR 2.3 billion, as well as Dividend payments including non-controlling interests (EUR 1.3 billion). Additional effects increasing net debt were exchange rate effects (EUR 1.8 billion), the acquisitions of shares in T-Mobile Czech Republic and of GTS Central Europe group (1.4 billion), the allocation under the contractual trust agreement on pension commitments and other effects (EUR 2.1 billion). Other effects include financing options under which the payments for trade payables from investing and operating activities become due at a later point in time by involving banks in the process. Other effects also include a payment as part of a wholesale transaction.

### Condensed consolidated statement of cash flows

millions of EUR		
	2014	2013
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>13,393</b>	<b>13,017</b>
Effects from the AT&T transaction	-	137
Compensation payments for MetroPCS employees	-	60
<b>NET CASH FROM OPERATING ACTIVITIES<sup>a</sup></b>	<b>13,393</b>	<b>13,214</b>
Cash outflow for investments in intangible assets (excluding goodwill and before spectrum investment) and property, plant and equipment ( <b>CASH CAPEX</b> )	(9,534)	(8,861)
Proceeds from disposal of intangible assets (excluding goodwill) and property, plant and equipment	281	253
<b>FREE CASH FLOW (BEFORE DIVIDEND PAYMENTS AND SPECTRUM INVESTMENT)<sup>a</sup></b>	<b>4,140</b>	<b>4,606</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(10,761)</b>	<b>(9,896)</b>
<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>(3,434)</b>	<b>1,022</b>
Effect of exchange rate changes on cash and cash equivalents	323	(167)
Changes in cash and cash equivalents associated with non-current assets and disposal groups held for sale	32	(32)
Net increase (decrease) in cash and cash equivalents	(447)	3,944
<b>CASH AND CASH EQUIVALENTS</b>	<b>7,523</b>	<b>7,970</b>

<sup>a</sup> Before effects in connection with the AT&T transaction and compensation payments for MetroPCS employees.

Free cash flow of the Group before dividend payments and spectrum investment decreased by EUR 0.5 billion year-on-year. This was due to the year-on-year increase of EUR 0.7 billion in cash outflows for investments in intangible assets (excluding goodwill and before spectrum investment) and property, plant and equipment, which mainly related to further rolling out broadband and expanding capacities in existing networks. In mobile communications, Deutsche Telekom invested in



LTE, increased network coverage, and upgraded capacity to meet increasing demand for data volumes. In the fixed-network area, priority was given to expanding the fiber-optic infrastructure, to IPTV, and to the continued migration of the existing telephone network to an IP-based network.

Net cash from operating activities increased by EUR 0.4 billion year-on-year to EUR 13.4 billion.

Dividend payments received from the EE joint venture, which were EUR 0.1 billion higher than in the previous year, had a positive effect on net cash from operating activities. In 2014, financing options were chosen which extended the period of payment for trade payables by involving banks in the process and, when payment is made, are shown in net cash used in/from financing activities. This resulted in a positive total effect on net cash from operating activities of EUR 0.4 billion. Net cash from operating activities in the previous year had included total cash outflows of EUR 0.2 billion in connection with the AT&T and MetroPCS transactions, and EUR 0.3 billion higher cash outflows for severance and early retirement payments. By contrast, net cash from operating activities was reduced by a EUR 0.4 billion increase in net interest payments. In the previous year, this item had included EUR 0.2 billion higher cash inflows from entering into, canceling or changing the terms and conditions of interest rate derivatives.

## Research and Development

### *Expenditure and investment in research and development*

Research and development expenditure includes pre-production research and development, such as the search for alternative products, processes, systems, and services. By contrast, Deutsche Telekom does not class as research and development expenditure the costs of developing system and user software which is designed to improve productivity and make the business processes more effective. In 2014, research and development expenditure in the Deutsche Telekom Group amounted to EUR 95.6 million, almost the same level as in the previous year. As the parent company, Deutsche Telekom AG bears part of the Group's research and development expenditure. At EUR 60 million, this amount remained at prior-year level (2013: EUR 60 million).

However, this indicator must not be considered in isolation from the three-pronged innovation strategy described above. In this strategy, Deutsche Telekom relies not only on in-house developments, but also on innovations from external partners and on start-up funding. In 2015, Deutsche Telekom will increase its investments in the areas of venture capital and technology innovation with DTCP.

Deutsche Telekom's investments in internally generated intangible assets to be capitalised were also down year-on-year at EUR 93.2 million. These investments predominantly relate to internally developed software, mainly in the Systems Solutions operating segment. In 2014, some 2,900 employees (2013: around 2,900) were involved in projects and activities to create new products and market them more efficiently. The majority of employees working for T-Labs, the unit responsible for results-oriented research and innovation, are researchers from a wide variety of disciplines.

millions of EUR	2014	2013
Research and development expenditure	95.6	97.0
Investments in internally generated intangible assets to be capitalised	93.2	112.0

## Development of Business in the Operating Segments

### GERMANY

#### Development of operations

millions of EUR	2014	2013	Change	Change percent
<b>TOTAL REVENUE</b>	<b>22,257</b>	<b>22,435</b>	<b>(178)</b>	<b>(0.8)</b>

Consumers	11,970	12,122	(152)	(1.3)
Business Customers	5,726	5,676	50	0.9
Wholesale	3,775	3,811	(36)	(0.9)
Value-Added Services	242	288	(46)	(16.0)
Other	544	538	6	1.1
Profit from operations (EBIT)	4,663	4,435	228	5.1
EBIT margin percent	21.0	19.8		
Depreciation, amortisation and impairment losses	(3,893)	(3,966)	73	1.8
EBITDA	8,556	8,401	155	1.8
Special factors affecting EBITDA	(254)	(535)	281	52.5
<b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>	<b>8,810</b>	<b>8,936</b>	<b>(126)</b>	<b>(1.4)</b>
EBITDA margin (adjusted for special factors) percent	39.6	39.7		
<b>CASH CAPEX</b>	<b>(3,807)</b>	<b>(3,411)</b>	<b>(396)</b>	<b>(11.6)</b>

### Total revenue

The revenue decline of 0.8 percent in 2014 was a slight improvement against 2013. This was attributable to traditional fixed-network business, which declined by just 2.5 percent due to lower line losses. Terminal equipment, IT, and television revenues had a positive impact on fixed-network revenue development. However, it could not completely offset the revenue decline in traditional fixed-network telephony and broadband business. Mobile revenue grew by 1.6 percent, due in particular to high demand for smartphones. The encouraging development in mobile service revenues in the business customer segment and the second brand "congstar" offset the decline in revenue from the prepay business and from resellers.

Revenue from Consumers decreased by 1.3 percent, mainly due to a volume- and price-related downturn in the fixed network. In mobile communications, revenue increased by 1.1 percent, primarily due to increased terminal equipment revenue from the marketing of smartphones. While mobile service revenues decreased by 0.9 percent owing to a decline in voice telephony and lower revenues from text messages, especially in the prepay segment, Deutsche Telekom recorded a substantial 23.2-percent increase in data revenues.

Revenue from Business Customers increased by 0.9 percent. This positive trend primarily resulted from growth in mobile service revenues, especially due to the data revenue growth of 9.2 percent. The decline in revenue from traditional voice telephony had an offsetting effect.

Wholesale revenue stabilised at EUR 3.8 billion, as a result of special factors in the second and fourth quarters of 2013, due to retroactive price reductions for unbundled local loop lines. Excluding these effects, Wholesale revenue declined slightly by 2.5 percent. This decrease is primarily due to volume reductions regarding interconnection calls and lines, which were partially offset by the positive trend in unbundled lines, mainly as a result of the contingent model.

Revenue from Value-Added Services declined by 16.0 percent, mainly as a result of weaker use of premium rate call numbers and the decline in revenue attributable to the exit from the digital out-of-home advertising business at the end of 2013,.

## EBITDA, adjusted EBITDA

EBITDA adjusted for special factors decreased slightly by 1.4 percent year-on-year in 2014 to EUR 8.8 billion, primarily as a result of higher personnel costs due to collectively agreed pay increases and staff increases for the integrated network build-out. Higher market investments in mobile communications, driven among other things by the intensified marketing of smartphones, also had an adverse effect on adjusted EBITDA. With an adjusted EBITDA margin of 39.6 percent, Deutsche Telekom is at its expected target level of 40 percent. EBITDA in 2014 amounted to EUR 8.6 billion, an increase of 1.8 percent on 2013, due in particular to higher special factors for the staff restructuring in the previous year.

## EBIT

Profit from operations for the Germany operating segment increased by 5.1 percent to EUR 4.7 billion year-on-year. This was primarily attributable to special factors and slightly lower depreciation and amortisation.

## Cash capex

Cash capex increased by EUR 396 million or 11.6 percent year-on-year in 2014. During 2014, Deutsche Telekom again increased its investments in the vectoring/fiber-optic cable roll-out, its IP transformation, and its LTE infrastructure as part of its integrated network strategy.

## UNITED STATES

### Development of operations

millions of EUR				
	2014	2013	Change	Change percent
<b>TOTAL REVENUE</b>	<b>22,408</b>	<b>18,556</b>	<b>3,852</b>	<b>20.8</b>
Profit (loss) from operations (EBIT)	1,405	1,404	1	0.1
EBIT margin percent	6.3	7.6		
Depreciation, amortisation and impairment losses	(2,839)	(2,238)	(601)	(26.9)
EBITDA	4,244	3,642	602	16.5
Special factors affecting EBITDA	(52)	(232)	180	77.6
<b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>	<b>4,296</b>	<b>3,874</b>	<b>422</b>	<b>10.9</b>
EBITDA margin (adjusted for special factors) percent	19.2	20.9		
<b>CASH CAPEX</b>	<b>(5,072)</b>	<b>(3,279)</b>	<b>(1,793)</b>	<b>(54.7)</b>

## Total revenue

Total revenue for the United States operating segment of EUR 22.4 billion in 2014 increased by 20.8 percent compared to EUR 18.6 billion in 2013. In U.S. dollars, T-Mobile US total revenues increased by 20.3 percent year-on-year due primarily to an increase in branded prepaid revenues from the inclusion of MetroPCS results since May 2013, growth of the MetroPCS brand, and expansion into additional markets. Excluding MetroPCS operating results, service revenues increased due primarily to an increase in the average number of branded postpaid customers driven by the continued success of the company's Un-carrier initiatives and strong customer response to promotions for services and devices. This was partially offset by decreased average revenue per branded postpaid customer as a result of growth in Simple Choice plans, which have lower priced rate plans than other branded postpaid rate plans. In addition, equipment sales increased, including those sold on installment plans, driven by significant growth in the number of devices sold due to higher

customer additions and higher device upgrade volumes.

### **EBITDA, adjusted EBITDA, adjusted EBITDA margin**

Adjusted EBITDA increased by 10.9 percent to EUR 4.3 billion compared to 3.9 billion in 2013. In U.S. dollars, adjusted EBITDA increased by 10.3 percent, including the positive impact from inclusion of MetroPCS activity since May 2013. Adjusted EBITDA was positively impacted by increased branded postpaid service revenues resulting from growth in the branded postpaid customer base due to strong response to the company's Un-carrier initiatives and promotional activities. These increases were partially offset by an increase in loss on equipment sales due to higher volumes of smartphone sales, higher promotional costs and increased commission expense on higher gross customer additions. Adjusted EBITDA in the year of 2014 excludes EUR 0.1 billion associated with EUR 0.4 billion in gains on spectrum license transactions, primarily with Verizon Communications, partially offset by EUR 0.1 billion of stock-based compensation costs and EUR 0.3 billion relating to the decommissioning of the MetroPCS CDMA network. The adjusted EBITDA margin decreased year-on-year due to the factors described above, as increases in revenues outpaced adjusted EBITDA growth for the year of 2014.

### **EBIT**

EBIT was slightly above the 2013 level of EUR 1.4 billion. The slight increase was driven by higher adjusted EBITDA and recognition of gains on spectrum license transactions partially offset by higher depreciation expense and the recognition of costs associated with the decommissioning of the MetroPCS CDMA network. Higher depreciation expense was due to the inclusion of MetroPCS operating results since May 2013 and the deployment of LTE network assets, related to the network modernisation program.

### **Cash capex**

Cash capex increased 54.7 percent year-on-year to EUR 5.1 billion in 2014 compared to EUR 3.3 billion in 2013 due primarily to the purchase of 700 MHz A-Block spectrum licenses totaling EUR 1.8 billion.

## **EUROPE**

The ICSS/GNF business of the local business units (LBUs), which had been organisationally assigned to the Systems Solutions operating segment until 31 December 2013, was brought together as of 1 January 2014 and is now reported under the Europe operating segment. Furthermore, as of 1 January 2014, the local business customer units of T-Systems Czech Republic, which had previously been managed under the Systems Solutions operating segment, were merged with T-Mobile Czech Republic; they are reported in the Europe operating segment. Comparative figures have been adjusted retrospectively.

### **Development of operations**

millions of EUR				
	2014	2013	Change	Change percent
<b>TOTAL REVENUE</b>	<b>12,972</b>	<b>13,704</b>	<b>(732)</b>	<b>(5.3)</b>
Greece	2,869	2,988	(119)	(4.0)
Romania	1,002	1,017	(15)	(1.5)
Hungary	1,492	1,563	(71)	(4.5)
Poland	1,492	1,584	(92)	(5.8)
Czech Republic	862	973	(111)	(11.4)
Croatia	905	929	(24)	(2.6)

Netherlands	1,551	1,666	(115)	(6.9)
Slovakia	768	828	(60)	(7.2)
Austria	815	828	(13)	(1.6)
Other <sup>a</sup>	1,442	1,548	(106)	(6.8)
Profit from operations (EBIT)	1,704	972	732	75.3
EBIT margin percent	13.1	7.1		
Depreciation, amortisation and impairment losses	(2,597)	(3,399)	802	23.6
EBITDA	4,301	4,371	(70)	(1.6)
Special factors affecting EBITDA	(131)	(179)	48	26.8
<b>EBITDA (ADJUSTED FOR SPECIAL FACTORS)</b>	<b>4,432</b>	<b>4,550</b>	<b>(118)</b>	<b>(2.6)</b>
Greece	1,138	1,165	(27)	(2.3)
Romania	266	283	(17)	(6.0)
Hungary	445	438	7	1.6
Poland	579	599	(20)	(3.3)
Czech Republic	362	425	(63)	(14.8)
Croatia	365	404	(39)	(9.7)
Netherlands	630	495	135	27.3
Slovakia	310	337	(27)	(8.0)
Austria	211	192	19	9.9
Other <sup>a</sup>	125	216	(91)	(42.1)
EBITDA margin (adjusted for special factors) percent	34.2	33.2		
<b>CASH CAPEX</b>	<b>(2,101)</b>	<b>(3,661)</b>	<b>1,560</b>	<b>42.6</b>

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

<sup>a</sup> Other: national companies of Bulgaria (up to and including 31 July 2013), Albania, the F.Y.R.O. Macedonia, and Montenegro, as well as ICSS (International Carrier Sales & Solutions), the ICSS/GNF Business of the LBUS, GNF (Global Network Factory), GTS Central Europe Group (since 30 May 2014), Europe Headquarters, and Group Technology.

## Total revenue

The Europe operating segment generated total revenue of EUR 13.0 billion in 2014, a year-on-year decrease of 5.3 percent. Thus total revenue was in line with the forecast expectations for 2014. In organic terms, i.e., without taking into account effects of changes in the composition of the Group and exchange rate effects, segment revenue decreased by 4.0 percent. In addition to disposals in 2013, for example, of Hellas Sat or the subsidiaries in Bulgaria, and the resulting lost contributions to revenue, Deutsche Telekom sold its shares in Euronet Communications in the Netherlands on 2 January 2014. Furthermore, revenue was impacted by negative exchange rate effects compared with the euro, especially the Hungarian forint and the Czech koruna. The inclusion of DIGI Slovakia from 1 September 2013 and the GTS Central Europe group from 30 May 2014 had a positive effect.

Decisions by regulatory authorities continue to have a substantial impact on the segment revenue. Reduced mobile termination rates and roaming regulations in almost all countries of the operating segment accounted for more than half of the organic revenue decline. In addition, competition-induced price reductions in mobile and fixed-network communications continued to have a negative effect on the revenue in 2014, although a few markets began to show initial signs of recovery.

As far as organic segment revenue by country is concerned, business in Greece was hit hardest by revenue declines in absolute terms in 2014, followed by Poland, Slovakia, and the Czech Republic. These countries sustained regulation- as well as market-induced revenue losses. At segment level, revenue from consumer business decreased substantially more than business with business customers. Wholesale business overall also recorded a decline.

### **EBITDA, adjusted EBITDA**

The Europe operating segment generated adjusted EBITDA of EUR 4.4 billion in 2014, a year-on-year decrease of 2.6 percent. Excluding effects of changes in the composition of the Group, and negative exchange rate effects against the Euro, adjusted EBITDA decreased by 0.9 percent compared with the prior-year level. This decline was mainly due to lower EBITDA contributions from mobile business in Greece and from business in the Czech Republic, Croatia, and Slovakia. It was almost offset by positive adjusted EBITDA contributions, including from the Netherlands and the fixed-network business in Greece, Hungary and Austria. Revenues also decreased in the ICSS business.

The overall organic decrease in revenue at segment level had a negative impact on the development of adjusted EBITDA compared with the previous year. Changes in legislation, taxes and duties, and national austerity programs put additional pressure on the earnings. With efficiency enhancement measures, Deutsche Telekom was able to reduce indirect costs in a targeted way and thereby counteract the negative effect of the revenue decline. Lower personnel costs in the fixed-network business in Greece in particular made a positive contribution. Earnings also benefited from the revenue contribution from the alternative model for terminal equipment. In addition, the direct costs decreased overall thanks to targeted measures for customer retention and acquisition on the one hand, and as a result of regulation-induced reductions in interconnection costs on the other. Apart from the aforementioned reasons, the slight decline in EBITDA is also attributable to the deconsolidation gains recorded in the prior year from the sale of the Bulgarian mobile companies as well as Hellas Sat, which were recognised as special factors. The fine imposed as part of the European Commission proceedings against Slovak Telekom and Deutsche Telekom also had an adverse effect on EBITDA.

### **EBIT**

EBIT in the Europe operating segment totalled EUR 1.7 billion in 2014, up 75.3 percent year-on-year, mainly due to impairment losses on goodwill recognised in 2013, in particular in Austria. This was contrasted by a lower impairment loss recognised on goodwill in Romania in 2014. Depreciation on property, plant and equipment decreased year-on-year, in particular in Greece, Poland and Hungary. This offset the negative effects from the slight decline in EBITDA.

### **Cash capex**

In 2014, the Europe operating segment reported cash capex of EUR 2.1 billion, i.e., down by 42.6 percent, primarily due to the acquisition of mobile licenses in the Netherlands, Austria and Romania in the 2013. In 2014, Deutsche Telekom acquired spectrum, in particular in Hungary, the Czech Republic, Poland and Slovakia. Excluding the effects from the acquisition of spectrum and the sale of the national companies in Bulgaria, cash capex decreased slightly year-on-year at segment level. The decrease is due to contrasting effects: Firstly, the national companies continued to act very prudently in their capital spending. The reasons for this included the difficult market situation, decisions by regulatory authorities, and additional financial burdens, such as taxes. Activities as part of the integrated network strategy, especially in the mobile business in Greece and the fixed-network business in Romania, had a contrasting effect. Here, cash capex increased slightly, also due to the inclusion of the GTS Central Europe group.

### **SYSTEMS SOLUTIONS**

The ICSS/GNF business of the local business units (LBUs), which had been organisationally

assigned to the Systems Solutions operating segment until 31 December 2013, was brought together as of 1 January 2014 and is now reported under the Europe operating segment. Furthermore, as of 1 January 2014, the local business customer units of T-Systems Czech Republic, which had previously been managed under the Systems Solutions operating segment, were merged with T-Mobile Czech Republic; they are reported in the Europe operating segment. Comparative figures have been adjusted retrospectively.

## Development of operations

### Total revenue

Total revenue in the Systems Solutions operating segment in 2014 year amounted to EUR 8.6 billion, a year-on-year decrease of 4.8 percent. This is primarily due to the expected decline in revenue in connection with the initiated realignment.

Revenues of the Market Unit, i.e., essentially business with external customers, was down 5.1 percent compared with 2013 to EUR 6.9 billion; with declines in both national and international revenue. Revenue was adversely affected by the revenue decline resulting from the realignment, and the general downward trend in prices in the ICT business. In addition to exchange rate effects, the sales of T-Systems Italia and the SI business unit of T-Systems France in the first half of 2013 resulted in revenue losses.

In the Telekom IT business unit, which mainly pools the Group's domestic internal IT projects, revenue was slightly down against 2013, primarily reflecting the Group's planned savings in IT costs.

millions of EUR				
	2014	2013	Change	Change percent
Total revenue	8,601	9,038	(437)	(4.8)
Loss from operations (EBIT)	(422)	(294)	(128)	(43.5)
Special factors affecting EBIT	(549)	(431)	(118)	(27.4)
EBIT (adjusted for special factors)	127	137	(10)	(7.3)
EBIT margin (adjusted for special factors) percent	1.5	1.5		
Depreciation, amortisation and impairment losses	(717)	(652)	(65)	(10.0)
EBITDA	295	358	(63)	(17.6)
Special factors affecting EBITDA	(540)	(416)	(124)	(29.8)
EBITDA (adjusted for special factors)	835	774	61	7.9
EBITDA margin (adjusted for special factors) percent	9.7	8.6		
Cash Capex	(1,171)	(1,066)	(105)	(9.8)

### EBITDA, adjusted EBITDA

Adjusted EBITDA in the Systems Solutions operating segment increased by EUR 61 million or 7.9 percent in 2014 due to a substantially higher contribution from Telekom IT. Adjusted EBITDA from the Market Unit decreased significantly, due among other factors to necessary expenses for realigning the business model with the goal of ensuring sustained profitable growth. The adjusted EBITDA margin improved from 8.6 percent in 2013 to 9.7 percent in 2014. EBITDA decreased 17.6 percent to EUR 295 million. Special factors were higher than in 2013, mainly due to restructuring programs.

## EBIT, adjusted EBIT

In 2014, adjusted EBIT was down EUR 10 million compared with 2013, due in part to higher depreciation and amortisation, especially in connection with the advanced implementation of the Group-wide ERP system. The adjusted EBIT margin of 1.5 percent is at the prior-year level.

## Cash capex

In 2014, cash capex stood at EUR 1.2 billion, i.e., EUR 105 million more than in 2013. This increase is related to the realignment of the business model, which Deutsche Telekom is developing further in line with the increasing digitisation of enterprises. For this reason, Deutsche Telekom is investing in intelligent network solutions such as the connected car, healthcare, and energy, as well as in cutting-edge digital innovation areas like cloud computing and cyber security. Enhanced efficiency, for example as a result of the standardisation of the ICT platforms, had an offsetting effect.

## GROUP HEADQUARTERS & GROUP SERVICES

### Total revenue

Total revenue in the Group Headquarters & Group Services segment in 2014 decreased by 12.6 percent year-on-year, mainly due to the revenue lost in connection with the sale of 70 percent of the shares in the Scout24 group which was consummated in early February 2014. Intragroup service revenues, primarily from call center services and rent, decreased slightly year-on-year.

### EBITDA, adjusted EBITDA

Adjusted EBITDA at Group Headquarters & Group Services decreased by EUR 12 million year-on-year in 2014, due to the loss of the Scout24 group's contribution to operations. Since the closing of the transaction, the earnings from the remaining stake of around 30 percent are reported under profit/loss from financial activities as share of profit/loss of associates and joint ventures accounted for using the equity method. Furthermore, the intragroup income of the Digital Business Unit (DBU) declined due to efficiency measures. Income from trademark licenses also decreased. This was partially compensated by positive effects from increased income from real estate sales, lower IT and consulting expenses, and the implementation of efficiencies from the realignment of Vivento.

Overall, positive special factors of around EUR 1.2 billion affected EBITDA in 2014, primarily resulting from income in connection with the deconsolidation of the Scout24 group. Expenses - primarily for staff-related measures as well as for the recognition of other provisions - had a negative effect on EBITDA.

### EBIT

The year-on-year decrease in loss from operations by around EUR 1.5 billion is mainly due to the income from the deconsolidation of the Scout24 Group.

### Cash capex

Cash capex decreased year-on-year by EUR 30 million, largely due to the purchase of fewer software licenses and the non-recurrence of the contribution from the Scout24 group.

millions of EUR				
	2014	2013	Change	Change percent
<b>Total revenue</b>	<b>2,516</b>	<b>2,879</b>	<b>(363)</b>	<b>(12.6)</b>
Of which: Digital Business Unit	635	970	(335)	(34.5)
Loss from operations <b>(EBIT)</b>	(109)	(1,582)	1,473	93.1
Depreciation, amortisation and impairment losses	(671)	(699)	28	4.0
EBITDA	562	(883)	1,445	n. a.
Special factors affecting EBITDA	1,229	(228)	1,457	n. a.
<b>EBITDA (adjusted for special factors)</b>	<b>(667)</b>	<b>(655)</b>	<b>(12)</b>	<b>(1.8)</b>
Of which: Digital Business Unit	(31)	121	(152)	n. a.



Cash capex	(381)	(411)	30	7.3
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## Outlook

### **Market Expectations**

Deutsche Telekom expects the downward trend in the telecommunications market in Germany to continue in 2015 and 2016. In addition to the intense competitive environment, this is due to the change in customers' usage patterns. They are shifting their communication activities to social networks such as Facebook or Google+, or to IP messaging services, such as WhatsApp. According to the industry association BITKOM, revenues in the German market for information and telecommunications technology will grow only slightly by 0.6 percent to EUR 154.3 billion. Business with data technology, software and services is expected to grow, and revenue from telecommunications and consumer electronics to decrease.

Traditional voice revenues in the fixed-network and mobile market will continue to decline, primarily because voice telephony is bundled together with other telecommunications products in the form of flat rates. The fight for customers with innovative, attractive, integrated products comprising fixed-network and mobile communications as well as offerings organised in partnerships becomes ever more important for the competitive position.

Deutsche Telekom also anticipates a further decline in service revenues in the mobile market in the next two years due to price erosion. What is more, text messages continue to be substituted by IP messaging services largely offered free-of-charge. The downward revenue trend is further intensified by expected regulatory price cuts, such as price reductions in relation to national termination in December 2014 and the possible abolition of EU roaming at the end of 2015. Increasingly, integrated data volumes and speed are what differentiate between competitors in the design of rate portfolios. In addition, voice and messaging services are increasingly offered in the form of flat rates.

In the fixed-network broadband market, Deutsche Telekom expects cable network operators to continue to grow. Above all, Deutsche Telekom expects growth in market segments such as television, IT through cloud services, M2M, mobile payment, and cyber security. Demand for integrated telecommunications products continues to rise among small and medium-sized enterprises, particularly for secure data transmission, for instance, in cloud applications. In order to be able to exploit this opportunity for growth, telecommunications companies are investing in modern broadband integrated networks, network concepts and capacities, IT, and innovations and partnerships.

The U.S. mobile market continues to be characterised by intense competition among the major mobile carriers. Competitive factors within the U.S. mobile market include dynamic changes in pricing, voice market saturation, service and product offerings, customer experience, network quality, development and deployment of technologies, availability of spectrum licenses and regulatory changes. The mobile postpaid market in the United States is embracing equipment installment plans and allowing customers to subscribe for wireless services separately without the purchase of or payment for a bundled device. With these plans, carriers recognise revenues for the device upfront, offsetting the majority of the equipment cost. Additionally, data services continue to be a growth driver, and despite the high level of competition, the U.S. mobile market is expected to grow from mobile broadband data services in 2015 and 2016, further supporting network investment by the major mobile carriers in the U.S. mobile market.

The European markets (excluding Germany) are dominated by tough competition between market players from the traditional telecommunications industry, alternative broadband providers such as cable and fiber-optic network operators, and providers of Internet-based services such as short messaging (e.g., WhatsApp) and Internet TV (e.g., Watchever). Deutsche Telekom also expects competition to further intensify and the telecommunications market to further consolidate over the next two years. Despite initial signs of a price recovery in some markets, this has resulted in aggressive pricing with flat rate and/or SIM-only offerings.

In most of the European markets, Deutsche Telekom expects the general macroeconomic conditions to improve. Experience has shown, however, that an increase in GDP will only translate into revenue growth in the medium term. Deutsche Telekom is concerned that the governments of some European countries want to further improve their financial situation and will therefore intervene in the

telecommunications market with fiscal policies: The Croatian government, for example, decided to triple the spectrum fees in the 2014 financial year. Furthermore, Deutsche Telekom expects decisions by national regulatory authorities and the European Union, which will put the markets under pressure and have a negative impact on mobile revenues in future.

Overall, Deutsche Telekom expects the decline in revenue in the telecommunications markets in the individual countries of the Europe operating segment to be less sharp over the next two years. This is due on the one hand to the smaller decline in termination rates compared with prior years, and on the other to the fast rising penetration of smartphones with mobile broadband, especially in Eastern Europe, and in the fixed-network market with a growing number of broadband and pay-TV lines. From 2017, Deutsche Telekom expects revenues to stabilise in the telecommunications markets in the countries of its footprint.

Even if the anticipated recovery in the global economy fails to materialise, Deutsche Telekom expects the growth trend in the ICT market to increase again in the next two years. Deutsche Telekom believes the ICT market will be influenced by digitisation, persistent cost pressure, and strong competition. Digitisation is leading to greater demand for solutions from the areas of cloud services, big data, intelligent network services like Industry 4.0, the Internet of Things, and M2M, as well as the mobilisation of business processes.

Deutsche Telekom expects the ICT markets in both of its market segments to develop in different ways:

- A range of factors are leading to new challenges in the intensely contested telecommunications market. Innovative change, the high intensity of competition, and persistent price erosion, as well as interventions by national regulatory authorities result in a steady market decline, even though business with mobile data services will continue to grow over the next few years.
- After only low-level growth in 2014, the market for IT services is expected to recover strongly in the following years. The IT services market is undergoing major change, however, brought about by progressive standardisation, demand for intelligent services, changes in outsourcing business caused by cloud services, and new challenges posed by issues such as ICT security, big data, and increasing mobility. Traditional ICT business will only grow slightly due to price competition, whereas growth in areas such as cloud services, mobility, and cyber security may even reach double digits. So Deutsche Telekom will continue to increase investments in growth markets such as cloud services, cyber security, and intelligent network solutions for the healthcare sector or the automotive industry.

## **Expectations for the Operating Segments**

### **Germany**

Deutsche Telekom has launched a comprehensive transformation program in the Germany operating segment. The project is set to run for five years and aims to secure market leadership: Deutsche Telekom wants to remain the leading integrated telecommunications provider in Germany.

IP transformation is a requirement for being able to bring innovative, competitive offers to the market more quickly. Deutsche Telekom will therefore migrate all customers to IP products by 2018. This will put Deutsche Telekom in a position to develop new products such as FMC or self-service offerings quickly, flexibly, and at low cost. Once the IP migration is complete, Deutsche Telekom can switch off its legacy platforms and save operating costs.

Demand for bandwidth will continue to grow rapidly. Deutsche Telekom will therefore invest considerably more in the coming years in broadband networks, innovative products and customer service. Another milestone in the migration to all IP is the use of innovative hybrid technology. This technology bundles the transmission capacities of the fixed and mobile networks and allows additive use to be made of the maximum bandwidth.

Deutsche Telekom will continue to drive forward investments in new technologies with even greater intensity in the future and is reducing investments in old technologies. Deutsche Telekom will increase its investment in its network infrastructure in the coming years, particularly in the build-out of its vectoring/fiber-optic and LTE networks.

## United States

In 2015, T-Mobile US will continue to execute on its Un-carrier promise. Key elements of the Un-carrier promise include delivering distinctive value for consumers in all customer segments by eliminating customer pain points and providing 4G services through a strong mid-band spectrum position supplemented by low-band spectrum in key metropolitan areas and a nationwide fourth-generation LTE network. Additionally, the Un-carrier initiatives focus on attracting and retaining a loyal customer base by offering devices when and how they want them, and plans that are simple, affordable and without unnecessary restrictions to deliver the best value in wireless.

## Europe

In spite of the tough competitive conditions in most of its footprint countries in this operating segment, Deutsche Telekom intends to defend and extend its market position in each country. In the case of its integrated companies, Deutsche Telekom will work on maintaining its market leadership in both the fixed network and mobile communications or on using its strong position in the fixed network to push ahead with its mobile business, depending on the position of the respective company in its market. In particular through the acquisition of the GTS Central Europe Group and the merger of the local business units of T-Systems Czech Republic and T-Mobile Czech Republic, Deutsche Telekom can offer its consumers and business customers in previously mobile-only companies, such as in Poland or the Czech Republic, a significantly expanded product portfolio and expand them into integrated companies.

Deutsche Telekom is increasingly relying on technology leadership in the production model and in Next Generation Access. Deutsche Telekom wants a simplified and standardised network. To this end, Deutsche Telekom will invest in the next few years in a pan-European all-IP network and migrate all networks in its national companies with fixed-network architecture to IP. In 2014, the migration was completed in the F.Y.R.O. Macedonia and Slovakia. Over the next few years, further national companies such as Croatia and Montenegro will follow suit, until Deutsche Telekom has migrated all its integrated companies in the Europe operating segment to IP by 2018. Building on this, Deutsche Telekom is harmonising its network and IT architectures, so as to enable the centralised, cloud-based production of its services. Advantages of the new IP-based production model are that Deutsche Telekom creates the best customer experience with its products and services, and that Deutsche Telekom achieves efficiency. Especially in broadband and TV, Deutsche Telekom can offer its customers a consistent and personalised user experience across all devices with products such as Broadband on Demand in the F.Y.R.O. Macedonia. This allows customers to change the features, e.g., speed, of their broadband line. In Romania, Deutsche Telekom can offer its customers a completely personalised product, for example, with the new IPTV platform. Deutsche Telekom will enrich the TV offering with exclusive premium content, such as the UEFA Champions League in Greece. But Deutsche Telekom will also continue to offer its own channels as well as content in partnership with other companies, like Netflix. Deutsche Telekom is already working with partners for other digital content, such as the Internet services Spotify, Deezer, or Evernote.

Another technology milestone on the road to the network of the future is TeraStream, a concept that is based on a cloud-based IP architecture. A pilot project is already successfully underway in Croatia. Deutsche Telekom also wants to conduct similar pilot projects in other countries of the Europe operating segment. As a preliminary stage for TeraStream, Deutsche Telekom has started to introduce a broadband network gateway (BNG) in Greece and Hungary. Deutsche Telekom plans to complete this process in both countries before the end of 2015.

On the basis of the integrated network strategy, Deutsche Telekom will drive forward the fiber-optic roll-out in the fixed network at an even faster pace. In Greece, Deutsche Telekom continues to lay optical fiber up to the nearest cable distributor, which in the next step will enable Deutsche Telekom to add vectoring technology. In all other integrated companies, Deutsche Telekom has been investing for a number of years in the FTTH roll-out. Deutsche Telekom will continue and intensify its efforts in this respect in 2015, especially in Hungary, Croatia, and Romania.

In mobile communications, Deutsche Telekom is responding to the fast growing demand for bandwidth. Deutsche Telekom was able to acquire mobile spectrum for the roll-out of the mobile standard LTE in all countries. In the next few years, there will only occasionally be spectrum auctions. This allows Deutsche Telekom to focus its investments in mobile communications on two areas: extending reach and implementing LTE-advanced technology with transmission rates of more than

150 Mbit/s. The national companies have various roll-out targets: Deutsche Telekom wants to cover between 75 and 95 percent of the population with LTE by 2018. In order to achieve this high level of network coverage, further network partnerships are needed with other companies, as currently, for example, in Poland. Furthermore, Deutsche Telekom will invest to further improve its customer service and processes. Deutsche Telekom is developing and implementing new products and services in mobile communications, too. One example for this is the Mobile Wallet, which has already been successfully launched in Poland, Slovakia, and Hungary. Another innovation is the Ultimate APP application, which combines all services and applications for all Deutsche Telekom products – for mobile communications, fixed network, and television. Deutsche Telekom's test market for this is Romania.

With the increasing merging of broadband lines with different access technologies, Deutsche Telekom as an integrated telecommunications operator is driving forward the convergence of fixed-network and mobile communications: On the one hand, Deutsche Telekom offers its customers fixed-mobile-convergence (FMC) products, on the other, Deutsche Telekom is developing most of its national companies into an integrated business model. Of particular note in this regard is the acquisition of the GTS Central Europe group, which allows Deutsche Telekom's companies in Poland and the Czech Republic to offer integrated products and services in the key business customer segment. In addition, all of its already integrated national companies now offer FMC products.

Deutsche Telekom also wants win over business customers with its high-performance ICT products. Deutsche Telekom wants to direct its offering not only at corporate customers, but also increasingly at small and medium-sized enterprises. Deutsche Telekom will continue to further expand its business with secure cloud solutions for this customer group in particular. To this end, Deutsche Telekom is increasingly working on standardised platforms, such as the international M2M platform. With this M2M partner program, Deutsche Telekom is positioning itself as a provider that offers its customers cross-industry M2M solutions as complete packages from a single source in cooperation with competent partners. Many countries of the Europe operating segment are already taking part in this program.

In the next few years, changes in legislation, such as taxes and duties, and national austerity programs could negatively impact the revenue and earnings. This could restrict Deutsche Telekom's ability to invest locally. Exchange rate effects could also put pressure on Deutsche Telekom's earnings on a euro basis.

### **Systems Solutions**

The T-Systems Market Unit focuses on the ICT services growth market, offering solutions for corporate customers.

The T-Systems Market Unit continues to work on its business model and will invest in new digital innovation areas to support customers in the ongoing digitisation of their business. In addition to traditional ICT business, platform-based services and cloud services will play an increasing role. These include, for example, cyber security, M2M, and big data, as well as the further expansion of intelligent network services. Another important component in the implementation of Deutsche Telekom's business model is the targeted expansion of its strategic partnerships. Deutsche Telekom wants to complete the transformation towards digital innovation areas by 2016. Growth in these areas is then intended to compensate for lower-margin business with traditional outsourcing.

As a service provider for the Group, Telekom IT constantly develops its Group's IT landscape, thus making an important contribution to its Company's competitiveness. Standardised and optimised systems and processes contribute to systematic efficiency management and to reducing the Group's IT costs further.

In order to continue growing sustainably and profitably, Deutsche Telekom will expand and evaluate its business model. Deutsche Telekom will drive forward this transformation with the aim of generating growth with scalable, cloud-based services, changing traditional ICT elements to make them more profitable, and identifying services that Deutsche Telekom no longer wants to perform itself. Thus Deutsche Telekom will continue to intensify its efforts to promote and sell products from its growth areas.

## **GROUP HEADQUARTERS & GROUP SERVICES**

Deutsche Telekom is currently realigning its Digital Business Unit as the Group's central innovation unit. In the future, the focus will be on innovation and products developed on behalf of and in close dialog with its operating segments. The needs of the segments, their markets and customers are the crucial factors for these activities. The Digital Business Unit will focus more on business with platforms such as M2M or Smart Home.

## **DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**

### **Management and Supervision**

The management and supervisory structures, as well as the compensation system for the Board of Management and the Supervisory Board, are oriented toward the long-term performance of the Group and follow the recommendations of the German Corporate Governance Code.

In the period since submission of the most recent Declaration of Conformity pursuant to § 161 of the German Stock Corporation Act (*Aktiengesetz*) on 30 December 2013, Deutsche Telekom AG has complied with the recommendations of the Government Commission on the German Corporate Governance Code, published by the Federal Ministry of Justice in the official section of the Federal Gazette (*Bundesanzeiger*) on 10 June 2013, without exception.

There are no potential conflicts of interest of the members of the Board of Management and the members of the Supervisory Board of Deutsche Telekom AG between their respective duties to Deutsche Telekom AG and their private interests or other duties.

The business address of each member of the Board of Management or Supervisory Board is Deutsche Telekom AG, Friedrich-Ebert-Allee 140, 53113 Bonn, Federal Republic of Germany.

### ***The Supervisory Board***

The Supervisory Board advises the Board of Management and oversees its management of business. In accordance with the German Stock Corporation Act (*Aktiengesetz*) and the German Co-Determination Act of 1976 (*Mitbestimmungsgesetz*), Deutsche Telekom AG's Supervisory Board consists of twenty members, ten of whom represent its shareholders and ten of whom represent its employees. Members of the Supervisory Board may be elected for a term of up to five years and reelection is permitted. The Chairman and the Deputy Chairman are elected by the Supervisory Board in accordance with the rules of the German Co-Determination Act.

Supervisory Board members representing Deutsche Telekom AG's shareholders are elected at the annual shareholders' meeting. The terms of office of the shareholder representatives expire at the end of the shareholders' meeting at which the shareholders discharge the Supervisory Board members in respect of the fourth financial year following the member's commencement of tenure of office. The financial year in which tenure of office commences is not counted for this purpose.

Supervisory Board members representing Deutsche Telekom AG's employees are elected by its employees in accordance with the provisions of the German Co-Determination Act. Employees elect ten representatives, made up of workers, regular employees, at least one senior management employee and three union representatives. Under the laws that governed Deutsche Telekom AG's privatisation, civil servants, who are not otherwise covered by the German Co-Determination Act, are included in these groups of employee representatives for purposes of these elections.

A member of the Supervisory Board elected by Deutsche Telekom AG's shareholders may be removed by a shareholders' resolution by simple majority of the votes cast. A member of the Supervisory Board elected by Deutsche Telekom AG's employees may be removed by a majority of at least three-quarters of the votes cast by the relevant class of employees or union representatives who elected the relevant Supervisory Board members in accordance with the German Co-Determination Act.

The Supervisory Board is required by law to meet at least twice every six months. To achieve a quorum, at least ten of the members of the Supervisory Board must be present or cast their votes in writing. Except in situations in which a different majority is required by law, such as the appointment of Management Board members or the election of the Chairman and Deputy Chairman, the Supervisory Board makes decisions by simple majority of the votes cast. If, in the event of a deadlock, a second vote again results in a tie, the chairman of the Supervisory Board can cast the

deciding vote.

The Supervisory Board of Deutsche Telekom AG advises the Board of Management and oversees its management of business. It is composed of 20 members, ten of whom represent the shareholders and the other ten the employees.

The current members of the Supervisory Board of Deutsche Telekom AG and their principal occupations are listed below:

*Shareholder representatives*

Prof. Dr. Ulrich Lehner, Member of the Shareholders' Committee of Henkel AG & Co. KGaA, Düsseldorf, Chairman of the Supervisory Board,

Sari Baldauf, Non-Executive Director and Chairwoman of the Board of Directors of Fortum Oyj, Espoo, Finland

Dr. Wulf H. Bernotat, former Chairman of the Board of Management of E.ON AG, Düsseldorf

Johannes Geismann, State Secretary, Federal Ministry of Finance, Berlin

Dr. Hubertus von Grünberg, Chairman of the Board of Directors of ABB Ltd., Zurich, Switzerland

Lars Hinrichs, CEO of Cinco Capital GmbH, Hamburg

Dagmar P. Kollmann, Entrepreneur; former CEO of Morgan Stanley Bank, Frankfurt/Main

Dr. Ulrich Schröder, Chairman of the Board of Managing Directors of KfW, Frankfurt/Main

Karl-Heinz Streibich, CEO of Software AG, Darmstadt

Prof. Michael Kaschke, CEO, Carl Zeiss AG, Oberkochen

*Employee representatives*

Josef Bednarski, Deputy Chairman of the Group Works Council at Deutsche Telekom AG, Bonn and Chairman of the Central Works Council at Deutsche Telekom Kundenservice GmbH, Bonn

Monika Brandl, Chairwoman of the Central Works Council at Deutsche Telekom AG, Bonn

Klaus-Dieter Hanas, Chairman of the Works Council at Deutsche Telekom Kundenservice GmbH, Central-Eastern District, Bonn

Sylvia Hauke, Member of the Central Works Council's executive committee at Telekom Deutschland GmbH, Bonn

Hans-Jürgen Kallmeier, Chairman of the Central Works Council at T-Systems International GmbH, Frankfurt/Main

Petra Steffi Kreusel, Head of Executive Programs and Support at T-Systems International GmbH, Frankfurt/Main

Waltraud Litzenberger, Chairwoman of the Group Works Council at Deutsche Telekom AG, Bonn

Lothar Schröder, Member of the ver.di National Executive Board, Berlin, Deputy Chairman of the Supervisory Board

Michael Sommer, Chairman of the German Confederation of Trade Unions (DGB), Berlin

Sibylle Spoo, Lawyer, Trade Union Secretary at the ver.di Federal Administration, Berlin

The members of the Board of Management are appointed and discharged in accordance with § 84 and § 85 of the German Stock Corporation Act (*Aktiengesetz* – **AktG**) and § 31 of the German Codetermination Act (*Mitbestimmungsgesetz* – **MitbestG**).

Amendments to the Articles of Incorporation are made pursuant to §§ 179 and 133 AktG and § 18 of the Articles of Incorporation. According to § 21 of the Articles of Incorporation, the Supervisory Board is authorised, without a resolution by the shareholders' meeting, to adjust the Articles of Incorporation to comply with new legal provisions that become binding for the Company and to amend the wording of the Articles of Incorporation.

Amongst others the Supervisory Board of Deutsche Telekom AG has set up an audit committee. The

Audit Committee's area of responsibility is essentially defined by German legislation and the German Corporate Governance Code. Amongst other things, it monitors accounting activities and supervises the effectiveness of the internal control system, the risk management system, and the internal auditing system. The committee also handles matters relating to the audit of Deutsche Telekom AG's financial statements, verifies the independence of the external auditors, and monitors any additional services provided by the external auditors as well as compliance and data privacy issues. After thorough discussion, the Audit Committee issued a recommendation to the Supervisory Board about the external auditors to be nominated by the 2015 shareholders' meeting.

Dagmar P. Kollmann is the Chairman of the Audit Committee. The other Committee members are Johannes Geismann, Hans-Jürgen Kallmeier, Petra Steffi Kreusel and Waltraud Litzenberger.

### **The Board of Management**

The Board of Management responsibilities were distributed across seven Board departments. Four of these cover cross-functional management areas:

- Chairman of the Board of Management and the Board departments
- Finance
- Human Resources
- Data Privacy, Legal Affairs and Compliance

In addition, there are three segment-based Board departments:

- Germany
- Europe & Technology
- T-Systems

### **Composition of the Board of Management**

Members of the Board of Management	Department	Principal outside functions
Timotheus Höttges	Chairman of the Board of Management (CEO)	Member of supervisory board of FC Bayern München AG, Munich, Germany
Reinhard Clemens	T-Systems	none
Niek Jan van Damme	Germany	none
Thomas Dannenfeldt	Finance (CFO)	none
Dr. Thomas Kremer	Data Privacy, Legal Affairs and Compliance	none
Claudia Nemat	Europe & Technology	Member of supervisory board of Lanxess AG, Leverkusen, Germany
Christian P. Illek	Human Resources	none

### **Basis of Board of Management compensation**

On 24 February 2010, the Supervisory Board resolved on a new system for the compensation of the Board of Management members, taking into account the provisions specified in the German Act on the Appropriateness of Management Board Remuneration (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG) that has been in effect since 5 August 2009. The shareholders' meeting of Deutsche Telekom AG on 3 May 2010 approved this new system. As at 31 December 2014, all current members of the Board of Management were covered by the new Board of Management compensation system.

The compensation of Board of Management members comprises various components. Under the terms of their service contracts, members of the Board of Management are entitled to an annual fixed remuneration and annual variable performance-based remuneration, a long-term variable remuneration component, as well as fringe benefits and deferred benefits based on a company pension entitlement. The Supervisory Board defines the structure of the compensation system for the Board of Management and reviews this structure and the appropriateness of compensation at regular

intervals.

The fixed remuneration is determined for all Board of Management members based on market conditions in accordance with the requirements of stock corporation law. It is ensured that Board of Management compensation is oriented toward the sustained development of the Company and that there is a multi-year measurement base for the variable components. The variable compensation elements include clear upper limits, while the amount of compensation was capped overall. The short- and long-term variable components (Variable I and Variable II) are each capped at a target achievement of 150 percent. Under the Share Matching Plan, the cap is set at triple the share price throughout the term of the plan. Ordinary members of the Board of Management may therefore not receive more than EUR 4.5 million in annual compensation. The Chairman of the Board of Management may not receive more than EUR 7.5 million in annual compensation.

At its discretion and after due consideration, the Supervisory Board may also reward extraordinary performance by individual or all Board of Management members in the form of a special bonus.

In accordance with market-oriented and corporate standards, the Company grants all members of the Board of Management additional benefits under the terms of their service contracts, some of which are viewed as non-cash benefits and taxed accordingly. This mainly includes being furnished with a company car and accident and liability insurance, and reimbursements in connection with maintaining a second household.

Sideline employment generally requires prior approval. Generally, no additional compensation is paid for being a member of the management or supervisory board of other Group entities.

## **Employees**

Deutsche Telekom Group's headcount fell by 0.3 percent during the course of 2014. The following table shows the headcount development in the operating segments.

On 9 April 2014, Deutsche Telekom and the ver.di union agreed the terms for a collective agreement for Group Headquarters and Telekom Deutschland. The new agreement, which took effect on 1 February 2014 and runs for 24 months, provides for the salaries of the some 55,000 employees covered by the collective agreement to be increased in two steps: by at least 2.5 percent as of 1 April 2014, and by a further 2.1 percent as of 1 February 2015.

On 30 April 2014, T-Systems and the ver.di union agreed the terms for a collective agreement for the some 20,000 T-Systems employees in Germany covered by the agreement. The agreement takes effect retrospectively from April 2014 and has a term of two years. Among other provisions, it provides for the salaries of the employees to increase in two steps - by 1.5 percent as of 1 June 2014 and by a further 2.0 percent as of 1 April 2015.

At the end of July 2014, Magyar Telekom reached an agreement with trade unions on staff cuts and wage increases for 2015-2016. Under the terms of the agreement, Deutsche Telekom's subsidiary will cut a maximum of 1,700 jobs. Total severance expenses related to the 2-year headcount reduction program will be approximately EUR 39 million.

In December 2014, Telekom Deutschland introduced a special severance and early retirement program for staff working in steering and centralised functions. The program aims to make socially-responsible savings in personnel costs in line with the industry trend, specifically in administrative areas.



<b>Headcount development.</b>		
<b>Employees in the Group</b>	<b>31 Dec. 2014</b>	<b>31 Dec. 2013<sup>a</sup></b>
<b>TOTAL</b>	<b>227,811</b>	<b>228,596</b>
Of which: Deutsche Telekom AG	28,569	29,577
Of which: civil servants (in Germany, with an active service relationship)	19,881	20,523
Germany operating segment	68,754	66,725
United States operating segment	39,683	37,071
Europe operating segment	51,982	53,265
Systems Solutions operating segment	47,762	49,540
Group Headquarters & Group Services	19,631	21,995

<sup>a</sup> Figures for prior-year periods in the Europe operating segment and the Systems Solutions operating segment have been adjusted.

### **Civil Servants**

Although no employees hired after 1 January 1995 have been granted civil servant status, Deutsche Telekom employs a substantial number of civil servants. Pursuant to the law governing Deutsche Telekom's privatisation, its civil servant employees retained their civil servant status. Accordingly, the terms and conditions of their employment and the benefits owed to them continue to be governed by German regulations regarding civil servants. In particular, civil servant salaries are set by statute and not by Deutsche Telekom or by collective bargaining agreements. In addition, civil servants are tenured employees and may not be unilaterally terminated except in extraordinary, statutorily defined circumstances. Civil servants are not permitted to participate in work-related actions such as strikes, but are permitted to join labor unions. Although Deutsche Telekom is authorised, pursuant to the law governing its privatisation, to exercise generally the rights and duties of Germany as the employer of civil servants, the Federal Postal and Telecommunication Agency (*Bundesanstalt für Post und Telekommunikation* or the Federal Agency) has a right of consultation in the implementation of certain aspects of the terms under which Deutsche Telekom employs civil servants.

Under the German Postal Employees Act (*Postpersonalrechtsgesetz*), which governs the legal position of civil servants at Deutsche Telekom AG, Deutsche Telekom has been given greater flexibility with respect to its relationship with its civil servants. The agreement provides the option of assigning tasks in companies within or outside the Group to active civil servants. The civil servants' compensation, healthcare and pension entitlements have been maintained. Under certain circumstances, civil servants may also be transferred, even without their consent, to companies in which Deutsche Telekom AG has a direct or indirect majority shareholding. However, there is a risk that civil servants temporarily without civil servant status may return to Deutsche Telekom AG, for example, after the completion of their work at one of Deutsche Telekom's subsidiaries. Although Deutsche Telekom attempts to reduce this risk through compensation payments from the subsidiaries to Deutsche Telekom AG, Deutsche Telekom cannot eliminate it completely.

Civil servants employed by Deutsche Telekom are entitled to pension benefits provided by the German federal government pursuant to the German Civil Servants' Benefits Act (*Beamtenversorgungsgesetz*). Pursuant to the law governing its privatisation, Deutsche Telekom is required to make annual contributions to a special pension fund established to fund such pension obligations. The special pension fund was merged in 2000 with the special pension funds of Deutsche Post AG and Deutsche Postbank AG to form a joint pension fund, the Federal Pension Service for Post and Telecommunication (*Bundes-Pensions-Service für Post und Telekommunikation e.V.*, the "**BPS-PT**"). The BPS-PT works for the funds of all three companies and also handles

financial administration for Germany on a trust basis. All transactions for pension and allowance payments to employees are made by BPS-PT for the companies Deutsche Post AG, Deutsche Postbank AG and Deutsche Telekom AG.

### **Provisions for Civil Servants in the Group**

On 16 November 2006, the "Second Bill to Amend the Act for the Improvement of the Staff Structure at the Residual Special Asset of the Federal Railways and the Successor Companies of the Former Deutsche Bundespost" (*Zweites Gesetz zur Änderung des Gesetzes zur Verbesserung der personellen Struktur beim Bundeseisenbahnvermögen und in den Unternehmen der Deutschen Bundespost*) entered into force. Among other things, this Act was intended to help correct the negative consequences of a structural feature of the successor companies to Deutsche Bundespost (Deutsche Telekom AG, Deutsche Post AG, Deutsche Postbank AG). These successor companies employ a high proportion of civil servants in Western Germany, while staff covered by collective agreements make up the majority of the workforce in Eastern Germany. On the basis of the 2006 law, Deutsche Telekom became able to include civil servants in staff restructuring measures. Civil servants of all service grades, who are working in areas where there is a surplus of staff and for whom employment in another area is not possible or cannot reasonably be expected in line with civil service legislation, have been able to apply for early retirement from the age of 55. The Board of Management has resolved to make use of this provision for 2015.

### **MAJOR SHAREHOLDERS**

Below the holders of more than 3 percent of Deutsche Telekom's ordinary shares and their percentage of ownership, based on information supplied to Deutsche Telekom AG by such holders.

KfW:	17.44 percent
Federal Republic of Germany:	14.26 percent
Blackrock:	5.93 percent

The Federal Republic of Germany administers its shareholdings and exercises its rights as a shareholder of Deutsche Telekom AG through the German Finance Ministry. In their capacities as shareholders, the Federal Republic of Germany and KfW may exercise only those rights that they have under the Stock Corporation Act and Deutsche Telekom AG's Articles of Incorporation, which are the same for all of Deutsche Telekom AG's shareholders.

At present, the Finance Ministry and KfW each have one representative on Deutsche Telekom AG's Supervisory Board.

Major Shareholders do not have different voting rights from any of Deutsche Telekom AG's other shareholders.

KfW is 80 percent owned by the Federal Republic of Germany. The Federal Republic of Germany has publicly stated its intention to reduce its holdings of Deutsche Telekom AG shares. Deutsche Telekom AG does not expect that a reduction in the holdings of Deutsche Telekom AG's shares by the Federal Republic of Germany or KfW will have a material negative effect on Deutsche Telekom AG's governance or business.

### **Share Capital**

As of 31 December 2014 the share capital of Deutsche Telekom AG amounted to EUR 11,611,062,392.32 divided into 4,535,571,247 registered ordinary shares without par value (*Stückaktien*). All shares have been issued and are fully paid.

### **Voting Rights**

Each share entitles the holder to one vote. These voting rights are restricted, however, in relation to treasury shares and shares allocable to Deutsche Telekom in the same way as treasury shares (at 31 December 2014: around 21 million in total). The "trust" shares, as they are known, (at 31 December 2014: around 19 million) relate to the acquisition of VoiceStream and Powertel (now T-Mobile US) in 2001 and are allocable to Deutsche Telekom at 31 December 2014 in the same way as treasury shares. As regards the shares issued to trusts, the trustee waived voting rights and subscription rights and, in general, dividend rights for the duration of the trusts' existence.

## Capital increase

The resolution on the dividend payout of EUR 0.50 per share for the 2013 financial year gave shareholders the choice between payment in cash or having their dividend entitlement converted into Deutsche Telekom AG shares. Dividend entitlements of Deutsche Telekom AG shareholders amounting to EUR 1.0 billion for shares from authorised capital (2013 authorised capital) were contributed in June 2014 and thus did not have an impact on cash flows. Deutsche Telekom AG carried out an increase in issued capital of EUR 0.2 billion against contribution of dividend entitlements for this purpose in June 2014. This increased capital reserves by EUR 0.8 billion, the number of shares by 84,396,144.

## FINANCIAL INFORMATION CONCERNING DEUTSCHE TELEKOM'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

### Auditing of historical annual financial information

Deutsche Telekom's consolidated financial statements as of and for the years ended 31 December 2014 and 31 December 2013 were prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) as well as with the regulations under commercial law as set forth in § 315a(1) HGB (*Handelsgesetzbuch* - German Commercial Code). PwC has audited Deutsche Telekom's consolidated financial statements for the financial years ended 31 December 2014 and 31 December 2013 and an unqualified auditors' report has been issued in each case.

### Selected Financial data of Deutsche Telekom

		2014	2013 <sup>b</sup>
	Change -compared to prior year percent <sup>a</sup>	billions of EUR	billions of EUR
<b>REVENUE AND EARNINGS</b>			
Net revenue	4.2	62.7	60.1
Of which: domestic <sup>a</sup>	percent (5.5)	39.9	42.2
Of which: international <sup>a</sup>	percent 4.0	60.1	57.8
Profit (loss) from operations (EBIT)	47.0	7.2	4.9
Net profit (loss)	n. a.	2.9	0.9
Net profit (loss) (adjusted for special factors)	(12.1)	2.4	2.8
EBITDA <sup>b, c</sup>	12.5	17.8	15.8
EBITDA (adjusted for special factors) <sup>b, c</sup>	0.8	17.6	17.4
EBITDA margin (adjusted for special factors) <sup>a</sup> percent	(0.9)	28.0	28.9
<b>PROFITABILITY</b>			
ROCE	percent 1.7	5.5	3.8
<b>STATEMENT OF FINANCIAL POSITION</b>			
Total assets	9.5	129.4	118.1
Shareholders' equity	6.2	34.1	32.1
Equity ratio <sup>a</sup>	percent (0.8)	26.3	27.1

Net debt <sup>c</sup>	8.7	42.5	39.1
Relative debt (Net debt/EBITDA (adjusted for special factors)) <sup>a,b</sup>	n. a.	2.4	2.2
<b>CASH FLOWS</b>			
Net cash from operating activities	2.9	13.4	13.0
Cash capex	(7.0)	(11.8)	(11.1)
Free cash flow (before dividend payments, spectrum investment) <sup>d</sup>	(10.1)	4.1	4.6
Net cash used in investing activities	(8.7)	(10.8)	(9.9)
Net cash (used in) from financing activities	n. a.	(3.4)	1.0
<b>EMPLOYEES</b>			
Average number of employees (full-time equivalents, without trainees) thousands	(0.6)	228	230
Revenue per employee <sup>a</sup> thousands of EUR	4.9	274.5	261.8

<sup>a</sup> Calculated on the basis of millions for the purpose of greater precision. Changes to percentages expressed as percentage points.

<sup>b</sup> Deutsche Telekom defines EBITDA as profit/loss from operations before depreciation, amortisation and impairment losses.

<sup>c</sup> EBITDA, EBITDA adjusted for special factors, net debt, and free cash flow are non-GAAP figures not governed by the International Financial Reporting Standards (IFRS). They should not be viewed in isolation as an alternative to profit or loss from operations, net profit or loss, net cash from operating activities, the liabilities reported in the consolidated statement of financial position, or other Deutsche -Telekom key performance indicators presented in accordance with IFRS.

<sup>d</sup> Deutsche Telekom has defined free cash flow as cash generated from operations less interest paid and net cash outflows for investments in intangible assets (excluding goodwill) and property, plant and equipment.

## LITIGATION AND ARBITRATION PROCEEDINGS

The companies of Deutsche Telekom Group are involved in a number of legal proceedings in the ordinary course of Deutsche Telekom's business. In addition, proceedings involving alleged abuse of a market-dominant position by Deutsche Telekom and other alleged antitrust violations, as well as other regulatory controversies, are pending before competition and regulatory authorities.

### Securities and Corporate Law-Related Proceedings

#### **German Prospectus Liability Suits**

Since 2001, around 16,000 purported purchasers of Deutsche Telekom AG's shares sold pursuant to prospectuses dated 25 June 1999 ("DT2"), and 26 May 2000 ("DT3"), have filed more than 2,600 lawsuits in Germany predominantly alleging that the book values of Deutsche Telekom AG's real property portfolio were improperly established and maintained under German GAAP and that Deutsche Telekom AG allegedly failed to adequately disclose detailed information relating to merger negotiations between Deutsche Telekom and VoiceStream Wireless Corporation (the predecessor of T-Mobile USA). These lawsuits are pending before the Regional Court (*Landgericht*) in Frankfurt am Main. The aggregate amount of all shareholders' claims filed in Germany in these lawsuits is approximately EUR 80 million.

On 11 July 2006 (with respect to the DT3 offering prospectus) and on 22 November 2006 (with respect to the DT2 offering prospectus), the court issued orders for model proceedings (*Vorlagebeschlüsse*) with respect to these lawsuits based on the German Act on Model Case Proceedings in Disputes under Capital Markets Law (*Kapitalanleger-Musterverfahrensgesetz*) seeking a decision of the Frankfurt Court of Appeals (*Oberlandesgericht Frankfurt*) as to common questions of law and fact with respect to the above-mentioned allegations. The master decision by the Frankfurt Court of Appeals will be binding for all parties in the main proceedings. On 16 May 2012, the Frankfurt Higher Regional Court had ruled in the DT3 - model proceedings that there were no errors in the prospectus for Deutsche Telekom AG's third public offering and that Deutsche Telekom is not liable. In its decision on 21 October 2014, the Federal Court of Justice revoked this ruling, determined that there was a mistake in the prospectus, and referred the case back to the Frankfurt/Main Higher

Regional Court. A decision on possible liability for damages was not made. On 3 July 2013 the Frankfurt Higher Regional Court ruled that as well in the DT2 class action proceedings the prospectus for DT's second public offering (1999) did not contain any errors. The plaintiffs' side has filed an appeal (*Rechtsbeschwerde*) against the decision with the Federal Court of Justice.

### **Toll Collect**

The Federal Republic of Germany initiated arbitration proceedings against Daimler Financial Services AG, Deutsche Telekom AG and the Toll Collect consortium for damages suffered as a result of the delay in the commencement of operations of the German highway toll collection system and alleged breaches of the related operating agreement.

The Federal Republic of Germany, in its statement of claims received on 2 August 2005, asserted claims for damages of approximately EUR 5.2 billion plus interest. This amount includes contractual penalties of EUR 1.7 billion relating to the allegation that the agreement of the Federal Republic of Germany was not sought prior to the execution of certain subcontractor agreements. As some of the contractual penalties are time-related and further claims for contractual penalties have been asserted by the Federal Republic of Germany, the amount claimed as contractual penalties may increase. Daimler Financial Services AG, Deutsche Telekom AG and the Toll Collect consortium filed their answer to the claim on 30 June 2006 and to the subsequent counterplea of the Federal Republic of Germany on 1 October 2007. The Federal Republic of Germany served further briefs on 7 January 2008 and 16 February 2008, to which Daimler Financial Services AG, Deutsche Telekom AG and the Toll Collect consortium answered by a further brief on 16 May 2008. The Federal Republic of Germany has slightly modified its claims for damages, now amounting to approximately EUR 4.98 billion plus interest. Further exchanges of briefs in this matter have occurred since then. Various witnesses and experts were heard at a hearing in December 2010.

Additionally, in December 2006, Toll Collect GmbH initiated an arbitration proceeding seeking a determination that the Federal Republic of Germany's basis for denying the issuance of the final operating permit is unfounded and claiming that additional remuneration is due to Toll Collect in accordance with the operating agreement. The Statement of Claims of Toll Collect GmbH was served on the Federal Republic of Germany on 25 May 2007. The answer of the Federal Republic of Germany together with a counterclaim claiming overpayment of remuneration to Toll Collect GmbH was received on 31 January 2008. The Chairman of the arbitral tribunal stood down as of 31 March 2012. At the end of October 2012, following administrative proceedings, Dr. Wolfgang Nitsche was named as his successor. The arbitral tribunal has held an organisational meeting with the parties at the end of May 2013. Further hearings took place in spring and fall 2014.

### **Damages for Subscriber Data Costs**

In 2005, two lawsuits were served on Deutsche Telekom; one by telegate for damages of approximately EUR 86 million, plus interest, and another by telegate's founding shareholder, Dr. Klaus Harisch, for damages of approximately EUR 329 million, plus interest. In the latter claim, the claimant subsequently increased the amount claimed to approximately EUR 612 million, plus interest. Both plaintiffs claim that they incurred losses, due to the alleged adverse effect that Deutsche Telekom's alleged inclusion of inadmissible costs in Deutsche Telekom's provision of customer data had on telegate's position in the market, the resulting capital increases that this required, and the weaker development of telegate's share price and the loss of shares of certain shareholders. The Cologne Regional Court dismissed both actions in its rulings on 28 May 2013. Both Dr. Harisch and telegate AG have appealed against the rulings. In its ruling on 2 July 2014, the Düsseldorf Higher Regional Court dismissed the appeal filed by Dr. Harisch. In its ruling on 2 July 2014, the Düsseldorf Higher Regional Court dismissed the appeal filed by Dr. Harisch. Dr. Harisch filed a complaint against the non-allowance of appeal with the Federal Court of Justice on 8 July 2014. The appeal filed by telegate was dismissed by the Düsseldorf Higher Regional Court on 22 April 2015.

### **Claims for Damages /Price Squeeze**

Various competitors had filed lawsuits against Deutsche Telekom AG or Telekom Deutschland GmbH seeking damages on the grounds of a price squeeze between wholesale and retail prices in the local network after a squeeze was identified by the European Commission in 2003 as part of a decision to impose fines. In the appeal proceedings launched by EWE Tel with a claim of approximately EUR 82 million plus interest, the Düsseldorf Higher Regional Court issued a ruling on 29 January 2014 revising the ruling of the Cologne Regional Court, particularly with regard to the scale of the claims that had

lapsed, and referred the case back to the Cologne Regional Court regarding the amount of compensation awarded – not allowing the appeal. Both EWE Tel GmbH and Telekom Deutschland GmbH filed complaints with the Federal Court of Justice against the non-allowance of the appeal. In the appeal proceedings brought by Versatel GmbH with a claim of around EUR 70 million, the Federal Court of Justice rejected Versatel's complaint against the non-allowance of appeal in a ruling dated 23 September 2014. The decision is final and legally binding. With the exception of the claim of EWE Tel no further proceedings are pending in this matter.

#### **Claims relating to charges for shared use of cable ducts**

With an action filed on 14 June 2012, Kabel Deutschland Vertrieb und Service GmbH (KDG) is asserting two claims: first, Telekom Deutschland GmbH is to reduce the annual charge for the rights to use cable duct capacities in the future; second, it is to partially refund payments made in this connection since 2004, which meanwhile KDG puts at approximately EUR 340 million plus interest and approximately EUR 10 million for unlawful gained savings of interests. The Frankfurt Regional Court dismissed the action in its ruling on 28 August 2013. KDG has appealed the decision. On 9 December 2014, the Frankfurt/Main Higher Regional Court rejected the appeal and disallowed a further appeal. KDG has filed a complaint against the non-allowance of appeal with the Federal Court of Justice.

On 23 January 2013, Telekom Deutschland GmbH also received a claim filed by Unitymedia Hessen GmbH & Co. KG, Unitymedia NRW GmbH, and Kabel BW GmbH, demanding that Telekom Deutschland GmbH cease charging the complainants more than a specific and precisely stated amount for the shared use of cable ducts. Unitymedia Hessen GmbH & Co. KG is also demanding payment of approximately EUR 36.5 million plus interest, Unitymedia NRW GmbH EUR 90.8 million plus interest, and Kabel BW GmbH EUR 61.5 million plus interest for allegedly excessive charges paid since 2009 to 2012 for the shared use of cable ducts.

#### **Claims by partnering publishers of telephone directories**

Several publishers that edit and publish subscriber directories together with DeTeMedien GmbH, filed claims against DeTeMedien GmbH and/or Deutsche Telekom AG. The complainants are claiming damages or refund of approximately EUR 470 million plus interest in total from DeTeMedien GmbH and to a certain extent from Deutsche Telekom AG as joint and several debtor next to DeTeMedien. The complainants base their claims on allegedly excessive charges for the provision of subscriber data. The Frankfurt/Main Regional Court rejected 21 claims by the end of 2014 and the beginning of 2015, other claims are still pending. Two of these decisions have become final and legally binding, in the other cases the complainants have filed an appeal with the Frankfurt/Main Higher Regional Court. Deutsche Telekom expects decisions in the numerous other cases in the course of 2015.

#### **Proceedings against Decisions of the Federal Network Agency**

With the exception of the approval of one-time charges from 1999, 2001, 2005, and 2010 approvals for monthly charges of unbundled local loop lines (ULLs) are not binding for all companies demanding ULLs, because they have applied to have them revoked by the competent courts. Certain approvals have been revoked with final and binding effect, so the Federal Network Agency has to decide again on the charges in relation to the former complainants. Currently, this applies specifically to the rate approvals of the ULL monthly charges from 1999, 2001, 2003, 2005 and 2007 to the new ruling on the ULL one-time charges from 2002 with regard to the cancellation charges.

#### **Other Proceedings**

##### ***Intellectual Property Rights***

Like many other large network operators, Deutsche Telekom is exposed to an increasing number of intellectual property disputes, especially patent litigation. Generally, this leads to a higher risk of having to pay license fees and compensation. Some disputes may even result in cease-and-desist orders, blocking Deutsche Telekom's access to, and ability to use, key network technologies.

##### ***Spectrum Allocation***

Appeals are pending against the decisions by the Federal Network Agency on the allocation of certain frequencies to individual mobile carriers, including Telekom Deutschland GmbH.

### ***Auction of LTE Frequencies***

In 2010, the Federal Network Agency auctioned off additional frequencies in the 800 MHz, 1.8 GHz, 2.0 GHz and 2.6 GHz ranges, with all four German mobile network operators participating in the auction. Alongside the complaints brought by broadcasters and cable network operators that were dismissed with final and legally binding effect, the complaint by a telecommunications company that was still pending was recently dismissed by the Cologne Administrative Court in a ruling on September 3, 2014. This decision is not yet final and legally binding. The complainant had filed a complaint against the non-allowance of appeal with the Federal Administrative Court. All complainants have also appealed against the allocation of frequencies to Telekom Deutschland GmbH, however this has not yet been ruled upon.

### ***Radio Frequency Emissions***

Beginning in 2000, plaintiffs filed numerous state court class-action lawsuits against T-Mobile USA and several other wireless service operators and wireless telephone manufacturers, asserting product liability, breach of warranty and other claims relating to radio frequency transmissions to and from wireless mobile devices. On 2 September 2008, the court granted the defendants' motion to dismiss, which was affirmed on appeal. On 3 October 2011, the United States Supreme Court denied the plaintiff's request for a writ of certiorari. In 2011, several new lawsuits were filed by individual plaintiffs against T-Mobile USA, as well as other wireless service operators and telephone manufacturers, alleging personal injury and product liability related claims allegedly caused by radio frequency emissions. The cases are in the early stages of discovery. T-Mobile USA believes these cases have no merit and are vigorously defending them.

### ***Slovak Telekom***

In 1999, a lawsuit was filed against Slovak Telekom based on the accusation that the legal predecessor of Slovak Telekom had ceased the broadcast of an international radio program allegedly in violation of the underlying contract. The claimant originally demanded approximately EUR 100 million plus interest for damages and loss of profit. On 9 November 2011, the Bratislava Regional Court ruled partly in favor of the plaintiff and ordered Slovak Telekom to pay approximately EUR 32 million plus interest. On 27 December 2011, Slovak Telekom appealed to the Supreme Court in Slovakia against this judgment. In March 2015 the parties agreed to settle the case. The settlement is subject to approval by the local Bratislava court.

### ***Anti-Trust Proceedings***

Like many other companies, Deutsche Telekom's Group is subject to the regulations of anti-trust law. In individual countries, Deutsche Telekom and its subsidiaries, associates and joint ventures are subject to various proceedings under anti-trust or competition law. Deutsche Telekom believes the respective allegations are unfounded.

The major anti-trust and consumer protection actions are described below.

**Proceedings by Anti-Monopoly Commission in Poland.** On 23 November 2011, the Anti-Monopoly Commission in Poland (UOKiK) concluded investigations started in 2010. It accuses Polska Telefonia Cyfrowa (PTC) and other Polish telecommunications companies of price fixing in breach of anti-trust law and imposed a fine of PLN 34 million (approximately EUR 8 million). PTC continues to believe these allegations are unfounded and filed action against the ruling. As a result, the fine is not yet due. The same applies to another fine of PLN 21 million (approximately EUR 5 million) imposed by UOKiK on PTC on 2 January 2012 for an alleged breach of consumer protection law.

### ***Other***

In May 2009, Lannet Communications SA filed a lawsuit claiming compensation for damages of EUR 176 million arising from the allegedly unlawful termination of services (mainly interconnection services, unbundling, and leasing of dedicated lines) by OTE. A hearing took place on 30 May 2013; a ruling has not yet been issued.

## **TREND INFORMATION AND SIGNIFICANT CHANGE IN THE FINANCIAL OR TRADING POSITION**

There has been no significant change in the financial or trading position of the Company and no material adverse change in the prospects of the Company since the date of its last audited consolidated financial statements as of 31 December 2014.

## **ADDITIONAL INFORMATION**

Deutsche Telekom is a stock corporation organised under the laws of the Federal Republic of Germany. Deutsche Telekom AG, Bonn, is the parent company of Deutsche Telekom's group. Its ordinary shares are traded on the Frankfurt Stock Exchange as well as on other German stock exchanges. Information on the capital stock in accordance with § 289(4) No. 1 of the German Commercial Code (*Handelsgesetzbuch*) can be found in Note 15 to Deutsche Telekom's consolidated financial statements as of and for the year ended 31 December 2014, incorporated by reference into this Prospectus.

### **Material Contracts**

In the usual course of Deutsche Telekom's business, it enters into numerous contracts with various other entities. Deutsche Telekom has not entered into any material contracts outside the ordinary course of its business within the past two years.

### **Main Agreements that Include a Change in Control Clause**

The main agreements entered into by Deutsche Telekom AG, which include a clause in the event of a change of control, principally relate to bilateral credit lines and several loan agreements. In the event of a change of control, the individual lenders have the right to terminate the credit line and, if necessary, serve notice or demand repayment of the loans. A change of control is assumed when a third party, which can also be a group acting jointly, acquires control over Deutsche Telekom AG.

In addition, the other members of the Toll Collect consortium (Daimler Financial Services AG and Cofiroute S.A.) have a call option in the event that the ownership structure of Deutsche Telekom AG changes such that over 50 percent of its share capital or voting rights are held by a new shareholder and this change was not approved by the other members of the consortium.

The Hellenic Republic shall have the right to purchase all of Deutsche Telekom AG's shares in the Hellenic Telecommunications Organization S.A., Athens, Greece (OTE), from Deutsche Telekom AG or to demand that they be transferred to a third party named by it if Deutsche Telekom AG were to be taken over by another company that is not a telecommunications company based in the European Union or the United States of a similar size and stature to Deutsche Telekom AG. For this purpose, a change of control over Deutsche Telekom shall be deemed to have taken place if one or several entities, with the exception of the Federal Republic of Germany, directly or indirectly acquire 35 percent of the voting rights in Deutsche Telekom AG.

When establishing the EE joint venture in the United Kingdom, Deutsche Telekom AG and France Télécom S.A. (now: Orange S.A.) agreed in the joint venture agreement that if Deutsche Telekom comes under the controlling influence of a third party, France Télécom S.A. will be exempted from all the restrictions imposed on the shareholders with regard to a transfer of their shares for a period of one year. Transferring shares to competitors would remain prohibited even in this situation, however.

In the master agreement establishing the procurement joint venture BuyIn in Belgium, Deutsche Telekom AG and France Télécom S.A./Atlas Services Belgium S.A. (a subsidiary of France Télécom S.A.) agreed that if Deutsche Telekom or France Télécom comes under the controlling influence of a third party or if a third party that is not wholly owned by the France Télécom group of companies acquires shares in Atlas Services Belgium S.A., the respective other party (France Télécom and Atlas Services Belgium only jointly) can terminate the master agreement with immediate effect.

### **Statement by the Board of Management on the Dependent Company Report**

Since the Federal Republic of Germany, as minority shareholder of Deutsche Telekom AG, represents a solid majority at the shareholders' meeting due to the average level of attendance, Deutsche Telekom is a dependent company of the Federal Republic of Germany in accordance with § 17 (1) AktG (the German Stock Corporation Act).



Deutsche Telekom is not subject to any control or profit and loss transfer agreement with the Federal Republic of Germany. Under § 312 AktG, the Board of Management of Deutsche Telekom AG has therefore prepared a dependent company report describing relations between the controlling entity and dependent companies. The Board of Management issued the following statement at the end of the report: "*The Board of Management hereby declares that under the circumstances known to the Board of Management at the time the corporate transactions were performed, the Company received appropriate remuneration for such transactions. The Company did not perform or omit any actions on behalf of, or on the instructions of, the controlling company or any dependent companies.*"

#### **Third Party Information and Statement by Experts and Declaration of any Interest**

Where information, contained in this document, has been sourced from a third party, Deutsche Telekom confirms that to the best of its knowledge this information has been accurately reproduced and that so far as Deutsche Telekom is aware and able to ascertain from information published by such third party no facts have been omitted which would render the reproduced information materially inaccurate or misleading.

## **Deutsche Telekom International Finance B.V. as Issuer**

### **STATUTORY AUDITORS**

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, The Netherlands have audited Deutsche Telekom International Finance B.V.'s financial statements for the financial years ended 31 December 2014 and 2013 and issued an unqualified auditor's report.

The financial statements for the years 2013 and 2014 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) as well as in accordance with Part 9 of Book 2 of the Dutch Civil Code.

### **GENERAL INFORMATION ABOUT DEUTSCHE TELEKOM INTERNATIONAL FINANCE B.V.**

#### **History and development of Finance**

Finance was incorporated on 30 October 1995 under the laws of The Netherlands and operates under the laws of the Netherlands as a private company with limited liability for an unlimited duration. Finance is a wholly-owned subsidiary of Deutsche Telekom. Finance has its corporate seat (*statuaire zetel*) in Amsterdam and is registered with the Trade Register (*Kamer van Koophandel*, The Netherlands) under number 33274743. Its office address is Stationsplein 8-K, 6221BT Maastricht, The Netherlands (telephone number: +31 43 7999 050).

#### **Investments**

Finance has not conducted any principal investments since the date of the last published financial statements nor does Finance intend making such principal investments in the near future on which the management has already made firm commitments.

### **BUSINESS OVERVIEW**

Finance is the finance organisation of Deutsche Telekom. Finance lends money to group companies by raising funds from the capital markets through the issuing of various types of debt instruments.

#### **I. Activities**

The activities of Finance are in line with the objects stated in § 2 of the Articles of Association of Finance, which are:

1. (a) The issue and acquisition of debt instruments issued by Finance or of debt instruments issued by a limited partnership or a general partnership of which Finance is the general partner with full liability;  
(b) to participate in, to establish and to administer and/or manage, to finance and to render services to companies, firms and enterprises;  
(c) to lend and/or borrow moneys, to provide guarantees, and to commit itself with respect to the commitments of third parties.
2. To do anything which is connected with the provisions of paragraph 1 of this article or which may be promotive thereof, all this in the broadest sense.

#### **II. Principal Markets**

Since the foundation of Finance in 1995, Finance has issued various notes in the capital markets of Europe and the United States of America.

### **ORGANISATIONAL STRUCTURE**

Finance is wholly-owned by Deutsche Telekom AG, Bonn, Germany, but acts as an independent company within The Netherlands. Finance is the financing company of Deutsche Telekom Group. In this position, Finance issues debt instruments in the capital market on its own (but guaranteed by Deutsche Telekom AG) on the basis of the capital needs within Deutsche Telekom Group. In the capital markets, Finance has to compete with other financial institutions and companies for getting best prices for the issue of debt instruments. The net issue proceeds are on-lent to members of

Deutsche Telekom Group by concluding loan agreements with the specific Deutsche Telekom Group members.

## SELECTED FINANCIAL INFORMATION OF DEUTSCHE TELEKOM INTERNATIONAL FINANCE B.V.

### Statement of financial position

thousands of EUR	31 Dec. 2014	31 Dec. 2013
<b>Assets</b>		
Current assets	4,236,215	3,254,819
Non-current assets	21,462,548	23,726,172
<b>Total Assets</b>	<b>25,698,763</b>	<b>26,980,991</b>
<b>Liabilities and shareholder's equity</b>		
Current liabilities	4,199,068	3,271,160
Non-current liabilities	21,192,044	23,388,659
<b>Liabilities</b>	<b>25,391,112</b>	<b>26,659,819</b>
<b>Shareholder's equity</b>	<b>307,651</b>	<b>321,172</b>
<b>Total Liabilities and shareholder's equity</b>	<b>25,698,763</b>	<b>26,980,991</b>

### Statement of comprehensive income

thousands of EUR	2014	2013
Profit (loss) from financial activities	(14,084)	(146,363)
Profit (loss) from operations	(393)	(441)
<b>Profit (loss) before income taxes</b>	<b>(14,477)</b>	<b>(148,804)</b>
Income taxes	3,637	36,711
<b>Profit (loss) after income taxes</b>	<b>(10,840)</b>	<b>(110,093)</b>
Profit (loss) attributable to owners:	(10,840)	(110,093)
Total comprehensive income (loss) attributable to the owners:	(10,840)	(110,093)

## **SIGNIFICANT CHANGE IN FINANCE'S FINANCIAL OR TRADING POSITION, TREND INFORMATION**

There has been no significant change in the financial or trading position of Finance and no material adverse change in the prospects of Finance since the date of its last audited financial statements as of 31 December 2014.

## **ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES**

Finance has both a Supervisory Board and a Board of Managing Directors. These Boards are separate; no individual may be a member of both. Deutsche Telekom, as the sole shareholder of Finance, appoints the members of both the Supervisory Board and the Board of Managing Directors. The Supervisory Board supervises the Board of Managing Directors. The Board of Managing Directors represents Finance and is responsible for its management.

The members of the **Supervisory Board** of Finance are at present as follows:

Gerhard Mischke  
Senior Vice President Treasury, Deutsche Telekom AG

Dr. Christian Dorenkamp  
Vice President Group Tax, Deutsche Telekom AG

Dr. Axel Lützner  
Vice President Legal Affairs, Deutsche Telekom AG

The members of the **Board of Managing Directors** are at present as follows:

Frans Roose

Markus Schäfer

The members of the Board of Managing Directors accept membership on the Supervisory Boards of other corporations within the limits prescribed by law.

The business address of each member of the Board of Managing Directors of Finance is Stationsplein 8-K, 6221BT Maastricht, The Netherlands.

There are no potential conflicts of interest of the members of the Board of Management and the members of the Supervisory Board of Finance between their respective duties to Finance and their private interests or other duties.

The audit committee described under "*Deutsche Telekom AG as Issuer and Guarantor - Directors, Senior Management and Employees*" is also responsible for Finance.

Finance is a privately held company and is therefore not subject to public corporate governance standards.

## **MAJOR SHAREHOLDERS**

Finance is a wholly-owned subsidiary of Deutsche Telekom AG.

## **LEGAL AND ARBITRATION PROCEEDINGS**

Finance is not aware of any governmental, legal or arbitration proceedings pending or threatened against it which may have or have had during the past 12 months, significant effects on Finance and/or Deutsche Telekom Group's financial position or profitability.

## **ADDITIONAL INFORMATION**

### **Share Capital**

As of 31 December 2014, the authorised share capital of Finance consists of 5,000 shares at a par value of EUR 453.78 each. The issued share capital amounts to EUR 453,780 and consists of 1,000 shares at a par value of EUR 453.78. The remaining 4,000 shares are unissued.

**Material Contracts**

In the usual course of its business, Finance enters into numerous contracts with various other entities. Finance has not entered into any material contracts outside the ordinary course of its business within the past two years.

**Third Party Information and Statement by Experts and Declaration of any Interest**

Where information, contained in this document, has been sourced from a third party, Finance confirms that to the best of its knowledge this information has been accurately reproduced and that so far as Finance is aware and able to ascertain from information published by such third party no material facts have been omitted which would render the reproduced information inaccurate or misleading.

## **Consent to the use of the Prospectus**

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Notes issued under the Programme is entitled to use the Prospectus in the Grand Duchy of Luxembourg, the Republic of Austria, the Federal Republic of Germany, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland and The Netherlands for the subsequent resale or final placement of the relevant Notes during the respective offer period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant Notes can be made, provided however, that the Prospectus is still valid in accordance with Article 11(2) of the Luxembourg Law which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended. The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the relevant Notes.

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Deutsche Telekom (<http://www.telekom.com/bonds>).

When using the Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

**In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.**

**Any Dealer and/or a further financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached to this consent.**

## General Description of the Programme

Under this EUR 25,000,000,000 Debt Issuance Programme, Deutsche Telekom and Finance may from time to time issue notes, (the "**Notes**"). The maximum aggregate principal amount of the Notes from time to time outstanding under the Programme will not exceed EUR 25,000,000,000 (or its equivalent in any other currency). The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement (as defined herein) from time to time.

The Guarantor has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by Deutsche Telekom International Finance B.V. The Guarantee will be governed by German law.

The Notes may be issued on a continuing basis to one or more of the Dealers and any additional Dealer appointed under the Programme from time to time by the Issuer(s), which appointment may be for a specific issue or on an ongoing basis. Notes may be distributed by way of offer to the public or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the relevant Final Terms. Notes may be offered to qualified and non-qualified investors.

Notes will be issued in tranches (each a "**Tranche**"), each Tranche consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and forming a single series and identical in all respects, except for issue dates, interest commencement dates and/or issue prices may form a series ("**Series**") of Notes. Further Notes may be issued as part of existing Series.

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Notes will be, if in euro, EUR 1,000 and if in any currency other than euro, in an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. The minimum denomination of the Notes may be smaller than EUR 1,000 if the Notes are not listed or are listed on an unregulated market and may not be part of any offer to the public. Notes will be issued with a maturity of twelve months or more. The Notes will be freely transferable.

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. The issue price for Notes to be issued will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield. The resulting yield will be used to determine an issue price, all to correspond to the yield.

The yield for Notes with fixed interest rates will be calculated by the use of the ICMA method, which determines the effective interest rate of notes taking into account accrued interest on a daily basis.

Unless otherwise permitted by then current laws and regulations, Notes in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom will have a minimum redemption amount of GBP 100,000 (or its equivalent in other currencies), unless such Notes may not be redeemed until on or after the first anniversary of their date of issue.

Application has been made to list Notes issued under the Programme on the official list of and to admit such Notes to trading on the Regulated Market of the Luxembourg Stock Exchange. Under the Programme Notes may also be issued which will not be listed on any Stock Exchange.

Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These systems will include those operated by Clearstream Banking AG, Frankfurt am Main (CBF), Clearstream Banking, société anonyme (CBL) and Euroclear Bank SA/NV (Euroclear). Notes denominated in euro or, as the case may be, such other currency recognised from time to time for the purposes of eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, are intended to be held in a manner, which would allow Eurosystem eligibility. Therefore, these Notes will initially be deposited upon issue with in the case of (i) a new global note either Clearstream Banking société anonyme, Luxembourg or Euroclear Bank SA/NV as common safekeeper or, (ii) a classical global note Clearstream Banking AG, Frankfurt am Main. It does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary

policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.



## **Issue Procedures**

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each Tranche of Notes (the "**Conditions**"). The Conditions will be constituted by the relevant set of Terms and Conditions set forth below as further specified by the provisions of the applicable Final Terms as provided below.

### **Options for sets of Terms and Conditions**

A separate set of Terms and Conditions applies to each type of Notes, as set forth below. The Final Terms provide for the relevant Issuer to choose between the following Options:

- Option I: Terms and Conditions for Notes with fixed interest rates;
- Option II: Terms and Conditions for Notes with floating interest rates.

### **Documentation of the Conditions**

The relevant Issuer may document the Conditions of an individual issue of Notes in either of the following ways:

- The Final Terms shall be completed as set out therein. The Final Terms shall determine which of the Option I or Option II, including certain further options contained therein, respectively, shall be applicable to the individual issue of Notes by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Tranche. This type of documentation of the Conditions will be required where the Notes are publicly offered, in whole or in part, or are to be initially distributed, in whole or in part, to non-qualified investors.
- Alternatively, the Final Terms shall determine which of Option I or Option II and of the respective further options contained in each of Option I and Option II are applicable to the individual issue by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Tranche of Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

### **Determination of Options / Completion of Placeholders**

The Final Terms shall determine which of the Option I or Option II shall be applicable to the individual issue of Notes. Each of the sets of Terms and Conditions of Option I or Option II contains also certain further options (characterised by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the text of the relevant set of Terms and Conditions as set out in the Prospectus) as well as placeholders (characterised by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

#### *Determination of Options*

The relevant Issuer will determine which options will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

#### *Completion of Placeholders*

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In the case the provisions of the Final Terms and the relevant set of

Terms and Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.

All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

### **Controlling Language**

As to the controlling language of the respective Conditions, the following applies:

- In the case of Notes (i) publicly offered, in whole or in part, in Germany or (ii) initially distributed, in whole or in part, to non-qualified investors in Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-qualified investors, however, English is chosen as controlling language, a German language translation of the Conditions will be available from the respective offices of the Paying Agent in Germany and the Issuer, specified under "*Names and Addresses*" below.
- In other cases the relevant Issuer will elect either German or English to be the controlling language.

## Terms and Conditions

### Introduction

The Terms and Conditions of the Notes (the "**Terms and Conditions**") are set forth below for two options:

Option I comprises the set of Terms and Conditions that apply to Tranches of Notes with fixed interest rates.

Option II comprises the set of Terms and Conditions that apply to Tranches of Notes with floating interest rates.

The set of Terms and Conditions for each of these Options contains certain further options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the set of Terms and Conditions.

In the Final Terms the Issuer will determine, which of the Option I or Option II including certain further options contained therein, respectively, shall apply with respect to an individual issue of Notes, either by replicating the relevant provisions or by referring to the relevant options.

To the extent that upon the approval of the Prospectus neither the Issuer nor the Guarantor had knowledge of certain items which are applicable to an individual issue of Notes, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.

In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for Option I or Option II, the following applies

[The provisions of the following Terms and Conditions apply to the Notes as completed by the final terms which are attached hereto (the "**Final Terms**"). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and texts set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified offices of the Paying Agents; provided that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be made available to Holders of such Notes.]

### OPTION I – Terms and Conditions that apply to Notes with fixed interest rates

#### TERMS AND CONDITIONS OF THE NOTES (English Language Version)

##### § 1

#### CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS

(1) *Currency and Denomination.* This Series of Notes of [Deutsche Telekom AG] [Deutsche Telekom International Finance B.V.] ("**Deutsche Telekom**") [**Finance**] or the "**Issuer**") is issued in [**Specified Currency**] (the "**Specified Currency**") in the aggregate principal amount of [**In case the Global Note is an NGN the following applies: (subject to § 1 (6))**] [**aggregate principal amount**] (in words: [**aggregate principal amount in words**]) and is divided into [**Number of Notes**] Notes in the denomination of [**Specified Denomination**] (the "**Specified Denomination**").

(2) *Form and Title.* The Notes are in bearer form and represented by a Global Note. Title to the Notes shall pass in accordance with the rules of applicable law.

(3) *Temporary Global Note - Exchange.*

(a) The Notes are initially represented by a temporary global Note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable, as provided below, for Notes in the Specified Denomination represented by a permanent global Note (the "**Permanent Global Note**") without coupons. Definitive Notes and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for Notes represented by the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Note upon delivery by the relevant account holder to the Clearing System, and by the Clearing System to the Fiscal Agent, of certificates in the form available from the Fiscal Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification received on or after the 40<sup>th</sup> day after the date of issue of the Notes represented by the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in subparagraph (1) of § 5. Any Permanent Global Note delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in subparagraph (1) of § 5).

(4) *Fees Payable on Exchange of Global Notes.* Any exchange of a Global Note pursuant to this § 1 shall be made free of charge to the Holders of the Notes.

(5) *Execution of Notes.* Global Notes shall be executed manually on behalf of the Issuer by two authorised representatives of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent.

(6) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations under the Notes have been satisfied.

**"Clearing System"** means [If more than one Clearing System, the following applies: each of] [Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Federal Republic of Germany ("**CBF**") [.] [and] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**"), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**")] and any successor in such capacity.

In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN the following applies

[The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any

In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN the following applies

time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.]

**[In the case the Temporary Global Note is an NGN the following applies:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.]

[The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.]

(7) *Certain Definitions.* For purposes of the Terms and Conditions:

**"Global Note"** means the Temporary Global Note or the Permanent Global Note.

**"Holder"** means, in respect of Notes deposited with any Clearing System or other central securities depositary, any holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited, and otherwise the bearer of a Note.

**"Paying Agent"** means the Fiscal Agent in its capacity as paying agent, acting through its office specified in § 7, the Paying Agent(s) specified in § 7, or any substitute or additional paying agent appointed under § 7.

References herein to the "*Notes*" are references to Notes of this Series and shall, as the context requires, include reference to any Global Note.

References herein to the "*Specified Currency*" shall include any successor currency provided for by the laws in force in the jurisdiction where the Specified Currency is issued or pursuant to intergovernmental agreement or treaty (a "**Successor Currency**") to the extent that payment in the predecessor currency is no longer a legal means of payment by the Issuer on the Notes **[In the case of Notes issued by Finance the following applies:** or, in the event of payments under the Guarantee, by the Guarantor under the Guarantee].

## § 2 STATUS

The Notes constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer.

## § 3 NEGATIVE PLEDGE OF THE ISSUER [In the case of Notes issued by Finance the following applies:, GUARANTEE AND NEGATIVE PLEDGE OF THE GUARANTOR]

[(1)] *Negative Pledge.* So long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, the Issuer undertakes not to grant or permit to subsist any encumbrance over any or all of its present or future assets, as

In the case of  
Notes issued by  
Finance the  
following applies

security for any present or future Capital Market Indebtedness issued or guaranteed by the Issuer or by any other person, without at the same time having the Holders share equally and rateably in such security. "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, a certificate of indebtedness or in the form of, or represented or evidenced by, bonds, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognised securities market. For the purposes of avoiding any doubt in respect of asset-backed financings originated by the Issuer, the expression "*assets*" as used in this § 3 does not include assets of the Issuer that are sold on a non-recourse basis determined in accordance with the civil law applicable to such transaction.

[(2) *Guarantee and Negative Pledge of the Guarantor.* The Guarantor has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Note. The Guarantor has further undertaken in a negative pledge (the "**Negative Pledge**"), so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to grant or permit to subsist any encumbrance over any or all of its present or future assets, as security for any present or future Capital Market Indebtedness (as defined above) issued or guaranteed by the Guarantor or by any other person, without at the same time having the Holders share equally and rateably in such security. The Guarantee and Negative Pledge constitute a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 of the German Civil Code, giving rise to the right of each Holder to require performance of the Guarantee and the Negative Pledge directly from the Guarantor and to enforce the Guarantee and the Negative Pledge directly against the Guarantor. For the purposes of avoiding any doubt in respect of asset-backed financings originated by the Guarantor, the expression "*assets*" as used in this § 3 does not include assets of the Guarantor that are sold on a non-recourse basis determined in accordance with the civil law applicable to such transactions. Copies of the Guarantee and Negative Pledge may be obtained free of charge at the specified offices of each of the Paying Agents, if any.]

#### § 4 INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes bear interest on their aggregate principal amount at the rate of **[Rate of Interest]** percent *per annum* from (and including) **[Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 6(1)). Interest shall be payable in arrears on **[Fixed Interest Date(s)]** in each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on **[First Interest Payment Date]** **[If First Interest Payment Date is not the first anniversary of the Interest Commencement Date the following applies:** and will amount to **[Initial Broken Amount per Specified Denomination]** per Specified Denomination.] **[If Maturity Date is not a Fixed Interest Date the following applies:** Interest in respect of the period from (and including) **[Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[Final Broken Amount per Specified Denomination]** per Specified Denomination.

(2) *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of

the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes until the expiry of the day preceding the day of actual redemption of the Notes at the default rate of interest established by law.<sup>1</sup>

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (excluding the case of short or long coupons) the following applies

[the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period.]

In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (including the case of short coupons) the following applies

[the number of days in the Calculation Period divided by the number of days in the Reference Period in which the Calculation Period falls.]

In the case of Actual/Actual (ICMA Rule 251) with two or more constant interest periods within an interest year (including the case of short coupons) the following applies

[the number of days in the Calculation Period divided by the product of (1) the number of days in the Reference Period in which the Calculation Period falls and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year.]

In the case of Actual/Actual (ICMA Rule 251) is applicable and if the Calculation Period is longer than one Reference Period (long coupon) the following applies

[the sum of:  
(a) the number of days in such Calculation Period falling in the Reference Period in which the Calculation Period begins divided by **[In the case of Reference Periods of less than one year the following applies:** the product of (x)] the number of days in such Reference Period **[In the case of Reference Periods of less than one year the following applies:** and (y) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year; and

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<sup>1</sup> The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

(b) the number of days in such Calculation Period falling in the next Reference Period divided by **[In the case of Reference Periods of less than one year the following applies:** the product of (x)] the number of days in such Reference Period **[In the case of Reference Periods of less than one year the following applies:** and (y) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year].]

The following applies for all options of Actual/Actual (ICMA Rule 251) except for option Actual/Actual with annual interest payments (excluding the case of short or long coupons)

**["Reference Period"** means the period from (and including) the Interest Commencement Date to, but excluding, the first Interest Payment Date or from (and including) each Interest Payment Date to, but excluding the next Interest Payment Date. **[In the case of a short first or last Calculation Period the following applies: For the purposes of determining the relevant Reference Period only, [deemed Interest Payment Date]** shall be deemed to be an Interest Payment Date.] **[In the case of a long first or last Calculation Period the following applies: For the purposes of determining the relevant Reference Period only, [deemed Interest Payment Dates]** shall each be deemed to be an Interest Payment Date.]

In the case of 30/360, 360/360 or Bond Basis the following applies

[the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

In the case of 30E/360 or Eurobond Basis the following applies

[the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period.)]

## § 5 PAYMENTS

(1) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (3) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System outside the United States.

For purposes of subparagraph (3) of § 1 and this § 5, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

(2) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (3), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System outside the United States.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (3), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, outside the United States, upon due certification as provided in § 1(3)(b).

(3) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(4) *Discharge* The Issuer shall be discharged by payment to, or to the order of,



the Clearing System.

(5) *Payment Business Day*. If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day which is

In the case of Notes not denominated in EUR the following applies

[a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in **[relevant financial centre(s)]** [.] [and]]

In the case the Clearing System and TARGET shall be open the following applies

[a day (other than a Saturday or a Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are operational to forward the relevant payment.]

(6) *References to Principal and Interest*. Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; **[If redeemable at the option of Issuer for other than taxation reasons the following applies: the Call Redemption Amount of the Notes.] [If redeemable at the option of the Holder the following applies: the Put Redemption Amount of the Notes.]** and any premium and any other amounts which may be payable under or in respect of the Notes. Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(7) *Deposit of Principal and Interest*. The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 6 REDEMPTION

(1) *Redemption at Maturity*. Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on **[Maturity Date]** (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be its principal amount.

In the case of Notes issued by Deutsche Telekom the following applies

[(2) *Early Redemption for Reasons of Taxation*. If as a result of any change in, or amendment to, the laws or regulations of Germany or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[Issue Date]**, the Issuer will become obligated to pay Additional Amounts (as defined in § 8 herein) and this obligation cannot be avoided by the use of measures reasonably available to the Issuer, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Prior to the publication of any notice of redemption pursuant to this paragraph (3), the Issuer shall deliver to the Fiscal Agent a certificate signed by a director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Any such notice of redemption shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.]

**In the case of Notes issued by Finance the following applies**

[(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of The Netherlands or Germany or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[Issue Date]**, the Issuer or the Guarantor being unable for reasons outside its control to procure payment by the Issuer, will become obligated to pay Additional Amounts (as defined in § 8 herein and in the Guarantee, respectively) and this obligation cannot be avoided by the use of measures reasonably available to the Issuer or the Guarantor, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obligated to pay such Additional Amounts, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Prior to the publication of any notice of redemption pursuant to this paragraph (3), the Issuer shall deliver to the Fiscal Agent a certificate signed by a director of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Any such notice of redemption shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.]

**In case the Notes are subject to Early Redemption at the option of the Issuer at specified Call Redemption Amounts the following applies**

[(3) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes on the Call Redemption Date(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Call Redemption Date.

Call Redemption Date(s)	Call Redemption Amount(s)
<b>[Call Redemption Date(s)]</b>	<b>[Call Redemption Amounts]</b>
[ ]	[ ]

[ ]

[ ]

**[In case the Notes are subject to Early Redemption at the Option of the Holder the following applies:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under subparagraph ([4]) of this § 6.]

- (b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13 and to the Fiscal Agent (the notice to the Fiscal Agent to be given not less than 15 days before the giving of notice to the Holders). Such notice shall specify:
  - (i) the Series of Notes subject to redemption;
  - (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and, if the Notes are represented by Definitive Notes, the serial numbers of the Notes which are to be redeemed;
  - (iii) the Call Redemption Date, which shall be not less than 15 nor more than 30 days after the date on which notice is given by the Issuer to the Holders; and
  - (iv) the Call Redemption Amount at which such Notes are to be redeemed.
- (c) In the case of a partial redemption of Notes, the Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.]

**In case the Notes are subject to Early Redemption at the Option of a Holder at specified Put Redemption Amounts the following applies**

**[(4) Early Redemption at the Option of a Holder.**

- (a) The Issuer shall, upon the exercise of the relevant option by the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

Put Redemption Date(s)	Put Redemption Amount(s)
<b>[Put Redemption Date(s)]</b>	<b>[Put Redemption Amounts]</b>
[ ]	[ ]
[ ]	[ ]

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under paragraph (2) **[If Notes are subject to Early Redemption at the Option of the Issuer the following applies:** or (3)] of this § 6.

- (b) In order to exercise such option, the Holder must, not less than 15 days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), send to the specified office of any Paying Agent an duly early redemption notice in written form ("**Put Notice**"). In the event that the Put Notice is received after 5:00 p.m. Frankfurt time on the **[Minimum Notice to Issuer]** day before the Put Redemption Date, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, **[and]** (ii) the securities identification numbers of such Notes, if any **[In the case the Global Note is kept in custody by CBF, the following applies:** and (iii) contact details as well as a bank account]. The Put Notice may be in the form available from the

specified offices of the Fiscal Agent [and the Paying Agent[s]] in the German and English language and includes further information. No Note so deposited and option so exercised may be withdrawn or revoked.]

**§ 7  
FISCAL AGENT AND PAYING AGENT**

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent and their respective initial specified offices are:

Fiscal Agent and	Deutsche Bank Aktiengesellschaft
Principal Paying Agent:	Trust and Securities Services (TSS)
	Taunusanlage 12
	60325 Frankfurt am Main
	Federal Republic of Germany

The Fiscal Agent and the Paying Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and to appoint another Fiscal Agent or additional or other Paying Agent. The Issuer shall at all times maintain [(i)] a Fiscal Agent [**In the case of Notes denominated in U.S. dollars the following applies:** and (ii) if payments at or through the offices of all Paying Agents outside the United States (as defined in § 5(1) hereof) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City]. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Agent of the Issuer.* The Fiscal Agent and the Paying Agent act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

**§ 8  
TAXATION**

**In the case of  
Notes issued by  
Deutsche  
Telekom the  
following applies**

[Principal and interest shall be payable by the Issuer without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of Germany or by or on behalf of any political subdivision or authority therein having power to tax (hereinafter together called "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Holder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are

In the case of  
Notes issued by  
Finance the  
following applies

- deemed to be, derived from sources in, or are secured in, Germany; or
- (c) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with such directive, regulation, treaty or understanding; or
  - (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for, and notice thereof is published in accordance with the Terms and Conditions whichever occurs later]

[Principal and interest shall be payable by the Issuer without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of The Netherlands or Germany or by or on behalf of any political subdivision or authority therein having power to tax (hereinafter together called "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Holder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with The Netherlands or Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, The Netherlands or Germany; or
- (c) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Germany, The Netherlands or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with such directive, regulation, treaty or understanding; or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for, and notice thereof is published in accordance with the Terms and Conditions whichever occurs later]

#### § 9

#### PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Notes.

#### § 10

#### ACCELERATION

In the case of  
Notes issued by  
Deutsche  
Telekom the  
following applies

[(1) *Right of Acceleration.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Final Redemption Amount, together with accrued interest (if any) to the date of repayment, in the event that any of the following events (each, an "**Acceleration Event**") occurs:

- (a) the Issuer fails to pay principal or interest within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 60 days after the Fiscal Agent has received notice thereof from a Holder, or
- (c) any Capital Market Indebtedness (as defined in § 3(1)) of the Issuer becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer fails to fulfil any payment obligation in excess of EUR 25,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer, shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto, or
- (d) the Issuer announces its inability to meet its financial obligations or ceases its payments, or
- (e) a court opens insolvency proceedings against the Issuer, or the Issuer applies for or institutes such proceedings, or
- (f) the Issuer goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer, as the case may be, in connection with this issue, or
- (g) any governmental order, decree or enactment shall be made in or by Germany whereby the Issuer is prevented from observing and performing in full its obligations as set forth in these Terms and Conditions and this situation is not cured within 90 days.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum.* In the events specified in § 10 subparagraph (1)(b) or subparagraph (1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10 subparagraph (1)(a), (1)(d), (1)(e), (1)(f) or (1)(g) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Holders of at least one-tenth in aggregate principal amount of Notes then outstanding.

(3) *Form of Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration delivered to the specified office of the Fiscal Agent.]

In the case of  
Notes issued by  
Finance the  
following applies

[(1) *Right of Acceleration.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Final Redemption Amount (as described in § 6[(5)]), together with accrued interest (if any) to the date of repayment, in the event that any of the following events (each, an "**Acceleration Event**") occurs:

- (a) the Issuer fails to pay principal or interest within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes or the Guarantor fails to perform any obligation arising from the Guarantee referred to in § 3 which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 60 days after the

Fiscal Agent has received notice thereof from a Holder, or

- (c) any Capital Market Indebtedness (as defined in § 3(1)) of the Issuer or the Guarantor becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer or the Guarantor fails to fulfil any payment obligation in excess of EUR 25,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer, or the Guarantor shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto, or
- (d) the Issuer or the Guarantor announces its inability to meet its financial obligations or ceases its payments, or
- (e) a court opens insolvency proceedings against the Issuer or the Guarantor, or the Issuer or the Guarantor applies for or institutes such proceedings, or the Issuer applies for a "*surseance van betaling*" (within the meaning of the Statute of Bankruptcy of The Netherlands), or
- (f) the Issuer or the Guarantor goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer or the Guarantor, as the case may be, in connection with this issue, or
- (g) any governmental order, decree or enactment shall be made in or by The Netherlands or Germany whereby the Issuer or the Guarantor is prevented from observing and performing in full its obligations as set forth in these Terms and Conditions and in the Guarantee, respectively, and this situation is not cured within 90 days, or
- (h) the Guarantee ceases to be valid and legally binding for any reason whatsoever.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum*. In the events specified in § 10 subparagraph (1)(b) or subparagraph (1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10 subparagraph (1)(a), (1)(d), (1)(e), (1)(f) (1)(g) or (1)(h) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Holders of at least one-tenth in aggregate principal amount of Notes then outstanding.

(3) *Form of Notice*. Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration delivered to the specified office of the Fiscal Agent.]

## § 11 SUBSTITUTION

[(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal or interest on any of the Notes is in default, at any time substitute for the Issuer any Subsidiary (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

In the case of  
Notes issued by  
Deutsche  
Telekom the  
following applies

- (b) the Substitute Debtor has obtained all necessary authorisations and may transfer to the Fiscal Agent in the Specified Currency and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (c) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes and such guarantee contains a covenant by the guarantor corresponding to the provisions in § 3.
- (d) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b) and (c) above have been satisfied.

For purposes of these Terms and Conditions "**Subsidiary**" shall mean any corporation or partnership in which Deutsche Telekom directly or indirectly in the aggregate holds not less than 90 percent of the capital of any class or of the voting rights.

(2) *Notice.* Any notice of such substitution shall be published in accordance with § 13.

(3) *References.* In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

In the case of  
Notes issued by  
Finance the  
following applies

[(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer either the Guarantor or any Subsidiary (as defined below) of the Guarantor as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) the Substitute Debtor has obtained all necessary authorisations and may transfer to the Fiscal Agent in the Specified Currency and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (c) the Guarantor if it is not itself the Substitute Debtor irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes, such guarantee being substantially in the form of the Guarantee.
- (d) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b) and (c) above have been satisfied.

For purposes of these Terms and Conditions "**Subsidiary**" shall mean any corporation or partnership in which Deutsche Telekom directly or indirectly in the aggregate holds not less than 90 percent of the capital of any class or of the voting rights.

(2) *Notice.* Any notice of such substitution shall be published in accordance with § 13.



(3) *References.* In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

## § 12

### FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

## § 13

### NOTICES

[(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System.* So long as any Notes are listed on the official list of the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

[(1) *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

[(2)][(3)] *Form of Notice.* Notices to be given by any Holder shall be made by means of a written declaration to be lodged together with an evidence of the Holder's entitlement in accordance with § 14[(5)] to the Agent. Such notice may be given through the Clearing System in such manner as the Agent and the Clearing System may approve for such purpose.]

## § 14

### Applicable Law, Place of Performance, Place of Jurisdiction and Enforcement

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Place of Performance.* Place of performance shall be Frankfurt am Main.

(3) *Submission to Jurisdiction.* The non-exclusive place of jurisdiction for all

In the case of Notes which are listed on the official list of the Luxembourg Stock Exchange the following applies

In case of Notes which are unlisted the following applies

legal proceedings arising out of or in connection with the Notes shall be Frankfurt am Main. **[In the case of Notes issued by Finance the following applies:** Each Holder, however, may pursue his claims also before any other court of competent jurisdiction.] The German courts shall have non-exclusive jurisdiction over the annulment of lost or destroyed Notes. The Issuer hereby submits to the jurisdiction of the courts referred to in this subparagraph.

**In the case of Notes issued by Finance the following applies**

[(4) *Appointment of Authorised Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Deutsche Telekom, as its authorised agent for service of process in Germany].

[(5)] *Enforcement.* Any Holder of Notes through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global or definitive form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global Note or Definitive Note. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings. For purposes of the foregoing, "**Custodian**" means any banker other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System.

## § 15 LANGUAGE

**If the Terms and Conditions are to be in the German language with an English language translation the following applies**

[These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.]

**If the Terms and Conditions are to be in the English language with a German language translation the following applies**

[These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

**If the Terms and Conditions are to be in the English language only, the following applies**

[These Terms and Conditions are written in the English language only.]

**In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed, in whole or in part, to non-qualified investors in**

*[Eine deutsche Übersetzung der Anleihebedingungen wird bei der Deutsche Telekom Aktiengesellschaft, Friedrich-Ebert-Allee 140, 63105 Bonn, Deutschland, und [der] [den] Zahlstelle[n] zur kostenlosen Ausgabe bereitgehalten.]*

**Germany with  
English language  
Terms and  
Conditions, the  
following applies**



**OPTION II – Terms and Conditions that apply to Notes with floating interest rates**

**TERMS AND CONDITIONS OF THE NOTES  
(English Language Version)**

**§ 1**

**CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS**

- (1) *Currency and Denomination.* This Series of Notes of [Deutsche Telekom AG] [Deutsche Telekom International Finance B.V.] (**"Deutsche Telekom"**) [**"Finance"**] or the **"Issuer"**) is issued in [**Specified Currency**] (the **"Specified Currency"**) in the aggregate principal amount of [**In case the Global Note is an NGN the following applies: (subject to § 1 (6)) [aggregate principal amount]**] (in words: [**aggregate principal amount in words**]) and is divided into [**Number of Notes**] Notes in the denomination of [**Specified Denomination**] (the **"Specified Denomination"**).
- (2) *Form and Title.* The Notes are in bearer form and represented by a Global Note. Title to the Notes shall pass in accordance with the rules of applicable law.
- (3) *Temporary Global Note - Exchange.*
- (a) The Notes are initially represented by a temporary global Note (the **"Temporary Global Note"**) without coupons. The Temporary Global Note will be exchangeable, as provided below, for Notes in the Specified Denomination represented by a permanent global Note (the **"Permanent Global Note"**) without coupons. Definitive Notes and interest coupons will not be issued.
- (b) The Temporary Global Note shall be exchangeable for Notes represented by the Permanent Global Note from a date (the **"Exchange Date"**) 40 days after the date of issue of the Temporary Global Note upon delivery by the relevant account holder to the Clearing System, and by the Clearing System to the Fiscal Agent, of certificates in the form available from the Fiscal Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification received on or after the 40<sup>th</sup> day after the date of issue of the Notes represented by the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1 (3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in subparagraph (1) of § 5. Any Permanent Global Note delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in subparagraph (1) of § 5).
- (4) *Fees Payable on Exchange of Global Notes.* Any exchange of a Global Note pursuant to this § 1 shall be made free of charge to the Holders of the Notes.
- (5) *Execution of Notes.* Global Notes shall be executed manually on behalf of the Issuer by two authorised representatives of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent.
- (6) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations under the

Notes have been satisfied

- **"Clearing System"** means [If more than one Clearing System, the following applies: each of] [Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Federal Republic of Germany ("**CBF**") [,] [and] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**"), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**")]] and any successor in such capacity.

In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN the following applies

[The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.]

**[In the case the Temporary Global Note is an NGN the following applies:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.]

In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN the following applies

[The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.]

(7) *Certain Definitions.* For purposes of the Terms and Conditions:

**"Global Note"** means the Temporary Global Note or the Permanent Global Note.

**"Holder"** means, in respect of Notes deposited with any Clearing System or other central securities depositary, any holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited, and otherwise the bearer of a Note.

**"Paying Agent"** means the Fiscal Agent in its capacity as paying agent, acting through its office specified in § 7, the Paying Agent(s) specified in § 7, or any substitute or additional paying agent appointed under § 7.

References herein to the "*Notes*" are references to Notes of this Series and shall, as the context requires, include reference to any Global Note.

References herein to the "*Specified Currency*" shall include any successor currency provided for by the laws in force in the jurisdiction where the Specified Currency is issued or pursuant to intergovernmental agreement or treaty (a "**Successor Currency**") to the extent that payment in the predecessor currency is no longer a legal means of payment by the Issuer on the Notes **[In the case of Notes issued by Finance the following applies:** or, in the event of payments under the Guarantee, by the Guarantor under the Guarantee].

## § 2 STATUS

The Notes constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer.

## § 3 NEGATIVE PLEDGE OF THE ISSUER [In the case of Notes issued by Finance the following applies:, GUARANTEE AND NEGATIVE PLEDGE OF THE GUARANTOR]

[(1)] *Negative Pledge.* So long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, the Issuer undertakes not to grant or permit to subsist any encumbrance over any or all of its present or future assets, as security for any present or future Capital Market Indebtedness issued or guaranteed by the Issuer or by any other person, without at the same time having the Holders share equally and rateably in such security. "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, a certificate of indebtedness or in the form of, or represented or evidenced by, bonds, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognised securities market. For the purposes of avoiding any doubt in respect of asset-backed financings originated by the Issuer, the expression "*assets*" as used in this § 3 does not include assets of the Issuer that are sold on a non-recourse basis determined in accordance with the civil law applicable to such transaction.

In the case of Notes issued by Finance the following applies

[(2)] *Guarantee and Negative Pledge of the Guarantor.* The Guarantor has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Note. The Guarantor has further undertaken in a negative pledge (the "**Negative Pledge**"), so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to grant or permit to subsist any encumbrance over any or all of its present or future assets, as security for any present or future Capital Market Indebtedness (as defined above) issued or guaranteed by the Guarantor or by any other person, without at the same time having the Holders share equally and rateably in such security. The Guarantee and Negative Pledge constitute a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 of the German Civil Code, giving rise to the right of each Holder to require performance of the Guarantee and the Negative Pledge directly from the Guarantor and to enforce the Guarantee and the Negative Pledge directly against the Guarantor. For the purposes of avoiding any doubt in respect of asset-backed financings originated by the Guarantor, the expression "*assets*" as used in this § 3 does not include assets of the Guarantor that are sold on a non-recourse basis determined in accordance with the civil law applicable to such transactions. Copies of the Guarantee and Negative Pledge may be obtained free of charge at the specified offices of each of the Paying Agents, if any.]

**§ 4  
INTEREST**

(1) *Interest Payment Dates.*

- (a) The Notes bear interest on their aggregate principal amount from (and including) **[Interest Commencement Date]** (the "**Interest Commencement Date**"). Interest on the Notes shall be payable on each Interest Payment Date.

"**Interest Payment Date**" means

In the case of Specified Interest Payment Dates the following applies

[each **[Specified Interest Payment Dates]**.]

In the case of Specified Interest Periods the following applies

[each date which (except as otherwise provided in these Terms and Conditions) falls **[number]** [weeks] [months] **[other specified period(s)]** after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

- (b) If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

In the case of the Modified Following Business Day Convention the following applies

[postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.]

In the case of the FRN Convention the following applies

[postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[number]** [months] after the preceding applicable Interest Payment Date.]

In the case of the Following Business Day Convention the following applies

[postponed to the next day which is a Business Day.]

In the case of the Preceding Business Day Convention the following applies

[brought forward to the immediately preceding Business Day.]

"**Business Day**" means

In the case the Specified Currency is not EUR the following applies

[a day (other than a Saturday or a Sunday) on which commercial banks are generally open for business in, and foreign exchange markets settle payments in **[relevant financial centre(s)]** [.] [and]]

In the case the Clearing System and TARGET shall be open, the following applies

[a day on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open to effect the relevant payment].

In the case the offered quotation for deposits in the Specified Currency is EURIBOR the following applies

[(2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date (as defined

below) **[In case of a Margin the following applies: [plus] [minus] the Margin (as defined below)],** all as determined by the Calculation Agent.

**"Interest Period"** means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

**"Interest Determination Date"** means the second TARGET Business Day prior to the commencement of the relevant Interest Period. **"TARGET Business Day"** means a day on which the Trans-European Automated Real-time Gross Settlement Transfer system 2 ("**TARGET**") is open.

**[In case of a Margin the following applies: "Margin" means [Margin] percent per annum.]**

**"Screen Page"** means, Reuters screen page EURIBOR01 or any successor page.

If the Screen Page is not available or if, no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to prime banks in the Euro-Zone interbank market at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations **[In case of a Margin the following applies: [plus] [minus] the Margin],** all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005, being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the interbank market in the Euro-Zone, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks **[In case of a Margin the following applies: [plus] [minus] the Margin].**

**"Euro-Zone"** means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Amsterdam Treaty of 2 October 1997 and the Treaty of Lisbon of 13 December 2007, as further amended from time to time.

As used herein, **"Reference Banks"** means four major banks in the interbank market in the Euro-Zone.]

In the case the offered quotation for deposits in the Specified Currency is LIBOR the following applies

[(2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a. m. (London time) on the Interest Determination Date (as defined below) **[In case of a Margin the following applies: [plus] [minus] the Margin**



(as defined below)], all as determined by the Calculation Agent.

**"Interest Period"** means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

**"Interest Determination Date"** means the [first] [second] [relevant financial centre(s)] Business Day prior to the commencement of the relevant Interest Period, "[relevant financial centre(s)] Business Day" means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in [relevant financial centre(s)].

**[In case of a Margin the following applies: "Margin"** means [Margin] percent *per annum*.]

**"Screen Page"** means Reuters screen page [LIBOR01][LIBOR02] or any successor page.

If the Screen Page is not available or if, no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the London interbank market at approximately 11.00 a.m. (London time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations **[In case of a Margin the following applies: [plus] [minus] the Margin]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005, being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the London interbank market, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (London time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks **[In case of a Margin the following applies: [plus] [minus] the Margin]**.

As used herein, **"Reference Banks"** means four major banks in the London interbank market.]

**In the case of a Minimum Rate of Interest the following applies**

[(3) *Minimum Rate of Interest.* If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Minimum Rate of Interest]**.]

**In the case of a Maximum Rate of Interest the following applies**

[(3) *Maximum Rate of Interest.* If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Maximum Rate of Interest]**.]

[(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the

Rate of Interest and calculate the amount of interest (the "**Interest Amount**") payable on the Notes in respect of the Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the Specified Denomination and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(5)] *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause notification of the Rate of Interest and each Interest Amount for each Interest Period and of the applicable Interest Payment Date to the Issuer **[In the case of Notes issued by Finance the following applies:** and to the Guarantor] and to the Holders in accordance with § 13 as soon as possible after their determination, but in no event later than the fourth [TARGET] **[relevant financial centre(s)]** Business Day (as defined in § 4(2)) thereafter and, if required by the rules of such stock exchange, to any stock exchange on which the Notes are from time to time listed as soon as possible after their determination, but in no event later than the first day of the applicable Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are for the time being listed and to the Holders in accordance with § 13.

[(6)] *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 4 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, **[In the case of Notes issued by Finance the following applies:** the Guarantor,] the Fiscal Agent, the Paying Agents and the Holders.

[(7)] *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes beyond the due date until the expiry of the day preceding the day of actual redemption of the Notes. The applicable Rate of Interest will be the default rate of interest established by law.<sup>1</sup>

[(8)] *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

In the case of  
Actual/365 (Fixed)  
the following applies

[the actual number of days in the Calculation Period divided by 365.]

In the case of  
Actual/360 the  
following applies

[the actual number of days in the Calculation Period divided by 360.]

## § 5 PAYMENTS

(1) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (3) below, to the Clearing System or to its order

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<sup>1</sup> The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

for credit to the accounts of the relevant account holders of the Clearing System outside the United States.

For purposes of subparagraph (3) of § 1 and this § 5, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

(2) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (3), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System outside the United States.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (3), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, outside the United States, upon due certification as provided in § 1(3)(b).

(3) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(4) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder, subject to § 4(1), shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day which is a Business Day.

(6) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; and any premium and any other amounts which may be payable under or in respect of the Notes. Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 6 REDEMPTION

(1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on the Interest Payment Date falling in **[Redemption Month]** (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be its principal amount.

[(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of Germany or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[Issue Date]**, the Issuer will become obligated to pay Additional Amounts (as defined in § 8 herein) and this obligation cannot be avoided by the use of measures reasonably available to the Issuer, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not

In the case of Notes issued by Deutsche Telekom the following applies

In the case of Notes issued by Finance the following applies

more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect. The date fixed for redemption must be an Interest Payment Date.

Prior to the publication of any notice of redemption pursuant to this paragraph (3), the Issuer shall deliver to the Fiscal Agent a certificate signed by a director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Any such notice of redemption shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.]

[(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of The Netherlands or Germany or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[Issue Date]**, the Issuer or the Guarantor being unable for reasons outside its control to procure payment by the Issuer, will become obligated to pay Additional Amounts (as defined in § 8 herein and in the Guarantee, respectively) and this obligation cannot be avoided by the use of measures reasonably available to the Issuer or the Guarantor, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obligated to pay such Additional Amounts, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect. The date fixed for redemption must be an Interest Payment Date.

Prior to the publication of any notice of redemption pursuant to this paragraph (3), the Issuer shall deliver to the Fiscal Agent a certificate signed by a director of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Any such notice of redemption shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.]

In case the Notes are subject to Early Redemption at the option of the Issuer at Final Redemption amount the following applies

[(3) *Early Redemption at the Option of the Issuer.*

- (a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes on the Interest Payment Date following **[number]** years after the Interest Commencement Date and on each Interest Payment Date thereafter (each a "**Call Redemption Date**") at the Final Redemption Amount together with accrued interest, if any, to (but excluding) the respective Call Redemption Date.
- (b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13 and to the Fiscal Agent (the notice to the Fiscal Agent to be given not less than 15 days before the giving of notice to the Holders). Such notice shall specify:
  - (i) the Series of Notes subject to redemption;
  - (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and, if the Notes are represented by Definitive Notes, the serial numbers of the Notes which are to be redeemed; and
  - (iii) the Call Redemption Date, which shall be not less than 15 nor more than 30 days after the date on which notice is given by the Issuer to the Holders.
- (c) In the case of a partial redemption of Notes, the Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.]

§ 7

**FISCAL AGENT AND PAYING AGENT AND CALCULATION AGENT**

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent and the Calculation Agent and their respective initial specified offices are:

Fiscal Agent and Principal Paying Agent:	Deutsche Bank Aktiengesellschaft Trust and Securities Services (TSS) Taunusanlage 12 60325 Frankfurt am Main Federal Republic of Germany
---	--

Calculation Agent      **[name and specified office]**

The Fiscal Agent, the Paying Agent and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent or the Calculation Agent and to appoint another Fiscal Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain [(i)] a Fiscal Agent **[In the case of Notes denominated in U.S. dollars the following applies:** and (ii) if payments at or through the offices of all Paying Agents outside the United States (as defined in § 5(1) hereof) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City], [and] [(iii)] a Calculation Agent **[If Calculation Agent is required to**

**maintain a specified office in a required location the following applies:** with a specified office located in [required location]]. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Agent of the Issuer.* The Fiscal Agent, the Paying Agent and the Calculation Agent act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8 TAXATION

In the case of Notes issued by Deutsche Telekom the following applies

[Principal and interest shall be payable by the Issuer without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of Germany or by or on behalf of any political subdivision or authority therein having power to tax (hereinafter together called "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Holder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Germany; or
- (c) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with such directive, regulation, treaty or understanding; or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for, and notice thereof is published in accordance with the Terms and Conditions whichever occurs later]

In the case of Notes issued by Finance the following applies

[Principal and interest shall be payable by the Issuer without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of The Netherlands or Germany or by or on behalf of any political subdivision or authority therein having power to tax (hereinafter together called "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Holder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which

- (a) are payable by any person acting as custodian bank or collecting agent on

behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

- (b) are payable by reason of the Holder having, or having had, some personal or business connection with The Netherlands or Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, The Netherlands or Germany; or
- (c) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Germany, The Netherlands or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with such directive, regulation, treaty or understanding; or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for, and notice thereof is published in accordance with the Terms and Conditions whichever occurs later.]

#### § 9

#### PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Notes.

#### § 10

#### ACCELERATION

In the case of Notes issued by Deutsche Telekom the following applies

[(1) *Right of Acceleration.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Final Redemption Amount, together with accrued interest (if any) to the date of repayment, in the event that any of the following events (each, an "**Acceleration Event**") occurs:

- (a) the Issuer fails to pay principal or interest within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 60 days after the Fiscal Agent has received notice thereof from a Holder, or
- (c) any Capital Market Indebtedness (as defined in § 3(1)) of the Issuer becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer fails to fulfil any payment obligation in excess of EUR 25,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer, shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto, or
- (d) the Issuer announces its inability to meet its financial obligations or ceases its payments, or
- (e) a court opens insolvency proceedings against the Issuer, or the Issuer applies for or institutes such proceedings, or
- (f) the Issuer goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer, as the case may be, in connection with this issue, or

- (g) any governmental order, decree or enactment shall be made in or by Germany whereby the Issuer is prevented from observing and performing in full its obligations as set forth in these Terms and Conditions and this situation is not cured within 90 days.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum*. In the events specified in § 10 subparagraph (1)(b) or subparagraph (1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10 subparagraph (1)(a), (1)(d), (1)(e), (1)(f) or (1)(g) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Holders of at least one-tenth in aggregate principal amount of Notes then outstanding.

(3) *Form of Notice*. Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration delivered to the specified office of the Fiscal Agent.]

In the case of Notes issued by Finance the following applies

[(1) *Right of Acceleration*. Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Final Redemption Amount (as described in § 6[(5)]), together with accrued interest (if any) to the date of repayment, in the event that any of the following events (each, an "**Acceleration Event**") occurs:

- (a) the Issuer fails to pay principal or interest within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes or the Guarantor fails to perform any obligation arising from the Guarantee referred to in § 3 which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 60 days after the Fiscal Agent has received notice thereof from a Holder, or
- (c) any Capital Market Indebtedness (as defined in § 3(1)) of the Issuer or the Guarantor becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer or the Guarantor fails to fulfil any payment obligation in excess of EUR 25,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer, or the Guarantor shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto, or
- (d) the Issuer or the Guarantor announces its inability to meet its financial obligations or ceases its payments, or
- (e) a court opens insolvency proceedings against the Issuer or the Guarantor, or the Issuer or the Guarantor applies for or institutes such proceedings, or the Issuer applies for a "*surseance van betaling*" (within the meaning of the Statute of Bankruptcy of The Netherlands), or
- (f) the Issuer or the Guarantor goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer or the Guarantor, as the case may be, in connection with this issue, or
- (g) any governmental order, decree or enactment shall be made in or by The



Netherlands or Germany whereby the Issuer or the Guarantor is prevented from observing and performing in full its obligations as set forth in these Terms and Conditions and in the Guarantee, respectively, and this situation is not cured within 90 days, or

- (h) the Guarantee ceases to be valid and legally binding for any reason whatsoever.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum*. In the events specified in § 10 subparagraph (1)(b) or subparagraph (1)(c), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 10 subparagraph (1)(a), (1)(d), (1)(e), (1)(f), (1)(g) or (1)(h) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Holders of at least one-tenth in aggregate principal amount of Notes then outstanding.

(3) *Form of Notice*. Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration delivered to the specified office of the Fiscal Agent.]

## § 11 SUBSTITUTION

In the case of Notes issued by Deutsche Telekom the following applies

[(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal or interest on any of the Notes is in default, at any time substitute for the Issuer any Subsidiary (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) the Substitute Debtor has obtained all necessary authorisations and may transfer to the Fiscal Agent in the Specified Currency and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (c) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes and such guarantee contains a covenant by the guarantor corresponding to the provisions in § 3;
- (d) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b) and (c) above have been satisfied.

For purposes of these Terms and Conditions "**Subsidiary**" shall mean any corporation or partnership in which Deutsche Telekom directly or indirectly in the aggregate holds not less than 90 percent of the capital of any class or of the voting rights.

(2) *Notice*. Any notice of such substitution shall be published in accordance with § 13.

(3) *References*. In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

In the case of Notes issued by Finance the following applies

[(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer either the Guarantor or any Subsidiary (as defined below) of the Guarantor as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) the Substitute Debtor has obtained all necessary authorisations and may transfer to the Fiscal Agent in the Specified Currency and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (c) the Guarantor if it is not itself the Substitute Debtor irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes, such guarantee being substantially in the form of the Guarantee;
- (d) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b) and (c) above have been satisfied.

For purposes of these Terms and Conditions "**Subsidiary**" shall mean any corporation or partnership in which Deutsche Telekom directly or indirectly in the aggregate holds not less than 90 percent of the capital of any class or of the voting rights.

(2) *Notice*. Any notice of such substitution shall be published in accordance with § 13.

(3) *References*. In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

## § 12

### FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues*. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

## § 13

### NOTICES

In the case of Notes which are listed on the official list of the Luxembourg Stock Exchange the following applies

[(1) *Publication*. All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System*. So long as any Notes are listed on the official list of the Luxembourg Stock Exchange, subparagraph (1) shall apply. In

the case of notices regarding the Rate of Interest of Floating Rate Notes or, if the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

In case of Notes which are unlisted the following applies

[(1) *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

[(2)][(3)] *Form of Notice.* Notices to be given by any Holder shall be made by means of a written declaration to be lodged together with an evidence of the Holder's entitlement in accordance with § 14[(5)] to the Agent. Such notice may be given through the Clearing System in such manner as the Agent and the Clearing System may approve for such purpose.]

#### § 14

#### Applicable Law, Place of Performance, Place of Jurisdiction and Enforcement

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Place of Performance.* Place of performance shall be Frankfurt am Main.

(3) *Submission to Jurisdiction.* The non exclusive place of jurisdiction for all legal proceedings arising out of or in connection with the Notes shall be Frankfurt am Main. **[In the case of Notes issued by Finance the following applies:** Each Holder, however, may pursue his claims also before any other court of competent jurisdiction.] The German courts shall have non-exclusive jurisdiction over the annulment of lost or destroyed Notes. The Issuer hereby submits to the jurisdiction of the courts referred to in this subparagraph.

In the case of Notes issued by Finance the following applies

[(4) *Appointment of Authorised Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Deutsche Telekom, as its authorised agent for service of process in Germany].

[(5)] *Enforcement.* Any Holder of Notes through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global or definitive form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global Note or Definitive Note. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings. For purposes of the foregoing, "**Custodian**" means any banker other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System.

**§ 15  
LANGUAGE**

**If the Terms and Conditions are to be in the German language with an English language translation the following applies**

[These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.]

**If the Terms and Conditions are to be in the English language with a German language translation the following applies**

[These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

**If the Terms and Conditions are to be in the English language only, the following applies**

[These Terms and Conditions are written in the English language only.]

**In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed, in whole or in part, to non-qualified investors in Germany with English language Terms and Conditions, the following applies**

*[Eine deutsche Übersetzung der Anleihebedingungen wird bei der Deutsche Telekom Aktiengesellschaft, Friedrich-Ebert-Allee 140, 63105 Bonn, Deutschland, und [der] [den] Zahlstelle[n] zur kostenlosen Ausgabe bereitgehalten.]*

## Anleihebedingungen

### **Einführung**

Die Anleihebedingungen für die Schuldverschreibungen (die "**Anleihebedingungen**") sind nachfolgend in zwei Optionen aufgeführt:

Option I umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit fester Verzinsung Anwendung findet.

Option II umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit variabler Verzinsung Anwendung findet.

Der Satz von Anleihebedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen entweder links von dem Satz der Anleihebedingungen oder in eckigen Klammern innerhalb des Satzes der Anleihebedingungen bezeichnet wird.

In den Endgültigen Bedingungen wird die Emittentin festlegen, welche der Option I oder Option II (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) für die einzelne Emission von Schuldverschreibungen Anwendung findet, indem entweder die betreffenden Angaben wiederholt werden oder auf die betreffenden Optionen verwiesen wird.

Soweit weder die Emittentin noch die Garantin zum Zeitpunkt der Billigung des Prospektes Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Schuldverschreibungen anwendbar sind, enthält dieser Prospekt Leerstellen in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.

Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Anleihebedingungen der Option I oder Option II enthalten sind, ist folgendes anwendbar

[Die Bestimmungen der nachstehenden Anleihebedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die "**Endgültigen Bedingungen**") vervollständigt werden. Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen tatsächlich in den betreffenden Bestimmungen durch diese Angaben ausgefüllt worden wären. Alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausdrücklich ausgefüllt oder die gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen. Sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als insoweit aus diesen Anleihebedingungen gestrichen, wie dies erforderlich ist, um den Bestimmungen der Endgültigen Bedingungen Geltung zu verschaffen. Kopien der Endgültigen Bedingungen werden bei den bezeichneten Geschäftsstellen der Zahlstellen zur kostenlosen Ausgabe bereitgehalten. Soweit die Schuldverschreibungen nicht an einer Börse notiert sind, sind Kopien der Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.]

**OPTION I – Anleihebedingungen für Schuldverschreibungen mit fester Verzinsung**

**ANLEIHEBEDINGUNGEN DER SCHULDVERSCHREIBUNGEN**

(German Language Version)

**§ 1**

**WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT  
BESTIMMTE DEFINITIONEN**

(1) *Währung und Nennbetrag.* Diese Serie der Schuldverschreibungen der [Deutsche Telekom AG] [Deutsche Telekom International Finance B.V.] (["**Deutsche Telekom**"] ["**Finance**"] oder die "**Emittentin**") wird in [**festgelegte Währung**] (die "**festgelegte Währung**") im Gesamtnennbetrag von [**Falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:** (vorbehaltlich § 1 Absatz 6)] [**Gesamtnennbetrag**] (in Worten: [**Gesamtnennbetrag in Worten**]) begeben und ist eingeteilt in [**Anzahl der Schuldverschreibungen**] Schuldverschreibungen im Nennbetrag von [**festgelegter Nennbetrag**] (der "**festgelegte Nennbetrag**").

(2) *Form und Eigentumsrecht.* Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine Globalurkunde verbrieft. Die Übertragung des Eigentumsrechts an den Schuldverschreibungen erfolgt nach den Vorschriften des jeweils anwendbaren Rechts.

(3) *Vorläufige Globalurkunde - Austausch.*

(a) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird, wie nachstehend bestimmt, gegen Schuldverschreibungen in dem festgelegten Nennbetrag, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind ausgetauscht. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen eine Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt und zwar nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht durch den jeweiligen Kontoinhaber bei dem Clearing-System sowie durch das Clearing-System bei dem Fiscal Agent, in der Form von für diese Zwecke bei dem Fiscal Agent erhältlichen Formularen. Darin wird bescheinigt, dass der bzw. die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind, ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten. Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 5 Absatz 1 definiert) geliefert werden. Dauerglobalurkunden, die im Austausch für die vorläufige Globalurkunde geliefert werden, werden ausschließlich außerhalb der Vereinigten Staaten (wie in § 5 Absatz 1 definiert) ausgeliefert.

(4) *Bei Austausch von Globalurkunden zahlbare Gebühren.* Der Austausch einer

Globalurkunde gemäß diesem § 1 erfolgt für die Inhaber der Schuldverschreibungen kostenfrei.

(5) *Unterzeichnung der Schuldverschreibungen.* Die Globalurkunden sind namens der Emittentin durch zwei vertretungsberechtigte Personen der Emittentin zu unterschreiben. Sie tragen die Kontrollunterschrift des Fiscal Agent oder seines Beauftragten.

(6) *Clearing System.* Jede Schuldverschreibungen verbrieftende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

**"Clearing-System"** bedeutet **[Bei mehr als einem Clearing System ist folgendes anwendbar: sowohl] [Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("CBF")][.][als auch] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Großherzogtum Luxemburg ("CBL"), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brüssel, Belgien ("Euroclear") (CBL and Euroclear jeweils ein "ICSD" und zusammen die "ICSDs")]** und jeder Funktionsnachfolger.

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und die Globalurkunde eine NGN ist, ist folgendes anwendbar

[Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.]

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und ein zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.]

**[Falls die vorläufige Globalurkunde eine NGN ist, ist folgendes anwendbar:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.]

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und die Globalurkunde eine CGN ist, ist folgendes anwendbar

[Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

(7) *Bestimmte Definitionen.* In diesen Anleihebedingungen bedeutet:

**"Globalurkunde"** die vorläufige Globalurkunde oder die Dauerglobalurkunde.

**"Gläubiger"** in Bezug auf die bei einem Clearing-System oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen der Inhaber eines Miteigentumsanteils oder anderen Rechts an den hinterlegten Schuldverschreibungen, und andernfalls der Inhaber einer Schuldverschreibung.

**"Zahlstelle"** den Fiscal Agent in seiner Eigenschaft als Zahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle, die in § 7 genannte(n) Zahlstelle(n) oder eine gemäß § 7 ernannte Ersatz- oder weitere Zahlstelle.

Bezugnahmen in diesen Anleihebedingungen auf die "*Schuldverschreibungen*" beziehen sich auf die Schuldverschreibungen dieser Serie und schließen, wenn der Zusammenhang dies erfordert, Globalurkunden ein.

Bezugnahmen auf die "*festgelegte Währung*" schließen jede Nachfolge-Währung ein, die entweder durch Gesetz in dem Hoheitsgebiet, in dem die festgelegte Währung ausgegeben wird, oder durch eine zwischen-staatliche Vereinbarung eingeführt wird (die "**Nachfolgewährung**"), sofern Zahlungen in der ursprünglichen Währung nicht mehr als zulässiges Zahlungsmittel für Zahlungen der Emittentin hinsichtlich der Schuldverschreibungen **[Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar:** bzw. für Zahlungen der Garantin hinsichtlich der Garantie] gelten.

## § 2 STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.

## § 3 NEGATIVVERPFLICHTUNG DER EMITTENTIN [Im Fall von Schuldverschreibungen, die von Finance begeben werden ist folgendes anwendbar:; GARANTIE UND NEGATIVVERPFLICHTUNG DER GARANTIN]

[(1)] *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt worden sind, weder ihr gegenwärtiges noch ihr zukünftiges Vermögen ganz oder teilweise in irgendeiner Weise zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit, die von der Emittentin oder einer anderen Person eingegangen oder gewährleistet ist, zu belasten oder eine solche Belastung zu diesem Zweck bestehen zu lassen, ohne gleichzeitig die Gläubiger an derselben Sicherheit im gleichen Rang und gleichen Verhältnis teilnehmen zu lassen. "**Kapitalmarktverbindlichkeit**" ist jede Verbindlichkeit zur Zahlung aufgenommener Gelder, die durch Schuldscheine verbrieft, verkörpert oder dokumentiert ist oder durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können. Um etwaige Zweifel bezüglich von asset-backed financings der Emittentin zu vermeiden, schließt das in diesem § 3 benutzte Wort "*Vermögen*" nicht solche Vermögensgegenstände der Emittentin ein, die nach dem jeweils auf die Transaktion anwendbaren Zivilrecht ohne Rückgriffsmöglichkeiten veräußert sind.

Bei von Finance  
begebenen  
Schuldverschrei-  
bungen ist  
folgendes  
anwendbar

[(2)] *Garantie und Negativverpflichtung der Garantin.* Die Garantin hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen. Die Garantin hat sich außerdem in einer Negativverpflichtung (die "**Negativverpflichtung**")



verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt worden sind, weder ihr gegenwärtiges noch ihr zukünftiges Vermögen ganz oder teilweise in irgendeiner Weise zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit (wie vorstehend definiert), die von der Garantin oder einer anderen Person eingegangen oder gewährleistet ist, zu belasten oder eine solche Belastung zu diesem Zweck bestehen zu lassen, ohne gleichzeitig die Gläubiger an derselben Sicherheit im gleichen Rang und gleichem Verhältnis teilnehmen zu lassen. Die Garantie und die Negativverpflichtung stellen einen Vertrag zugunsten jedes Gläubigers als begünstigtem Dritten gemäß § 328 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung aus der Garantie und der Negativverpflichtung unmittelbar von der Garantin zu verlangen und die Garantie und die Negativverpflichtung unmittelbar gegen die Garantin durchzusetzen. Um etwaige Zweifel bezüglich von asset-backed financings der Garantin zu vermeiden, schließt das in diesem § 3 benutzte Wort "Vermögen" nicht solche Vermögensgegenstände der Garantin ein, die nach dem jeweils auf die Transaktion anwendbaren Zivilrecht ohne Rückgriffsmöglichkeiten veräußert sind. Kopien der Garantie und Negativverpflichtung werden bei den bezeichneten Geschäftsstellen der Zahlstellen zur kostenlosen Ausgabe bereitgehalten.]

#### § 4 ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages verzinst, und zwar vom **[Verzinsungsbeginn]** (einschließlich) bis zum Fälligkeitstag (wie in § 6 Absatz 1 definiert) (ausschließlich) mit jährlich **[Zinssatz]** %. Die Zinsen sind nachträglich am **[Festzinstermine]** eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am **[erster Zinszahlungstag]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, ist folgendes anwendbar:** und beläuft sich auf **[anfänglicher Bruchteilzinsbetrag je festgelegter Nennbetrag]** je festgelegtem Nennbetrag.] **[Sofern der Fälligkeitstag kein Festzinstermine ist, ist folgendes anwendbar:** Die Zinsen für den Zeitraum vom **[der letzte dem Fälligkeitstag vorausgehende Festzinstermine]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[abschließender Bruchteilzinsbetrag je festgelegter Nennbetrag]** je festgelegtem Nennbetrag.]

(2) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung der Schuldverschreibungen vom Tag der Fälligkeit bis zu dem Tag, der dem Tag der tatsächlichen Rückzahlung der Schuldverschreibungen vorangeht, in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen.<sup>1</sup>

(3) *Berechnung der Zinsen für gebrochene Zeiträume.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung

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<sup>1</sup> Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

(4) *Zinstagequotient*. "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

Im Falle von Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (ausschließlich dem Fall eines ersten oder letzten kurzen oder langen Kupons) ist folgendes anwendbar

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode.]

Im Fall von Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (einschließlich dem Fall eines ersten oder letzten kurzen Kupons) ist folgendes anwendbar

[die Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch die Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt.]

Im Falle von Actual/Actual (ICMA Regelung 251) mit zwei oder mehr gleich bleibenden Zinsperioden (einschließlich dem Fall eines ersten oder letzten kurzen Kupons) innerhalb eines Zinsjahres ist folgendes anwendbar

[die Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch das Produkt aus (1) der Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt, und (2) der Anzahl von Zinszahlungstagen, die angenommen, dass Zinsen für das gesamte Jahr zu zahlen wären in ein Kalenderjahr fallen oder fallen würden.]

Im Fall von Actual/Actual (ICMA Regelung 251) und wenn der Zinsberechnungszeitraum länger ist als eine Bezugsperiode (langer Kupon) ist folgendes anwendbar

[die Summe aus:

- (a) der Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die Bezugsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch **[Im Fall von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar: das Produkt aus (x)]** [die] [der] Anzahl der Tage in dieser Bezugsperiode **[Im Fall von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar: und (y)** der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären]; und
- (b) der Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die nächste Bezugsperiode fallen, geteilt durch **[Im Fall von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar: das Produkt aus (x)]** [die] [der] Anzahl der Tage in dieser Bezugsperiode **[Im Fall von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar: und (y)** der Anzahl von Bezugsperioden, die in ein

Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären].

Folgendes gilt für alle Optionen von Actual/Actual (ICMA) anwendbar außer Option Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (ausschließlich dem Fall eines ersten oder letzten kurzen oder langen Kupons)

**["Bezugsperiode"** bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[Im Fall eines ersten oder letzten kurzen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der maßgeblichen Bezugsperiode gilt der **[Fiktive Zinszahlungstag]** als Zinszahlungstag.] **[Im Fall eines ersten oder letzten langen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der maßgeblichen Bezugsperiode gelten der **[Fiktiver Zinszahlungstag]** als Zinszahlungstage].]

Im Falle von 30/360, 360/360 oder Bond Basis ist folgendes anwendbar

[die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch den 31. Tag eines Monats fällt, in welchem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, in welchem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).]

Im Falle von 30E/360 oder Eurobond Basis ist folgendes anwendbar

[die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes).]

## § 5 ZAHLUNGEN

(1) *Zahlungen auf Kapital.* Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift auf die Konten der jeweiligen Kontoinhaber des Clearing-Systems außerhalb der Vereinigten Staaten.

Für die Zwecke des § 1 Absatz 3 und dieses § 5 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, die U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(2) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing-Systems außerhalb der Vereinigten Staaten.

Die Zahlung von Zinsen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing-Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b) außerhalb der Vereinigten Staaten.

(3) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf Schuldverschreibungen in der festgelegten Währung.

(4) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing-System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "**Zahltag**"

Bei nicht auf Euro lautenden Schuldverschreibungen ist folgendes anwendbar

[einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[relevante(s) Finanzzentrum(en)]** abwickeln  
[.] [und]]

Im Fall, dass das Clearingsystem und TARGET offen sein sollen, ist folgendes anwendbar

[einen Tag (außer einem Samstag oder Sonntag), an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") geöffnet sind, um die betreffenden Zahlungen weiterzuleiten.]

(6) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; **[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzahlen, ist folgendes anwendbar:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen.] **[Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen,] sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren zusätzlichen Beträge einschließen.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

## § 6 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am **[Fälligkeitstag]** (der "**Fälligkeitstag**") zurückgezahlt. Der "**Rückzahlungsbetrag**" in Bezug auf jede Schuldverschreibung entspricht dem Nennbetrag.

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber dem Fiscal Agent und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Rückzahlungsbetrag zuzüglich bis zum für die

anwendbar

Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt diese Änderung oder Ergänzung wird am oder nach dem **[Tag der Begebung]** wirksam) zur Zahlung von zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin zur Verfügung stehender und ihr zumutbarer Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühest möglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von zusätzlichen Beträgen noch wirksam sein.

Vor der Veröffentlichung einer Kündigung gemäß dieser Bestimmung muss die Emittentin dem Fiscal Agent eine Bescheinigung vorlegen, die von einem Vorstandsmitglied der Emittentin unterschrieben ist und welche darlegt, dass die Voraussetzungen dieses Kündigungsrechts vorliegen und außerdem eine Stellungnahme eines unabhängigen und anerkannten Rechtsberaters enthält, in der festgestellt wird, dass die Emittentin verpflichtet ist oder sein wird, solche zusätzlichen Beträge aufgrund einer solchen Rechts- oder Auslegungsänderung zu zahlen.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die Umstände darlegt, die das Rückzahlungsrecht der Emittentin begründen.]

Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber dem Fiscal Agent und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Rückzahlungsbetrag zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin oder die Garantin, die aus von ihr nicht zu verantwortenden Gründen die Leistung der Zahlung durch die Emittentin nicht bewirken kann, als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Niederlande oder der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt diese Änderung oder Ergänzung wird am oder nach dem **[Tag der Begebung]** wirksam) zur Zahlung von zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen, bzw. in der Garantie definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin oder der Garantin zur Verfügung stehender und ihr zumutbarer Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühest möglichen Termin erfolgen, an dem die Emittentin oder die Garantin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von zusätzlichen Beträgen noch wirksam sein.

Vor der Veröffentlichung einer Kündigung gemäß dieser Bestimmung muss die Emittentin dem Fiscal Agent eine Bescheinigung vorlegen, die von einem Vorstandsmitglied der Garantin unterschrieben ist und welche darlegt, dass die Voraussetzungen dieses Kündigungsrechts vorliegen und außerdem eine Stellungnahme eines unabhängigen und anerkannten Rechtsberaters enthält, in der festgestellt wird, dass die Emittentin oder die Garantin verpflichtet ist oder

sein wird, solche zusätzlichen Beträge aufgrund einer solchen Rechts- oder Auslegungsänderung zu zahlen.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die Umstände darlegt, die das Rückzahlungsrecht der Emittentin begründen.]

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zu festgelegten Wahlrückzahlungsbeträgen (Call) zurückzuzahlen, ist folgendes anwendbar

[(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

- (a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise am/an den Wahl-Rückzahlungstag(en) (Call) zum/zu den Wahl-Rückzahlungsbetrag bzw. -beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rückzahlungstag(e) (Call)	Wahl-Rückzahlungsbetrag/-beträge (Call)
<b>[Wahl-Rückzahlungstag(e)]</b>	<b>[Wahl-Rückzahlungsbetrag/-beträge]</b>
[ ]	[ ]
[ ]	[ ]

**[Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen ist folgendes anwendbar:** Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz [4] dieses § 6 verlangt hat.]

- (b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 und dem Fiscal Agent bekannt zu geben (die Kündigung gegenüber dem Fiscal Agent hat 15 Tage vor der Kündigung gegenüber den Gläubigern zu erfolgen). Sie beinhaltet die folgenden Angaben:
- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
  - (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtbetrag der zurückzuzahlenden Schuldverschreibungen und, falls die Schuldverschreibungen durch Einzelurkunden verbrieft sind, die entsprechenden Seriennummern;
  - (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als 15 und nicht mehr als 30 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und
  - (iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden.
- (c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing-Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.]]

Falls der Gläubiger ein

[[4)] *Vorzeitige Rückzahlung nach Wahl des Gläubigers.*

Wahlrecht hat, die Schuldverschreibungen vorzeitig zu festgelegtem/n Wahlrückzahlungsbetrag/-beträgen (Put) zu kündigen, ist folgendes anwendbar

- (a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu den Wahl-Rückzahlungsbetrag/-beträgen (Put), wie nachstehend angegeben nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen.

Wahl-Rückzahlungstag(e) (Put)	Wahl-Rückzahlungsbetrag/-beträge (Put)
<b>[Wahl-Rückzahlungstag(e)]</b>	<b>[Wahl-Rückzahlungsbetrag/-beträge]</b>
[ ]	[ ]
[ ]	[ ]

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung durch die Emittentin in Ausübung ihres Wahlrechts nach § 6 Absatz 2 **[Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar: oder Absatz 3]** verlangt hat.

- (b) Um dieses Wahlrecht auszuüben, darf der Gläubiger die betreffende Schuldverschreibung nicht früher als 15 Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, an die bezeichnete Geschäftsstelle einer Zahlstelle eine schriftliche Mitteilung zur vorzeitigen Rückzahlung ("**Ausübungserklärung**"), zu schicken. Falls die Ausübungserklärung nach 17:00 Uhr Frankfurter Zeit am **[Mindestkündigungsfrist]** Tag vor dem Wahl-Rückzahlungstag (Put) eingeht, ist das Wahlrecht nicht wirksam ausgeübt. Die Ausübungserklärung hat anzugeben: (i) den gesamten Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird [und][.] (ii) die Wertpapierkennnummern dieser Schuldverschreibungen (soweit vergeben) **[Im Fall der Verwahrung der Globalurkunde durch CBF ist folgendes anwendbar: und (iii) Kontaktdaten sowie eine Kontoverbindung]**. Für die Ausübungserklärung kann ein Formblatt, wie es bei den bezeichneten Geschäftsstellen des Fiscal Agent [und der Zahlstelle[n]] in deutscher und englischer Sprache erhältlich ist und das weitere Hinweise enthält, verwendet werden. Eine so hinterlegte Schuldverschreibung kann nicht zurückgefordert und die Ausübung des Wahlrechts kann nicht widerrufen werden.]

## § 7

### DER FISCAL AGENT UND DIE ZAHLSTELLE

- (1) *Ernennung; bezeichnete Geschäftsstellen.* Der anfänglich bestellte Fiscal Agent und die anfänglich bestellte Zahlstelle und deren bezeichnete Geschäftsstellen lauten wie folgt:

Fiscal Agent und Hauptzahlstelle:	Deutsche Bank Aktiengesellschaft Trust & Securities Services (TSS) Taunusanlage 12 60325 Frankfurt am Main Deutschland
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Der Fiscal Agent und die Zahlstelle behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch andere bezeichnete Geschäftsstellen in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung des Fiscal Agent oder einer Zahlstelle zu ändern oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere Zahlstellen zu bestellen. Die Emittentin wird jedoch zu jedem Zeitpunkt [(i)] einen Fiscal Agent unterhalten mit einer bezeichneten Geschäftsstelle in einer kontinentaleuropäischen Stadt außerhalb Deutschland **[Für auf US-Dollar lautende Schuldverschreibungen ist folgendes anwendbar:** und (ii) falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 5(1) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten]. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird (außer im Insolvenzfall, wo eine solche Änderung sofort wirksam wird) nur wirksam, sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und höchstens 45 Tagen informiert wurden.

(3) *Erfüllungsgehilfe(n) der Emittentin.* Der Fiscal Agent und die Zahlstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

## § 8 STEUERN

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes anwendbar

[Kapital und Zinsen werden von der Emittentin ohne Abzug oder Einbehalt wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art gezahlt, die von oder in Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde auferlegt, erhoben oder eingezogen werden (nachstehend zusammen "**Quellensteuern**" genannt), es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem letzteren Fall wird die Emittentin die zusätzlichen Beträge an Kapital und Zinsen zahlen, die erforderlich sind, damit der dem Gläubiger nach diesem Abzug oder Einbehalt zufließende Nettobetrag jeweils den Beträgen an Kapital und Zinsen entspricht, die ihm zustehen würden, wenn der Abzug oder Einbehalt nicht erforderlich wäre. Solche zusätzlichen Beträge sind jedoch nicht zahlbar wegen Steuern, Abgaben oder amtlicher Gebühren, die

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen gegenwärtiger oder früherer persönlicher oder geschäftlicher Beziehungen des Gläubigers zu Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung zahlbar sind, die später als 30 Tage nach



Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar

Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß den Anleihebedingungen wirksam wird]

[Kapital und Zinsen werden von der Emittentin ohne Abzug oder Einbehalt wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art gezahlt, die von oder in den Niederlanden oder Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde auferlegt, erhoben oder eingezogen werden (nachstehend zusammen "**Quellensteuern**" genannt), es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem letzteren Fall wird die Emittentin die zusätzlichen Beträge an Kapital und Zinsen zahlen, die erforderlich sind, damit der dem Gläubiger nach diesem Abzug oder Einbehalt zufließende Nettobetrag jeweils den Beträgen an Kapital und Zinsen entspricht, die ihm zustehen würden, wenn der Abzug oder Einbehalt nicht erforderlich wäre. Solche zusätzlichen Beträge sind jedoch nicht zahlbar wegen Steuern, Abgaben oder amtlicher Gebühren, die

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen gegenwärtiger oder früherer persönlicher oder geschäftlicher Beziehungen des Gläubigers zu den Niederlanden oder Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in den Niederlanden oder Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der Deutschland, die Niederlande oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung zahlbar sind, die später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß den Anleihebedingungen wirksam wird]

## § 9

### VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

## § 10

### KÜNDIGUNG

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes anwendbar

[(1) *Kündigungsrecht.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Tilgung zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls einer der folgenden Kündigungsgründe ("**Kündigungsgründe**") vorliegt:

- (a) die Emittentin zahlt Kapital oder Zinsen nicht innerhalb von 30 Tagen nach

dem betreffenden Fälligkeitstag; oder

- (b) die Emittentin unterlässt die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen und diese Unterlassung, falls sie geheilt werden kann, länger als 60 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (c) eine Kapitalmarktverbindlichkeit (wie in § 3 Absatz 1 definiert) der Emittentin vorzeitig zahlbar wird aufgrund einer Nicht- oder Schlechterfüllung des dieser Kapitalmarktverbindlichkeit zugrunde liegenden Vertrages, oder die Emittentin einer Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 25.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nachkommt, es sei denn die Emittentin bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird, oder
- (d) die Emittentin ihre Zahlungsunfähigkeit bekannt gibt oder ihre Zahlungen einstellt, oder
- (e) ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet, oder die Emittentin ein solches Verfahren einleitet oder beantragt, oder
- (f) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist, oder
- (g) in Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin daran gehindert wird, die von ihr gemäß diesen Anleihebedingungen übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Quorum.* In den Fällen des § 10 Absatz 1 (b) oder 1 (c) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 10 Absatz 1(a), 1(d), 1(e), 1(f) oder 1(g) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei dem Fiscal Agent Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Gesamtnennbetrag von mindestens  $\frac{1}{10}$  der dann ausstehenden Schuldverschreibungen eingegangen sind.

(3) *Form der Erklärung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich gegenüber dem Fiscal Agent zu erklären und an dessen bezeichnete Geschäftsstelle zu übermitteln.]

Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar

[(1) *Kündigungsrecht.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Tilgung zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls einer der folgenden Kündigungsgründe ("Kündigungsgründe") vorliegt:

- (a) die Emittentin zahlt Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag; oder
- (b) die Emittentin unterlässt die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen oder die Garantin unterlässt die Erfüllung einer Verpflichtung aus der Garantie, auf die in § 3 Bezug genommen wird, und diese Unterlassung, falls sie geheilt werden kann, länger als 60 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (c) eine Kapitalmarktverbindlichkeit (wie in § 3 Absatz 1 definiert) der Emittentin oder der Garantin vorzeitig zahlbar wird aufgrund einer Nicht- oder Schlechterfüllung des dieser Kapitalmarktverbindlichkeit zugrunde liegenden Vertrages, oder die Emittentin oder die Garantin einer Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 25.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nachkommt, es sei denn die Emittentin oder die Garantin bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird, oder
- (d) die Emittentin oder die Garantin ihre Zahlungsunfähigkeit bekannt gibt oder ihre Zahlungen einstellt, oder
- (e) ein Gericht ein Insolvenzverfahren gegen die Emittentin oder die Garantin eröffnet, oder die Emittentin oder die Garantin ein solches Verfahren einleitet oder beantragt, oder die Emittentin ein "*surseance van betaling*" (Schuldenmoratorium im Sinne des niederländischen Insolvenzrechts) beantragt, oder
- (f) die Emittentin oder die Garantin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin oder die Garantin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist, oder
- (g) in den Niederlanden oder in Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin oder die Garantin daran gehindert wird, die von ihr gemäß diesen Anleihebedingungen bzw. der Garantie übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist, oder
- (h) die Garantie aus irgendeinem Grund nicht mehr gilt.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Quorum*. In den Fällen des § 10 Absatz 1 (b) oder 1 (c) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 10 Absatz 1(a), 1(d), 1(e), 1(f), 1(g) oder 1(h) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei dem Fiscal Agent Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Gesamtnennbetrag von mindestens  $\frac{1}{10}$  der dann ausstehenden Schuldverschreibungen eingegangen sind.

(3) *Form der Erklärung*. Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich

gegenüber dem Fiscal Agent zu erklären und an dessen bezeichnete Geschäftsstelle zu übermitteln.]

## § 11 ERSETZUNG DER EMITTENTIN

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes anwendbar

[(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger, eine Tochtergesellschaft (wie nachstehend definiert) der Emittentin an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt hat und berechtigt ist, an den Fiscal Agent die zur Erfüllung ihrer Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, in dem Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat, erhobene Steuern oder sonstige Abgaben jeder Art, abzuziehen oder einzubehalten;
- (c) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert und diese Garantie eine Verpflichtung der Garantin gemäß den Bestimmungen des § 3 enthält;
- (d) dem Fiscal Agent ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in vorstehenden Unterabsätzen (a), (b) und (c) erfüllt wurden.

Im Sinne dieser Anleihebedingungen bedeutet "**Tochtergesellschaft**" eine Kapital- oder Personengesellschaft, an der die Deutsche Telekom direkt oder indirekt insgesamt nicht weniger als 90% des Kapitals jeder Klasse oder der Stimmrechte hält

(2) *Bekanntmachung*. Jede solche Ersetzung wird gemäß § 13 bekannt gegeben.

(3) *Änderung von Bezugnahmen*. Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.]

Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar

[(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger, entweder die Garantin oder eine Tochtergesellschaft (wie nachstehend definiert) der Garantin an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt hat und berechtigt ist, an den Fiscal Agent die zur Erfüllung ihrer Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, in dem Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat, erhobene Steuern oder sonstige Abgaben jeder Art, abzuziehen oder

einzubehalten;

- (c) die Garantin, sofern sie nicht selbst die Nachfolgeschuldnerin ist, unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert, wobei diese Garantie im wesentlichen die Form der "**Garantie**" hat;
- (d) dem Fiscal Agent ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in vorstehenden Unterabsätzen (a), (b) und (c) erfüllt wurden.

Im Sinne dieser Anleihebedingungen bedeutet "**Tochtergesellschaft**" eine Kapital- oder Personengesellschaft, an der die Deutsche Telekom direkt oder indirekt insgesamt nicht weniger als 90% des Kapitals jeder Klasse oder der Stimmrechte hält

(2) *Bekanntmachung.* Jede solche Ersetzung wird gemäß § 13 bekannt gegeben.

(3) *Änderung von Bezugnahmen.* Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.]

## § 12

### BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder beim Fiscal Agent zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

## § 13

### MITTEILUNGEN

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Solange Schuldverschreibungen auf der offiziellen Liste der Luxemburger Börse gelistet sind, findet Absatz (1) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das

Im Fall von Schuldverschreibungen, die auf der offiziellen Liste der der Luxemburger Börse gelistet sind, ist folgendes anwendbar

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar

Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

[(1) *Mitteilungen an das Clearing-System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

[(2)][(3)] *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 14 Absatz [5] an die Emissionsstelle geleitet werden. Eine solche Mitteilung kann über das Clearing System in der von der Emissionsstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

#### § 14

#### ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.

(3) *Gerichtsstand.* Nicht ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt am Main. **[Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar:** Die Gläubiger können ihre Ansprüche jedoch auch vor anderen zuständigen Gerichten geltend machen.] Die deutschen Gerichte sind nicht ausschließlich zuständig für die Kraftloserklärung abhandengekommener oder vernichteter Schuldverschreibungen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar

[(4) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten bestellt die Emittentin die Deutsche Telekom zu ihrem Zustellungsbevollmächtigten in Deutschland].

[(5)] *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, der diese über ein Clearing-System hält, darf in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage schützen oder geltend machen: (i) Er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der betreffenden Schuldverschreibungen als Global- oder Einzelkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing-Systems oder der Verwahrstelle des Clearing-Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde oder der Einzelurkunde in einem solchen Verfahren erforderlich wäre. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend

machen, die im Land des Rechtsstreits prozessual zulässig ist. Im Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Kreditinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben und bei dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing-Systems.

## **§ 15 Sprache**

**Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.]

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind in englischer Sprache abgefasst und mit einer Übersetzung in die deutsche Sprache versehen. Der englische Text soll bindend und maßgeblich sein. Die deutsche Übersetzung ist unverbindlich.]

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

**OPTION II – Anleihebedingungen für Schuldverschreibungen mit variabler Verzinsung**

**ANLEIHEBEDINGUNGEN DER SCHULDVERSCHREIBUNGEN**

(German Language Version)

**§ 1**

**WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT  
BESTIMMTE DEFINITIONEN**

(1) *Währung und Nennbetrag.* Diese Serie der Schuldverschreibungen der [Deutsche Telekom AG] [Deutsche Telekom International Finance B.V.] (["**Deutsche Telekom**"] ["**Finance**"] oder die "**Emittentin**") wird in [**festgelegte Währung**] (die "**festgelegte Währung**") im Gesamtnennbetrag von [**Falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:** (vorbehaltlich § 1 Absatz 6)] [**Gesamtnennbetrag**] (in Worten: [**Gesamtnennbetrag in Worten**]) begeben und ist eingeteilt in [**Anzahl der Schuldverschreibungen**] Schuldverschreibungen im Nennbetrag von [**festgelegter Nennbetrag**] (der "**festgelegte Nennbetrag**").

(2) *Form und Eigentumsrecht.* Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine Globalurkunde verbrieft. Die Übertragung des Eigentumsrechts an den Schuldverschreibungen erfolgt nach den Vorschriften des jeweils anwendbaren Rechts.

(3) *Vorläufige Globalurkunde - Austausch.*

(a) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird, wie nachstehend bestimmt, gegen Schuldverschreibungen in dem festgelegten Nennbetrag, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind ausgetauscht. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen eine Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt und zwar nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht durch den jeweiligen Kontoinhaber bei dem Clearing-System sowie durch das Clearing-System bei dem Fiscal Agent, in der Form von für diese Zwecke bei dem Fiscal Agent erhältlichen Formularen. Darin wird bescheinigt, dass der bzw. die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind, ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten. Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 5 Absatz 1 definiert) geliefert werden. Dauerglobalurkunden, die im Austausch für die vorläufige Globalurkunde geliefert werden, werden ausschließlich außerhalb der Vereinigten Staaten (wie in § 5 Absatz 1 definiert) ausgeliefert.



(4) *Bei Austausch von Globalurkunden zahlbare Gebühren.* Der Austausch einer Globalurkunde gemäß diesem § 1 erfolgt für die Inhaber der Schuldverschreibungen kostenfrei.

(5) *Unterzeichnung der Schuldverschreibungen.* Die Globalurkunden sind namens der Emittentin durch zwei vertretungsberechtigte Personen der Emittentin zu unterschreiben. Sie tragen die Kontrollunterschrift des Fiscal Agent oder seines Beauftragten.

(6) *Clearing System.* Jede Schuldverschreibungen verbriefende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

**"Clearing-System"** bedeutet **[Bei mehr als einem Clearing System ist folgendes anwendbar: sowohl] [Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("CBF")][.][als auch] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Großherzogtum Luxemburg ("CBL"), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brüssel, Belgien ("Euroclear") (CBL and Euroclear jeweils ein "ICSD" und zusammen die "ICSDs")] und jeder Funktionsnachfolger.**

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, ist folgendes anwendbar

[Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und ein zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.]

**[Falls die vorläufige Globalurkunde eine NGN ist, ist folgendes anwendbar:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.]

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine CGN ist, ist folgendes anwendbar

[Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

(7) *Bestimmte Definitionen.* In diesen Anleihebedingungen bedeutet:

**"Globalurkunde"** die vorläufige Globalurkunde oder Dauerglobalurkunde.

**"Gläubiger"** in Bezug auf die bei einem Clearing-System oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen der Inhaber eines Miteigentumsanteils oder anderen Rechts an den hinterlegten Schuldverschreibungen, und andernfalls der Inhaber einer Schuldverschreibung.

**"Zahlstelle"** den Fiscal Agent in seiner Eigenschaft als Zahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle, die in § 7 genannte(n) Zahlstelle(n) oder eine gemäß § 7 ernannte Ersatz- oder weitere Zahlstelle.

Bezugnahmen in diesen Anleihebedingungen auf die "*Schuldverschreibungen*" beziehen sich auf die Schuldverschreibungen dieser Serie und schließen, wenn der Zusammenhang dies erfordert, Globalurkunden ein.

Bezugnahmen auf die "*festgelegte Währung*" schließen jede Nachfolge-Währung ein, die entweder durch Gesetz in dem Hoheitsgebiet, in dem die festgelegte Währung ausgegeben wird, oder durch eine zwischen-staatliche Vereinbarung eingeführt wird (die "**Nachfolgewährung**"), sofern Zahlungen in der ursprünglichen Währung nicht mehr als zulässiges Zahlungsmittel für Zahlungen der Emittentin hinsichtlich der Schuldverschreibungen **[Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar:** bzw. für Zahlungen der Garantin hinsichtlich der Garantie] gelten.

## § 2 STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.

## § 3 NEGATIVVERPFLICHTUNG DER EMITTENTIN [Im Falle von Schuldverschreibungen, die von Finance begeben werden ist folgendes anwendbar, GARANTIE UND NEGATIVVERPFLICHTUNG DER GARANTIN]

[(1)] *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt worden sind, weder ihr gegenwärtiges noch ihr zukünftiges Vermögen ganz oder teilweise in irgendeiner Weise zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit, die von der Emittentin oder einer anderen Person eingegangen oder gewährleistet ist, zu belasten oder eine solche Belastung zu diesem Zweck bestehen zu lassen, ohne gleichzeitig die Gläubiger an derselben Sicherheit im gleichen Rang und gleichen Verhältnis teilnehmen zu lassen. "**Kapitalmarktverbindlichkeit**" ist jede Verbindlichkeit zur Zahlung aufgenommener Gelder, die durch Schuldscheine verbrieft, verkörpert oder dokumentiert ist oder durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können. Um etwaige Zweifel bezüglich von asset-backed financings der Emittentin zu vermeiden, schließt das in diesem § 3 benutzte Wort "*Vermögen*" nicht solche Vermögensgegenstände der Emittentin ein, die nach dem jeweils auf die Transaktion anwendbaren Zivilrecht ohne Rückgriffsmöglichkeiten veräußert sind.

Bei von Finance  
begebenen

[(2)] *Garantie und Negativverpflichtung der Garantin.* Die Garantin hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die

Schuldverschreibungen ist folgendes anwendbar

ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen. Die Garantin hat sich außerdem in einer Negativverpflichtung (die "**Negativverpflichtung**") verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt worden sind, weder ihr gegenwärtiges noch ihr zukünftiges Vermögen ganz oder teilweise in irgendeiner Weise zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit (wie vorstehend definiert), die von der Garantin oder einer anderen Person eingegangen oder gewährleistet ist, zu belasten oder eine solche Belastung zu diesem Zweck bestehen zu lassen, ohne gleichzeitig die Gläubiger an derselben Sicherheit im gleichen Rang und gleichem Verhältnis teilnehmen zu lassen. Die Garantie und die Negativverpflichtung stellen einen Vertrag zugunsten jedes Gläubigers als begünstigtem Dritten gemäß § 328 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung aus der Garantie und der Negativverpflichtung unmittelbar von der Garantin zu verlangen und die Garantie und die Negativverpflichtung unmittelbar gegen die Garantin durchzusetzen. Um etwaige Zweifel bezüglich von asset-backed financings der Garantin zu vermeiden, schließt das in diesem § 3 benutzte Wort "**Vermögen**" nicht solche Vermögensgegenstände der Garantin ein, die nach dem jeweils auf die Transaktion anwendbaren Zivilrecht ohne Rückgriffsmöglichkeiten veräußert sind. Kopien der Garantie und Negativverpflichtung werden bei den bezeichneten Geschäftsstellen der Zahlstellen zur kostenlosen Ausgabe bereitgehalten.]

#### § 4 ZINSEN

(1) *Zinszahlungstage.*

(a) Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages ab dem **[Verzinsungsbeginn]** (der "**Verzinsungsbeginn**") (einschließlich) verzinst. Die Zinsen sind an jedem Zinszahlungstag zahlbar.

"**Zinszahlungstag**" in diesem Sinne ist

[jeweils **[festgelegte Zinszahlungstage]**.]

Im Fall von festgelegten Zinszahlungstagen ist folgendes anwendbar

Im Fall von festgelegten Zinsperioden ist folgendes anwendbar

[(sofern diese Anleihebedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Anzahl]** **[Wochen]** **[Monate]** **[anderer festgelegter Zeitraum/andere festgelegte Zeiträume]** nach dem vorausgehenden Zinszahlungstag liegt oder, im Falle des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.]

(b) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag:

Bei Anwendung der modifizierten folgender Geschäftstag-Konvention ist folgendes anwendbar

[auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zahlungstag auf den unmittelbar vorausgehenden Geschäftstag verlegt.]

Bei Anwendung der FRN (*Floating Rate Note* – variabel verzinsliche Schuldverschreibung) Konvention ist

[auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorangehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[Zahl]** **[Monate]** nach dem

folgendes anwendbar	vorangegangenen gültigen Zinszahlungstag liegt.]
Bei Anwendung der folgender Geschäftstag-Konvention ist folgendes anwendbar	[auf den nächstfolgenden Geschäftstag verschoben.]
Bei Anwendung der Vorangegangener Geschäftstag-Konvention ist folgendes anwendbar	[auf den unmittelbar vorangegangenen Geschäftstag verlegt.]
Falls die festgelegte Währung nicht Euro ist, ist folgendes anwendbar	<p><b>"Geschäftstag"</b> bezeichnet</p> <p>[einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken allgemein für Geschäfte in <b>[relevante(s) Finanzzentrum(en)]</b> geöffnet sind und Devisenmärkte Zahlungen in <b>[relevante(s) Finanzzentrum(en)]</b> abwickeln] [.] [und]</p>
Falls das Clearing System und TARGET geöffnet sein sollen, ist folgendes anwendbar	[einen Tag, an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (" <b>TARGET</b> ") geöffnet sind, um die betreffende Zahlung abzuwickeln].
Falls der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist, ist folgendes anwendbar	<p>[(2) <i>Zinssatz</i>. Der Zinssatz (der "<b>Zinssatz</b>") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz <i>per annum</i>) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird <b>[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)],</b> wobei alle Festlegungen durch die Berechnungsstelle erfolgen.</p> <p><b>"Zinsperiode"</b> bezeichnet jeweils den Zeitraum von dem Verzinsungsbeginn bis zum ersten Zinszahlungstag bzw. von jedem Zinszahlungstag bis zum jeweils darauf folgenden Zinszahlungstag.</p> <p><b>"Zinsfestlegungstag"</b> bezeichnet den zweiten TARGET Geschäftstag vor Beginn der jeweiligen Zinsperiode. <b>"TARGET-Geschäftstag"</b> bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("<b>TARGET</b>") geöffnet ist.</p> <p><b>[Im Fall einer Marge ist folgendes anwendbar:</b> Die "<b>Marge</b>" beträgt <b>[Marge]%</b> <i>per annum</i>.]</p> <p><b>"Bildschirmseite"</b> bedeutet Reuters Bildschirmseite EURIBOR01 oder jede Nachfolgeseite.</p> <p>Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt (zur genannten Zeit), wird die Berechnungsstelle von jeder der Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotsätze (jeweils als Prozentsatz <i>per annum</i> ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode bei führenden Banken im Interbanken-Markt in der Euro-Zone um ca. 11.00 (Brüsseler Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotsätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder</p>

abgerundet auf das nächste ein Tausendstel % auf- oder abgerundet, wobei 0,0005 aufgerundet wird) dieser Angebotssätze **[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel % auf- oder abgerundet, wobei 0,0005 aufgerundet wird) der Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Interbanken-Markt in der Euro-Zone der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um ca. 11.00 Uhr (Brüsseler Ortszeit) am betreffenden Zinsfestlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden europäischen Banken anbieten **[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge].**

**"Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992), den Amsterdamer Vertrag vom 2. Oktober 1997 und den Vertrag von Lissabon vom 13. Dezember 2007, in der jeweils geltenden Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.

**"Referenzbanken"** bezeichnet vier Großbanken im Interbanken-Markt in der Euro-Zone.]

Falls der  
Angebotssatz für  
Einlagen in der  
festgelegten  
Währung LIBOR  
ist, ist folgendes  
anwendbar

[(2) *Zinssatz*. Der Zinssatz (der **"Zinssatz"**) für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird der Angebotssatz (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um 11.00 Uhr (Londoner Ortszeit) angezeigt wird **[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

**"Zinsperiode"** bezeichnet jeweils den Zeitraum von dem Verzinsungsbeginn bis zum ersten Zinszahlungstag bzw. von jedem Zinszahlungstag bis zum jeweils darauffolgenden Zinszahlungstag.

**"Zinsfestlegungstag"** bezeichnet den [ersten] [zweiten] [relevante(s) Finanzzentrum(en)] Geschäftstag vor Beginn der jeweiligen Zinsperiode. **"[relevante(s) Finanzzentrum(en)] Geschäftstag"** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in [relevante(s) Finanzzentrum(en)] für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.]

**[Im Falle einer Marge ist folgendes anwendbar: "Marge" beträgt [Marge]% per annum.]**

**"Bildschirmseite"** bedeutet Reuters Bildschirmseite [LIBOR01][LIBOR02] oder jede Nachfolgesseite.

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt (zur genannten Zeit), wird die Berechnungsstelle von jeder der Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode bei führenden Banken im Londoner Interbanken-Markt um ca. 11.00 (Londoner Ortszeit) am

Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel % auf- oder abgerundet, wobei 0,000005 aufgerundet wird) dieser Angebotssätze **[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel % auf- oder abgerundet, wobei 0,000005 aufgerundet wird) der Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Londoner Interbanken-Markt der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um ca. 11.00 Uhr (Londoner Ortszeit) am betreffenden Zinsfestlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden europäischen Banken anbieten **[Im Falle einer Marge ist folgendes anwendbar: [zuzüglich] [abzüglich] der Marge].**

**"Referenzbanken"** bezeichnet vier Großbanken im Londoner Interbanken-Markt.]

Falls ein  
Mindestzinssatz  
gilt, ist folgendes  
anwendbar

[(3) *Mindestzinssatz.* Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz].**]

Falls ein  
Höchstzinssatz  
gilt, ist folgendes  
anwendbar

[(3) *Höchstzinssatz.* Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz].**]

(4) *Zinsbetrag.* Die Berechnungsstelle wird zu - oder baldmöglichst nach - jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den zahlbaren Zinsbetrag in Bezug auf den festgelegten Nennbetrag (der **"Zinsbetrag"**) für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf den festgelegten Nennbetrag angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

(5) *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der für die jeweilige Zinsperiode geltende Zinssatz, Zinsbetrag und Zinszahlungstag der Emittentin **[Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar: und der Garantin]** und den Gläubigern gemäß § 13 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[TARGET] [relevante(s) Finanzzentrum(en)]** Geschäftstag (wie in § 4 Absatz 2 definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert werden und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode, mitgeteilt werden. Im Falle einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert werden, sowie den Gläubigern gemäß § 13 mitgeteilt.

(6) *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen,

Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 4 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, **[Im Fall von Schuldverschreibungen, die von der Finance begeben werden ist folgendes anwendbar:** die Garantin,] den Fiscal Agent, die Zahlstellen und die Gläubiger bindend.

(7) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, endet die Verzinsung des ausstehenden Gesamtnennbetrages der Schuldverschreibungen erst mit Ablauf des Tages, der dem Tag der tatsächlichen Rückzahlung der Schuldverschreibungen vorangeht. Der jeweils geltende Zinssatz ist der gesetzlich festgelegte Satz für Verzugszinsen.<sup>1</sup>

(8) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

Im Falle von Actual/365 (Fixed) ist folgendes anwendbar

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.]

Im Falle von Actual/360 ist folgendes anwendbar

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

## § 5 ZAHLUNGEN

(1) *Zahlungen auf Kapital.* Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift auf die Konten der jeweiligen Kontoinhaber des Clearing-Systems außerhalb der Vereinigten Staaten.

Für die Zwecke des § 1 Absatz 3 und dieses § 5 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, die U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(2) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing-Systems außerhalb der Vereinigten Staaten.

Die Zahlung von Zinsen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing-System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing-Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b) außerhalb der Vereinigten Staaten.

(3) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger

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<sup>1</sup> Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf Schuldverschreibungen in der festgelegten Wahrung.

(4) *Erfullung*. Die Emittentin wird durch Leistung der Zahlung an das Clearing-System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag*. Fallt der Falligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Glaubiger vorbehaltlich der Bestimmungen in § 4(1), keinen Anspruch auf Zahlung vor dem nachsten Zahltag am jeweiligen Geschaftsort. Der Glaubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspatung zu verlangen.

Fur diese Zwecke bezeichnet "**Zahltag**" einen Tag, der ein Geschaftstag ist.

(6) *Bezugnahmen auf Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schlieen, soweit anwendbar, die folgenden Betrage ein: den Ruckzahlungsbetrag der Schuldverschreibungen; sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Betrage. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf Schuldverschreibungen sollen, soweit anwendbar, samtliche gema § 8 zahlbaren zusatzlichen Betrage einschlieen.

(7) *Hinterlegung von Kapital und Zinsen*. Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbetrage zu hinterlegen, die von den Glaubigern nicht innerhalb von zwolf Monaten nach dem Falligkeitstag beansprucht worden sind, auch wenn die Glaubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rucknahme verzichtet wird, erloschen die diesbezuglichen Anspruche der Glaubiger gegen die Emittentin.

## § 6 RUCKZAHLUNG

(1) *Ruckzahlung bei Endfalligkeit*. Soweit nicht zuvor bereits ganz oder teilweise zuruckgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Ruckzahlungsbetrag an dem in den **[Ruckzahlungsmonat]** fallenden Zinszahlungstag (der "**Falligkeitstag**") zuruckgezahlt. Der "**Ruckzahlungsbetrag**" in Bezug auf jede Schuldverschreibung entspricht dem Nennbetrag.

[(2) *Vorzeitige Ruckzahlung aus Steuergrunden*. Die Schuldverschreibungen konnen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kundigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenuber dem Fiscal Agent und gema § 13 gegenuber den Glaubigern vorzeitig gekundigt und zu ihrem Ruckzahlungsbetrag zuzuglich bis zum fur die Ruckzahlung festgesetzten Tag aufgelaufener Zinsen zuruckgezahlt werden, falls die Emittentin als Folge einer anderung oder Erganzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehorden oder als Folge einer anderung oder Erganzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt diese anderung oder Erganzung wird am oder nach dem **[Tag der Begebung]** wirksam) zur Zahlung von zusatzlichen Betragen (wie in § 8 dieser Anleihebedingungen, definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin zur Verfugung stehender und ihr zumutbarer Manahmen vermieden werden kann.

Eine solche Kundigung darf allerdings nicht (i) fruher als 90 Tage vor dem fruhest moglichen Termin erfolgen, an dem die Emittentin verpflichtet ware, solche zusatzlichen Betrage zu zahlen, und (ii) zu dem Zeitpunkt, zu dem die Kundigung erfolgt, muss die Verpflichtung zur Zahlung von zusatzlichen Betragen noch wirksam sein. Der fur die Ruckzahlung festgelegte Termin muss ein Zinszahlungstag sein.

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes anwendbar



Vor der Veröffentlichung einer Kündigung gemäß dieser Bestimmung muss die Emittentin dem Fiscal Agent eine Bescheinigung vorlegen, die von einem Vorstandsmitglied der Emittentin unterschrieben ist und welche darlegt, dass die Voraussetzungen dieses Kündigungsrechts vorliegen und außerdem eine Stellungnahme eines unabhängigen und anerkannten Rechtsberaters enthält, in der festgestellt wird, dass die Emittentin verpflichtet ist oder sein wird, solche zusätzlichen Beträge aufgrund einer solchen Rechts- oder Auslegungsänderung zu zahlen.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die Umstände darlegt, die das Rückzahlungsrecht der Emittentin begründen.]

Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber dem Fiscal Agent und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Rückzahlungsbetrag zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin oder die Garantin, die aus von ihr nicht zu verantwortenden Gründen die Leistung der Zahlung durch die Emittentin nicht bewirken kann, als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Niederlande oder der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt diese Änderung oder Ergänzung wird am oder nach dem **[Tag der Begebung]** wirksam) zur Zahlung von zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen, bzw. in der Garantie definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen der Emittentin oder der Garantin zur Verfügung stehender und ihr zumutbarer Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühest möglichen Termin erfolgen, an dem die Emittentin oder die Garantin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von zusätzlichen Beträgen noch wirksam sein. Der für die Rückzahlung festgelegte Termin muss ein Zinszahlungstag sein.

Vor der Veröffentlichung einer Kündigung gemäß dieser Bestimmung muss die Emittentin dem Fiscal Agent eine Bescheinigung vorlegen, die von einem Vorstandsmitglied der Garantin unterschrieben ist und welche darlegt, dass die Voraussetzungen dieses Kündigungsrechts vorliegen und außerdem eine Stellungnahme eines unabhängigen und anerkannten Rechtsberaters enthält, in der festgestellt wird, dass die Emittentin oder die Garantin verpflichtet ist oder sein wird, solche zusätzlichen Beträge aufgrund einer solchen Rechts- oder Auslegungsänderung zu zahlen.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die Umstände darlegt, die das Rückzahlungsrecht der Emittentin begründen.]

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zum Rückzahlungsbetrag

[(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise am **[Zahl]** Jahre nach dem Verzinsungsbeginn folgenden Zinszahlungstag und danach an jedem darauf folgenden Zinszahlungstag (jeder ein "**Wahl-Rückzahlungstag**

zurückzahlen  
ist folgendes  
anwendbar

- (Call)“) zum Rückzahlungsbetrag nebst etwaigen bis zum jeweiligen Wahl-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.
- (b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 und dem Fiscal Agent bekannt zu geben (die Kündigung gegenüber dem Fiscal Agent hat 15 Tage vor der Kündigung gegenüber den Gläubigern zu erfolgen). Sie beinhaltet die folgenden Angaben:
- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
  - (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtbetrag der zurückzuzahlenden Schuldverschreibungen und, falls die Schuldverschreibungen durch Einzelurkunden verbrieft sind, die entsprechenden Seriennummern; und
  - (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als 15 und nicht mehr als 30 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf;
- (c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing-Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.]

## § 7

### DER FISCAL AGENT UND DIE ZAHLSTELLE UND DIE BERECHNUNGSSTELLE

(1) *Ernennung; bezeichnete Geschäftsstellen.* Der anfänglich bestellte Fiscal Agent, die anfänglich bestellte Zahlstelle und die anfänglich bestellte Berechnungsstelle und deren bezeichnete Geschäftsstellen lauten wie folgt:

Fiscal Agent	Deutsche Bank Aktiengesellschaft
und Hauptzahlstelle:	Trust & Securities Services (TSS)
	Taunusanlage 12
	60325 Frankfurt am Main
	Deutschland

Berechnungsstelle **[Name und Geschäftsstelle]**

Der Fiscal Agent, die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch andere bezeichnete Geschäftsstellen in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung des Fiscal Agent oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird jedoch zu jedem Zeitpunkt [(i)] einen Fiscal Agent unterhalten **[Für auf US-Dollar lautende Schuldverschreibungen ist folgendes anwendbar:** und (ii) falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 5(1) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-

Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten] [und] [(iii)] eine Berechnungsstelle **[Falls die Berechnungsstelle eine bezeichnete Geschäftsstelle an einem vorgeschriebenen Ort haben muss ist folgendes anwendbar:** mit bezeichneter Geschäftsstelle in **[vorgeschriebener Ort]**]. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird (außer im Insolvenzfall, wo eine solche Änderung sofort wirksam wird) nur wirksam, sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und höchstens 45 Tagen informiert wurden.

(3) *Erfüllungsgehilfe(n) der Emittentin.* Der Fiscal Agent und die Zahlstelle[n] und die Berechnungsstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

## § 8 STEUERN

Im Fall von  
Schuldverschrei-  
bungen, die von  
Deutsche  
Telekom begeben  
werden, ist  
folgendes  
anwendbar

[Kapital und Zinsen werden von der Emittentin ohne Abzug oder Einbehalt wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art gezahlt, die von oder in Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde auferlegt, erhoben oder eingezogen werden (nachstehend zusammen "**Quellensteuern**" genannt), es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem letzteren Fall wird die Emittentin die zusätzlichen Beträge an Kapital und Zinsen zahlen, die erforderlich sind, damit der dem Gläubiger nach diesem Abzug oder Einbehalt zufließende Nettobetrag jeweils den Beträgen an Kapital und Zinsen entspricht, die ihm zustehen würden, wenn der Abzug oder Einbehalt nicht erforderlich wäre. Solche zusätzlichen Beträge sind jedoch nicht zahlbar wegen Steuern, Abgaben oder amtlicher Gebühren, die

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen gegenwärtiger oder früherer persönlicher oder geschäftlicher Beziehungen des Gläubigers zu Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung zahlbar sind, die später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß den Anleihebedingungen wirksam wird]

Im Fall von  
Schuldverschrei-  
bungen, die von  
Finance begeben  
werden, ist  
folgendes  
anwendbar

[Kapital und Zinsen werden von der Emittentin ohne Abzug oder Einbehalt wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art gezahlt, die von oder in den Niederlanden oder Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde auferlegt,

erhoben oder eingezogen werden (nachstehend zusammen "**Quellensteuern**" genannt), es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem letzteren Fall wird die Emittentin die zusätzlichen Beträge an Kapital und Zinsen zahlen, die erforderlich sind, damit der dem Gläubiger nach diesem Abzug oder Einbehalt zufließende Nettobetrag jeweils den Beträgen an Kapital und Zinsen entspricht, die ihm zustehen würden, wenn der Abzug oder Einbehalt nicht erforderlich wäre. Solche zusätzlichen Beträge sind jedoch nicht zahlbar wegen Steuern, Abgaben oder amtlicher Gebühren, die

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen gegenwärtiger oder früherer persönlicher oder geschäftlicher Beziehungen des Gläubigers zu den Niederlanden oder Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in den Niederlanden oder Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der Deutschland, die Niederlande oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) aufgrund einer Rechtsänderung zahlbar sind, die später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß den Anleihebedingungen wirksam wird]

#### **§ 9**

#### **VORLEGUNGSFRIST**

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

#### **§ 10**

#### **KÜNDIGUNG**

[(1) *Kündigungsrecht.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Tilgung zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls einer der folgenden Kündigungsgründe ("**Kündigungsgründe**") vorliegt:

- (a) die Emittentin zahlt Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag; oder
- (b) die Emittentin unterlässt die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen und diese Unterlassung, falls sie geheilt werden kann, länger als 60 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (c) eine Kapitalmarktverbindlichkeit (wie in § 3 Absatz 1 definiert) der Emittentin vorzeitig zahlbar wird aufgrund einer Nicht- oder Schlechterfüllung des dieser Kapitalmarktverbindlichkeit zugrunde

Im Fall von Schuldverschreibungen, die von Deutsche Telekom begeben werden, ist folgendes anwendbar

liegenden Vertrages, oder die Emittentin einer Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 25.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nachkommt, es sei denn die Emittentin bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird, oder

- (d) die Emittentin ihre Zahlungsunfähigkeit bekannt gibt oder ihre Zahlungen einstellt, oder
- (e) ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet, oder die Emittentin ein solches Verfahren einleitet oder beantragt, oder
- (f) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist, oder
- (g) in Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin daran gehindert wird, die von ihr gemäß diesen Anleihebedingungen übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Quorum.* In den Fällen des § 10 Absatz 1 (b) oder 1 (c) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 10 Absatz 1(a), 1(d), 1(e), 1(f) oder 1(g) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei dem Fiscal Agent Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Gesamtnennbetrag von mindestens  $\frac{1}{10}$  der dann ausstehenden Schuldverschreibungen eingegangen sind.

(3) *Form der Erklärung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich gegenüber dem Fiscal Agent zu erklären und an dessen bezeichnete Geschäftsstelle zu übermitteln.]

**Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar**

[(1) *Kündigungsrecht.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Tilgung zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls einer der folgenden Kündigungsgründe ("**Kündigungsgründe**") vorliegt:

- (a) die Emittentin zahlt Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag; oder
- (b) die Emittentin unterlässt die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen oder die Garantin unterlässt die Erfüllung einer Verpflichtung aus der Garantie, auf die in § 3 Bezug genommen wird, und diese Unterlassung, falls sie geheilt werden kann, länger als 60 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (c) eine Kapitalmarktverbindlichkeit (wie in § 3 Absatz 1 definiert) der

Emittentin oder der Garantin vorzeitig zahlbar wird aufgrund einer Nicht- oder Schlechterfüllung des dieser Kapitalmarktverbindlichkeit zugrunde liegenden Vertrages, oder die Emittentin oder die Garantin einer Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 25.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nachkommt, es sei denn die Emittentin oder die Garantin bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird, oder

- (d) die Emittentin oder die Garantin ihre Zahlungsunfähigkeit bekannt gibt oder ihre Zahlungen einstellt, oder
- (e) ein Gericht ein Insolvenzverfahren gegen die Emittentin oder die Garantin eröffnet, oder die Emittentin oder die Garantin ein solches Verfahren einleitet oder beantragt, oder die Emittentin ein "surseance van betaling" (Schuldenmoratorium im Sinne des niederländischen Insolvenzrechts) beantragt, oder
- (f) die Emittentin oder die Garantin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin oder die Garantin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist, oder
- (g) in den Niederlanden oder in Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin oder die Garantin daran gehindert wird, die von ihr gemäß diesen Anleihebedingungen bzw. der Garantie übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist, oder
- (h) die Garantie aus irgendeinem Grund nicht mehr gilt.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(2) *Quorum*. In den Fällen des § 10 Absatz 1 (b) oder 1 (c) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 10 Absatz 1(a), 1(d), 1(e), 1(f), 1(g) oder 1(h) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei dem Fiscal Agent Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Gesamtnennbetrag von mindestens  $\frac{1}{10}$  der dann ausstehenden Schuldverschreibungen eingegangen sind.

(3) *Form der Erklärung*. Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich gegenüber dem Fiscal Agent zu erklären und an dessen bezeichnete Geschäftsstelle zu übermitteln.]

## § 11

### ERSETZUNG DER EMITTENTIN

[(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger, eine Tochtergesellschaft (wie nachstehend definiert) der Emittentin an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

Im Fall von  
Schuldverschrei-  
bungen, die von  
Deutsche  
Telekom begeben  
werden, ist  
folgendes  
anwendbar

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt hat und berechtigt ist, an den Fiscal Agent die zur Erfüllung ihrer Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, in dem Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat, erhobene Steuern oder sonstige Abgaben jeder Art, abzuziehen oder einzubehalten;
- (c) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert und diese Garantie eine Verpflichtung der Garantin gemäß den Bestimmungen des § 3 enthält;
- (d) dem Fiscal Agent ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in vorstehenden Unterabsätzen (a), (b) und (c) erfüllt wurden.

Im Sinne dieser Anleihebedingungen bedeutet "**Tochtergesellschaft**" eine Kapital- oder Personengesellschaft, an der die Deutsche Telekom direkt oder indirekt insgesamt nicht weniger als 90% des Kapitals jeder Klasse oder der Stimmrechte hält

(2) *Bekanntmachung.* Jede solche Ersetzung wird gemäß § 13 bekannt gegeben.

(3) *Änderung von Bezugnahmen.* Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.]

**Im Fall von Schuldverschreibungen, die von Finance begeben werden, ist folgendes anwendbar**

[(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger, entweder die Garantin oder eine Tochtergesellschaft (wie nachstehend definiert) der Garantin an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt hat und berechtigt ist, an den Fiscal Agent die zur Erfüllung ihrer Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, in dem Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat, erhobene Steuern oder sonstige Abgaben jeder Art, abzuziehen oder einzubehalten;
- (c) die Garantin, sofern sie nicht selbst die Nachfolgeschuldnerin ist, unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert, wobei diese Garantie im wesentlichen die Form der "**Garantie**" hat;
- (d) dem Fiscal Agent ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in vorstehenden Unterabsätzen (a), (b) und (c) erfüllt wurden.

Im Sinne dieser Anleihebedingungen bedeutet "**Tochtergesellschaft**" eine

Kapital- oder Personengesellschaft, an der die Deutsche Telekom direkt oder indirekt insgesamt nicht weniger als 90% des Kapitals jeder Klasse oder der Stimmrechte hält

(2) *Bekanntmachung.* Jede solche Ersetzung wird gemäß § 13 bekannt gegeben.

(3) *Änderung von Bezugnahmen.* Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.]

## § 12

### BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder beim Fiscal Agent zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

## § 13

### MITTEILUNGEN

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Solange Schuldverschreibungen auf der offiziellen Liste der Luxemburger Börse gelistet sind, findet Absatz (1) Anwendung. Soweit die Mitteilung den Zinssatz von variabel verzinslichen Schuldverschreibungen betrifft oder die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

Im Fall von Schuldverschreibungen, die auf der offiziellen Liste der der Luxemburger Börse gelistet sind, ist folgendes anwendbar

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar

[(1) *Mitteilungen an das Clearing-System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]



[(2)][(3)] *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 14 Absatz [5] an die Emissionsstelle geleitet werden. Eine solche Mitteilung kann über das Clearing System in der von der Emissionsstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

#### § 14

#### ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.

(3) *Gerichtsstand.* Nicht ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt am Main. **[Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar:** Die Gläubiger können ihre Ansprüche jedoch auch vor anderen zuständigen Gerichten geltend machen.] Die deutschen Gerichte sind nicht ausschließlich zuständig für die Kraftloserklärung abhandengekommener oder vernichteter Schuldverschreibungen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

Bei von Finance begebenen Schuldverschreibungen ist folgendes anwendbar

[(4)] *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten bestellt die Emittentin die Deutsche Telekom zu ihrem Zustellungsbevollmächtigten in Deutschland].

[(5)] *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, der diese über ein Clearing-System hält, darf in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage schützen oder geltend machen: (i) Er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der betreffenden Schuldverschreibungen als Global- oder Einzelurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing-Systems oder der Verwahrstelle des Clearing-Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde oder der Einzelurkunde in einem solchen Verfahren erforderlich wäre. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist. Im Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Kreditinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben und bei dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing-Systems.

#### § 15

#### Sprache

Falls die Anleihebedingung

[Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist

**en in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, ist folgendes anwendbar**

bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.]

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind in englischer Sprache abgefasst und mit einer Übersetzung in die deutsche Sprache versehen. Der englische Text soll bindend und maßgeblich sein. Die deutsche Übersetzung ist unverbindlich.]

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

**Guarantee**  
and  
**Negative Pledge**  
of  
DEUTSCHE TELEKOM AG  
Bonn, Federal Republic of Germany,  
for the benefit of the Holders of Notes (the "**Notes**")  
issued by  
Deutsche Telekom International Finance B.V.  
(incorporated with limited liability in The Netherlands)  
under the Debt Issuance Programme (the "**Programme**")  
as in force from time to time

WHEREAS:

(A) Deutsche Telekom AG (the "**Guarantor**") and Deutsche Telekom International Finance B.V. ("**Finance**") intend to issue from time to time Notes under the Programme;

(B) the Guarantor wishes to guarantee the payment of principal and interest and any other amounts payable in respect of any and all Notes that may be issued by Finance under the Programme;

(C) the Guarantor wishes to enter into a negative pledge for the benefit of each Holder of Notes that may be issued by Finance under the Programme;

IT IS AGREED AS FOLLOWS:

- (1) (a) The Guarantor unconditionally and irrevocably guarantees to the holder of each Note (which expression shall include any Temporary Global Note or Permanent Global Note representing Notes) (each a "**Holder**"), now or at any time hereafter issued by Finance under the Programme, the due and punctual payment of the principal of, and interest on, the Notes and any other amounts which may be expressed to be payable under any Note in accordance with the Terms and Conditions, as and when the same shall become due in accordance with the Terms and Conditions.
- (b) This Guarantee constitutes an unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor from time to time outstanding.
- (c) All payments under this Guarantee shall be made without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of the Federal Republic of Germany or by or on behalf of any political subdivision or authority therein having power to tax (hereinafter together called "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Guarantor shall pay such additional amounts as may be necessary in order that the net amounts received by the Holder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which
  - (i) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Guarantor from payments made by it; or
  - (ii) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for

- purposes of taxation are deemed to be, derived from sources in, or are secured in the Federal Republic of Germany; or
- (iii) are deducted or withheld pursuant to (x) any European Union directive or regulation concerning the taxation of interest income, or (y) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (z) any provision of law implementing, or complying with, or introduced to conform with such directive, regulation, treaty or understanding; or
  - (iv) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for and notice thereof is published in accordance with the Terms and Conditions whichever occurs later.
- (d) The obligations of the Guarantor under this Guarantee (i) shall be separate and independent from the obligations of Finance under the Notes, (ii) shall exist irrespective of the legality, validity and binding effect or enforceability of the Notes, and (iii) shall not be affected by any event, condition or circumstance of whatever nature, whether factual or legal, save the full, definitive and irrevocable satisfaction of any and all payment obligations expressed to be assumed under the Notes.
  - (e) The obligations of the Guarantor under this Guarantee shall, without any further act or thing being required to be done or to occur, extend to the obligations of any Substituted Debtor which is not the Guarantor arising in respect of any Note by virtue of a substitution pursuant to the Terms and Conditions.
  - (f) This Guarantee is given in respect of any and all Notes which are or will be issued by Finance under the Programme on or after the date hereof. The Guarantee dated 31 October 1997 extends to any and all Notes which have been issued by Finance during the period beginning on 31 October 1997 through 9 November 1999. The Guarantee dated 10 November 1999 extends to any and all Notes which have been issued by Finance during the period beginning on 10 November 1999 through 5 June 2001. The Guarantee dated 6 June 2001 extends to any and all Notes which have been issued by Finance on or after 6 June 2001 and prior to the date hereof. The Guarantee dated 1 September 2005 extends to any and all Notes which have been issued by Finance on or after 1 September 2005 and prior to the date hereof.

(2) The Guarantor undertakes towards each Holder, so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to grant or permit to subsist any encumbrance over any or all of its present or future assets, as security of any present or future Capital Market Indebtedness issued or guaranteed by the Guarantor or by any other person, without at the same time having the Holders share equally and rateably in such security. "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, a certificate of indebtedness or in the form of, or represented or evidenced by, bonds, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognised securities market. For the purposes of avoiding any doubt in respect of asset-backed financings originated by the Guarantor, the expression "assets" as used in this subparagraph (2) does not include assets of the Guarantor that are sold on a non-recourse basis determined in accordance with the civil law applicable to such transaction.

(3) This Agreement and all undertakings herein contained constitute a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 (1) of the German Civil Code. They give rise to the right of each such Holder to require performance of the obligations undertaken herein directly from the Guarantor and to enforce such obligations directly against the Guarantor.

(4) Deutsche Bank Aktiengesellschaft does not act as fiduciary or in any similar capacity for the Holders.

(5) Terms used in this Agreement and not otherwise defined herein shall have the meanings attributed to them in the Terms and Conditions.

(6) This Agreement shall be governed by, and construed in accordance with, German law.

(7) This Agreement is written in the English language and attached hereto is a non-binding German language translation.

(8) The original version of this Agreement shall be delivered to, and kept by, Deutsche Bank Aktiengesellschaft.

(9) The place of jurisdiction for all legal proceedings arising out of or in connection with this Agreement shall be Frankfurt am Main. Each Holder, however, may pursue his claims also before any other court of competent jurisdiction.

(10) Each Holder may in any legal proceedings against the Guarantor or to which such Holder and the Guarantor are parties protect and enforce in his own name his rights arising under this Agreement on the basis of a copy of this Agreement certified as being a true copy by a duly authorised officer of Deutsche Bank Aktiengesellschaft, without the need for production in such proceedings of this Guarantee.

Bonn, 30 April 2014

DEUTSCHE TELEKOM AG

We accept the terms of the above Guarantee without recourse, warranty or liability.

30 April 2014

DEUTSCHE BANK AKTIENGESELLSCHAFT

Non-binding translation of the Guarantee and the Negative Pledge:

**Garantie**  
und  
**Negativverpflichtung**  
der  
DEUTSCHE TELEKOM AG  
Bonn, Bundesrepublik Deutschland,  
zugunsten der Gläubiger von Schuldverschreibungen (die "**Schuldverschreibungen**"),  
die von der  
Deutsche Telekom International Finance B.V.  
(einer mit beschränkter Haftung in den Niederlanden errichteten Gesellschaft)  
im Rahmen des Debt Issuance Programme (das "**Programm**")  
in seiner jeweils geltenden Fassung begeben werden.

IM HINBLICK DARAUF DASS:

(A) Deutsche Telekom AG (die "**Garantin**") und Deutsche Telekom International Finance B.V. ("**Finance**") beabsichtigt, von Zeit zu Zeit Schuldverschreibungen im Rahmen des Programms zu begeben;

(B) die Garantin die Zahlung von Kapital und Zinsen sowie von allen sonstigen Beträgen, die aufgrund der von Finance im Rahmen des Programms begebenen Schuldverschreibungen zu leisten sind, garantieren möchte;

(C) die Garantin gegenüber jedem Gläubiger der von Finance im Rahmen des Programms begebenen Schuldverschreibungen eine Negativverpflichtung eingehen möchte;

WIRD FOLGENDES VEREINBART:

- (1) (a) Die Garantin übernimmt gegenüber jedem Gläubiger ("**Gläubiger**") der Schuldverschreibungen (wobei dieser Begriff jede vorläufige oder Dauerglobalurkunde, die Schuldverschreibungen verbrieft, einschließt), die jetzt oder zu irgendeinem Zeitpunkt nach dem Datum dieser Garantie von Finance im Rahmen des Programms begeben werden, die unbedingte und unwiderrufliche Garantie für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen auf die Schuldverschreibungen sowie von allen sonstigen Beträgen, die gemäß den Anleihebedingungen auf Schuldverschreibungen zahlbar sind, bei deren Fälligkeit gemäß den Anleihebedingungen.
- (b) Diese Garantie begründet eine unbedingte, unbesicherte und nicht nachrangige Verbindlichkeit der Garantin, die mit allen anderen jeweils bestehenden, nicht besicherten und nicht nachrangigen Verbindlichkeiten der Garantin gleichrangig ist.
- (c) Sämtliche Zahlungen aufgrund dieser Garantie sind ohne Abzug oder Einbehalt wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder amtlicher Gebühren gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde auferlegt, erhoben oder eingezogen werden (nachstehend zusammen "**Quellensteuern**" genannt), es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem letzteren Fall wird die Garantin die zusätzlichen Beträge zahlen, die erforderlich sind, damit der dem Gläubiger nach diesem Abzug oder Einbehalt zufließende Nettobetrag jeweils den Beträgen an Kapital und Zinsen entspricht, die ihm zustehen würden, wenn der Abzug oder Einbehalt nicht erforderlich wäre. Solche zusätzlichen Beträge sind jedoch nicht zahlbar wegen Steuern, Abgaben oder amtlicher Gebühren, die

- (i) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Garantin aus den von ihr zu leistenden Zahlungen einen Abzug oder Einbehalt vornimmt; oder
  - (ii) wegen gegenwärtiger oder früherer persönlicher oder geschäftlicher Beziehungen des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
  - (iii) aufgrund (x) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (y) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (z) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
  - (iv) aufgrund einer Rechtsänderung zahlbar sind, die später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß den Anleihebedingungen wirksam wird.
- (d) Die Verpflichtungen der Garantin aus dieser Garantie (i) sind selbständig und unabhängig von den Verpflichtungen der Finance aus den Schuldverschreibungen (ii) bestehen unabhängig von der Rechtmäßigkeit, Gültigkeit, Verbindlichkeit und Durchsetzbarkeit der Schuldverschreibungen und (iii) werden nicht durch Ereignisse, Bedingungen oder Umstände tatsächlicher oder rechtlicher Art berührt, außer durch die vollständige, endgültige und unwiderrufliche Erfüllung sämtlicher in den Schuldverschreibungen eingegangenen Zahlungsverpflichtungen.
- (e) Die Verpflichtungen der Garantin aus dieser Garantie erstrecken sich, ohne dass eine weitere Handlung vorgenommen wird oder ein weiterer Umstand eintreten muss, auf die Verpflichtungen einer nicht mit der Garantin identischen Nachfolgeschuldnerin, die infolge einer Schuldnerersetzung gemäß den Anleihebedingungen in Bezug auf die Schuldverschreibungen entstehen.
- (f) Diese Garantie erstreckt sich auf sämtliche Schuldverschreibungen, die am oder nach dem Datum dieser Garantie von Finance unter dem Programm begeben werden. Die Garantie mit Datum vom 31. Oktober 1997 gilt für sämtliche Schuldverschreibungen, die von Finance in der Zeit vom 31. Oktober 1997 bis zum 9. November 1999 begeben worden sind. Die Garantie mit Datum vom 10. November 1999 gilt für sämtliche Schuldverschreibungen, die von Finance in der Zeit vom 10. November 1999 bis zum 5. Juni 2001 begeben worden sind. Die Garantie mit Datum vom 6. Juni 2001 gilt für sämtliche Schuldverschreibungen, die von Finance am oder nach dem 6. Juni 2001 und vor dem Datum dieser Garantie begeben worden sind. Die Garantie mit Datum vom 1. September 2005 gilt für sämtliche Schuldverschreibungen, die von Finance am oder nach dem 1. September 2005 und vor dem Datum dieser Garantie begeben worden sind.

(2) Die Garantin verpflichtet sich gegenüber jedem Gläubiger, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Fiscal Agent zur Verfügung gestellt worden sind, weder ihr gegenwärtiges noch ihr zukünftiges Vermögen ganz oder teilweise in irgendeiner Weise zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit, die von der Garantin oder einer anderen Person eingegangen oder gewährleistet ist, zu belasten oder eine solche Belastung zu diesem Zweck bestehen zu lassen, ohne gleichzeitig die Gläubiger an derselben Sicherheit im gleichen Rang und gleichem Verhältnis teilnehmen zu lassen. **"Kapitalmarktverbindlichkeit"** ist jede Verbindlichkeit zur Zahlung aufgenommener Gelder, die durch Schuldscheine verbrieft, verkörpert oder dokumentiert ist oder durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können. Um etwaige Zweifel bezüglich von asset-backed financings der Garantin zu vermeiden, schließt das in diesem

Absatz (2) benutzte Wort "*Vermögen*" nicht solche Vermögensgegenstände der Garantin ein, die nach dem jeweils auf die Transaktion anwendbaren Zivilrecht ohne Rückgriffsmöglichkeiten veräußert sind.

(3) Dieser Vertrag und alle darin enthaltenen Vereinbarungen stellen einen Vertrag zugunsten der Gläubiger als begünstigte Dritte gemäß § 328 Absatz 1 BGB dar. Sie begründen das Recht eines jeden Gläubigers, die Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu fordern und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen.

(4) Die Deutsche Bank Aktiengesellschaft handelt nicht als Treuhänder oder in einer ähnlichen Eigenschaft für die Gläubiger.

(5) Die in diesem Vertrag verwendeten und darin nicht anders definierten Begriffe haben die ihnen in den Anleihebedingungen zugewiesene Bedeutung.

(6) Dieser Vertrag unterliegt deutschem Recht.

(7) Dieser Vertrag ist in englischer Sprache abgefasst und ihm ist eine unverbindliche Übersetzung in die deutsche Sprache beigefügt.

(8) Das Original dieses Vertrages wird der Deutsche Bank Aktiengesellschaft ausgehändigt und von dieser verwahrt.

(9) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit diesem Vertrag ist Frankfurt am Main. Jeder Gläubiger kann seine Ansprüche jedoch auch vor jedem anderen zuständigen Gericht geltend machen.

(10) Jeder Gläubiger kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtsstreit, in dem er und die Garantin Partei sind, seine Rechte aus diesem Vertrag auf der Grundlage einer von einer vertretungsberechtigten Person der Deutsche Bank Aktiengesellschaft beglaubigten Kopie dieses Vertrages ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen.

Bonn, 30. April 2014

DEUTSCHE TELEKOM AG

Wir nehmen die Bedingungen der vorstehenden Garantie ohne Obligo, Gewährleistung oder Haftung an.

30. April 2014

DEUTSCHE BANK AKTIENGESELLSCHAFT



The Final Terms will be displayed on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **Form of Final Terms**

### **Muster – endgültige Bedingungen**

[Date]  
[Datum]

#### **Final Terms** **Endgültige Bedingungen**

[DEUTSCHE TELEKOM AG][DEUTSCHE TELEKOM INTERNATIONAL FINANCE B.V.]

[Title of relevant Series of Notes]  
[Bezeichnung der betreffenden Serie der Schuldverschreibungen]

Series: [•]/[•], Tranche [•]  
Serien: [•]/[•], Tranche [•]

Issue Date: [ ]<sup>1</sup>  
Tag der Begebung: [ ]

issued pursuant to the EUR 25,000,000,000 Debt Issuance Programme dated on 29 April 2015  
begeben aufgrund des EUR 25.000.000.000 Debt Issuance Programme vom 29. April 2015

#### **Important Notice**

These Final Terms have been prepared for purposes of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended from time to time, and must be read in conjunction with the Debt Issuance Programme Prospectus pertaining to the Programme dated 29 April 2015 (the "**Prospectus**") [and the supplement(s) dated [•]]. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Full information is only available on the basis of the combination of the Prospectus, any supplement and these Final Terms. [A summary of the individual issue of the Notes is annexed to these Final Terms.]<sup>2</sup>

#### **Wichtiger Hinweis**

*Diese Endgültigen Bedingungen wurden für Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der jeweils geänderten Fassung, abgefasst und sind in Verbindung mit dem Debt Issuance Programme Prospekt vom 29. April 2015 über das Programm (der "**Prospekt**") [und dem(den) Nachtrag(Nachträgen) dazu vom [•]] zu lesen. Der Prospekt sowie etwaige Nachträge können in elektronischer Form auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) eingesehen werden. Um alle Angaben zu erhalten sind die Endgültigen Bedingungen, der Prospekt und etwaige Nachträge im Zusammenhang zu lesen. [Eine Zusammenfassung der einzelnen Emission der Schuldverschreibungen ist diesen Endgültigen Bedingungen angefügt.]<sup>2</sup>*

<sup>1</sup> The Issue Date is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.  
*Der Tag der Begebung ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.*

<sup>2</sup> Not applicable in the case of an issue of Notes with a minimum denomination of at least EUR 100,000.  
*Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens EUR 100.000.*

**Part I. TERMS AND CONDITIONS**  
**Teil I. ANLEIHEBEDINGUNGEN**

**[A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, and completing the relevant placeholders, insert:<sup>3</sup>**

***A. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen:<sup>3</sup>***

The Terms and Conditions applicable to the Notes (the "**Conditions**") [and the [German] [English] language translation thereof,] are as set out below.

*Die für die Schuldverschreibungen geltenden Anleihebedingungen (die "**Bedingungen**") [sowie die [deutschsprachige][englischsprachige] Übersetzung] sind wie nachfolgend aufgeführt.*

[In the case of Notes with fixed interest rates replicate here the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders]

*[Im Fall von Schuldverschreibungen mit fester Verzinsung hier die betreffenden Angaben der Option I (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

[In the case of Notes with floating interest rates replicate here the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders]

*[Im Fall von Schuldverschreibungen mit variabler Verzinsung hier die betreffenden Angaben der Option II (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

**[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, insert:**

***B. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Verweisung auf die betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:***

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with [fixed] [floating] interest rates (the "**Terms and Conditions**") set forth in the Prospectus as [Option I] [Option II]. Capitalised terms shall have the meanings specified in the set of Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen, der auf Schuldverschreibungen mit [fester] [variabler] Verzinsung Anwendung findet (die "**Anleihebedingungen**") zu lesen, der als [Option I] [Option II] im Prospekt enthalten ist. Begriffe, die in dem Satz der Anleihebedingungen definiert sind, haben die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

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<sup>3</sup> To be determined in consultation with the Issuer. It is anticipated that this type of documenting the Conditions will be required where the Notes are to be publicly offered, in whole or in part, or to be initially distributed, in whole or in part, to non-qualified investors. Delete all references to B. Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.

*In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Bedingungen erforderlich ist, wenn die Schuldverschreibungen insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf B. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.*

All references in this Part I. of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

*Bezugnahmen in diesem Teil I. der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.*

The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or not completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "**Conditions**").

*Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variable dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Anleihebedingungen (die "**Bedingungen**") gestrichen.*

## **CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS (§ 1)**

### **WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT, BESTIMMTE DEFINITIONEN (§ 1)**

#### **Currency and Denomination<sup>4</sup>**

##### **Währung und Nennbetrag**

Specified Currency

*Festgelegte Währung*

[ ]

Aggregate Principal Amount

*Gesamtnennbetrag*

[ ]

Aggregate Principal Amount in words

*Gesamtnennbetrag in Worten*

[ ]

Specified Denomination

*Festgelegter Nennbetrag*

[ ]

Number of Notes to be issued

*Anzahl der Schuldverschreibungen*

[ ]

#### **Clearing System**

##### **Clearing System**

Clearstream Banking, société anonyme

Euroclear Bank SA/NV

Clearstream Banking AG

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<sup>4</sup> The minimum denomination of the Notes will be, if in euro, EUR 1,000, if in any currency other than euro, in an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes.

*Die Mindeststückelung der Schuldverschreibungen beträgt EUR 1.000, bzw. falls die Schuldverschreibungen in einer anderen Währung als Euro begeben werden, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 1.000 entspricht.*

**Global Note<sup>5</sup>**  
**Globalurkunde**

- New Global Note
- Classical Global Note

**INTEREST (§ 4)**  
**ZINSEN (§ 4)**

**Fixed Rate Notes (Option I)**  
**Festverzinsliche Schuldverschreibungen (Option I)**

**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Rate of Interest [ ] percent *per annum*  
*Zinssatz* [ ] % *per annum*

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Fixed Interest Date(s) [ ]  
*Festzinstermine*

First Interest Payment Date [ ]  
*Erster Zinszahlungstag*

Initial Broken Amount (for the Specified Denomination) [ ]  
*Anfänglicher Bruchteilzinsbetrag (für den festgelegten Nennbetrag)*

Final Broken Amount (for the Specified Denomination) [ ]  
*Abschließender Bruchteilzinsbetrag (für den festgelegten Nennbetrag)*

**Floating Rate Notes (Option II)**  
**Variabel verzinsliche Schuldverschreibungen (Option II)**

**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Specified Interest Payment Dates [ ]  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s) [number][weeks][months][other period]  
*Festgelegte Zinsperiode(n)* [Anzahl][Wochen][Monate][anderer Zeitraum]

**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s)) [ ] [months]  
*FRN Konvention (Floating Rate Note) (Zeiträume angeben)* [ ] [Monate]

---

<sup>5</sup> Complete for Notes kept in custody on behalf of the ICSDs.  
*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, ausfüllen.*

- Following Business Day Convention  
*Folgender Geschäftstag-Konvention*
- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Adjustment of interest**  
**Anpassung der Zinsen**

[Yes/No]  
[Ja/Nein]

**Business Day**  
**Geschäftstag**

- relevant financial centre(s)  
*relevante(s) Finanzzentrum(en)*
- TARGET  
*TARGET*

[ ]

**Rate of Interest**  
**Zinssatz**

- EURIBOR  
*EURIBOR*
- LIBOR Interest Determination Date [first] [second] [relevant financial centre(s)] Business Day  
*LIBOR Zinsfestlegungstag [erster] [zweiter] [relevante(s) Finanzzentrum(en)] Geschäftstag vor Beginn der jeweiligen Zinsperiode*

prior to commencement of Interest Period  
vor Beginn der jeweiligen Zinsperiode

Screen page  
*Bildschirmseite*

[LIBOR01][LIBOR02]  
[LIBOR01][LIBOR02]

Margin  
*Marge*

[ ] percent *per annum*  
[ ]% *per annum*

- plus  
*plus*
- minus  
*minus*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*

[ ] percent *per annum*  
[ ]% *per annum*

[ ] percent *per annum*  
[ ]% *per annum*

**Day Count Fraction<sup>6</sup>**  
**Zinstagequotient**

- Actual/Actual (ICMA Rule 251)  
*Actua/Actual (ICMA Regel 251)*
- annual interest payment (excluding the case of short or long coupons)  
*jährliche Zinszahlung (ausschließlich des Falls von kurzen oder langen Kupons)*

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<sup>6</sup> Complete for all Notes.  
*Für alle Schuldverschreibungen auszufüllen.*

- annual interest payment (including the case of short coupons)  
*jährliche Zinszahlung (einschließlich des Falls von kurzen Kupons)*
  - two or more constant interest periods within an interest year (including the case of short coupons)  
*zwei oder mehr gleichbleibende Zinsperioden (einschließlich des Falls von kurzen Kupons)*
  - Calculation Period is longer than one reference period (long coupon)  
*Zinsberechnungszeitraum länger ist als eine Bezugsperiode (langer Kupon)*
  - Reference period  
*Bezugsperiode*
- Deemed Interest Payment Date [ ]  
*Fiktiver Zinszahlungstag*
- Actual/365 (Fixed)
  - Actual/360
  - 30/360 or 360/360 (Bond Basis)
  - 30E/360 (Eurobond Basis)

**PAYMENTS (§ 5)<sup>7</sup>**  
**ZAHLUNGEN (§ 5)**

**Payment Business Day**  
**Zahlungstag**

- relevant financial centre(s) [ ]  
*relevante(s) Finanzzentrum(en)*
- TARGET  
*TARGET*

**REDEMPTION (§ 6)**  
**RÜCKZAHLUNG (§ 6)**

**Redemption at Maturity**  
**Rückzahlung bei Endfälligkeit**

Maturity Date<sup>8</sup> [ ]  
*Fälligkeitstag*

Redemption Month<sup>9</sup> [ ]  
*Rückzahlungsmonat*

**Early Redemption at the Option of the Issuer at Specified Call Redemption Amount(s)<sup>10</sup>** [Yes/No]

<sup>7</sup> Complete for fixed rate Notes.  
*Für fest verzinsliche Schuldverschreibungen auszufüllen.*

<sup>8</sup> Complete for fixed rate Notes.  
*Für fest verzinsliche Schuldverschreibungen auszufüllen.*

<sup>9</sup> Complete for floating rate Notes.  
*Für variabel verzinsliche Schuldverschreibungen auszufüllen.*

<sup>10</sup> Complete for fixed rate Notes  
*Für fest verzinsliche Schuldverschreibungen auszufüllen*

**Vorzeitige Rückzahlung nach Wahl der Emittentin zu festgelegtem(n) Wahlrückzahlungsbetrag/-beträgen (Call)** [Ja/Nein]

Call Redemption Date(s)  
Wahlrückzahlungstag(e) (Call) [ ]

Call Redemption Amount(s)  
Wahlrückzahlungsbetrag/-beträge (Call) [ ]

**Early Redemption at the Option of the Issuer at Final Redemption Amount<sup>11</sup>** [Yes/No]  
**Vorzeitige Rückzahlung nach Wahl der Emittentin zum Rückzahlungsbetrag (Call)** [Ja/Nein]

Interest payment date [number] years after the Interest Commencement Date  
and each Interest Payment Date thereafter  
Zinszahlungstag [Zahl] Jahre nach dem Verzinsungsbeginn und an jedem Zinszahlungstag  
danach

**Early Redemption at the Option of a Holder at Specified Put Redemption Amount(s)<sup>12</sup>** [Yes/No]

**Vorzeitige Rückzahlung nach Wahl eines Gläubigers zu festgelegtem(n) Wahlrückzahlungsbetrag/-beträgen (Put)** [Ja/Nein]

Put Redemption Date(s)  
Wahlrückzahlungstag(e) (Put) [ ]

Put Redemption Amount(s)  
Wahlrückzahlungsbetrag/-beträge (Put) [ ]

**FISCAL AGENT AND PAYING AGENT [AND CALCULATION AGENT] (§ 7)**  
**EMISSIONSSTELLE UND DIE ZAHLSTELLE [UND DIE BERECHNUNGSSTELLE] (§ 7)**

Calculation Agent/specified office  
Berechnungsstelle/bezeichnete Geschäftsstelle [ ]

required location of Calculation Agent (specify)  
vorgeschriebener Ort für Berechnungsstelle (angeben) [ ]

**NOTICES (§ 13)**  
**MITTEILUNGEN (§ 13)**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

- Website of the Luxembourg Stock Exchange (www.bourse.lu)  
Internetseite der Luxemburger Börse (www.bourse.lu)
- Clearing System  
Clearing System

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<sup>11</sup> Complete for floating rate Notes  
Für variabel verzinsliche Schuldverschreibungen auszufüllen

<sup>12</sup> Complete for fixed rate Notes  
Für fest verzinsliche Schuldverschreibungen auszufüllen

**LANGUAGE OF TERMS AND CONDITIONS (§ 15)<sup>13</sup>**  
**SPRACHE DER ANLEIHEBEDINGUNGEN (§ 15)**

- German and English (German binding)  
*Deutsch und Englisch (deutscher Text maßgeblich)*
- English and German (English binding)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- English only  
*ausschließlich Englisch*
- German only<sup>14</sup>  
*ausschließlich Deutsch]*

**Part II. ADDITIONAL INFORMATION**  
**Teil II. ZUSÄTZLICHE INFORMATIONEN**

**A. Essential information**  
**Grundlegende Angaben**

**Interests of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

- As far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer, except that certain Dealers and their affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.  
*Nach Kenntnis der Emittentin bestehen bei den an der Emission beteiligten Personen keine Interessen, die für das Angebot bedeutsam sind, außer, dass bestimmte Platzeure und mit ihnen verbundene Unternehmen Kunden von und Kreditnehmer der Emittentin und mit ihr verbundener Unternehmen sein können. Außerdem sind bestimmte Platzeure an Investment Banking Transaktionen und/oder Commercial Banking Transaktionen mit der Emittentin beteiligt, oder könnten sich in Zukunft daran beteiligen, und könnten im gewöhnlichen Geschäftsverkehr Dienstleistungen für die Emittentin und mit ihr verbundene Unternehmen erbringen.*

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<sup>13</sup> To be determined in consultation with the Issuer. In the case of Notes in bearer form publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of Deutsche Telekom AG, Friedrich Ebert-Allee 140, 63105 Bonn, Federal Republic of Germany.

*In Abstimmung mit der Emittentin festzulegen. Falls Inhaberschuldverschreibungen insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Investoren in der Bundesrepublik Deutschland verkauft werden, wird die deutsche Sprache maßgeblich sein. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Investoren die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptgeschäftsstelle der Deutsche Telekom AG, Friedrich Ebert-Allee 140, 63105 Bonn, Bundesrepublik Deutschland erhältlich sein.*

<sup>14</sup> Use only in the case of Notes not publicly offered and/or not intended to be listed on any regulated market within the European Economic Area.

*Nur im Fall Schuldverschreibungen zu nutzen, die nicht öffentlich angeboten und nicht am regulierten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden sollen.*



- Other interest (specify)  
*Andere Interessen (angeben)*

[Specify details]  
[Einzelheiten einfügen]

**Reasons for the offer and use of proceeds<sup>15</sup>**  
**Gründe für das Angebot und Verwendung der Erträge**

- Estimated net proceeds<sup>16</sup> [ ]  
*Geschätzter Nettobetrag der Erträge*
- Estimated total expenses of the issue [ ]  
*Geschätzte Gesamtkosten der Emission*

**Eurosystem eligibility**  
**EZB-Fähigkeit**

- Intended to be held in a manner which would allow Eurosystem eligibility (NGN)<sup>17</sup>  
*Soll in EZB-fähiger Weise gehalten werden (NGN)*
- Intended to be held in a manner which would allow Eurosystem eligibility (CGN)<sup>18</sup>  
*Soll in EZB-fähiger Weise gehalten werden (CGN)*
- Not applicable  
*Nicht anwendbar*

**B. Information concerning the Notes to be offered/admitted to trading**  
**B. Informationen über die anzubietenden bzw. zum Handel zuzulassenden Schuldverschreibungen**

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code [ ]  
*Common Code*
- ISIN Code [ ]  
*ISIN Code*

<sup>15</sup> If reasons for the offer are different from making profit and/or hedging certain risks include those reasons here. Not to be completed in case of Notes with a Specified Denomination of at least EUR 100,000.  
*Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben. Nicht auszufüllen bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens EUR 100.000.*

<sup>16</sup> If proceeds are intended for more than one use will need to split out and present in order of priority.  
*Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.*

<sup>17</sup> If selected, the Notes must be issued in NGN form and are to be kept in custody by an ICSD as common safekeeper. This does not necessarily mean that the Notes will be recognised as eligible collateral by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.  
*Falls gewählt, müssen die Schuldverschreibungen in Form einer NGN begeben und von einem ICSD als common safekeeper gehalten werden. Dies bedeutet nicht notwendigerweise, dass die Schuldverschreibungen bei ihrer Begebung, zu irgendeinem Zeitpunkt während ihrer Laufzeit oder während ihrer gesamten Laufzeit als EZB-fähige Sicherheiten anerkannt werden. Eine solche Anerkennung hängt davon ab, ob die Zulässigkeitskriterien des Eurosystems erfüllt sind.*

<sup>18</sup> This means that the Notes are intended upon issue to be deposited with CBF. This does not necessarily mean that the Notes will be recognised as eligible collateral by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.  
*Dies bedeutet, dass die Schuldverschreibungen nach ihrer Begebung von CBF verwahrt werden müssen. Es bedeutet nicht notwendigerweise, dass die Schuldverschreibungen bei ihrer Begebung, zu irgendeinem Zeitpunkt während ihrer Laufzeit oder während ihrer gesamten Laufzeit als EZB-fähige Sicherheiten anerkannt werden. Eine solche Anerkennung hängt davon ab, ob die Zulässigkeitskriterien des Eurosystems erfüllt sind.*

German Securities Code <i>Deutsche Wertpapier-Kenn-Nummer (WKN)</i>	[ ]
Any other securities number <i>Sonstige Wertpapiernummer</i>	[ ]

**Historic Interest Rates and further performance as well as volatility<sup>19</sup>**  
**Zinssätze der Vergangenheit und künftige Entwicklungen sowie ihre Volatilität**

Details of historic [EURIBOR][LIBOR] rates and the further performance as well as their volatility can be obtained from	[Not applicable] [Reuters [EURIBOR01]][LIBOR01][LIBOR02]]
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<i>Einzelheiten zu vergangenen [EURIBOR][LIBOR] Sätzen und Informationen über künftige Entwicklungen sowie ihre Volatilität können abgerufen werden unter</i>	[Nicht anwendbar] [Reuters [EURIBOR01]][LIBOR01][LIBOR02]]
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Description of any market disruption or settlement disruption events that effect the [EURIBOR][LIBOR] rates <i>Beschreibung etwaiger Ereignisse, die eine Störung des Marktes oder der Abrechnung bewirken und die [EURIBOR][LIBOR] Sätze beeinflussen § 4 der Anleihebedingungen</i>	[Not applicable][Please see § 4 of the Terms and Conditions] [Nicht anwendbar][Bitte siehe § 4 der Anleihebedingungen]
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<b>Yield to final maturity<sup>20</sup></b> <b>Rendite bei Endfälligkeit</b>	[ ] [ ]
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<b>Resolutions, authorisations and approvals by virtue of which the Notes will be created</b> <b>Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden</b>	[Specify details] [Einzelheiten einfügen]
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**C. Terms and Conditions of the Offer<sup>21</sup>**  
**C. Bedingungen und Konditionen des Angebots**

<b>C.1 Conditions, offer statistics, expected timetable and actions required to apply for the offer</b> <b>Bedingungen, Angebotsstatistiken, erwarteter Zeitplan und erforderliche Maßnahmen für die Antragstellung</b>	[Not applicable] [Nicht anwendbar]
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Conditions to which the offer is subject <i>Bedingungen, denen das Angebot unterliegt</i>	[Specify details] [Einzelheiten einfügen]
--	--

Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the amount of the offer <i>Gesamtsumme des Angebots; ist der Betrag nicht festgelegt Beschreibung der Vereinbarungen und des Zeitpunkts für die Ankündigung</i>	[Specify details]
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<sup>19</sup> Only applicable for Floating Rate Notes. Not required for Notes with a Specified Denomination of at least EUR 100,000.  
*Nur bei variabel verzinslichen Schuldverschreibungen anwendbar. Nicht anwendbar auf Schuldverschreibungen mit einer  
festgelegten Stückelung von mindestens EUR 100.000.*

<sup>20</sup> Only applicable for Fixed Rate Notes.  
*Nur bei festverzinsliche Schuldverschreibungen anwendbar.*

<sup>21</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000  
auszufüllen.*

<i>des endgültigen Angebotsbetrags an das Publikum</i>	<i>[Einzelheiten einfügen]</i>
Time period, including any possible amendments, during which the offer will be open and description of the application process	[Specify details]
<i>Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt und Beschreibung des Prozesses für die Umsetzung des Angebots</i>	<i>[Einzelheiten einfügen]</i>
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants	[Specify details]
<i>Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner</i>	<i>[Einzelheiten einfügen]</i>
Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)	[Specify details]
<i>Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)</i>	<i>[Einzelheiten einfügen]</i>
Method and time limits for paying up the notes and for delivery of the notes	[Specify details]
<i>Methode und Fristen für die Bedienung der Wertpapiere und ihre Lieferung</i>	<i>[Einzelheiten einfügen]</i>
Manner and date in which results of the offer are to be made public	[Specify details]
<i>Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind</i>	<i>[Einzelheiten einfügen]</i>
The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.	[Specify details]
<i>Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte</i>	<i>[Einzelheiten einfügen]</i>
<b>C.2 Plan of distribution and allotment<sup>22</sup></b>	<b>[Not applicable]</b>
<b><i>Plan für die Aufteilung der Wertpapiere und deren Zuteilung</i></b>	<b><i>[Nicht anwendbar]</i></b>
If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.	[Specify details]
<i>Erfolgt das Angebot gleichzeitig auf den Märkten zweier oder mehrerer Länder und wurde/wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche.</i>	<i>[Einzelheiten einfügen]</i>
Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made	[Specify details]
<i>Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist</i>	<i>[Einzelheiten einfügen]</i>
<b>C.3 Pricing<sup>23</sup></b>	<b>[Not applicable]</b>
<b><i>Kursfeststellung</i></b>	<b><i>[Nicht anwendbar]</i></b>
Expected price at which the notes will be offered	[Specify details]
<i>Kurs, zu dem die Schuldverschreibungen angeboten werden</i>	<i>[Einzelheiten einfügen]</i>

<sup>22</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

<sup>23</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

Amount of expenses and taxes charged to the subscriber / purchaser  
*Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden*

[Specify details]

*[Einzelheiten einfügen]*

#### **C.4 Placing and underwriting<sup>24</sup>** ***Platzierung und Emission***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place.

[Specify details]

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazeuren in den einzelnen Ländern des Angebots*

*[Einzelheiten einfügen]*

#### **Method of distribution** ***Vertriebsmethode***

[Specify details]

*[Einzelheiten einfügen]*

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

#### **Subscription Agreement** ***Übernahmevertrag***

Date of Subscription Agreement  
*Datum des Subscription Agreements*

[ ]

Material Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrages*

[ ]

#### **Management Details including form of commitment<sup>25</sup>** ***Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme***

Dealer/Management Group (specify)  
*Platzeur/Bankenconsortium (angeben)*

Firm commitment  
*Feste Zusage*

[ ]

No firm commitment / best efforts arrangements  
*Keine feste Zusage / zu den bestmöglichen Bedingungen*

[ ]

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<sup>24</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

<sup>25</sup> Not required for Notes with a Specified Denomination of at least EUR 100,000.  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens EUR 100.000.*

**Commissions<sup>26</sup>  
Provisionen**

Management/Underwriting Commission (specify) [ ]  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify) [ ]  
*Verkaufsprovision (angeben)*

**Stabilising Dealer/Manager** [insert details/None]  
***Kursstabilisierender Dealer/Manager*** [Einzelheiten einfügen/keiner]

**D. Admission to trading**  
***D. Zulassung zum Handel***

**Admission to trading** [Yes/No]  
***Zulassung zum Handel*** [Ja/Nein]

Regulated Market of the Luxembourg Stock Exchange

**Date of admission** [ ]  
***Termin der Zulassung***

Estimate of the total expenses related to admission to trading<sup>27</sup> [ ]  
*Geschätzte Gesamtkosten für die Zulassung zum Handel*

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class of the notes to be offered or admitted to trading are already admitted to trading.<sup>28</sup>  
*Angabe regulierter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind.*

Regulated Market of the Luxembourg Stock Exchange

**Issue Price:** [ ] percent  
***Ausgabepreis:*** [ ]%

**E. Additional Information**  
***E. Zusätzliche Informationen***

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<sup>26</sup> To be completed in consultation with the Issuer.  
*In Abstimmung mit der Emittentin auszuführen.*

<sup>27</sup> Not required for Notes with a Specified Denomination of less than EUR 100,000  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 1000.000.*

<sup>28</sup> In case of a fungible issue, need to indicate that the original notes are already admitted to trading. Not required for Notes with a Specified Denomination of at least EUR 100,000.  
*Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, dass die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind. Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens EUR 100.000.*

**Rating<sup>29</sup>**  
**Rating**

[ ]

[Specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, (the "**CRA Regulation**"). [The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) a list of credit rating agencies, registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.]]

*[Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung, (die "**Ratingagentur-Verordnung**") registriert ist oder die Registrierung beantragt hat. [Die Europäische Wertpapier- und marktaufsichtsbehörde veröffentlicht auf ihrer Webseite (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.]]*

**[Listing and Admission to Trading:<sup>30</sup>**  
**[Börseneinführung und Zulassung:**

The above Final Terms comprise the details required to list this issue of Notes pursuant to the EUR 25,000,000,000 Debt Issuance Programme of Deutsche Telekom AG and Deutsche Telekom International Finance B.V. (as from **[insert Issue Date of the Notes]**).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Zulassung dieser Emission von Schuldverschreibungen gemäß des EUR 25.000.000.000 Debt Issuance Programme der Deutsche Telekom AG und der Deutsche Telekom International Finance B.V. (ab dem **[Tag der Begebung der Schuldverschreibungen einfügen]**) erforderlich sind].*

**F. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus**

**F. Zur Verfügung zu stellende Informationen über die Zustimmung des Emittenten oder der für die Erstellung des Prospekts zuständigen Person**

Offer period during which subsequent resale or final placement of the Notes by Dealers and/or further financial intermediaries can be made **[Not applicable]** **[Specify details]**  
*Angebotsfrist, während derer die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch die Platzeure oder weitere Finanzintermediäre erfolgen kann **[Nicht anwendbar]** **[Einzelheiten einfügen]***

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<sup>29</sup> Do not complete, if the Notes are not rated on an individual basis. In case of Notes with a Specified Denomination of less than EUR 100,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider.

*Nicht auszufüllen, wenn kein Einzelrating für die Schuldverschreibungen vorliegt. Bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als EUR 100.0000, kurze Erläuterung der Bedeutung des Ratings wenn dieses unlängst von der Ratingagentur erstellt wurde.*

<sup>30</sup> Insert only if the Notes are listed.

*Nur einzufügen, wenn die Schuldverschreibungen gelistet werden.*

**[THIRD PARTY INFORMATION  
INFORMATIONEN VON SEITEN DRITTER**

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

*Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.]*

**[Deutsche Telekom AG**

**[Name & title of signatories]**

**[Name und Titel der Unterzeichnenden]]**

**[Deutsche Telekom International Finance B.V.**

**[Name & title of signatories]**

**[Name und Titel der Unterzeichnenden]]**

## Taxation

*The following is a general discussion of certain German, Dutch, Luxembourg, UK, Irish and Austrian tax consequences of the acquisition and ownership of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. Moreover, this summary does not consider other taxes than taxes on income, in particular not inheritance or gift tax. This summary is based on the laws of Germany, The Netherlands, the Grand-Duchy of Luxembourg, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland and the Republic of Austria currently in force and as applied on the date of this prospectus, which are subject to change, possibly with retroactive or retrospective effect.*

**PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY, THE NETHERLANDS, THE GRAND DUCHY OF LUXEMBOURG, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, THE REPUBLIC OF IRELAND, THE REPUBLIC OF AUSTRIA AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.**

### 1. Germany

#### Income Tax

*Notes held by Tax Residents as Private Assets*

##### - Taxation of Interest

Payments of interest on the Notes to Holders who are tax residents of Germany (*i.e.*, persons whose residence or habitual abode is located in Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is levied in addition. Furthermore, church tax may be levied, where applicable. If coupons or interest claims are disposed of separately (*i.e.* without the Notes), the proceeds from the disposition are subject to income tax. The same applies to proceeds from the redemption of coupons or interest claims if the Note is disposed of separately.

On payments of interest on the Notes to individual tax residents of Germany income tax is generally levied as a flat income tax at a rate of 25 percent (plus solidarity surcharge in an amount of 5.5 percent of such tax, resulting in a total tax charge of 26.375 percent, plus, if applicable, church tax). As from 1 January 2015, church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*). The total investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for married couples filing jointly), not by a deduction of expenses actually incurred.

If the Notes are held in a custodial account which the Holder maintains with a German branch of a German or non-German bank or financial services institution or with a securities trading business or bank in Germany (the "**Disbursing Agent**") the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent.

In general, no withholding tax will be levied if the Holder is an individual (i) whose Note does not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Note together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office.

If no Disbursing Agent (as defined above) is involved in the payment process the Holder will have to include its income on the Notes in its tax return and the flat income tax of 25 percent plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.



Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 percent. The deduction of expenses related to the investment income is not allowed, except for the aforementioned annual lump sum deduction. This perception was most recently confirmed by a decision of the German Federal Fiscal Court (*Bundesfinanzhof*).

- Taxation of capital gains

From 1 January 2009, also capital gains realised by individual tax residents of Germany from the disposition or redemption of the Notes acquired after 31 December 2008 will be subject to the flat income tax on investment income at a rate of 25 percent (plus solidarity surcharge in an amount of 5.5 percent of such tax, resulting in a total tax charge of 26.375 percent, plus, if applicable, church tax), irrespective of any holding period. As from 1 January 2015, church tax is generally levied by way of withholding unless the Holder has filed a blocking notice with the German Federal Tax Office. This will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the difference between the redemption amount (or the proceeds from the disposition) and the issue price (or the purchase price) of the Notes. If the Notes have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Notes in its custodial account, withholding tax will be levied on 30 percent of the proceeds from the disposition or redemption of the Notes.

If no Disbursing Agent is involved in the payment process the Holder will have to include capital gains from the disposition or redemption of the Notes in its tax return and the flat income tax of 25 percent plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 percent. The deduction of expenses related to the investment income is not allowed, except for the aforementioned annual lump sum deduction. This perception was most recently confirmed by a decision of the German Federal Fiscal Court (*Bundesfinanzhof*).

*Notes held by Tax Residents as Business Assets*

Payments of interest on Notes and capital gains from the disposition or redemption of Notes held as business assets by German tax resident individuals or corporations (including via a partnership, as the case may be), are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge and, if applicable, church tax). The interest and capital gain will also be subject to trade tax if the Notes form part of the property of a German trade or business.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent (as defined above) tax at a rate of 25 percent (plus a solidarity surcharge of 5.5 percent of such tax and, if applicable, church tax) will also be withheld from interest payments on Notes and (since 1 January 2009) generally also from capital gains from the disposition or redemption of Notes held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the personal income or corporate income tax liability and the solidarity surcharge (and, if applicable, against the church tax) of the Holder.

With regard to capital gains no withholding will generally be required in the case of Notes held by corporations resident in Germany, provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office, and upon application in the case of Notes held by individuals or partnerships as business assets.

*Notes held by Non-Residents*

Interest and capital gains are not subject to German taxation in the case of non-residents, *i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective

management in Germany, unless the Notes form part of the business property of a permanent establishment maintained in Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German situs real estate.

Non-residents of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent (as defined above), withholding tax will be levied as explained above at "*Notes held by tax residents as business assets*" or at "*Notes held by tax residents as private assets*", respectively.

### **Inheritance and Gift Tax**

No inheritance or gift taxes with respect to any Note will generally arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in Germany.

### **Other Taxes**

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) and financial transaction tax (*Finanztransaktionssteuer*) is not levied in Germany.

## **2. The Netherlands**

For the purpose of this summary it is assumed that a holder of a Note, being an individual or a non-resident entity, does not have or will have a substantial interest, or - in the case of a holder of a Note being an entity - a deemed substantial interest, in the Issuer and that no connected person (*verbonden persoon*) to the holder of a Note has or will have a substantial interest in the Issuer.

Generally speaking, an individual holding a Note has a substantial interest in the Issuer if (a) such individual, either alone or together with his partner, directly or indirectly has, or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have, (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 percent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 percent or more of either the annual profit or the liquidation proceeds of the Issuer.

Generally speaking, a non-resident entity holding a Note has a substantial interest in the Issuer if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 percent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 percent or more of either the annual profit or the liquidation proceeds of the Issuer. An entity holding a Note has a deemed substantial interest in the Issuer if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to "The Netherlands" or "Dutch", it refers only to the European part of the Kingdom of the Netherlands.

Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted

that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

### **Withholding Tax**

All payments made by the Issuer of interest and principal under the Notes can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, unless the Notes qualify as debt that effectively functions as equity for purposes of article 10, paragraph 1, sub d of the Corporate Tax Act (*Wet op de vennootschapsbelasting 1969*).

### **Taxes on Income and Capital Gains**

#### *Residents*

- Resident entities

An entity holding a Note which is, or is deemed to be, resident in The Netherlands for corporate tax purposes and which is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from a Note at the prevailing statutory rates.

- Resident individuals

An individual holding a Note who is and is deemed to be resident in The Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from a Note at rates up to 52 percent if:

- (i) the income or capital gain is attributable to an enterprise from which the holder derives profits (other than as a shareholder); or
- (ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor (ii) applies, an individual holding a Note will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from a Note. The deemed return amounts to 4 percent of the value of the individual's net assets as at 1 January of the relevant fiscal year (including the Note). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30 percent.

#### *Non-residents*

A holder of a Note which is not and is not deemed to be resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Note unless:

- (i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or permanent representative (*vaste vertegenwoordiger*) in The Netherlands and the holder of a Note derives profits from such enterprise (other than by way of securities); or
- (ii) the holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

### **Gift and Inheritance Taxes**

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- (i) the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

### **Value added Tax**

There is no Dutch value added tax payable by a holder of a Note in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes, or the transfer of the Notes.

### **Other Taxes and Duties**

The subscription, issue, placement, allotment, delivery or transfer of a Note will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

### **Residence**

A holder of a Note will not be, or will not be deemed to be, resident in The Netherlands for tax purposes and, subject to the assumptions and exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note or the execution, performance, delivery and/or enforcement of a Note.

### **EU Savings Tax Directive**

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, The Netherlands will provide to the tax authorities of another EU member state (and certain non-EU countries and associated territories specified in said directive) details of payments of interest or other similar income paid by a person within The Netherlands to, or collected by such a person for, an individual resident in such other state.

## **3. Luxembourg**

### **Non-Residents**

Under the existing laws of Luxembourg, there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes made to non-residents of Luxembourg through a paying agent established in Luxembourg.

From 1 January 2015 the exchange of information procedure provided for under the Luxembourg laws of 21 June 2005 (or the relevant Accords) will apply.

### **Residents**

According to the law of 23 December 2005, as amended, interest on Notes paid by a Luxembourg paying agent or paying agents established in the EU, the EEA or in a State which has concluded with Luxembourg an international agreement related to the EU Savings Tax Directive to an individual holder of Notes who is a resident of Luxembourg or to a residual entity established in another EU Member State or in the dependent and associated territories securing the payment for such individual will be subject to a withholding tax of 10 percent. In case of payment through a paying agent established in the EU, the EEA or in a State which has concluded with Luxembourg an international agreement related to the EU Savings Tax Directive, the Luxembourg resident individual holder of Notes must under a specific procedure remit 10 percent tax to the Luxembourg Treasury.

If the individual holder holds the Notes in the course of the management of his or her private wealth, the aforementioned 10 percent withholding tax will operate a full discharge of income tax due on such payments.

Interest on Notes paid by a Luxembourg paying agent to a resident holder of Notes who is not an individual is not subject to withholding tax.

When used in the preceding paragraphs "interest", "paying agent" and "residual entity" have the meaning given thereto in the Luxembourg laws of 21 June 2005 (or the relevant Accords) and 23 December 2005, as amended. "Interest" will include accrued or capitalised interest at the sale, repayment or redemption of the Notes.

Payments of interest or similar income under the Notes to Clearstream Banking AG, Clearstream Banking, société anonyme and Euroclear Bank SA/NV and payments by or on behalf of Clearstream Banking, société anonyme to financial intermediaries will not give rise to a withholding tax under Luxembourg law.

#### **4. The United Kingdom of Great Britain and Northern Ireland**

*The comments below, which are of a general nature and are based on the Issuers' understanding of current United Kingdom law and H.M. Revenue & Customs practice, describe only the United Kingdom withholding tax treatment of payments in respect of the Notes. They are not exhaustive. They do not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom are strongly advised to consult their own professional advisers.*

##### *Withholding tax*

So long as the Notes are and continue to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and listed on the official list of the Luxembourg Stock Exchange, payment of interest on the Notes may be made without withholding or deduction for or on account of income tax.

Interest on the Notes may also be paid without withholding or deduction for or on account of tax where at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner of the interest is within the charge to United Kingdom corporation tax as regards the payment of interest, provided H.M. Revenue & Customs has not given a direction that the interest should be paid under deduction of tax.

In other cases, absent any other relief or exemption (such as a direction by H.M. Revenue & Customs that interest may be paid without withholding or deduction for or on account of tax to a specified Holder following an application by that Holder under an applicable double tax treaty), an amount must generally be withheld on account of income tax at the basic rate (currently 20 percent) from payments of interest on the Notes.

Where Notes are issued on terms that a premium is or may be payable on redemption, as opposed to being issued at a discount, then it is possible that any such element of premium may constitute a payment of interest and be subject to withholding on account of income tax as outlined in the preceding paragraphs.

Where Notes are issued at an issue price of less than 100 percent of their principal amount, any payments in respect of the accrued discount element on any such Notes will not be made subject to any withholding or deduction for or on account of income tax as long as they do not constitute payments in respect of interest.

Where interest has been paid under deduction of income tax, Holders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted under an appropriate provision of an applicable double taxation treaty

#### **5. Republic of Ireland**

*The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. **This summary only relates to the potential application of Irish withholding taxes to payments made under the***

**Notes.** It does not deal with any other matters and in particular does not describe the taxation consequences for Irish resident or ordinarily resident Noteholders in respect of the purchase, holding, redemption or sale of the notes and the receipt of interest thereon. The comments are made on the assumption that the Issuers are not resident in Ireland for Irish tax purposes and do not carry on a trade in Ireland through a branch or agency. Prospective investors in the notes should consult their professional advisors on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

#### *Irish Withholding Tax*

Under Irish tax law there is no obligation on the Issuers to operate any withholding tax on payments of interest on the Notes except where the interest has an Irish source and is annual in nature. The interest could be considered to have an Irish source, where, for example, interest is paid out of funds maintained in Ireland or where the Notes are secured on Irish situate assets. The mere offering of the Notes to Irish investors will not cause the interest to have an Irish source.

In certain circumstances, collection agents and other persons receiving interest on the Notes in Ireland on behalf of a Noteholder, will be obliged to operate a withholding tax.

#### *Provision of Information*

Noteholders should be aware that where any interest or other payment on Notes is paid to them by or through an Irish paying agent or collection agent then the relevant person may be required to supply the Irish Revenue Commissioners with details of the payment and certain details relating to the Noteholder. Where the Noteholder is not Irish resident, the details provided to the Irish Revenue Commissioners may, in certain cases, be passed by them to the tax authorities of the jurisdiction in which the Noteholder is resident for taxation purposes.

## **6. Republic of Austria**

### ***Income tax***

#### ***Austrian Resident Taxpayers***

Individuals having a domicile or their habitual abode in Austria or corporations having their corporate seat or their place of management in Austria are considered residents for Austrian income and corporate income tax law purposes, respectively.

#### ***Individual residents***

- Notes held as private assets

Generally income arising with respect to the Notes in the form of either

- fixed or floating interest payments (*Zinserträge*) or
- realised capital gains (*Einkünfte aus realisierten Wertsteigerungen*)

qualifies as "investment income" (*Einkünfte aus Kapitalvermögen*) and, as such, is taxed under a special regime at a flat 25 percent-rate. Realised capital gains are the difference between (a) the amount realised (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of a deemed realisation) and (b) the acquisition costs; in both cases (amount realised and acquisition costs) including accrued interest, if any.

For Notes held as private assets, the acquisition costs do not include ancillary acquisition costs (*Anschaffungsnebenkosten*). An average price is determined regarding Notes not acquired at the same time, but held in the same securities account with the same securities identification number. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with investment income are not tax effective.

Capital gains are not only taxed upon an actual disposition or redemption of the Notes, but also upon a deemed realisation, particularly upon the loss of the Austrian taxing right for the Notes (e.g. due to moving abroad) or upon withdrawals (*Entnahmen*) and other transfers of Notes from one securities account to another one. Exemptions apply in case of (a) moving to another EU member state if the Noteholder has timely notified the Austrian custodian of his/her migration and presents to the Austrian custodian a tax assessment notice of the year of migration in which the option for a deferral of tax has

been exercised and in case of (b) a transfer of the securities to another deposit account, if certain information procedures are fulfilled.

If an Austrian custodian (*inländische depotführende Stelle*, also referred to as "securities account keeping agent") or an Austrian paying agent (*auszahlende Stelle*) is involved in paying investment income (interest or capital gains), 25 percent withholding taxation is imposed. The 25 percent withholding tax generally results in a final income taxation; certain exceptions apply (in particular for investors whose regular personal income tax rate is lower than 25 percent). In case of a loss of the Austrian taxing right for the Notes (e.g., due to moving abroad) the Austrian custodian levies withholding tax upon an actual disposition or withdrawal of the Notes from the account. If the holder of the Notes has timely notified the Austrian custodian of his or her relocation abroad, not more than the value increase in the Notes until relocation or notification is subject to the Austrian withholding tax. If no withholding tax is imposed (e.g., because the Notes are held through a foreign paying agent), the investment income arising from the Notes generally has to be included into the income tax return in accordance with the law.

Losses from Notes held as private assets may only offset investment income (excluding, *inter alia*, interest income from bank deposits and other claims against banks) and must not offset any other income. Mandatory loss-offsetting rules to be handled by Austrian custodians apply. A carry-forward of losses is not possible in this context.

- Notes held as business assets

Generally, the same rules as described in the previous heading apply regarding Notes that are held as business assets by tax residents who are individuals. The most important differences are the following:

- Realised capital gains, contrary to interest income, have to be included in the tax return, since despite a 25 percent withholding taxation that is also imposed in the context of Notes held as business assets if an Austrian custodian is involved, no final income taxation applies.
- Writedowns and realised losses regarding the Notes held as business assets are offset with positive income from realised capital gains that are investment income in the first place; 50 percent of the remaining losses may be offset or carried forward against any other income.
- The acquisition costs of Notes held as business assets may also include ancillary costs incurred upon the acquisition.
- Loss off-setting is not made by the custodian, but can only be made in the assessment of the individual.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective in case the Notes held as business assets.

- Corporate residents

Corporate investors deriving business income from the Notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent. Income derived from the Notes by corporate investors (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25 percent.

A special tax regime applies for private foundations (*Privatstiftungen*).

**Notes held by non-residents**

Individuals who have neither a domicile nor their habitual abode in Austria or corporate investors that have neither their corporate seat nor their place of management in Austria ("*non-residents*") are not taxable in Austria with their income from the Notes provided the income is not attributable to a permanent establishment in Austria.

Non-resident investors who are resident individuals of an EU Member State and who hold the Notes through an Austrian paying agent have to consider the EU Savings Tax Directive regarding particular withholding tax rules (see in this respect below under the heading "*EU Savings Tax Directive*").

As of 1 January 2015, interest income from the Notes paid to non-resident investors who are individuals and not covered by the EU Savings Tax Directive would be subject to taxation in Austria if withholding taxation fell due, because the interest was paid by an Austrian withholding tax agent (i.e. an Austrian paying agent or an Austrian custodian), and if the debtor of the interest income had its seat or its place of management in Austria. Since the Issuers have their seats and place of management in Germany and The Netherlands, respectively, non-resident investors not covered by the EU Savings Tax Directive are not subject to taxation with interest payments received from the Notes through an Austrian withholding tax agent.

Therefore, such non-resident investors may if they receive income from the Notes through an Austrian withholding tax agent avoid Austrian withholding taxation by way of evidencing their non-resident-status vis-à-vis the withholding tax agent. If Austrian withholding tax is imposed, the investor may apply for a refund thereof.

If non-residents receive income from the Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident investors.

#### ***Final note on withholding tax imposed in Austria***

Assuming that neither of the Issuers uses a branch or permanent establishment in Austria for the payment of interest under the Notes, neither of the Issuers do assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) or EU Withholding Tax (*EU-Quellensteuer*) charged in Austria at source and is not obliged to make additional payments in case of withholding tax deductions at source.

#### **7. EU Savings Tax Directive**

Under the EU Council Directive 2003/48/EC dated 3 June 2003 on the taxation of savings income in the form of interest payments (the "**EU Savings Tax Directive**"), each EU Member State must require paying agents (within the meaning of such directive) established within its territory to provide to the competent authority of this state details of the payment of interest made to any individual resident in another EU Member State as the beneficial owner of the interest. The competent authority of the EU Member State of the paying agent is then required to communicate this information to the competent authority of the EU Member State of which the beneficial owner of the interest is a resident.

As from 2010 Belgium and as from 2015 also Luxembourg applies the information procedure described above.

Austria applies a 35 percent withholding tax on interest payments made by Austrian paying agents to individuals resident in other member states of the EU. Such EU withholding taxation does not have to be imposed if the information process provided for by the EU directive is fulfilled on a voluntary basis.

In conformity with the prerequisites for the application of the EU Savings Tax Directive, a number of non-EU countries and territories, including Switzerland, agreed to apply measures equivalent to those contained in such directive (a withholding system in the case of Switzerland).

In Germany, provisions for implementing the EU Savings Tax Directive were enacted by legislative regulations of the Federal Government. These provisions apply since 1 July 2005.

On 24 March 2014, the European Council adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Tax Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Tax Directive, to also include (in addition to individuals) certain types of entities and legal arrangements. EU Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

Holders who are individuals should note that the Issuer will not pay additional amounts under § 7(c) of the Terms and Conditions of the Notes in respect of any withholding tax imposed as a result of the EU Savings Tax Directive.



## General Information

### General

The relevant Final Terms will specify which clearing system or systems (including CBF, CBL and Euroclear) has/have accepted the relevant Notes for clearance and provide any further appropriate information.

### Interest of Natural and Legal Persons involved in the issue of Notes

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, one or both of the Issuers and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with either of the Issuers routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### Selling Restrictions

#### 1. General

Each Dealer has agreed that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor the Guarantor (if Finance is the Issuer) and any other Dealer shall have any responsibility therefor.

Neither the Issuer nor the Guarantor (if Finance is the Issuer) and any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

#### 2. United States of America

- (a) The Notes have not been and will not be registered under the Securities Act, and, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Note as part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to a Note.
- (b) From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set forth in Article 4 (1)(o)(i) of the Dealer Agreement, each Dealer (i) acknowledges that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act; (ii) has represented and agreed that it has not offered and sold any Notes, and will not offer and sell any Notes (x) as

part of its distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and closing date only in accordance with Rule 903 of Regulation S under the Securities Act, and (iii) accordingly has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S; and (iv) has also agreed that at or prior to confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903 (b) (2) (iii) (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

- (c) Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of syndicated issue, the relevant Lead Manager) shall determine and notify to the Fiscal Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Fiscal Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche.

Terms used in the above paragraph have the meanings given to them by Regulation S.

- (d) Each Dealer has represented and agreed that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the Issuer.
- (e) Notes other than Notes with a initial maturity of one year or less will be issued in accordance with the provisions of United States Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the "**D Rules**") (or any successor rules in substantially the same form as the D Rules for purposes of Section 4701 of the U.S. Internal Revenue Code) as specified in the applicable Final Terms. Each Dealer has represented and agreed that:
  - (i) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (y) such Dealer has not delivered and will not deliver within the United States or its possessions Notes that are sold during the restricted period;
  - (ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
  - (iii) if such Dealer is a United States person, it has represented that it is acquiring the Notes for purposes of resale in connection with their original issuance and if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of the D Rules; and
  - (iv) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) has repeated and confirmed the representations and the agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) has agreed that it will obtain from such affiliate for the benefit of the Issuer the agreements contained in sub-clauses (i), (ii) and (iii).

Terms used in this paragraph (e) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

### **3. European Economic Area**

In relation to each Member State of the European Economic Area (the EU plus Iceland, Norway and Liechtenstein) which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify an offer of those Notes other than pursuant to Article 3 (2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3 (2) of the Prospectus Directive, provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes the relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### **4. United Kingdom**

Each Dealer has represented and agreed, that:

in relation to any Notes which have a maturity of less than one year from the date of their issue, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;

it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Use of Proceeds**

The net proceeds from each issue will be used for general financing purposes of Deutsche Telekom's group companies.

### **Listing and Admission to Trading Information**

#### ***Luxembourg Stock Exchange***

Application has been made to list Notes to be issued under the Programme on the official list of the Luxembourg Stock Exchange and to admit such Notes to trading on the Regulated Market of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be listed on the official list of and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or any other stock exchange.

The above-mentioned documents are available for inspection at the head office of the Paying Agent in Frankfurt am Main, Deutsche Bank Aktiengesellschaft.

Each Final Terms relating to the Notes which shall be quoted on the Regulated Market of the Luxembourg Stock Exchange may be obtained from the paying agent in Frankfurt am Main.

#### ***Undertaking***

Each of the Issuers has undertaken, in connection with the listing of the Notes, that if, while Notes of an Issuer are outstanding and listed on the official list of as well as admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, there shall occur any adverse change in the business, financial position or otherwise of such Issuer or the Guarantor that is material in the context of issuance under the Programme which is not reflected in the Prospectus (or any of the Reference Documents) such Issuer and/or the Guarantor, as the case may be, will prepare or produce the preparation of a supplement to the Prospectus or, as the case may be, publish a new Prospectus for use in connection with any subsequent offering by such Issuer of Notes to be listed on the official list of and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

If the Terms and Conditions of the Notes (as set out in the Prospectus) are modified or amended in a manner which would make the Prospectus, as supplemented, inaccurate or misleading, a new Prospectus will be prepared to the extent required by law.

Each of the Issuers will, at the specified offices of the Paying Agents, provide, free of charge, upon the oral or written request therefor, a copy of the Prospectus (or any Reference Document). Written or oral requests for such documents should be directed to the specified office of any Paying Agent or the specified office of the Listing Agent in Luxembourg.

#### **Authorisation**

The establishment of the Programme was authorised by the Board of Management of Deutsche Telekom and by the Board of Management and the Supervisory Board of Finance on 20 June 1997, 18 August 1997 and 1 September 1997, respectively. The increase of the aggregate principal amount of Notes which may be issued under the Programme was authorised by the Board of Management of Deutsche Telekom and by the Board of Management and the Supervisory Board of Finance on 11 April 2000, as well as on 22 March 2000 and 27 March 2000, respectively. The further increase of the aggregate principal amount of Notes which may be issued under the Programme to EUR 15,000,000,000 was authorised by the Board of Management of Deutsche Telekom on 14 May 2001 and by the Board of Management of Finance on 18 May 2001 and the Supervisory Board of Finance on 21 May 2001. The further increase of the aggregate principal amount of Notes which may be issued under the Programme to EUR 20,000,000,000 was authorised by the Board of Management of Deutsche Telekom on 1 April 2003 and by the Board of Management of Finance on 1 April 2003 and by the Supervisory Board of Finance on 1 April 2003. The further increase of the

aggregate principal amount of Notes which may be issued under the Programme to EUR 25,000,000,000 was authorised by the Board of Management of Deutsche Telekom on 29 March 2007 and by the Board of Management of Finance on 28 March 2007 and by the Supervisory Board of Finance on 28 March 2007.

## **Incorporation by Reference / Documents on Display**

The following documents are incorporated by reference into this Prospectus and are available in the English language.

The audited consolidated financial statements for Deutsche Telekom AG and the audited unconsolidated financial statements for Deutsche Telekom International Finance B.V. for the financial years ended 31 December 2014 and 31 December 2013, respectively, are incorporated by reference into this Prospectus:

### **Deutsche Telekom AG**

The audited consolidated financial statements of Deutsche Telekom for the financial year ended on 31 December 2014 consisting of

- Consolidated statement of financial position (pages 174 to 175 in the Annual Report of 2014),
- Consolidated income statement (page 176 in the Annual Report of 2014),
- Consolidated statement of comprehensive income (page 177 in the Annual Report of 2014),
- Consolidated statement of changes in equity (pages 178 to 179 in the Annual Report of 2014),
- Consolidated statement of cash flows (pages 180 to 181 in the Annual Report of 2014)
- Notes to the consolidated financial statements (pages 182 to 268 in the Annual Report of 2014),
- Auditors' report (page 269 in the Annual Report of 2014).

The audited consolidated financial statements of Deutsche Telekom for the financial year ended on 31 December 2013 consisting of

- Consolidated statement of financial position (pages 160 to 161 in the Annual Report of 2013),
- Consolidated income statement (page 162 in the Annual Report of 2013),
- Consolidated statement of comprehensive income (page 163 in the Annual Report of 2013),
- Consolidated statement of changes in equity (pages 164 to 165 in the Annual Report of 2013),
- Consolidated statement of cash flows (pages 166 to 167 in the Annual Report of 2013)
- Notes to the consolidated financial statements (pages 168 to 248 in the Annual Report of 2013),
- Auditors' report (page 249 in the Annual Report of 2013).

### **Deutsche Telekom International Finance B.V.**

The audited unconsolidated financial statements of Finance for the financial year ended on 31 December 2014 consisting of

- Statement of comprehensive loss (page 6 in the Annual Report of 2014)
- Statement of financial position (page 7 in the Annual Report of 2014)
- Statement of changes in equity (page 8 in the Annual Report of 2014)

Statement of cash flows (page 9 in the Annual Report of 2014)

Notes to the financial statements (pages 10 to 32 in the Annual Report of 2014)

Auditors' report (last pages (pages 34 to 39 of the pdf-file) in the Annual Report of 2014).

The audited unconsolidated financial statements of Finance for the financial year ended on 31 December 2013 consisting of

Statement of comprehensive loss (page 6 in the Annual Report of 2013)

Statement of financial position (page 7 in the Annual Report of 2013)

Statement of changes in equity (page 8 in the Annual Report of 2013)

Statement of cash flows (page 9 in the Annual Report of 2013)

Notes to the financial statements (pages 10 to 33 in the Annual Report of 2013)

Auditors' report (last two pages (pages 35 to 36 of the pdf-file) in the Annual Report of 2013).

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004, as amended.

The Prospectus and all Reference Documents are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). During the whole life of the Programme, the Prospectus as well as all supplements thereto, all Reference Documents, the Guarantee and Negative Pledge of Deutsche Telekom AG and the Articles of Association of Deutsche Telekom AG, all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuers' request any part of which is included or referred to in the Prospectus, the historical consolidated financial information of Deutsche Telekom Group for each of the two financial years preceding the publication of the Prospectus are either available on the website of Deutsche Telekom ([www.telekom.de](http://www.telekom.de)), or may, as well as the Articles of Association of Deutsche Telekom International Finance B.V. and the historical financial information of Finance for each of the two financial years preceding the publication of the Prospectus, be inspected and are available free of charge at the office of the Paying Agent, Deutsche Bank Aktiengesellschaft, and are available in the English language each free of charge at the head office of Deutsche Telekom AG (addresses are specified on the back cover of this Prospectus).

## **Names and Adresses**

### **Issuers**

Deutsche Telekom AG  
Friedrich-Ebert-Allee 140  
53113 Bonn  
Federal Republic of Germany

Deutsche Telekom International Finance B.V.  
Stationsplein 8K  
6221BT Maastricht  
The Netherlands

### **Guarantor**

Deutsche Telekom AG  
Friedrich-Ebert-Allee 140  
53113 Bonn  
Federal Republic of Germany

### **Arranger**

Deutsche Bank Aktiengesellschaft  
Große Gallusstraße 10-14  
60272 Frankfurt am Main  
Federal Republic of Germany

### **Dealers**

Barclays Bank PLC  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

BNP PARIBAS  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Deutsche Bank Aktiengesellschaft  
Große Gallusstraße 10-14  
60272 Frankfurt am Main  
Federal Republic of Germany

DZ BANK AG Deutsche  
Zentral-Genossenschaftsbank,  
Frankfurt am Main  
Platz der Republik  
60265 Frankfurt am Main  
Federal Republic of Germany

Goldman Sachs International  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

J.P. Morgan Securities plc  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Morgan Stanley & Co. International plc  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom



Société Générale  
29, boulevard Haussmann  
75009 Paris  
France

The Royal Bank of Scotland plc  
135 Bishopsgate  
London EC2M 3UR  
United Kingdom

UniCredit Bank AG  
Arabellastraße 12  
81925 München  
Federal Republic of Germany

### **Agents**

*Fiscal and Principal Paying Agent*  
Deutsche Bank Aktiengesellschaft  
Trust & Securities Services (TSS)  
Taubusanlage 12  
60325 Frankfurt am Main  
Federal Republic of Germany

*Listing Agent*  
Deutsche Bank Luxembourg S.A.  
2 boulevard Konrad Adenauer  
1115 Luxembourg  
Luxembourg

### **Legal Advisers**

*To the Dealers*

Clifford Chance LLP  
Droogbak 1a  
1013 GE Amsterdam  
The Netherlands

Hengeler Mueller  
Partnerschaft von Rechtsanwälten mbB  
Bockenheimer Landstraße 24  
60323 Frankfurt am Main  
Federal Republic of Germany

### **Auditors of**

*Deutsche Telekom AG*

*Deutsche Telekom International Finance B.V.*

PricewaterhouseCoopers Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft  
Friedrich-Ebert-Anlage 35-37  
60327 Frankfurt am Main  
Federal Republic of Germany

PricewaterhouseCoopers Accountants N.V.  
Thomas R. Malthusstraat 5  
1066 JR Amsterdam  
The Netherlands