

# Additional information

## Reconciliation for the organic development in the 2023 financial year

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

millions of €

	2023	2022	Change	Change %	Reconciliation to organic figures		Organic change		
					Reconciliation 2022	Of which: exchange rate effects	Organic 2022	Change	Change %
<b>Revenue</b>	<b>111,985</b>	<b>114,413</b>	<b>(2,428)</b>	<b>(2.1)</b>	<b>(3,115)</b>	<b>(1,944)</b>	<b>111,298</b>	<b>687</b>	<b>0.6</b>
Germany	25,187	24,505	682	2.8	160	(5)	24,666	522	2.1
United States	72,436	75,436	(3,000)	(4.0)	(2,411)	(2,046)	73,024	(589)	(0.8)
Europe	11,790	11,158	632	5.7	92	117	11,250	540	4.8
Systems Solutions	3,896	3,811	85	2.2	(111)	(9)	3,700	196	5.3
Group Development	115	1,708	(1,593)	(93.3)	(1,597)	0	112	4	3.2
Group Headquarters & Group Services	2,305	2,407	(102)	(4.2)	(39)	(1)	2,368	(63)	(2.7)
<b>Service revenue</b>	<b>92,919</b>	<b>91,988</b>	<b>931</b>	<b>1.0</b>	<b>(2,310)</b>	<b>(1,536)</b>	<b>89,678</b>	<b>3,241</b>	<b>3.6</b>
Germany	22,096	21,533	563	2.6	161	(5)	21,694	402	1.9
United States	58,522	58,219	303	0.5	(1,979)	(1,613)	56,239	2,283	4.1
Europe	9,739	9,296	443	4.8	71	93	9,367	371	4.0
Systems Solutions	3,796	3,751	45	1.2	(111)	(9)	3,641	155	4.3
Group Development	0	411	(411)	n.a.	(411)	0	0	0	0.0
Group Headquarters & Group Services	1,024	1,026	(2)	(0.2)	9	(1)	1,035	(12)	(1.1)
<b>EBITDA AL</b>	<b>51,160</b>	<b>35,989</b>	<b>15,171</b>	<b>42.2</b>	<b>(2,085)</b>	<b>(491)</b>	<b>33,904</b>	<b>17,255</b>	<b>50.9</b>
Germany	9,737	10,998	(1,261)	(11.5)	99	(2)	11,097	(1,360)	(12.3)
United States	24,840	19,665	5,175	26.3	(343)	(538)	19,322	5,518	28.6
Europe	4,020	3,933	87	2.2	38	35	3,971	49	1.2
Systems Solutions	177	125	52	41.6	11	5	135	42	31.0
Group Development	13,215	1,956	11,259	n.a.	(1,906)	0	50	13,165	n.a.
Group Headquarters & Group Services	(808)	(672)	(136)	(20.2)	(1)	9	(673)	(135)	(20.0)
<b>EBITDA AL (adjusted for special factors)</b>	<b>40,497</b>	<b>40,208</b>	<b>289</b>	<b>0.7</b>	<b>(1,284)</b>	<b>(663)</b>	<b>38,924</b>	<b>1,572</b>	<b>4.0</b>
Germany	10,238	9,837	401	4.1	99	(2)	9,936	302	3.0
United States	26,409	25,614	795	3.1	(510)	(705)	25,104	1,305	5.2
Europe	4,114	3,964	150	3.8	38	35	4,002	112	2.8
Systems Solutions	321	284	37	13.0	8	3	292	29	10.0
Group Development	45	964	(919)	(95.3)	(934)	0	30	16	52.9
Group Headquarters & Group Services	(609)	(437)	(172)	(39.4)	(4)	6	(441)	(168)	(38.0)

## Glossary

**4G.** Refers to the fourth-generation mobile communications standard (see LTE).

**5G.** Refers to the mobile communications standard launched in 2020, which offers data rates in the gigabit range, mainly over the 3.6 GHz and 2.1 GHz bands, converges fixed-network and mobile communications, and supports the Internet of Things.

**6G.** The next-generation mobile communications standard, likely to use terahertz spectrum (0.11 THz to 0.17 THz) to offer increased capacities and lower latency. 6G is expected to launch commercially in 2030 and is being developed as a response to the increasingly distributed Radio Access Network (RAN).

**AI – Artificial Intelligence.** Describes the ability of a machine or software to imitate human capabilities, such as logical thinking, learning, planning, and creativity. Generative Artificial Intelligence (also known as GenAI) – as a branch of artificial intelligence – is used to generate new content, such as text, images, music, or videos.

**AL – After Leases.** Since the start of the 2019 financial year, we have taken the effects of the first-time application of IFRS 16 “Leases” into account when determining our financial performance indicators. “EBITDA after leases” (EBITDA AL) is calculated by adjusting EBITDA for depreciation of the right-of-use assets and for interest expenses on recognized lease liabilities. When determining “free cash flow after leases” (free cash flow AL), free cash flow is adjusted for the repayment of lease liabilities.

**All IP – All Internet Protocol.** An all-IP network makes services such as VoIP (Voice over IP), IPTV (Internet Protocol Television), data transfer, etc. available to all users anywhere at all times. The data is transmitted in switched packets using the Internet Protocol (IP).

**API – Application Programming Interface.** A program component which is made available by a software system for other programs to connect with it.

**Carrier.** A telecommunications network operator.

**CDP.** An initiative by institutional investors that aims to promote dialog between investors and companies on climate change issues. The project counts the world's largest companies among its members. The companies disclose data on their greenhouse gas emissions and climate protection strategies. The CDP collects and publishes the data on an annual basis.

**Cloud computing.** Refers to the dynamic provision of infrastructure, software, or platform services online. Apart from a high level of automation and virtualization, the services provided have to be multi-tenant-capable and include standardized hardware and software. Customers source these services on demand and pay based on actual usage. The communication infrastructure may be the internet (public cloud), a corporate network (private cloud), or a mix of the two (hybrid cloud). Dynamic Services is a T-Systems product for the flexible procurement of ICT resources and services.

**Cybersecurity.** Security against internet crime.

**E2E – End-to-End.** Meaning from beginning to end, e.g., from the customer through systems, to the organization, and back to the customer. An action on the part of the customer must result in a response (to the customer).

**Edge computing.** Computing at the edge of the mobile communications network – not in remote data centers, but close to the customer, in the edge cloud. Edge computing opens up new applications: Anything that requires the rapid processing of large amounts of data, low latency, and particularly strong security, such as augmented reality games.

**ERP – Enterprise Resource Planning.** Refers to systems that help deploy an organization's resources such as capital, equipment, and human resources as efficiently as possible in order to optimize business processes.

**Fairphone.** Fairphone is the first smartphone manufacturer to receive the Fairtrade certificate for the gold used in its devices. Fairphone sources rare minerals from conflict-free mining areas and continually monitors the working conditions along its supply chain. The Fairphone is also designed for longevity and easy repair, making it a particularly low-waste device.

**Fiber-optic lines.** Sum of all FTTx access lines (e.g., FTTC/VDSL, vectoring, and FTTH).

**Fixed-network lines.** Lines in operation excluding internal use and public telecommunications, including IP-based lines. The totals reported in the combined management report were calculated on the basis of precise figures and rounded to millions or thousands. Percentages were calculated on the basis of the figures shown.

**FMC – Fixed-Mobile Convergence.** The merging of fixed-network and mobile rate plans for customers that have both fixed-network and mobile contracts with Deutsche Telekom.

**FTTB – Fiber To The Building or Fiber To The Basement.** In telecommunications, FTTB means that the fiber-optic cable is terminated in the user's house (basement).

**FTTC – Fiber To The Curb.** In the FTTC architecture the fiber-optic cable is not terminated inside users' homes (see FTTH) but in a cable distribution box (gray street cabinet). Existing copper technology is used for the last section of the connection to the user.

**FTTH – Fiber To The Home.** In telecommunications FTTH means that the fiber-optic cable is terminated right in the user's home or apartment.

**FTTx.** This includes the different options for fiber-optic rollout: FTTB, FTTC, and FTTH.

**GeSI – Global Enabling Sustainability Initiative.** GeSI is a joint initiative established by the world's leading ICT organizations with the objective of improving sustainability in the ICT sector. Deutsche Telekom is a member of GeSI, as are many other leading enterprises.

**GHG Protocol.** The Greenhouse Gas (GHG) Protocol divides emissions of greenhouse gases into the categories of Scope 1, Scope 2, and Scope 3, depending on their source.

- **Scope 1** includes all emissions directly generated in the Company, e.g., as a result of the consumption of fuel or fuel oil.
- **Scope 2** covers all indirect emissions associated with the generation of energy purchased by the Company from external sources, e.g., electricity and district heating.
- **Scope 3** applies to all other emissions generated along the corporate value chain. This comprises both indirect emissions in the company itself (e.g., business trips, commuting), and emissions from upstream value chain stages (e.g., procurement, logistics) and downstream stages (e.g., during customer use of products and services, during disposal).

**HAPS – High Altitude Platform Systems.** HAPS is a complementary concept to terrestrial networks exploiting base stations on flying platforms in the stratosphere at an altitude from 18 to 22 kilometers. It extends the coverage and capacity for mobile networks.

**Hybrid router.** Routers that are able to combine the customer's fixed and mobile bandwidths.

**Hyper-personalization.** Hyper-personalization is the use of real-time data and artificial intelligence to offer products, services, and content targeted to the specific needs of the customer, who uses a wide array of smartphones, laptops, tablets, and other devices to transmit data.

#### ICT – Information and Communication Technology.

**IP – Internet Protocol.** Non-proprietary transport protocol in Layer 3 of the OSI reference model for inter-network communications.

**IPTV – Internet Protocol Television.** Refers to the digital transfer of television programs and films over a digital data network using the Internet Protocol (IP).

**IoT – Internet of Things.** The IoT enables the intelligent networking of things like sensors, devices, machines, vehicles, etc., with the aim of automating applications and decision-making processes. Deutsche Telekom's IoT portfolio ranges from SIM cards and flexible data rate plans to IoT platforms in the cloud and complete solutions from a single source.

**Latency.** Latency, or response time, describes the time period between the occurrence of an event and the appearance of a visible reaction to it. In telecommunications, latency limits are governed by the laws of physics – as a function of the length of the pathway that the data need to travel through the networks. One example of this is mobile virtual-reality experiences. Anyone experiencing a virtual world while wearing VR goggles will need to receive something back from a remote server: namely an image that corresponds to the virtual explorer's expectations. The rule of thumb is simple: The shorter the delay, the more realistic the user's experience of the virtual worlds is likely to feel. The same goes for online gaming.

**LTE – Long-Term Evolution.** 4G mobile communications technology that uses, for example, wireless spectrum on the 800 MHz band freed up by the digitalization of television. Powerful TV frequencies enable large areas to be covered with far fewer radio masts. LTE supports speeds of over 100 Mbit/s downstream and 50 Mbit/s upstream.

**M2M – Machine to Machine.** Communication between machines. The information is automatically sent to the recipient. For example, in an emergency, alarm systems automatically send a signal to security or the police.

**Mobile customers.** In the combined management report, one mobile communications card corresponds to one customer. The totals were calculated on the basis of precise figures and rounded to millions or thousands. Percentages were calculated on the basis of the figures shown (see also SIM card).

**Mobile termination rate.** Termination refers to the transportation of a call, for example, from the competitor's network to the Deutsche Telekom network. When a call is transported to the mobile communications network, this is referred to as mobile termination. If the call is transported to the fixed network, this is called fixed-network termination, or simply interconnection (IC). Termination rates are the fee a telephone company must pay for network interconnection when a call is terminated in a third-party network.

**MPLS – Multiprotocol Label Switching.** Refers to a protocol-agnostic routing technique designed to speed up and control the traffic flow across wide area networks (WANs). Various labels are assigned to IP data packages that enable routers to forward packages through the network very quickly using the best possible route.

**MVNO – Mobile Virtual Network Operator.** Company that offers mobile minutes at relatively low prices without subsidized handsets. A mobile virtual network operator does not have its own wireless network, but uses the infrastructure of another mobile operator to provide its services.

**Offshore.** Offshoring describes collaboration with partners in other countries. With offshoring, a company outsources activities to other countries. The term nearshore (or nearshoring) refers to a special kind of offshoring. From a European perspective, it generally means outsourcing to countries further to the east.

**Optical fiber.** Channel for optical data transmission.

**OTT – Over-The-Top.** IP-based, platform-independent services, e.g., messaging or streaming.

**Postpaid.** Customers who pay for communication services after receiving them (usually on a monthly basis).

**Prepaid.** In contrast to postpaid contracts, prepaid communication services are services for which credit has been purchased in advance with no fixed-term contractual obligations.

**PUE – Power Usage Effectiveness.** PUE is the ratio of the entire electrical energy consumed in a data center or network node to the energy delivered to the computing equipment.

**Retail.** The sale of goods and services to end users. By contrast, the business with wholesale services for other telecommunications companies is referred to as wholesale business

**Roaming.** Refers to the use of a communication device or just a subscriber identity in a visited network rather than one's home network. This requires the operators of both networks to have reached a roaming agreement and switched the necessary signaling and data connections between their networks. Roaming comes into play, for example, when cell phones and smartphones are used across national boundaries.

**Router.** A coupling element that connects two or more sub-networks. Routers can also extend the boundaries of a network, monitor data traffic, and block any faulty data packets.

**SBTi – Science Based Targets initiative.** Initiative that helps companies to set climate goals that comply with emissions budgets determined based on scientific data. Companies can forward their goals to the initiative for review. The initiative was set up jointly by several organizations: CDP, United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

**SD-WAN – Software-Defined Wide Area Network.** SD-WAN simplifies the management and operation of a WAN by decoupling the network hardware from its control mechanism. This concept is similar to the way in which software-defined networking implements virtualization technology in order to improve the management and operation of data centers. A key application of SD-WAN is to allow companies to build higher-performance WANs using lower-cost and commercially available internet access. This would enable companies to partially or wholly replace private WAN connection technologies.

**SIM card – Subscriber Identification Module card.** Chip card that is inserted into a cell phone to identify it in the mobile network. Deutsche Telekom counts its customers by the number of SIM cards activated and not churned. Customer totals also include the SIM cards with which machines can communicate automatically with one another (M2M cards). The churn rate is determined and reported based on the local markets of the respective countries.

**Sovereign Cloud.** Data sovereignty is the central goal of the European initiative Gaia-X. With a European concept, companies of all sizes should be able to take advantage of the flexibility and innovative power of the complete cloud stack, while at the same time having the security of always remaining the master of their data. The Sovereign Cloud from Gaia-X relies on an open software ecosystem for its technical implementation, which on the one hand enables digital solutions and on the other hand can be operated on a wide range of infrastructures.

**Sustainable Development Goals (SDGs).** Goals that form the core of the 2030 Agenda, which the member states of the United Nations adopted in 2015 to ensure sustainable global development. The aim is to enable economic development and prosperity – in line with social justice and taking account of the ecological limits of global growth. The Agenda applies equally to all nations of the world. The 17 SDGs define goals to reduce poverty and hunger, promote healthcare and education, enable equality, protect the environment and climate, and make consumption sustainable.

**ULL – Unbundled Local Loop.** Competitors whose own networks do not reach into customers' premises can rent unbundled local loop lines from Deutsche Telekom. Their networks end at the local exchanges. The ULL bridges the distance between the local exchange and the termination point on the customer's premises or in their home, so it is also known as the "last mile."

**TISAX® – Trusted Information Security Assessment Exchange.** TISAX® is a cross-company assessment and exchange process for information security in the automotive industry. It enables shared recognition of assessment results between participants registered for the TISAX® process, generally automotive manufacturers and their suppliers.

**Vectoring.** Vectoring is a noise-canceling technology that removes the electro-magnetic interference between lines, enabling higher bit rates. However, in order to cancel noise, the operator must have control over all lines. This means that other operators cannot install their own technology in the street cabinets.

**Wholesale.** Refers to the business of selling services to telecommunications companies which sell them to their own retail customers either directly or after further processing.

**XR – Extended Reality.** Covers the entire virtuality spectrum: augmented reality, virtual reality, mixed reality, and simulated reality, as well as potential future developments.

■ **AR – Augmented Reality.** The computer-generated enhancement of the real world with perceptual information. The information can address all the human senses. However, augmented reality often only encompasses the visual representation of information, i.e., the augmenting of images or videos with additional computer-generated information or virtual objects using overlaying/superimposition.

■ **VR – Virtual Reality.** A simulated experience of the real world and its physical characteristics in real time in a computer-generated, interactive virtual environment. Unlike AR, which focuses on enhancing the real world with visual representations of additional data, VR fully immerses the user in a virtual world.

## Disclaimer

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

Forward-looking statements are based on current plans, estimates, and projections. You should consider them with caution. Such statements are subject to risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom’s control. They include, for instance, the progress of Deutsche Telekom’s staff-related restructuring measures and the impact of other significant strategic or business initiatives, including acquisitions, dispositions, and business combinations.

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In addition to figures prepared in accordance with IFRS, Deutsche Telekom presents alternative non-GAAP performance measures, e.g., service revenue, EBITDA, EBITDA AL, adjusted EBITDA, adjusted EBITDA AL, adjusted core EBITDA AL, adjusted EBITDA AL margin, adjusted EBIT, EBIT margin, adjusted net profit/loss, adjusted earnings per share, free cash flow, free cash flow AL, gross and net debt, and net debt AL. These measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Alternative performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways.

For further information on alternative performance measures, please refer to the section “[Management of the Group](#)” in the combined management report and our [Investor Relations website](#).

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

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

## Financial calendar

February 23, 2024	April 10, 2024	May 16, 2024
Press conference on the 2023 financial year and publication of the 2023 Annual Report	2024 shareholders' meeting	Publication of the Interim Group Report as of March 31, 2024
August 8, 2024	November 14, 2024	February 26, 2025
Publication of the Interim Group Report as of June 30, 2024	Publication of the Interim Group Report as of September 30, 2024	Press conference on the 2024 financial year and publication of the 2024 Annual Report

All dates are subject to change.

For more dates, an updated schedule, and information on webcasts, please visit our [Investor Relations website](#).

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Our Annual Report is available [online](#).

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