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Systems Solutions: Total revenue.

Total revenue generated by the Systems Solutions operating segment in the first nine months of 2009 amounted to EUR 6.4 billion, a year-on-year decrease of 5.0 percent. This is due to a decline in both external and internal revenue. International revenue, by contrast, increased by around 1 percent and continued the trend of prior quarters. This positive development is partly attributable to deals from 2008, for example with Shell and Old Mutual Group. In Germany, revenue declined by 7.2 percent, mainly due to lower revenues generated within the Group, which decreased by 9.1 percent. By setting more favorable prices for IT services, T-Systems is supporting the other Group units.

Systems Solutions: Net revenue.

T-Systems generated revenue of EUR 4.5 billion in the first three quarters of 2009 from business with customers outside the Deutsche Telekom Group, a year-on-year decrease of 2.8 percent. Net revenue from Computing & Desktop Services increased by 5.3 percent, primarily due to developments outside of Germany, such as the contract signed with Shell. At Systems Integration, encouraging deals concluded in 2008 and the first nine months of 2009 were not sufficient to compensate for negative volume effects induced by the financial crisis. In telecommunications, prices for voice and data business also continued to fall.

Systems Solutions: Profit from operations.

Profit/loss from operations in the reporting period amounted to EUR 54 million. The figure for the prior-year period included the proceeds from the sale of Media&Broadcast, which explains the year-on-year decrease of EUR 0.4 billion.

Systems Solutions: Cash capex.

At EUR 0.5 billion, cash capex in the reporting period decreased by 22.1 percent year-on-year. This decline is primarily attributable to capital expenditures in the same period of last year in connection with the Shell contract.

Systems Solutions: Personnel.

The average headcount at T-Systems declined by 1,046 to 45,063, a decrease of 2.3 percent compared with the same period last year. In Germany, the average number of employees decreased by 2,648 year-on-year to 25,628. This decrease of 9.4 percent is mainly due to the workforce restructuring program. The average headcount abroad rose by 1,602, an increase of 9.0 percent, which was mainly attributable to the expansion of activities outside of Germany, the hiring of employees in connection with major outsourcing deals, and the expansion of nearshore capacities.

Group Headquarters & Shared Services.

Group Headquarters & Shared Services performs strategic and cross-divisional management functions for the Deutsche Telekom Group and is responsible for operating activities that are not directly related to the core business of the operating segments. The Shared Services unit consists of the Real Estate Services unit, whose activities include the management and servicing of Deutsche Telekom AG's real estate portfolio in Germany; DeTeFleetServices GmbH, a full-service provider of fleet management and mobility services; and Vivento. In addition, Group Headquarters & Shared Services includes the Products & Innovation unit which is responsible for products and innovation in the Group, as well as other Group-wide functions in the area of technology, IT and mobile communications that are assigned to the Chief Operating Officer.

In the third quarter of 2009, Vivento, Deutsche Telekom's personnel service provider, continued its activities to acquire additional external employment opportunities for civil servants and non-civil servant employees, predominantly in the public sector, as well as sustainable placement management to support staff restructuring in the Group. In addition, Vivento offers Group employees temporary and permanent employment opportunities at Vivento Customer Services GmbH with the aim of further improving the deployment of personnel resources.

The workforce at Vivento totaled around 9,400 employees effective September 30, 2009. This included around 4,000 employees who were deployed externally, mainly in the public sector, for example at the Federal Employment Agency. External deployment at normal market terms and conditions is intended to finance partially the personnel costs of the assigned employees. Another 2,400 or so people were employed within the Group, especially in call centers, and around 3,000 employees were placed in Vivento’s operational and strategic units or provided with support by Vivento. Vivento took on a total of around 2,900 employees from the Group in the first nine months of the 2009 financial year, while around 1,600 employees left Vivento in the reporting period to pursue new opportunities. The employment rate remained high in the reporting period. During the first nine months of 2009, around 78 percent of the approximately 8,400 employees (excluding management) were in employment or undergoing training.

Development of operations.

	Q1 2009 millions of €	Q2 2009 millions of €	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Total revenue	618	612	593	748	(20.7)	1,823	2,179	(16.3)	2,781
Loss from operations	(309)	(344)	(311)	(319)	2.5	(964)	(900)	(7.1)	(1,266)
Depreciation, amortization and impairment losses	(259)	(190)	(199)	(167)	(19.2)	(648)	(558)	(16.1)	(773)
Cash capexa	(98)	(105)	(126)	(94)	(34.0)	(329)	(268)	(22.8)	(426)
Number of employeesb	19,445	19,915	20,548	25,141	(18.3)	19,970	24,917	(19.9)	23,581
	8,400	8,700	9,400	8,500	10.6	9,400	8,500	10.6	8,200

Of which: at
Viventoc

a Investments in property, plant and equipment, and intangible assets (excluding goodwill) as shown in the cash flow statement.
b Average number of employees.
c Number of employees at the balance sheet date, including Vivento's own staff and management; figures rounded.

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Group Headquarters & Shared Services: Total revenue.

Total revenue generated at Group Headquarters & Shared Services decreased by 16.3 percent in the first nine months of the 2009 financial year. The revenue decrease was primarily attributable to the deconsolidation of DeTeImmobilien effective September 30, 2008 and the more efficient use of floor space by the operating segments. Other factors were a reduction in revenue generated at Global Network Factory due to lower product prices and purchased quantities, and lower proceeds from vehicle sales. The negative development was partially offset by an increase in revenues from the billing of accounting services to the operating segments by Deutsche Telekom Accounting GmbH, which was established as of April 1, 2008.

Group Headquarters & Shared Services: Loss from operations.

Loss from operations increased by EUR 64 million compared with the prior-year period. This was primarily attributable to an increase in depreciation and amortization, which mainly related to Deutsche Telekom's real estate portfolio, and the more efficient use of rented floor space by the operating segments, especially for technical facilities. In addition, the year-on-year increase was attributable to the non-recurrence of income from the reversal of provisions recorded in the first nine months of 2008. Other factors were the non-recurrence of the positive contribution of DeTeImmobilien as a result of its deconsolidation effective September 30, 2008 and the reduction in revenue at the Global Network Factory. In the comparative period, negative effects were primarily comprised of expenses related to the disposal of DeTeImmobilien and call centers.

Group Headquarters & Shared Services: Personnel.

The average number of employees in the reporting period was 19,970. The decrease of 4,947 compared with the first nine months of 2008 was primarily attributable to the sale of DeTeImmobilien. The headcount increase at Vivento, mainly due to the expansion of employment opportunities for civil servants and non-civil servant employees, and the merger of the operating segments' accounting activities into Deutsche Telekom Accounting GmbH had a partially offsetting effect.

Risks and opportunities.

This section provides an overview of important new aspects of risks and opportunities since the publication of Deutsche Telekom AG's 2008 Annual Report.

Impacts of the economic crisis.

Following the sharp downturn, the global economy is increasingly showing signs of recovery according to the 2009 Fall Report submitted by the Joint Diagnosis project group to the Federal Ministry of Economics and Technology. Certain regions, including the United States and Central and Eastern Europe, are expected to take longer to recover than others. As a result, despite positive development overall, negative effects of the general economic situation on Deutsche Telekom's results cannot be ruled out. There is a risk that restrained consumer spending as a consequence of rising unemployment alongside restrictions on companies' capital expenditure budgets will negatively impact on sales and revenue. It may also lead to increased churn propensity, high price sensitivity to improved rate packages, and the purchase of terminal equipment.

Financial risks.

Risky investments by subsidiaries in Southern and Eastern Europe in particular exist on account of transfer restrictions or shareholder resolutions. Following the consolidation of OTE, investments deposited with various, mostly Greek banks were also taken over. The goal is to spread these investments and to shift them gradually to government bonds.

The situation on the international financial markets continued to ease in the third quarter. As of now, access to the international debt capital markets is not seriously jeopardized. The first nine months of 2009 were marked by substantial new issuances. By the end of September 2009, Deutsche Telekom had raised debt capital of just under EUR 5.3 billion in various markets.

Minimum contract terms for bundled products.

In a ruling dated October 14, 2009, the Düsseldorf Higher Regional Court – unlike the court of lower instance – upheld Tele2’s complaint against minimum contract terms for bundled products. Under this ruling, Deutsche Telekom is prohibited from offering bundled retail products comprising a calling plan for a fixed-network line, including calls on that line, a DSL line, and Deutsche Telekom’s DSL access service (bundled product) with a minimum contract term of 12 or more months and a tacit contract extension of 12 months in each case subject to termination with due notice. Furthermore, the Higher Regional Court ruled that Deutsche Telekom is obligated to pay Tele2 damages that have arisen or will arise as a result of the prohibited conduct. An appeal to the Federal Court of Justice has been permitted. Deutsche Telekom intends to appeal against the ruling of the Düsseldorf Higher Regional Court.

Legal dispute with Vivendi Universal SA (Paris) for the acquisition of shares in the Polish company PTC.

In its appeal against the Paris Commercial Court’s decision to reject the claim, Vivendi Universal SA has now reduced its claim from EUR 1.9 billion to approximately EUR 53 million. Further lawsuits and arbitration proceedings are pending in connection with the dispute with Vivendi SA regarding the stakes in PTC.

In the course of the legal dispute concerning the acquisition of shares in the Polish company PTC, an arbitral award of November 24, 2004 (Second Vienna Partial Award) was upheld in Deutsche Telekom’s favor by a Polish court of first instance. In its ruling of September 24, 2009, the Warsaw court of appeal upheld Vivendi’s appeal against the decision to recognize that award. Deutsche Telekom intends to appeal (cassatia) this ruling to the Polish Supreme Court.

Deutsche Telekom's full consolidation of PTC is not affected by the ruling.

Court rulings on 1999 and 2001 ULL rates.

In November 2008, the Cologne Administrative Court revoked the rates approval for the unbundled local loop line (ULL) from 1999 with regard to the monthly charges. Both Deutsche Telekom and the Federal Network Agency filed complaints against non-allowance of appeal. In a ruling dated October 5, 2009, the Federal Administrative Court rejected these complaints because the points raised relate to the old legal framework. The rulings of the Cologne Administrative Court revoking the approvals thus became legally effective and the rate approval proceedings from 1999 were revived, i.e., the Federal Network Agency must decide again on ULL monthly charges for the period from February 1999 to March 2001.

In rulings dated August 27, 2009, the Cologne Administrative Court revoked the rates approval for the ULL from 2001 with regard to both the monthly charge and the one-time rates. These rulings are not legally effective because both Deutsche Telekom and the Federal Network Agency have filed complaints against non-allowance of appeal. If the rulings become legally effective, the Federal Network Agency would have to decide again on the rates for the period April 2001 to March 2003.

Other.

Magyar Telekom.

As previously reported, in the course of conducting their audit of Magyar Telekom's 2005 financial statements, Magyar Telekom's independent auditors identified two contracts the nature and business purposes of which were not readily apparent, and Magyar Telekom commenced an independent internal investigation of these contracts. The independent investigators have further identified additional contracts and related issues that warranted review, and Magyar Telekom has expanded the scope of the independent investigation to cover these additional contracts and related issues. The independent and internal investigation is continuing into these and other contracts and certain related issues identified by the independent investigators.

By letter dated February 27, 2009, addressed to counsel of Magyar Telekom's Audit Committee, the Department of Justice (the "DOJ") requested that the Audit Committee pursue all reasonable avenues of investigation prior to completing and issuing a final report of the internal investigation, including investigation into matters recently identified to counsel for the Audit Committee by the DOJ. The DOJ recognized that a delay in the completion of the report may result from investigation into these matters. The DOJ also requested that the Audit Committee refrain from disseminating any such final report until further notice from the DOJ because of the DOJ's concern that such dissemination could interfere with the DOJ's investigation. In its February 27 letter, the DOJ stated that the internal investigation had been of assistance to the DOJ and that such assistance will be taken into account in determining the appropriate disposition of this matter by the DOJ, if any.

In March 28, 2009, the Hungarian National Bureau of Investigation (the "NBI") informed Magyar Telekom that, based on a report received by the NBI, it had begun a criminal investigation into alleged misappropriation of funds relating to payments made in connection with Magyar Telekom's ongoing internal investigation into certain contracts entered into by members of the Magyar Telekom group and related matters. The NBI has requested materials and information relating to such payments from Magyar Telekom. On September 21, 2009, the NBI informed the Company that it had extended the scope of its investigation to examine possible misuse of personal data of employees in the context of the internal investigation. Magyar Telekom is cooperating with the ongoing NBI investigation.

With respect to Deutsche Telekom, we continue to cooperate by providing documents and information to the U.S. Securities and Exchange Commission and the DOJ in connection with their review of our role in certain matters relating to the Magyar Telekom investigation, including the involvement of our employees or personnel assigned to Magyar Telekom and its subsidiaries, and the actions taken by Magyar Telekom and Deutsche Telekom in response to the findings of and issues raised by the Magyar Telekom investigation.

For additional explanations regarding the risk and opportunity situation, please refer to the Annual Report on Form 20-F.

Significant events after the balance sheet date (September 30, 2009).

Group.

Deutsche Telekom launches De-Mail pilot in Friedrichshafen.

At the beginning of October 2009, Deutsche Telekom joined the Federal Ministry of the Interior and other partners to launch a De-Mail pilot project in Friedrichshafen. De-Mail makes it possible to send documents securely and in legally binding form via the Internet in future, thus establishing legally binding Internet communication across Germany for citizens, business and administration. The application will be trialed in Friedrichshafen for six months.

United States.

T-Mobile USA introduces innovative new price plans.

On October 25, T-Mobile USA introduced the new Even More and Even More Plus price plans. These plans respond to customer needs for affordable nationwide calling, texting, and data plans; while providing new ways to get new phones and data devices with Equipment Installment Plans.

Southern and Eastern Europe.

COSMOTE group completes the acquisition of Zapp in Romania.

On October 29, 2009, the Romanian authorities approved the takeover of 100 percent of Telemobil S.A (Zapp).

Development of revenue and profits. [1]

Market expectations.

The no more than modest economic recovery in domestic and international markets may continue to force companies around the world to cut costs, which in turn may impact business with corporate and business customers in telecommunications and information technology. Although consumer restraint in telecommunications expenditure is not yet particularly pronounced in Germany, downward trends in the mobile communications markets in the United States and many parts of Europe as a result of the economic situation cannot be ruled out. Deutsche Telekom's main sales markets will also face intense competition and a continuing decline in prices.

Deutsche Telekom is well positioned.

Deutsche Telekom will systematically pursue its strategic areas of action – improving competitiveness, growing abroad with mobile communications, mobilizing the Internet, and rolling out network-centric ICT – to achieve its long-term goal of becoming a global leader in connected life and work.

Although the situation on the international financial markets has eased up in recent months, there is still uncertainty regarding future sustainable development. Debt capital markets have become less strained since the beginning of the year, making major issuances possible. By the end of October 2009, Deutsche Telekom had issued bonds totaling EUR 5.1 billion and promissory notes with a volume of EUR 0.2 billion. Deutsche Telekom managed to cover its refinancing needs for 2009 entirely by issuing longer term debt. Deutsche Telekom continues to enjoy a strong liquidity with bilateral bank lines and current assets available as liquidity reserves.

Deutsche Telekom intends to pursue its financial targets, i.e., a sustained strong cash flow and the payment of an attractive dividend, despite a still uncertain economic outlook. This will be supported by the systematic implementation of cost-cutting measures. Where this requires adjustment to the personnel structure, any necessary staff reductions will be primarily implemented using socially responsible, voluntary instruments such as partial and early retirement arrangements and severance and voluntary redundancy payments. In addition, where it makes sense as part of the further internationalization of Deutsche Telekom, consolidation may also be an option in markets where the Group is already active. Activities outside these markets are also possible to leverage international economies of scale and synergies.

General statement on the business development in the Group.

In view of the expected market situation in the individual operating segments, Deutsche Telekom aims to again achieve positive results for the entire Group.

1 The following forecasts for the development of revenue and profit - contain forward-looking statements that reflect management's current views with respect to future events. Words such as "assume," "anticipate," "believe," "estimate," "expect," "intend," "may," "could," "plan," "project," "should," "want" and similar expressions identify forward-looking statements. These forward-looking statements include statements on the expected development of net revenue, earnings, and personnel figures for 2009 and 2010. Such statements are subject to risks and uncertainties, such as an economic downturn in Europe or North America, changes in exchange and interest rates, the outcome of disputes in which Deutsche Telekom is involved, and competitive and regulatory developments.

Some uncertainties or other imponderabilities that might influence Deutsche Telekom's ability to achieve its objectives, are described in the "Risk and opportunities management" section in the management report and in the "Forward Looking Statements" and "Risk Factors" sections in the Annual Report on Form 20-F and the disclaimer at the end of the Annual Report as well as in the chapter "Risks and opportunities" of this Interim Group Report. Should these or other uncertainties and imponderabilities materialize or the assumptions underlying any of these statements prove incorrect, the actual results may be materially different from those expressed or implied by such statements. We do not guarantee that our forward-looking statements will prove correct. The forward-looking statements presented here are based on the current structure of the Group, without regard to significant acquisitions, dispositions or business combinations Deutsche Telekom may choose to undertake. These statements are made with respect to conditions as of the date of this document's publication. Without prejudice to existing obligations under capital market law, we do not intend or assume any obligation to update forward-looking statements.

Germany.

Deutsche Telekom intends to use convergence products that bring together mobile communications, Internet and the fixed network in the context of connected life and work to enhance its product portfolio and increase the number of high-value customer relationships over the long term.

Investment priorities in Germany will focus on growth and innovation, particularly further integrated and value-enhanced broadband expansion in fixed-network and mobile communications as well as quality and service initiatives.

The Germany operating segment is affected by the difficult macroeconomic situation, continuing fierce competition and regulatory measures.

Deutsche Telekom will defend its market leadership in the fixed-network business, even though its traditional access business will continue to suffer competition-driven losses of market share.

One of the key issues in 2009 and 2010 will be the further development of the mass market with Entertain products through a combination of fast broadband lines and attractive content and features, including high-performance packages that provide TV and Entertain content via DSL and fixed-network lines with flat rates.

Based on the underlying assumptions, the downward trend in revenue and earnings in the fixed network is expected to slow down in the medium term.

In the mobile communications market, mobile data usage is the key growth driver. For the overall market in Germany, a growth rate of 25 to 30 percent is expected for mobile data in 2009. With intelligent terminals, attractive rate plans and innovative applications, the mass and customized solutions market is to be further developed through data services for cell phones and laptops. Smartphones will boost mobile Internet use and increase mobile data revenue even further.

With specially tailored rate plans, network access services, and new strategic partnerships, T-Mobile is successfully participating in the future-oriented growth area of machine-to-machine (M2M) technology. M2M solutions are set to generate substantial value-added in many areas of life and work.

Top priority will be to maintain valuable customer relationships so it can successfully defend its position in terms of revenue and margin in a highly competitive market.

United States.

In local currency, the United States operating segment is expected to record a slight year-on-year decrease in terms of total revenue.

The United States operating segment will continue to focus capital expenditure on the enhancement of network quality and coverage, including the continued build out of the 3G mobile communications network.

Europe.

Deutsche Telekom expects customer numbers to continue growing in the Europe operating segment. Ongoing development of the mobile Internet with innovative data services and new, intelligent mobile handsets at attractive prices are proving to be important and constant growth drivers.

Cost-cutting initiatives will safeguard the development of earnings and thus support Deutsche Telekom's position. Nevertheless, Deutsche Telekom continues to face a difficult macroeconomic situation and ongoing fierce competition in the Europe operating segment. In addition, regulatory measures and exchange rate fluctuations in individual countries may have a negative effect on revenue and earnings when translated to euros.

The key areas of capital expenditure in Europe will be improvements in GSM network quality and the further roll-out of UMTS networks, as part of the drive to introduce the technology for next-generation mobile networks. Deutsche Telekom has already successfully tested the Long Term Evolution (LTE) technical standard in Germany and Austria as one of the possible future technologies for mobile communications networks.

Southern and Eastern European.

The acquisition of a stake in OTE has given Deutsche Telekom a foothold in further Southern and Eastern European markets. To a larger degree, Deutsche Telekom expects the Southern and Eastern Europe operating segment to record a stable earnings development in the medium term, also supported by broad strategic initiatives and cost cutting programs. The continuing tough macro-economic situation and intense competition will bring a slight decrease in revenues. In addition, regulatory measures and exchange rate fluctuations in individual countries, plus mobile communications taxes recently imposed or increased in Croatia and Greece, may have a negative effect on revenue and earnings on a euro basis.

Systems Solutions.

T-Systems is active on the growing ICT services market, offering systems solutions for Deutsche Telekom's corporate customers. Drawing on a global infrastructure of computing centers and networks, T-Systems manages information and communication services for some 400 corporate customers, including multinational corporations and public-sector and public health institutions. T-Systems also provides global systems integration services and has a proven industry track record, as the example of the automotive industry shows. On this basis, Deutsche Telekom's corporate customer arm provides integrated solutions for the networked future of business and society. Outside Germany, companies' increasing globalization is translating into growing demand in the international ICT market overall – demand that is being addressed by T-Systems. Cost-cutting measures are already showing clear effects and will continue. The operating segment's revenue is expected to remain below the prior-year level in 2009 due to the negative impact of the economic crisis and the corresponding pressure on prices. Taking into account the measures described and the efficiency program that is already in place, earnings are expected to be slightly better than in the prior year.

Group Headquarters & Shared Services.

Earnings at Group Headquarters & Shared Services will be negatively affected primarily by the performance of Vivento, mainly as a result of the efforts to acquire employment opportunities for civil servants and non-civil servant employees. In particular, the improvement and centralization of functions aimed at achieving efficiency gains for the Group will also put pressure on the results of the Shared Services.

Interim consolidated financial statements.
Consolidated balance sheet.

	Sept. 30, 2009 millions of €	Dec. 31, 2008a millions of €	Change millions of €	Change %	Sept. 30, 2008a millions of €
Assets					
Current assets	24,384	15,431	8,953	58.0	16,215
Cash and cash equivalents	6,080	3,026	3,054	n.a.	3,111
Trade and other receivables	6,847	7,393	(546)	(7.4)	7,369
Current recoverable income taxes	137	273	(136)	(49.8)	132
Other financial assets	1,842	1,692	150	8.9	2,213
Inventories	1,353	1,294	59	4.6	1,308
Non-current assets and disposal groups held for sale	6,402	434	5,968	n.a.	426
Other assets	1,723	1,319	404	30.6	1,656
Non-current assets	104,953	107,709	(2,756)	(2.6)	107,170
Intangible assets	51,837	53,927	(2,090)	(3.9)	55,293
Property, plant and equipment	45,320	41,559	3,761	9.0	41,502
Investments accounted for using the equity method	160	3,557	(3,397)	(95.5)	2,820
Other financial assets	1,852	1,863	(11)	(0.6)	967
Deferred tax assets	5,240	6,234	(994)	(15.9)	6,035
Other assets	544	569	(25)	(4.4)	553
Total assets	129,337	123,140	6,197	5.0	123,385
Liabilities and shareholders' equity					
Current liabilities	26,404	24,242	2,162	8.9	22,104
Financial liabilities	11,449	9,584	1,865	19.5	8,776
Trade and other payables	6,114	7,073	(959)	(13.6)	6,035
Income tax liabilities	427	585	(158)	(27.0)	491
Other provisions	2,824	3,437	(613)	(17.8)	3,057
Liabilities directly associated with non-current assets and disposal groups held for sale	1,358	95	1,263	n.a.	0
Other liabilities	4,232	3,468	764	22.0	3,745
Non-current liabilities	61,344	55,786	5,558	10.0	56,466
Financial liabilities	42,018	37,010	5,008	13.5	37,799
Provisions for pensions and other employee benefits	6,176	5,157	1,019	19.8	5,347
Other provisions	2,577	3,304	(727)	(22.0)	3,314
Deferred tax liabilities	6,978	7,108	(130)	(1.8)	6,957
Other liabilities	3,595	3,207	388	12.1	3,049
Liabilities	87,748	80,028	7,720	9.6	78,570
Shareholders' equity	41,589	43,112	(1,523)	(3.5)	44,815
Issued capital	11,165	11,165	0	0.0	11,165
Capital reserves	51,529	51,526	3	0.0	51,525
Retained earnings including carryforwards	(20,956)	(18,761)	(2,195)	(11.7)	(18,944)
Total other comprehensive income	(3,914)	(5,411)	1,497	27.7	(4,352)
Total other comprehensive income directly associated with non-current assets and disposal	(2,242)	-	(2,242)	n.a.	-

groups held for sale					
Net profit	356	1,483	(1,127)	(76.0)	2,213
Treasury shares	(5)	(5)	0	0.0	(5)
Issued capital and reserves attributable to owners of the parent	35,933	39,997	(4,064)	(10.2)	41,602
Non-controlling interests	5,656	3,115	2,541	81.6	3,213
Total liabilities and shareholders' equity	129,337	123,140	6,197	5.0	123,385

a Figures for the comparative reporting dates adjusted. Changes in the presentation of derivatives. For explanations, please refer to "Selected explanatory notes / Accounting policies."

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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Consolidated income statement.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Net revenue	16,262	15,454	5.2	48,402	45,557	6.2	61,666
Cost of sales	(9,224)	(8,248)	(11.8)	(26,876)	(24,912)	(7.9)	(34,592)
Gross profit	7,038	7,206	(2.3)	21,526	20,645	4.3	27,074
Selling expenses	(3,697)	(3,948)	6.4	(11,752)	(11,467)	(2.5)	(15,952)
General and administrative expenses	(983)	(1,230)	20.1	(3,588)	(3,563)	(0.7)	(4,821)
Other operating income	391	600	(34.8)	1,031	1,613	(36.1)	1,971
Other operating expenses	(251)	(315)	20.3	(2,463)	(749)	n.a.	(1,232)
Profit from operations	2,498	2,313	8.0	4,754	6,479	(26.6)	7,040
Finance costs	(668)	(556)	(20.1)	(1,935)	(1,898)	(1.9)	(2,487)
Interest income	68	81	(16.0)	259	239	8.4	408
Interest expense	(736)	(637)	(15.5)	(2,194)	(2,137)	(2.7)	(2,895)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	7	60	(88.3)	21	76	(72.4)	(388)
Other financial income (expense)	(141)	(183)	23.0	(645)	(510)	(26.5)	(713)
Profit (loss) from financial activities	(802)	(679)	(18.1)	(2,559)	(2,332)	(9.7)	(3,588)
Profit before income taxes	1,696	1,634	3.8	2,195	4,147	(47.1)	3,452
Income taxes	(551)	(553)	0.4	(1,378)	(1,459)	5.6	(1,428)
Profit	1,145	1,081	5.9	817	2,688	(69.6)	2,024
Profit attributable to	1,145	1,081	5.9	817	2,688	(69.6)	2,024
Owners of the parent (net profit (loss))	959	895	7.2	356	2,213	(83.9)	1,483
Non-controlling interests	186	186	0.0	461	475	(2.9)	541

Earnings per share.

	Q3 2009	Q3 2008	Change %	Q1-Q3 2009	Q1-Q3 2008	Change %	FY 2008

Earnings per share/ADS								
Basic	(€)	0.22	0.21	4.8	0.08	0.51	(84.3	)	0.34
Diluted	(€)	0.22	0.21	4.8	0.08	0.51	(84.3	)	0.34

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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Consolidated statement of comprehensive income.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2009 millions of €	Change %	FY 2008 millions of €
Profit	1,145	1,081	5.9	817	2,688	(69.6)	2,024
Acturial gains and losses on defined benefit plans and other employee benefits	(490)	0	n.a.	(490)	0	n.a.	227
Revaluation due to business combinations	0	1	n.a.	(33)	0	n.a.	0
Exchange differences on translating foreign operations	(630)	1,681	n.a.	(578)	718	n.a.	(352)
Available-for-sale financial assets							
Change in other comprehensive income (not recognized in income statement)	11	0	n.a.	5	1	n.a.	1
Recognition of other comprehensive income in income statement	0	0	-	0	0	-	0
Fair value measurement of hedging instruments							
Change in other comprehensive income (not recognized in income statement)	(98)	15	n.a.	(65)	92	n.a.	60
Recognition of other comprehensive income in income statement	22	(5)	n.a.	(4)	(14)	71.4	(101)
Other income and expense recognized directly in equity	0	4	n.a.	11	4	n.a.	(8)
Income taxes relating to	156	(2)	n.a.	162	(24)	n.a.	(53)

components of other comprehensive income							
Other comprehensive income	(1,029)	1,694	n.a.	(992)	777	n.a.	(226)
Total comprehensive income	116	2,775	(95.8)	(175)	3,465	n.a.	1,798
Total comprehensive income attributable to	116	2,775	(95.8)	(175)	3,465	n.a.	1,798
Owners of the parent	(79)	2,608	n.a.	(681)	2,857	n.a.	1,251
Non-controlling interests	195	167	16.8	506	608	(16.8)	547

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Consolidated statement of changes in equity.

	Issued capital and reserves attributable to owners of the parent						
	Equity contributed		Consolidated shareholders' equity generated		Total other comprehensive income		
	Issued capital millions of €	Capital reserves millions of €	Retained earnings incl. carryforwards millions of €	Net profit (loss) millions of €	Translation of foreign operations millions of €	Revaluation surplus millions of €	Available-for-sale financial assets millions of €
Balance at January 1, 2008	11,165	51,524	(16,218)	571	(5,999)	308	2
Unappropriated profit (loss) carried forward			571	(571)			
Dividends			(3,386)				
Proceeds from the exercise of stock options		1					
Total comprehensive income				2,213	585		1
Transfer to retained earnings			89			(89)	
Balance at September 30, 2008	11,165	51,525	(18,944)	2,213	(5,414)	219	3
Balance at January 1, 2009	11,165	51,526	(18,761)	1,483	(6,356)	202	3
Changes in the composition of the Group							
Unappropriated profit (loss) carried forward			1,483	(1,483)			
Dividends			(3,386)				
Proceeds from the exercise of stock options		3					
Total comprehensive income			(357)	356	(616)	(33)	(2)
Transfer to retained earnings			65			(65)	
	11,165	51,529	(20,956)	356	(6,972)	104	1

Balance at September 30, 2009	

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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	Total other comprehensive income			Treasury shares	Total	Non-controlling interests	Total shareholders' equity
	Cash flow hedges	Other comprehensive income	Deferred taxes				
	millions of €	millions of €	millions of €	millions of €	millions of €	millions of €	millions of €
Balance at January 1, 2008	1,126	0	(344)	(5)	42,130	3,115	45,245
Unappropriated profit (loss) carried forward					0		0
Dividends					(3,386)	(510)	(3,896)
Proceeds from the exercise of stock options					1		1
Total comprehensive income	78	4	(24)		2,857	608	3,465
Transfer to retained earnings					0		0
Balance at September 30, 2008	1,204	4	(368)	(5)	41,602	3,213	44,815
Balance at January 1, 2009	1,085	(11)	(334)	(5)	39,997	3,115	43,112
Changes in the composition of the Group					0	2,876	2,876
Unappropriated profit (loss) carried forward					0		0
Dividends					(3,386)	(841)	(4,227)
Proceeds from the exercise of stock options					3		3
Total comprehensive income	(69)	11	29		(681)	506	(175)
Transfer to retained earnings					0		0
Balance at September 30, 2009	1,016	0	(305)	(5)	35,933	5,656	41,589

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Consolidated cash flow statement.

	Q3 2009 millions of €	Q3 2008 millions of €	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	FY 2008 millions of €
Profit	1,145	1,081	817	2,688	2,024
Depreciation, amortization and impairment losses	2,896	2,581	10,609	7,936	10,975
Income tax expense (benefit)	551	553	1,378	1,459	1,428
Interest income and interest expenses	668	556	1,935	1,898	2,487
Other financial (income) expense	141	183	645	510	713
Share of (profit) loss of associates and joint ventures accounted for using the equity method	(7)	(60)	(21)	(76)	388
(Profit) loss on the disposal of fully consolidated subsidiaries	-	48	(23)	(451)	(455)
Other non-cash transactions	(48)	28	(148)	(44)	(147)
(Gain) loss from the disposal of intangible assets and property, plant and equipment	3	14	36	41	70
Change in assets carried as working capital	1,098	308	1,112	177	286
Change in provisions	53	(65)	(1,138)	(421)	493
Change in other liabilities carried as working capital	(232)	(243)	(873)	(361)	(130)
Income taxes received (paid)	(248)	(107)	(747)	(375)	(520)
Dividends received	9	6	16	45	13
Net payments from entering into or canceling interest rate swapsa	-	-	242	-	-
Cash generated from operations	6,029	4,883	13,840	13,026	17,625
Interest paid	(836)	(844)	(2,812)	(2,590)	(3,431)
Interest received	150	246	793	862	1,174
Net cash from operating activities	5,343	4,285	11,821	11,298	15,368
Cash outflows for investments in					
Intangible assets	(419)	(437)	(1,087)	(1,005)	(1,799)
Property, plant and equipment	(1,712)	(1,700)	(5,866)	(4,761)	(6,908)
Non-current financial assets	(63)	(119)	(159)	(2,802)	(3,261)
Investments in fully consolidated subsidiaries and business units	(683)	(2)	(751)	(1,030)	(1,030)
Proceeds from disposal of					
Intangible assets	3	(11)	5	15	34
Property, plant and equipment	71	59	233	241	338
Non-current financial assets	8	(39)	94	93	102
Investments in fully consolidated subsidiaries and business units	-	(7)	120	736	778
Net change in short-term investments and marketable securities and receivables	340	(38)	(47)	(202)	611
Net change in cash and cash equivalents due to the first-time full inclusion of OTE	-	-	1,558	-	-
Other	1	(215)	(92)	(231)	(249)
Net cash used in investing activities	(2,454)	(2,509)	(5,992)	(8,946)	(11,384)
Proceeds from issue of current financial liabilities	224	9,703	3,168	37,915	39,281

Repayment of current financial liabilities	(2,705)	(12,042)	(6,756)	(41,503)	(44,657)
Proceeds from issue of non-current financial liabilities	327	1,979	5,307	6,199	6,477
Repayment of non-current financial liabilities	24	(29)	(89)	(85)	(96)
Dividend payments	(401)	(195)	(4,287)	(3,897)	(3,963)
Proceeds from the exercise of stock options	1	1	1	3	3
Repayment of lease liabilities	(31)	(33)	(95)	(110)	(142)
Net cash used in financing activities	(2,561)	(616)	(2,751)	(1,478)	(3,097)
Effect of exchange rate changes on cash and cash equivalents	(21)	(3)	39	37	(61)
Changes in cash and cash equivalents associated with assets held for sale	(63)	-	(63)	-	-
Net increase (decrease) in cash and cash equivalents	244	1,157	3,054	911	826
Cash and cash equivalents, at the beginning of the period	5,836	1,954	3,026	2,200	2,200
Cash and cash equivalents, at end of the period	6,080	3,111	6,080	3,111	3,026

a Disclosure was adjusted. For explanations, please refer to "Selected explanatory notes / Accounting policies."

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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Selected explanatory notes.

Accounting policies.

The interim consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB). The interim consolidated financial statements for the period ended September 30, 2009 are in compliance with International Accounting Standard (IAS) 34. As permitted by IAS 34, it has been decided to publish a condensed version compared to the consolidated financial statements at December 31, 2008.

Statement of compliance.

In the opinion of the Board of Management, the quarterly financial report includes all standard adjustments to be applied on an ongoing basis that are required to give a true and fair view of the results of operations, financial position and cash flows of the Group. Please refer to the notes to the consolidated financial statements as of December 31, 2008 and the following additions for the accounting policies applied for the Group's financial reporting.

To implement its “Focus, fix and grow” strategy, Deutsche Telekom transferred around 160,000 business customers from T-Systems to the Broadband/Fixed Network operating segment under the umbrella of T-Home, Sales and Service with effect from January 1, 2009. At the same time, the Business Customers operating segment was renamed Systems Solutions. These 160,000 business customers have been assigned to the Germany operating segment since July 1, 2009.

Deutsche Telekom adjusted the presentation of its cash flow statement in 2009. Net payments from entering into or canceling interest rate swaps are disclosed as cash generated from operations under “Net cash from operating activities.” Deutsche Telekom believes that this change better reflects the economic nature of the transaction. The change has an immaterial effect on prior-year periods, hence no adjustments were made.

Since July 1, 2009 Deutsche Telekom’s organizational structure has reflected the realigned management structure approved by the Supervisory Board on April 29, 2009. The new structure increases regional market responsibility in the combined fixed-network and mobile communications business. The realignment also resulted in a change to the structure of the operating segments from July 1, 2009. Since July 1, 2009 Deutsche Telekom has reported on five operating segments: Germany, United States, Europe, Southern and Eastern Europe, and Systems Solutions as well as on Group Headquarters & Shared Services.

In September 2007, the IASB issued an amendment to IAS 1 „Presentation of Financial Statements.” The amendments to IAS 1 were endorsed by the European Union in December 2008 and are effective for financial years beginning on or after January 1, 2009. In accordance with the amendments to IAS 1, Deutsche Telekom has adjusted the presentation of its results of operations, financial position and cash flows as follows:

All changes in shareholders’ equity resulting from transactions with owners are presented separately from those changes in shareholders’ equity not resulting from transactions with owners (non-owner changes).

Income and expenses are presented separately from transactions with owners in two components of the financial statements (consolidated income statement and consolidated statement of comprehensive income).

The components of “Other comprehensive income” are presented in the consolidated statement of comprehensive income.

“Total other comprehensive income” is presented in the consolidated statement of changes in equity.

The amendment to IAS 1 also requires the relevant amount of income tax per component of other comprehensive income to be stated and the amounts reclassified as other comprehensive income to be presented.

As a result of the first annual improvement project, the IASB issued a collective standard with amendments to various IFRSs in May 2008. It relates to a large number of smaller amendments to existing standards whose implementation was regarded as necessary, but non-urgent. The European Union endorsed this standard in January 2009. In the collective standard, the IASB clarified that derivative financial instruments classified as held for trading are not always required to be presented in the balance sheet as current assets or liabilities. Since January 1, 2009, Deutsche Telekom has therefore reported its held-for-trading derivative financial instruments as either current or non-current depending on the maturity of the particular contract. The figures for the comparative reporting dates have been adjusted accordingly. The other amendments to IFRSs resulting from the collective standard did not have a material impact on the presentation of Deutsche Telekom's results of operations, financial position or cash flows.

In March 2007, the IASB issued an amendment to IAS 23 "Borrowing Costs." The European Union endorsed IAS 23 in December 2008. The amendment to the standard mainly relates to the elimination of the option of recognizing borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as an expense. In accordance with Deutsche Telekom's accounting principles, qualifying assets are construction projects or other assets for which a period of at least 12 months is necessary in order to get them ready for their intended use or sale. Borrowing costs relating to assets measured at fair value and to inventories that are manufactured or produced in large quantities on a repetitive basis must not be capitalized, even if they take a substantial period of time to get ready for use or sale.

Since January 1, 2009, Deutsche Telekom has capitalized borrowing costs as a portion of the cost of acquisition or production of qualifying assets in cases in which the criteria for capitalization set out in IAS 23 were met. The amount of the borrowing costs required to be capitalized was calculated on the basis of an average capitalization rate of 6.8 percent applied across the Group. The figures for prior-year periods have not been adjusted.

In June 2007, the IFRIC issued IFRIC 13 “Customer Loyalty Programmes.” The European Union endorsed IFRIC 13 in December 2008. The interpretation is effective for financial years beginning on or after July 1, 2008. The interpretation addresses the accounting of customer loyalty programs that grant customers points (credits) that allow them to acquire free or discounted goods or services from the seller or a third party. The question to be clarified was whether the award credits are a liability in the context of a sale or an advance payment for a future sales transaction. The interpretation now issued requires the proceeds of the sale to be divided into two components. One component is attributable to the transaction which resulted in the credit awards. The other component is allocable to the future sales transaction resulting from the credit awards to be redeemed. The portion of the proceeds allocated to the goods or service already delivered is recognized as revenue. The portion of the proceeds allocated to the award credits is deferred as an advance payment until the customer redeems the credit award, or the obligation in respect of the credit award is fulfilled. Deutsche Telekom adjusted its accounting policies accordingly as of January 1, 2009. The adoption of IFRIC 13 did not have a material impact on the presentation of Deutsche Telekom’s results of operations, financial position or cash flows.

In January 2009, the IFRIC issued IFRIC 18 “Transfer of Assets from Customers.” The European Union has not yet endorsed IFRIC 18. The interpretation clarifies the IFRS requirements for agreements whereby an entity receives from a customer an item of property, plant and equipment (or cash which is used only for the construction or acquisition of an item of property, plant and equipment) that the entity must then use to connect the customer to a network and/or to provide the customer with ongoing access to a supply of goods or services. IFRIC 18 is to be applied prospectively to transactions that will be carried out on or after July 1, 2009. The adoption of IFRIC 18 did not have a material impact on the presentation of Deutsche Telekom’s results of operations, financial position or cash flows.

Business combinations.

OTE.
On May 16, 2008, Deutsche Telekom acquired just under 20 percent of the shares in Hellenic Telecommunications Organization S.A., Athens, Greece (OTE) from Marfin Investment Group at a price of EUR 2.6 billion. On May 14, 2008, Deutsche Telekom also entered into a shareholders' agreement with the Hellenic Republic providing for an increase in this holding to 25 percent plus one vote - each share is entitled to one vote - and granting Deutsche Telekom the possibility of controlling OTE’s financial and operating policies, as defined by IAS 27, following the completion of all necessary steps of the transaction.

To this end, Deutsche Telekom and the Hellenic Republic entered into a share purchase agreement on May 14, 2008 for the acquisition of an additional 3 percent of the shares at a price of EUR 0.4 billion. Under the share purchase agreement, Deutsche Telekom has additionally granted the Hellenic Republic two put options for an additional 5 percent (put option I) and 10 percent (put option II) of the shares. Deutsche Telekom assumed present ownership of the shares of put option I when the share purchase agreement became effective, meaning the agreed purchase price of EUR 0.7 billion was recognized as acquisition costs. The Hellenic Republic exercised put option I on July 31, 2009. Put option II can be exercised at market price plus a premium initially of 20 percent for a period of twelve months from November 10, 2009, after which it can be exercised at market price plus a premium of 15 percent until December 31, 2011. The consummation of the shareholders' agreement and the share purchase agreement was also contingent upon the acquisition of an additional 2 percent of the shares in OTE by Deutsche Telekom from the market, which was executed on July 17, 2008 at a total value of EUR 0.1 billion.

The share purchase agreement became legally valid following full approval given by the responsible national and international supervisory authorities by the beginning of November 2008. Consequently, Deutsche Telekom acquired an additional 3 percent of OTE's shares from the Hellenic Republic on November 5, 2008, thus effecting the legal validity of the shareholders' agreement. Deutsche Telekom holds a stake in OTE of 30 percent plus one share as a result of the aforementioned transactions. The changes to OTE's Articles of Incorporation necessary for full implementation of the shareholders' agreement were approved at the extraordinary shareholders' meeting of OTE on February 6, 2009. Consequently, Deutsche Telekom has taken control of 50 percent plus two voting shares and therefore the company's financial and operating policies.

Upon implementation of the shareholders’ agreement on February 6, 2009, OTE is no longer included using the equity method, but fully consolidated for the first time. As part of the first-time full consolidation of OTE, put option II was recognized as contingent consideration, thus resulting in the recording of a liability and corresponding cost of the acquisition of EUR 0.6 billion. As a result, the interest attributable to Deutsche Telekom amounts to 40 percent plus one vote. The total cost of the acquisition including costs directly attributable to the transaction amounts to EUR 4.4 billion, of which EUR 3.7 billion had an effect on cash flows until September 30, 2009. The following table shows the purchase price as of the date of acquisition:

	Interest %	billions of €
Purchase price for acquired shares	25.0	3.1
Shares acquired from Marfin Investment Group	20.0	2.6
Shares acquired from the market	2.0	0.1
Shares acquired from the Hellenic Republic	3.0	0.4
Put option I (exercised on July 31, 2009)	5.0	0.7
Put option II	10.0	0.7
Dividend received from pre-acquisition profits		(0.1)
Purchase price	40.0	4.4

The total liability for put option II comprises the covered shares measured at market price as well as a market price premium. The carrying amounts of the liabilities for put option II are adjusted in each period in the event of changes in market price, as well as in the event that it is not exercised. As of the balance sheet date, liabilities for put option II adjusted for changes in market prices amounted to EUR 0.6 billion; accordingly, goodwill decreased by EUR 0.1 billion compared with the date of acquisition to EUR 2.4 billion.

The business combination with OTE resulted in the recognition of goodwill of EUR 2.5 billion as of the date of acquisition, determined on the basis of a preliminary purchase price allocation. This goodwill arises from synergies expected from the two companies, in particular due to integrated market approach and procurement.

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The fair values of OTE’s acquired assets, liabilities and contingent liabilities recognized at the date of acquisition and their carrying amounts immediately prior to the business combination are presented in the table below. Since the purchase price allocation is still preliminary, the amounts can be subject to change. As soon as the measurement has been finalized, the final purchase price allocation will be carried out.

	Fair value at acquisition date millions of €	Carrying amounts immediately prior to the business combination millions of €
Assets	16,674	14,567
Current assets	3,455	3,455
Cash and cash equivalents	1,580	1,580
Non-current assets and disposal groups held for sale	159	159
Other assets	1,716	1,716
Non-current assets	13,219	11,112
Intangible assets	5,346	4,751
Of which: goodwill	2,482	3,835
Property, plant and equipment	7,091	5,611
Other assets	782	750
Liabilities	9,854	9,441
Current liabilities	3,012	3,012
Financial liabilities	637	637
Trade and other payables	901	901
Liabilities directly associated with non-current assets and disposal groups held for sale	21	21
Other liabilities	1,453	1,453
Non-current liabilities	6,842	6,429
Financial liabilities	5,133	5,411
Other liabilities	1,709	1,018

Following the developments in the economy overall during the fourth quarter of 2008 and the associated increase in the volatility of the discount rates, Deutsche Telekom tested the OTE investment for impairment at the end of 2008. This test resulted in Deutsche Telekom recognizing an impairment loss of EUR 0.5 billion on the carrying amount of OTE. The impairment loss was disclosed as a decrease in the goodwill when OTE was fully consolidated for the first time.

The supervisory authorities approved the acquisition of the stake in OTE subject to the requirement to sell Cosmofon, OTE’s Macedonian subsidiary. Cosmofon was sold as of May 12, 2009 and is therefore no longer included in the consolidated balance sheet as of the reporting date.

OTE was included in Deutsche Telekom’s consolidated financial statements for the first time as of February 6, 2009. Net revenue increased by EUR 3,934 million in the reporting period as a result of the acquisition of OTE. Had the business combination already occurred on January 1, 2009, Deutsche Telekom's net revenue would have been EUR 499 million higher. Deutsche Telekom's profit for the current period includes a profit at OTE of EUR 75 million.

Had the business combination already occurred on January 1, 2009, the profit would have been EUR 24 million higher.

Changes in the composition of the Group.

In the past year, Deutsche Telekom acquired and disposed of interests in various companies that were not yet, or were only partially, included in the consolidated financial statements for the first nine months of 2008. This primarily relates to SunCom, which was included in the consolidated financial statements for the first time as of February 22, 2008. Furthermore, DeTeImmobilien was deconsolidated effective September 30, 2008. The equity interest in CAP Customer Advantage Program GmbH was sold as of January 30, 2009. In addition, OTE was fully consolidated for the first time on February 6, 2009 upon implementation of the shareholders' agreement.

Effect of changes in the composition of the Group on the consolidated income statement for the first nine months of 2009.

	Germany millions of €	United States millions of €	Europe millions of €	Southern and Eastern Europe millions of €	Systems Solutions millions of €	Group Headquarters & Shared Services millions of €	Total millions of €
Net revenue	(23)	102	0	3,906	7	5	3,997
Cost of sales	6	(42)	0	(2,318)	(10)	(78)	(2,442)
Gross profit (loss)	(17)	60	0	1,588	(3)	(73)	1,555
Selling expenses	16	(39)	0	(865)	2	1	(885)
General and administrative expenses	3	(4)	0	(336)	1	81	(255)
Other operating income	(1)	0	0	26	(1)	29	53
Other operating expenses	0	0	0	(10)	0	6	(4)
Profit (loss) from operations	1	17	0	403	(1)	44	464
Finance costs	(3)	0	0	(215)	0	(9)	(227)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	0	0	0	0	0	0	0
Other financial income (expense)	(1)	0	0	(3)	0	(6)	(10)
Profit (loss) from financial activities	(4)	0	0	(218)	0	(15)	(237)
Profit (loss) before income taxes	(3)	17	0	185	(1)	29	227
Income taxes	0	(6)	0	(135)	1	(6)	(146)
Profit (loss)	(3)	11	0	50	0	23	81

Selected notes to the consolidated income statement.

Net revenue.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1 - Q3 2008 millions of €	Change %	FY 2008 millions of €
Net revenue	16,262	15,454	5.2	48,402	45,557	6.2	61,666

In the first nine months of the 2009 financial year, Deutsche Telekom generated a year-on-year revenue increase of EUR 2.8 billion or 6.2 percent. The first-time full consolidation of the OTE group was the primary driver behind the rise, contributing EUR 3.9 billion. Adjusted for the effects of changes in the consolidated group (EUR 4.0 billion) and positive exchange rate effects (EUR 0.2 billion), net revenue was below the prior-year level.

Revenue in Deutsche Telekom's operating segments developed as follows:

The Germany operating segment recorded a 3.9-percent decrease in revenue year-on-year to EUR 19.0 billion, mainly due to line losses resulting from increased competition in the fixed network and regulatory pricing measures in the fixed network and mobile communications sectors.

The EUR 1.2 billion revenue increase in the United States operating segment in the first nine months of the financial year was primarily the result of positive exchange rate effects from the translation of U.S. dollars to euros. Adjusted for exchange rate effects revenue decreased slightly, due above all to lower revenue per customer.

Revenue from the Europe operating segment declined by EUR 1.0 billion or 11.7 percent year-on-year to EUR 7.6 billion. EUR 0.8 billion of this decline was caused by exchange rate effects from the translation of pounds sterling, Polish zlotys and Czech korunas to euros. The strained macroeconomic situation and strong competitive pressure continue to impact negatively on revenue.

Revenue in the Southern and Eastern Europe operating segment increased by EUR 3.6 billion year-on-year mainly as a result of the first-time full consolidation of OTE. By contrast, revenue in Hungary decreased by EUR 0.3 billion, EUR 0.2 billion of which was due to negative exchange rate effects.

The Systems Solutions operating segment recorded a revenue decrease of EUR 0.3 billion or 5.0 percent, largely due to lower revenues in the Systems Integration and Telecommunications units as a result of increased competition.

Cost of sales.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Cost of sales	(9,224)	(8,248)	(11.8)	(26,876)	(24,912)	(7.9)	(34,592)

The EUR 2.0 billion increase in cost of sales year-on-year is mainly attributable to the first-time full consolidation of OTE, which contributed EUR 2.3 billion to the Group's cost of sales in the first nine months of the financial year. Furthermore, higher sales of higher value products and the roll-out of the 2G and 3G networks increased costs in the United States operating segment. Exchange rate effects of EUR 0.6 billion also increased cost of sales in the United States operating segment.

Sales-related declines in cost of sales, in particular in the Germany, Europe and Systems Solutions operating segments and at Group Headquarters & Shared Services, impacted the Group by a total of EUR 0.5 billion. Positive exchange rate effects of EUR 0.5 billion in the Europe operating segment and EUR 0.1 billion in the Southern and Eastern Europe operating segment arising from the translation of pounds sterling, Polish zlotys, Czech korunas and Hungarian forints to euros also reduced the cost of sales.

Selling expenses.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Selling expenses	(3,697)	(3,948)	6.4	(11,752)	(11,467)	(2.5)	(15,952)

Selling expenses increased by EUR 0.3 billion compared with the same period in the prior year.

The first-time full consolidation of OTE contributed EUR 0.9 billion to this increase; exchange rate effects also had a negative impact of EUR 0.2 billion.

In the Germany operating segment, cost cuts in operational sales and accounts receivable management reduced selling expenses by EUR 0.6 billion. The Group's marketing expenses decreased by EUR 0.2 billion.

General and administrative expenses.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
General and administrative expenses	(983)	(1,230)	20.1	(3,588)	(3,563)	(0.7)	(4,821)

General and administrative expenses in the Group remained at the prior-year level. The effect from the first-time full consolidation of OTE of EUR 0.3 billion was offset by savings measures. Exchange rate effects played a minor role in this development.

Other operating income / expenses.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Other operating income	391	600	(34.8)	1,031	1,613	(36.1)	1,971
Other operating expenses	(251)	(315)	20.3	(2,463)	(749)	n.a.	(1,232)

Other operating income decreased by EUR 0.6 billion compared with the first nine months of 2008. The decline was mainly attributable to lower income from disposals. In the previous year, this item included a gain on the disposal of Media&Broadcast.

Other operating expenses rose by EUR 1.7 billion compared with the first nine months of 2008. This increase was mainly attributable to an impairment loss on the goodwill of the cash generating unit T-Mobile UK amounting to EUR 1.8 billion that was recorded in the first quarter of 2009. For further details, please refer to the "Depreciation, amortization and impairment losses" section.

Profit (loss) from financial activities.

	Q3 2009 millions of €	Q3 2008 millions of €	Change´ %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Profit (loss) from financial activities	(802)	(679)	(18.1)	(2,559)	(2,332)	(9.7)	(3,588)
Finance costs	(668)	(556)	(20.1)	(1,935)	(1,898)	(1.9)	(2,487)
Interest income	68	81	(16.0)	259	239	8.4	408
Interest expense	(736)	(637)	(15.5)	(2,194)	(2,137)	(2.7)	(2,895)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	7	60	(88.3)	21	76	(72.4)	(388)
Other financial income (expense)	(141)	(183)	23.0	(645)	(510)	(26.5)	(713)

The increase of EUR 0.2 billion in the loss from financial activities compared with the prior-year period is mainly attributable to an increase in other financial expense.

Finance costs were subject to two offsetting effects. On the one hand, interest expense increased in the first nine months of 2009 due to the first-time full consolidation of OTE in the consolidated financial statements. On the other hand, the downgrade of Deutsche Telekom's rating in 2008 and the resulting adjustments to carrying amounts for a number of bonds with rating-linked coupons had a one-time impact on interest expense in the prior-year period.

The EUR 0.1 billion increase in other financial expense compared with the prior-year period is mainly attributable to higher interest rate expenses on provisions and liabilities.

Income taxes.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Income taxes	(551)	(553)	0.4	(1,378)	(1,459)	5.6	(1,428)

Despite significantly lower profit/loss before income taxes, income tax expense only decreased slightly compared with the prior-year period. This relatively small decrease in income tax expense is attributable to an impairment of goodwill in the first quarter of 2009 that has no tax effect.

Other disclosures.

Personnel.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Personnel costs	(3,544)	(3,286)	(7.9)	(10,497)	(10,063)	(4.3)	(14,078)
Average number of employees	260,497	235,970	10.4	256,734	236,752	8.4	234,887

	Sept. 30, 2009	Dec. 31, 2008	Change	Change %	Sept. 30, 2008
Number of employees at balance sheet date	259,973	227,747	32,226	14.1	230,079
Domestic	130,429	131,713	(1,284)	(1.0)	135,701
International	129,544	96,034	33,510	34.9	94,378
Non-civil servants	229,377	195,634	33,743	17.2	196,940
Civil servants (domestic)	30,596	32,113	(1,517)	(4.7)	33,139
Trainees and student interns at balance sheet date	10,575	11,668	(1,093)	(9.4)	11,605

Personnel costs increased by EUR 0.4 billion year-on-year in the first nine months of 2009. The decrease resulting from personnel reductions in Germany was more than offset by the first-time full consolidation of OTE and the retail distribution growth at T-Mobile USA. These factors had a corresponding effect on the average number of employees. The increase in the number of employees at the balance sheet date was primarily caused by the first-time full inclusion of OTE.

Depreciation, amortization and impairment losses.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Amortization and impairment of intangible assets	(865)	(783)	(10.5)	(4,340)	(2,332)	(86.1)	(3,397)
Of which: UMTS licenses	(193)	(217)	11.1	(616)	(655)	6.0	(868)
Of which: U.S. mobile communications licenses	-	-	-	-	(21)	n.a.	(21)
Of which: goodwill	(11)	-	n.a.	(1,817)	-	n.a.	(289)
Depreciation and impairment of property, plant and equipment	(2,031)	(1,798)	(13.0)	(6,269)	(5,604)	(11.9)	(7,578)
Total depreciation, amortization and impairment losses	(2,896)	(2,581)	(12.2)	(10,609)	(7,936)	(33.7)	(10,975)

Depreciation, amortization and impairment losses in the Group increased year-on-year due to the first-time full consolidation of OTE and to an impairment loss amounting to EUR 1.8 billion that was recognized on the goodwill of the cash generating unit T-Mobile UK in the first quarter of 2009. Events or circumstances that resulted in this impairment loss to be recognized at the cash-generating unit T-Mobile UK in the former operating segment Mobile Communications Europe in the first quarter of 2009 primarily include the major economic slowdown and more intense competition in the United Kingdom. Lower roaming revenues and new regulation of roaming and termination charges had a negative impact on revenue at the time of the impairment. Increased termination charges for the use of third-party mobile communications networks and high customer acquisition and retention expenses raised the cost base.

Selected notes to the consolidated balance sheet.

Cash and cash equivalents.

Cash and cash equivalents increased from EUR 3.0 billion to EUR 6.1 billion as of September 30, 2009. This increase was primarily attributable to the first-time full consolidation of OTE, together with its cash and cash equivalents, in the consolidated financial statements, free cash flow, and net proceeds from the issue of financial liabilities. These factors were partially offset by dividend payments and the acquisition of additional shares in OTE. Detailed information can be found in the consolidated cash flow statement.

Non-current assets and disposal groups held for sale.

As of September 30, 2009, current assets recognized in the consolidated balance sheet included EUR 6.4 billion in non-current assets and disposal groups held for sale and directly associated liabilities totaling EUR 1.4 billion. The following table sets out the major classes of assets and liabilities classified as held for sale:

Major classes of assets and liabilities classified as held for sale:

	T-Mobile UK Europe operating segment millions of €	Deutsche Telekom AG real estate portfolio Group Headquarters & Shared Services millions of €	Other millions of €	Sept. 30, 2009 millions of €
Current assets	586	0	0	586
Trade and other receivables	346	0	0	346
Other current assets	240	0	0	240
Non-current assets	5,615	120	81	5,816
Intangible assets	3,721	0	31	3,752
Property, plant and equipment	1,527	120	50	1,697
Other non-current assets	367	0	0	367
Non-current assets and disposal groups held for sale	6,201	120	81	6,402
Current liabilities	766	0	0	766
Trade and other payables	527	0	0	527
Other current liabilities	239	0	0	239
Non-current liabilities	592	0	0	592
Liabilities directly associated with non-current assets and disposal groups held for sale	1,358	0	0	1,358

T-Mobile UK.

On September 8, 2009, Deutsche Telekom AG and France Télécom SA announced that they had entered into exclusive negotiations to combine T-Mobile UK and Orange UK into a joint venture company in which the two companies would hold 50 percent each. After completion of the transaction, Deutsche Telekom AG would account for its share in the joint venture using the equity method. The entire transaction is subject to approval by the relevant competition authorities in particular. In addition to the assets and liabilities shown in the table above, EUR -2.2 billion (currency translation of foreign subsidiaries) of the total other comprehensive income reported as of September 30, 2009 is attributable to T-Mobile UK.

Deutsche Telekom AG’s real estate portfolio.

Real estate amounting to EUR 0.2 billion (December 31, 2008: EUR 0.4 billion) was shown as held for sale in the consolidated balance sheet at the reporting date as a result of measures to make the use of floor space more efficient, especially in technical facilities. This primarily relates to real estate owned by Deutsche Telekom AG. Impairment losses of EUR 0.1 billion were expensed in the first nine months of 2009 in connection with the reclassification of real estate. Given the current difficult market environment for real estate, Deutsche Telekom does not anticipate disposal of certain land and buildings intended for sale in the near future. According to the relevant accounting regulations (IFRS 5), this real estate at Group Headquarters & Shared Services was no longer permitted to be recognized on the consolidated balance sheet as held for sale and had to be reclassified as non-current assets and measured at the lower of amortized cost and recoverable amount. The resulting measurement differences of EUR 0.1 billion have been recognized under “Other operating income” in the income statement.

Intangible assets and property, plant and equipment.

	Sept. 30, 2009 millions of €	Dec. 31, 2008 millions of €	Change millions of €	Change %	Sept. 30, 2008 millions of €
Intangible assets	51,837	53,927	(2,090)	(3.9)	55,293
Of which: UMTS licenses	6,710	10,005	(3,295)	(32.9)	10,899
Of which: U.S. mobile communications licenses	16,806	17,666	(860)	(4.9)	17,112
Of which: goodwill	20,788	20,626	162	0.8	21,729
Property, plant and equipment	45,320	41,559	3,761	9.0	41,502

The decrease in intangible assets of EUR 2.1 billion largely results from the effect of the change in presentation of T-Mobile UK now classified as held for sale totaling EUR 3.7 billion and from amortization and impairment losses of EUR 4.3 billion as well as exchange rate effects of EUR 0.7 billion. The figure for amortization and impairment losses includes an impairment loss of EUR 1.8 billion on the goodwill of the cash generating unit T-Mobile UK from the first quarter of 2009. These effects are partially offset by additions from the first-time full consolidation of OTE and additions from investing activities, amounting to EUR 6.4 billion in total.

Additions to the carrying amounts of property, plant and equipment mainly relate to additions from the first-time full consolidation of OTE and capital expenditure, totaling EUR 12.2 billion. These additions are partially offset by depreciation of EUR 6.3 billion as well as the effect of the change in presentation of T-Mobile UK now classified as held for sale, amounting to EUR 1.5 billion.

Additions to assets.

	Q3 2009 millions of €	Q3 2008 millions of €	Change %	Q1-Q3 2009 millions of €	Q1-Q3 2008 millions of €	Change %	FY 2008 millions of €
Additions to assets	2,027	2,166	(6.4)	8,713	6,480	34.5	10,117
Intangible assets	445	457	(2.6)	3,536	1,896	86.5	2,740
Property, plant and equipment	1,582	1,709	(7.4)	5,177	4,584	12.9	7,377

The increase in investment volume compared with the first nine months of 2008 resulted mainly from goodwill recognized in connection with the first-time consolidation of OTE amounting to EUR 2.4 billion. In the prior-year period, a goodwill from the first-time full inclusion of SunCom was recorded (EUR 0.9 billion).

Additions to assets in the reporting period relate to effects from the first-time full inclusion of the OTE group in the Southern and Eastern Europe operating segment as well as network roll-out in the United States and Germany operating segments.

Investments accounted for using the equity method.
Deutsche Telekom fully consolidated OTE for the first time as of February 6, 2009. Until that date, the existing shares in OTE were carried as an investment accounted for using the equity method. For further details relating to the acquisition of OTE, please refer to the "Business combinations" section.

Financial liabilities.

	Sept. 30, 2009 millions of €	Due ≤1 year millions of €	Due >1 years ≤3 years millions of €	Due >3 years ≤5 years millions of €	Due > 5 years millions of €
Bonds and other securitized liabilities	40,572	6,342	10,611	7,626	15,993

Liabilities to banks	4,617	856	1,107	1,608	1,046
Lease liabilities	1,943	130	220	233	1,360
Liabilities to non-banks from promissory notes	1,037	-	-	164	873
Other interest-bearing liabilities	644	301	140	84	119
Other non-interest-bearing liabilities	3,534	3,451	79	1	3
Derivative financial liabilities	1,120	369	308	200	243
Financial liabilities	53,467	11,449	12,465	9,916	19,637

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Shareholders' equity: Disclosure of tax effects relating to each component of "Other comprehensive income."

	Q1 – Q3 2009			Q1 – Q3 2008		
	Before tax amount millions of €	Tax (expense) benefit millions of €	Net of tax amount millions of €	Before tax amount millions of €	Tax (expense) benefit millions of €	Net of tax amount millions of €
Actuarial gains and losses	(490)	133	(357)	-	-	-
Revaluation due to business combinations	(33)	0	(33)	0	0	0
Exchange differences on translation of foreign subsidiaries	(578)	0	(578)	718	0	718
Available-for-sale financial assets	5	(2)	3	1	0	1
Of which: recognized in income statement	0	0	0	0	0	0
Fair value measurement of hedging instruments	(69)	31	(38)	78	(25)	53
Of which: recognized in income statement	(4)	2	(2)	(14)	(2)	(16)
Other income and expense recognized directly in equity	11	0	11	4	1	5
Other comprehensive income	(1,154)	162	(992)	801	(24)	777
Profit (loss)			817			2,688
Total comprehensive income			(175)			3,465

Contingencies.

There were no significant changes at September 30, 2009 to the contingencies reported in the 2008 consolidated financial statements, with the exception of the following matters.

T-Online appraisal rights proceedings.

After the merger of T-Online International AG into Deutsche Telekom AG became effective on June 6, 2006, Deutsche Telekom AG was served around 250 applications for a court review of the fairness of the exchange ratio stipulated in the merger agreement dated May 8, 2005. Under the German Reorganization and Transformation Act (Umwandlungsgesetz), former shareholders of T-Online can request the Frankfurt/Main Regional Court to review the fairness of the exchange ratio in the course of appraisal rights proceedings (Spruchverfahren). The court ruled on March 13, 2009 that the exchange ratio for the T-Online shares was not fair and deemed a supplementary payment of EUR 1.15 per share fair. This decision is not yet final and legally binding. Deutsche Telekom filed an appeal (sofortige Beschwerde) against the ruling immediately and within the stipulated period. Because the complaints do not stipulate a precise numerical claim, but rather target a supplementary cash payment in the amount deemed appropriate by the court, it is not possible at present to estimate whether Deutsche Telekom will be ordered to make a supplementary payment and if so, in what amount. Deutsche Telekom believes the plaintiffs' claims are unfounded. However, should the current ruling of the Regional Court of Frankfurt/Main become legally binding and Deutsche Telekom be ordered to make a supplementary payment of EUR 1.15 per share to the former shareholders of T-Online, this could result in a payment of approximately EUR 0.2 billion. The amount of EUR 1.15 per share is a possible, but not the most probable outcomein the event that the Higher Regional Court determines that there is to be a supplementary cash payment. It is also possible that in this event the Higher Regional Court will call in an expert consultant to conduct a partial or full revaluation. The expert consultant's (partial) revaluation may result in no supplementary cash payment at all, but may also result in a higher payment than EUR 1.15 per share.

1999 / 2001 ULL rate approvals.

Under the rulings dated November 27, 2008 and August 27, 2009, the Cologne Administrative Court revoked the Federal Network Agency's ULL approvals of monthly charges for the period from February 1999 to March 2001 (1999 ULL), and monthly charges and one-time charges for the period from April 2001 to March 2003 (2001 ULL). The Administrative Court criticized the Federal Network Agency's calculation method in each of its rulings. Leave to appeal against the rulings was refused. The Federal Network Agency and Deutsche Telekom therefore filed complaints with the German Federal Administrative Court against the refusal of permission to appeal the rulings. The German Federal Administrative Court rejected the complaints against non-allowance of appeal for the 1999 ULL in a ruling on October 5, 2009 and a letter of October 12, 2009. The original rate application has therefore been revived. The German Federal Administrative Court has not yet ruled on the complaints against non-allowance of appeal for the 2001 ULL. The Federal Network Agency must now decide again on Deutsche Telekom's rate approval applications for 1999 ULL and, where necessary, use different calculation methods. It is not possible at present to estimate whether these decisions will require Deutsche Telekom to make payments or price adjustments and if so, in what amount.

Executive bodies.

In agreement with the Supervisory Board, Dr. Karl-Gerhard Eick resigned his seat on the Board of Management with effect from midnight on February 28, 2009.

At the Supervisory Board meeting on February 26, 2009, the Supervisory Board appointed Timotheus Höttges as the new Member of the Board of Management for Finance effective March 1, 2009 and Niek Jan van Damme as the new Member of the Board of Management for T-Home, Sales and Service, also effective March 1, 2009. The establishment of a new Board of Management department for Southern and Eastern Europe with effect from March 1, 2009 was also approved at the meeting on February 26, 2009 to account for the growing significance of the Southern and Eastern European region and to bundle responsibility for the existing, integrated operations in the region following the take-over of management control of the Greek company OTE. This department is headed by Guido Kerkhoff, who was appointed to the Group Board of Management effective March 1, 2009.

On April 29, 2009, the Supervisory Board decided to merge responsibility for standard fixed-network and mobile communications business for consumers and business customers in Germany into a single Board of Management department – "Germany" – with effect from July 1, 2009. This department is headed by Niek Jan van Damme. Reinhard Clemens retains responsibility for the ICT solution business with corporate customers – T-Systems. In addition, the Chief Operating Officer’s department was established, which is led by Hamid Akhavan, effective July 1, 2009. This new department brings together the responsibility for technology, IT, procurement, products and innovations for standard business for consumers and business customers in the Group. Hamid Akhavan is also responsible for the Group’s mobile communications subsidiaries in the United Kingdom, the Netherlands, Austria, the Czech Republic and Poland.

Significant events after the balance sheet date (September 30, 2009).

COSMOTE group completes the acquisition of Zapp in Romania.

On October 29, 2009, the Romanian authorities approved the takeover of 100 percent of Telemobil S.A (Zapp). The COSMOTE group has signed an agreement in Bucharest for the takeover of Telemobil S.A. (Zapp). The enterprise value, and therefore the value of the Zapp shares, is estimated at around EUR 61 million. COSMOTE will also take over the financial and other liabilities of Zapp, estimated at EUR 146 million and mainly relating to the roll-out of the 3G and CDMA networks. Zapp is the oldest mobile communications provider in the Romanian market. The 3G network currently covers 23 cities in Romania. Zapp generated revenue of EUR 61 million in 2008 with over 374,000 contract customers.

Selected notes to the consolidated cash flow statement.

Net cash from operating activities.

Net cash from operating activities amounted to EUR 11.8 billion in the reporting period, an increase of EUR 0.5 billion over the prior year period. While cash generated from operations improved by EUR 0.8 billion, net interest paid increased by EUR 0.3 billion. The increase in cash generated from operations is the result of several factors, some of which offset each other. Consolidated profit from operations decreased by EUR 1.9 billion year on year. This decrease was caused in part by an increase of year on year EUR 2.7 million depreciation, amortization and impairment losses, which do not affect cash flow, and the gains on disposals of fully consolidated companies in the amount of EUR 0.4 billion. The change in assets carried as working capital increased by EUR 0.9 billion, mainly as a result of inflows of EUR 0.8 billion from the sale of receivables (factoring). By contrast, the changes in provisions and other liabilities carried as working capital decreased by EUR 1.2 billion year-on-year, mainly due to higher cash outflows for restructuring measures and increased utilization of provisions for personnel costs and provisions for litigation risks and dealers' commissions. In addition, income tax payments increased by EUR 0.4 billion year-on-year, in particular as a result of the first-time full consolidation of OTE from February 2009. The increase in net interest paid is also largely attributable to this effect.

Net cash used in investing activities.

Net cash used in investing activities totaled EUR 6.0 billion as compared with EUR 8.9 billion in the same period of the previous year. This development was mainly due to the addition of OTE’s cash and cash equivalents amounting to EUR 1.6 billion as part of the first-time full consolidation of OTE, whereas the prior-year period saw outflows for the acquisition of shares in OTE amounting to EUR 2.6 billion. Cash outflows for intangible assets and property, plant and equipment, however, increased by EUR 1.2 billion, primarily as a result of the network roll-out in the United States and, to a lesser extent, the United Kingdom.

The net cash effect for investments in fully consolidated companies increased by EUR 0.3 billion. Whereas cash outflows amounting to EUR 1.0 billion for the acquisition of SunCom and cash inflows of EUR 0.7 billion from the sale of Media&Broadcast were recorded in the first three quarters of 2008, the first nine months of 2009 saw cash outflows of EUR 0.7 billion largely for the acquisition of additional shares in OTE in connection with put option I, and cash inflows of EUR 0.1 billion from the sale of Cosmofon.

Net cash used in financing activities.

Net cash used in financing activities amounted to EUR 2.8 billion in the first three quarters of 2009, compared with EUR 1.5 billion in the prior-year period.

This change was mostly attributable to EUR 0.9 billion lower year-on-year net proceeds from the issue of non-current financial liabilities. In addition, dividend payments increased by EUR 0.4 billion compared with 2008, in particular as a result of the first-time full consolidation of OTE in February 2009 and higher dividend payments at Slovak Telekom. The considerable decrease in issuance and repayment of current financial liabilities year-on-year is primarily attributable to the issuance of commercial papers in the first nine months of 2009 to finance short-term liquidity needs compared with the many drawdowns on credit lines in the prior-year period.

The issue of financial liabilities in first nine months of 2009 consisted in particular of the issue of a Eurobond for EUR 2.0 billion, medium-term notes for EUR 2.0 billion, a U.S. dollar bond for EUR 1.1 billion, and promissory notes for EUR 0.2 billion. Medium-term notes for an amount of EUR 2.2 billion, a U.S. dollar bond for an amount of EUR 0.7 billion, commercial papers for a net amount of EUR 0.5 billion, and promissory notes and other loans for EUR 0.2 billion were repaid during the same period.

Segment reporting.

Since July 1, 2009, Deutsche Telekom's organizational structure has reflected the realigned management structure approved by the Supervisory Board on April 29, 2009. The new structure increases regional market responsibility in the combined fixed-network and mobile communications business. The realignment also resulted in a change to the structure of the operating segments from July 1, 2009. Since July 1, 2009, Deutsche Telekom has reported on the five operating segments Germany, United States, Europe, Southern and Eastern Europe, and Systems Solutions as well as on Group Headquarters & Shared Services.

The business activities in four of these five operating segments are assigned by regions and in the fifth by customers and products.

The Germany operating segment comprises all fixed-network and mobile activities in Germany. In addition, the operating segment 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 covers all activities of the mobile communications companies in the United Kingdom, Poland, the Netherlands, the Czech Republic and Austria, as well as the International Carrier Sales and Services unit, which provides wholesale telecommunications services for the Group’s other operating segments. The Southern and Eastern Europe operating segment comprises fixed-network and mobile communications operations of the national companies in Hungary, Croatia, Slovakia, Greece, Romania, Bulgaria, Albania, Macedonia, and Montenegro.

Fixed-network business includes 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. Handsets and other hardware are sold in connection with the services offered. In addition, T-Mobile services are sold to resellers and to companies that buy network services and market them independently to third parties (MVNOs).

The Systems Solutions operating segment bundles business with ICT products and solutions for large multinational corporations under the T-Systems brand. The operating segment offers its customers information and communication technology (ICT) from a single source. It develops and operates infrastructure and industry solutions for multinational corporations and public institutions. The products and services offered range from standard products and IP-based high-performance networks through to complete ICT solutions.

Group Headquarters & Shared Services comprises Service Headquarters and those subsidiaries of Deutsche Telekom AG that are not allocated to the operating segments.

The around 160,000 business customers of the Systems Solutions operating segment (called the Business Customers operating segment until December 31, 2008), which were transferred to the Broadband/Fixed Network operating segment as of January 1, 2009, have been included in the Germany operating segment since July 1, 2009.

All of the information presented here has been incorporated into the following tables, and prior-year and comparative figures have been adjusted accordingly.

The following tables give an overall summary of Deutsche Telekom's operating segments and Group Headquarters & Shared Services for the third quarters and the first nine months of the years 2009 and 2008, as well as for the full 2008 financial year. Segment reporting further includes a reconciliation of the total profit/loss of the segments to the

Group's profit/loss for the respective periods.

Segment information in the quarters.

Q3 2009 Q3 2008	Net revenue millions of €	Intersegment revenue millions of €	Total revenue millions of €	Profit (loss) from opera tions millions of €	Depreciation and amortization millions of €	Impairment losses millions of €	Segment assets millions of €	Investments accounted for using the equity method millions of €
Germany	6,008	463	6,471	1,409	(1,037)	-	29,600	23
	6,160	441	6,601	1,528	(1,017)	(2)	31,156	17
United States	3,755	3	3,758	595	(492)	(2)	32,693	18
	3,653	4	3,657	570	(447)	-	32,763	15
Europe	2,405	147	2,552	349	(389)	-	16,321	0
	2,791	149	2,940	201	(548)	-	20,671	14
Southern and Eastern Europe	2,564	52	2,616	462	(608)	(12)	21,784	52
	1,215	50	1,265	371	(211)	(1)	8,811	66
Systems Solutions	1,467	658	2,125	16	(167)	-	6,720	54
	1,553	740	2,293	(11)	(190)	(1)	7,072	26
Group	63	530	593	(311)	(166)	(33)	10,345	0
Headquarters & Shared Services	82	666	748	(319)	(156)	(11)	10,681	2,683
Total	16,262	1,853	18,115	2,520	(2,859)	(47)	117,463	147
	15,454	2,050	17,504	2,340	(2,569)	(15)	111,154	2,821
Reconciliation	-	(1,853)	(1,853)	(22)	11	(1)	(3,294)	13
	-	(2,050)	(2,050)	(27)	1	2	(2,884)	(1)
Group	16,262	-	16,262	2,498	(2,848)	(48)	114,169	160
	15,454	-	15,454	2,313	(2,568)	(13)	108,270	2,820

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Segment information in the first nine months.

Q1 – Q3 2009 Q1 – Q3 2008	Net revenue millions of €	Intersegment revenue millions of €	Total revenue millions of €	Profit (loss) from opera-tions millions of €	Depreciation and amortization millions of €	Impairment losses millions of €	Segment assets millions of €	Investments accounted for using the equity method millions of €
Germany	17,828	1,194	19,022	4,008	(3,131)	(7)	29,600	23
	18,583	1,209	19,792	4,040	(3,119)	(2)	31,156	17
United States	11,802	11	11,813	1,779	(1,545)	(2)	32,693	18
	10,606	10	10,616	1,656	(1,316)	(21)	32,763	15
Europe	7,145	416	7,561	(1,211)	(1,282)	(1,803)	16,321	0
	8,142	417	8,559	486	(1,718)	-	20,671	14
Southern and Eastern Europe	6,965	131	7,096	1,203	(1,677)	(26)	21,784	52
	3,382	117	3,499	920	(648)	(4)	8,811	66
Systems Solutions	4,465	1,945	6,410	54	(517)	0	6,720	54
	4,595	2,149	6,744	407	(565)	(9)	7,072	26
Group	197	1,626	1,823	(964)	(486)	(162)	10,345	0
Headquarters & Shared Services	249	1,930	2,179	(900)	(467)	(91)	10,681	2,683
Total	48,402	5,323	53,725	4,869	(8,638)	(2,000)	117,463	147
	45,557	5,832	51,389	6,609	(7,833)	(127)	111,154	2,821
Reconciliation	-	(5,323)	(5,323)	(115)	30	(1)	(3,294)	13
	-	(5,832)	(5,832)	(130)	24	-	(2,884)	(1)
Group	48,402	-	48,402	4,754	(8,608)	(2,001)	114,169	160
	45,557	-	45,557	6,479	(7,809)	(127)	108,270	2,820

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Segment information for the 2008 financial year.

FY 2008	Net revenue millions of €	Inter-segment revenue millions of €	Total revenue millions of €	Profit (loss) from opera-tions millions of €	Depreciation and amortization millions of €	Impair-ment losses millions of €	Segment assets millions of €	Investments accounted for using the equity method millions of €
Germany	24,754	1,646	26,400	4,624	(4,164)	(16)	31,551	18
United States	14,942	15	14,957	2,299	(1,863)	(21)	34,302	14
Europe	10,798	556	11,354	496	(2,229)	(128)	17,988	3
Southern and Eastern Europe	4,497	148	4,645	915	(861)	(173)	8,428	65
Systems Solutions	6,368	2,975	9,343	81	(765)	(16)	6,863	46
Group Headquarters & Shared Services	307	2,474	2,781	(1,266)	(646)	(127)	10,625	3,411
Total	61,666	7,814	69,480	7,149	(10,528)	(481)	109,757	3,557
Reconciliation	-	(7,814)	(7,814)	(109)	33	1	(3,090)	0
Group	61,666	-	61,666	7,040	(10,495)	(480)	106,667	3,557

Reconciliation of the total profit (loss) from operations of the reporting segments to the Group's profit for the period.

	Q3 2009 millions of €	Q3 2008 millions of €	Q1-Q3 2009 millions of €	Q1 - Q3 2008 millions of €	FY 2008 millions of €
Total profit (loss) from operations of the reporting segments	2,520	2,340	4,869	6,609	7,149
Reconciliation to the Group	(22)	(27)	(115)	(130)	(109)
Profit from operations of the Group	2,498	2,313	4,754	6,479	7,040
Profit (loss) from financial activities	(802)	(679)	(2,559)	(2,332)	(3,588)
Profit before taxes	1,696	1,634	2,195	4,147	3,452
Income taxes	(551)	(553)	(1,378)	(1,459)	(1,428)
Profit	1,145	1,081	817	2,688	2,024

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DEUTSCHE TELEKOM AG

By:	/s/ Raphael Kübler
Name:	Raphael Kübler
Title:	Senior Vice President Controlling and Accounting

Date: November 5, 2009