

DEUTSCHE TELEKOM AG
Form 6-K
August 07, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2009

Commission file number 001-14540

Deutsche Telekom AG
(Translation of Registrant's Name into English)

Friedrich-Ebert-Allee 140,
53113 Bonn,
Germany
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

This report is deemed submitted and not filed pursuant to the rules and regulations of the Securities and Exchange Commission.

Edgar Filing: DEUTSCHE TELEKOM AG - Form 6-K

Deutsche Telekom at a glance.

	Q2 2009	Q2 2008	Change	H1 2009	H1 2008	Change	FY 2008
	millions of €	millions of €	%	millions of €	millions of €	%	millions of €
Net revenue	16,238	15,125	7.4	32,140	30,103	6.8	61,666
Domestic	6,817	7,184	(5.1)	13,760	14,438	(4.7)	28,885
International	9,421	7,941	18.6	18,380	15,665	17.3	32,781
EBIT (profit from operations)	2,012	1,868	7.7	2,256	4,166	(45.8)	7,040
Special factors affecting EBITa	(246)	(294)	16.3	(1,919)	(25)	n.a.	(1,780)
Adjusted EBITa	2,258	2,162	4.4	4,175	4,191	(0.4)	8,820
Adjusted EBITa margina (%)	13.9	14.3		13.0	13.9		14.3
Profit (loss) from financial activities	(1,015)	(976)	(4.0)	(1,757)	(1,653)	(6.3)	(3,588)
Profit before income taxes	997	892	11.8	499	2,513	(80.1)	3,452
Depreciation, amortization and impairment losses	(3,015)	(2,698)	(11.7)	(7,713)	(5,355)	(44.0)	(10,975)
EBITDAb	5,027	4,566	10.1	9,969	9,521	4.7	18,015
Special factors affecting EBITDAa,b	(231)	(284)	18.7	(101)	(15)	n.a.	(1,444)
Adjusted EBITDAa,b	5,258	4,850	8.4	10,070	9,536	5.6	19,459
Adjusted EBITDA margina,b (%)	32.4	32.1		31.3	31.7		31.6
Net profit (loss)	521	394	32.2	(603)	1,318	n.a.	1,483
Special factorsa	(235)	(239)	1.7	(2,014)	(65)	n.a.	(1,943)
Adjusted net profit (loss)a	756	633	19.4	1,411	1,383	2.0	3,426
Earnings per share/ADSc, basic/diluted (€)	0.12	0.09	33.3	(0.14)	0.30	n.a.	0.34
Cash capexd	(2,211)	(1,837)	(20.4)	(4,822)	(3,629)	(32.9)	(8,707)
Net cash from operating activities	3,512	3,682	(4.6)	6,478	7,013	(7.6)	15,368
Free cash flow (before dividend payments)e	1,404	1,963	(28.5)	1,820	3,592	(49.3)	7,033
Equity ratiof (%)	-	-		31.2	33.6		32.3
Net debte	-	-		44,966	40,559	10.9	38,158

Number of employees at balance sheet date.

	June 30, 2009	Mar. 31, 2009	Change June 30, 2009/ Mar. 31, 2009 %	Dec. 31, 2008	Change June 30, 2009/ Dec. 31, 2008 %	June 30, 2008	Change June 30, 2009/ June 30, 2008 %
Deutsche Telekom Group	261,373	260,798	0.2	227,747	14.8	235,794	10.8
Non-civil servants	229,990	228,928	0.5	195,634	17.6	202,151	13.8
Civil servants (Germany)	31,383	31,870	(1.5)	32,113	(2.3)	33,643	(6.7)

Number of fixed-network and mobile customers.

Change Change Change

Edgar Filing: DEUTSCHE TELEKOM AG - Form 6-K

		June 30, 2009	Mar. 31, 2009	June 30, 2009/ Mar. 31, 2009 %	Dec. 31, 2008	June 30, 2009/ Dec. 31, 2008 %	June 30, 2008	June 30, 2009/ June 30, 2008 %
Fixed-network lines ^{g,h}	(millions)	39.6	40.3	(1.7)	41.1	(3.6)	42.8	(7.5)
Broadband lines ^{i,h}	(millions)	17.2	17.0	1.2	16.7	3.0	16.0	7.5
Mobile customers ^j	(millions)	149.8	148.4	0.9	147.6	1.5	141.8	5.6

a For a detailed explanation of the special factors affecting EBIT, adjusted EBIT, the EBIT margin, and the special factors affecting EBITDA, adjusted EBITDA, the adjusted EBITDA margin and special factors affecting profit/loss after income taxes and the adjusted net profit, please refer to “Reconciliation of pro forma figures,” page 63 et seq.

b Deutsche Telekom defines EBITDA as profit/loss from operations before depreciation, amortization and impairment losses.

c One ADS (American Depositary Share) corresponds to one ordinary share of Deutsche Telekom AG.

d Investments in property, plant and equipment, and intangible assets (excluding goodwill) as shown in the cash flow statement.

e For detailed information and calculations, please refer to “Reconciliation of pro forma figures,” page 66 et seq.

f Based on shareholders’ equity excluding amounts earmarked for dividend payments, which are treated as current liabilities.

g Lines in operation. Telephone lines excluding internal use and public telecommunications, including wholesale services. Approximately 160,000 business customers have been included in the Broadband/Fixed Network operating segment since January 1, 2009. The presentation of the number of lines has been adjusted to reflect the business model of the Broadband/Fixed Network operating segment. For the purposes of equal treatment, internal use by the Systems Solutions segment is no longer included in the presentation of the number of lines. Prior-year figures have been adjusted accordingly.

h From February 2009, the fixed-network business of OTE Greece and Romtelecom (Romania) is included in the Broadband/Fixed-Network operating segment. Prior-year figures have been adjusted on a pro forma basis.

i Broadband lines in operation, including Germany and Southern and Eastern Europe.

j Number of customers of the fully consolidated mobile communications companies of the Mobile Communications Europe (including Virgin Mobile) and Mobile Communications USA segments. From February 2009, the mobile communications business of COSMOTE (entity of the OTE group) in Greece, Romania, Bulgaria and Albania is included in the Mobile Communications Europe operating segment. Prior-year figures have been adjusted on a pro forma basis.

Developments in the Group.

Net revenue of the Group increased by 6.8 percent year-on-year in the first half of 2009 to EUR 32.1 billion.

Domestic net revenue amounted to EUR 13.8 billion, less than in the first half of 2008. International net revenue increased year-on-year from EUR 15.7 billion to EUR 18.4 billion and the proportion of net revenue generated outside Germany increased from 52.0 percent to 57.2 percent.

Group EBITDA in the first half of 2009 amounted to EUR 10.0 billion compared with EUR 9.5 billion in the prior-year period. Group EBITDA adjusted for special factors¹ increased year-on-year from EUR 9.5 billion to EUR 10.1 billion.

Net loss amounted to EUR 0.6 billion in the first half of 2009, compared with a net profit of EUR 1.3 billion in the first half

of 2008.

Net profit adjusted for special factors¹ amounted to EUR 1.4 billion, slightly higher than in the first half of 2008.

Free cash flow² before dividend payments was at EUR 1.8 billion compared with EUR 3.6 billion in the first half of 2008.

Net debt³ increased by EUR 6.8 billion compared with the end of 2008 to EUR 45.0 billion. Net debt increased by EUR 4.3 billion due to the first-time full consolidation of OTE.

¹ For a detailed explanation of the special factors affecting EBITDA, adjusted EBITDA, special factors affecting profit/loss after income taxes and adjusted net profit, please refer to “Reconciliation of pro forma figures,” page 63 et seq.

² For the calculation of free cash flow, please refer to “Reconciliation of pro forma figures,” page 66.

³ For detailed information and calculations, please refer to “Reconciliation of pro forma figures,” page 67.

T-Share price performance.

Performance of the T-Share, Jan. 1 – June 30, 2009.

		June 30, 2009	June 30, 2008	Dec. 31, 2008
Xetra closing prices	(€)			
Exchange price at the balance sheet date		8.40	10.40	10.75
High (in the first six months)		11.39	15.55	11.87
Low (in the first six months)		7.93	10.02	9.00
Weighting of the T-Share in major stock indexes				
DAX 30	(%)			