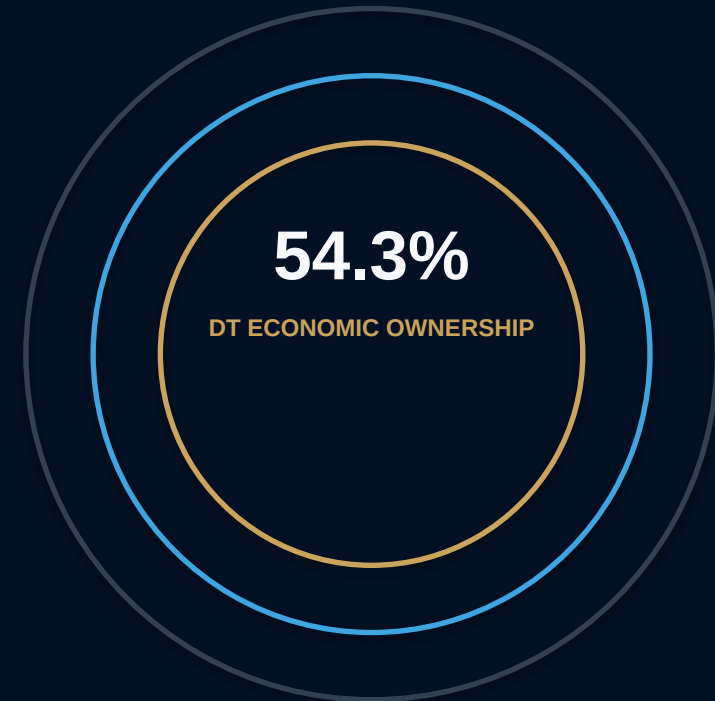


T-MOBILE, DEUTSCHE TELEKOM & THE VALUE OF A RESET

Why a compressed valuation premium changes buyback math —
and what it may signal for U.S. and European telecom M&A.



52.8% → 53.8% → 54.3%

Three numbers explain the story

T-Mobile's share-price reset matters because valuation, repurchases and ownership are now interacting.

2027 EV / EBITDA

~6.5x

TMUS versus ~6.3x for a blended AT&T / Verizon reference.

2027 P / E

~12.5x

TMUS versus ~9.4x blended T / VZ — a ~33% EPS multiple premium.

DT OWNERSHIP

54.3%

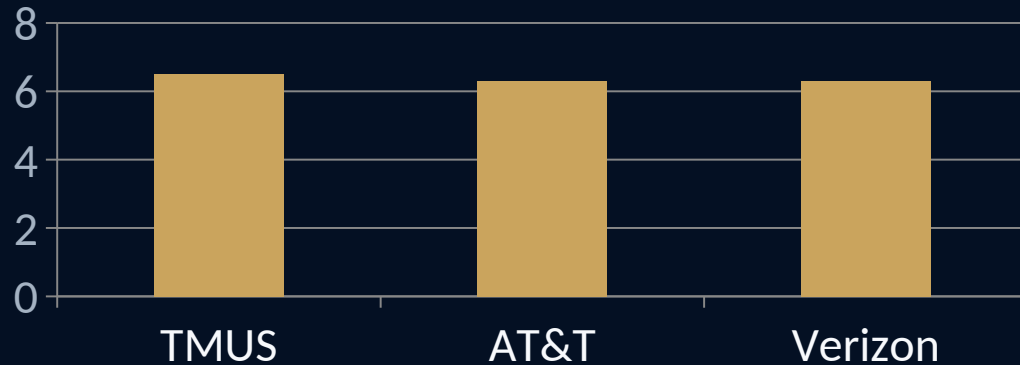
Up from 52.8% in February while DT said it did not plan to sell in 2026.

The key: TMUS is near peer valuation on EBITDA, but still carries a large premium on EPS.

Same EBITDA neighborhood. Different EPS premium.

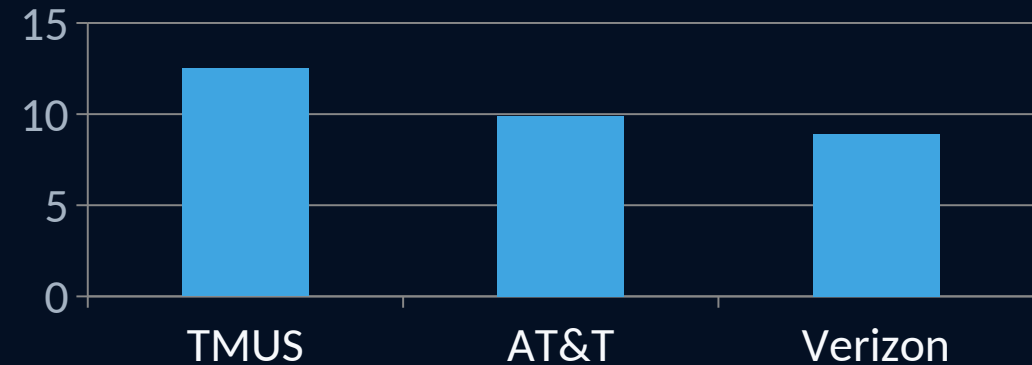
The market is valuing T-Mobile differently depending on which earnings lens is used.

2027 EV/EBITDA



EV / EBITDA: premium is only ~3%

2027 P/E



P / E: premium is ~33% vs. blended T / VZ

Premia view: the market has largely compressed T-Mobile's enterprise-value premium while still recognizing a materially stronger earnings-growth profile.

DT is gaining ownership by standing still

No additional purchase is required for DT's percentage to rise when TMUS retires other shareholders' stock.

STEP 1

DT HOLDS

DT stated it did not plan to sell TMUS shares in 2026.

STEP 2

TMUS BUYS

T-Mobile repurchases and retires shares held by other investors.

STEP 3

DT % RISES

A smaller denominator increases DT's percentage ownership.

THE RESULT

52.8% in February → 53.8% in April → 54.3% in July

DT can own more of T-Mobile without buying more T-Mobile.

Lower prices make an authorized buyback more efficient

The same dollar amount retires more shares as the market price declines.

AT \$200 / SHARE

5.0M

shares retired per \$1B

AT \$165 / SHARE

~6.1M

shares retired per \$1B

EFFICIENCY GAIN

~21%

more shares retired for the same capital

2026 DISCLOSED REPURCHASES THROUGH JULY 17

36.9M shares | ~\$7.45B spent | average purchase price declined from ~\$210 in Q1 to ~\$189 in Q2

The capital structure creates strategic optionality on both sides of the Atlantic

This is where the valuation and ownership story becomes relevant to telecom strategy.

UNITED STATES

MID-SIZE M&A

T-Mobile says more than \$22B of its capital envelope remains flexible for accretive organic or inorganic growth, deleveraging or additional shareholder returns.

Recent activity — UScellular, Lumos, Metronet, Vistar and Blis — shows a preference for targeted assets, JVs and capability expansion rather than one transformational transaction.

EUROPE

TELCO CONSOLIDATION

DT's growing percentage ownership preserves control of the U.S. growth engine. Reuters Breakingviews has identified European consolidation — including Poland, Slovakia and German broadband — as a potential strategic path.

A modest future TMUS stake reduction could theoretically fund European M&A while preserving control; this is analysis, not an announced DT plan.

PREMIA READ-THROUGH

U.S.: targeted infrastructure and capability deals remain plausible. **Europe:** DT's control position may support broader consolidation optionality.

Three conclusions — and one strategic consequence

The report can be reduced to this.

1 OWNERSHIP

DT GAINS BY STANDING STILL

TMUS retires shares. DT does not sell. DT's ownership percentage rises.

2 VALUATION

TWO MULTIPLES, TWO STORIES

Near-peer EV / EBITDA, but ~33% P/E premium to blended AT&T / Verizon.

3 OPTIONALITY

M&A REMAINS OPEN

Targeted U.S. M&A for TMUS; potential European consolidation for DT.

THE STRATEGIC CONSEQUENCE

A compressed TMUS valuation can make buybacks more efficient, increase DT's ownership percentage, and still leave both companies with meaningful capital-allocation flexibility for the next phase of telecom consolidation.