Dr. Thorsten Grenz, CEO

1st half 2005

August 8, 2005

mobilcom

Agenda

1. **mobilcom group in the 1st half 2005**
2. **Mobile Service Provider**
3. **Fixed Line/Internet**

mobilcom Group: Income Statement

[€ millions]

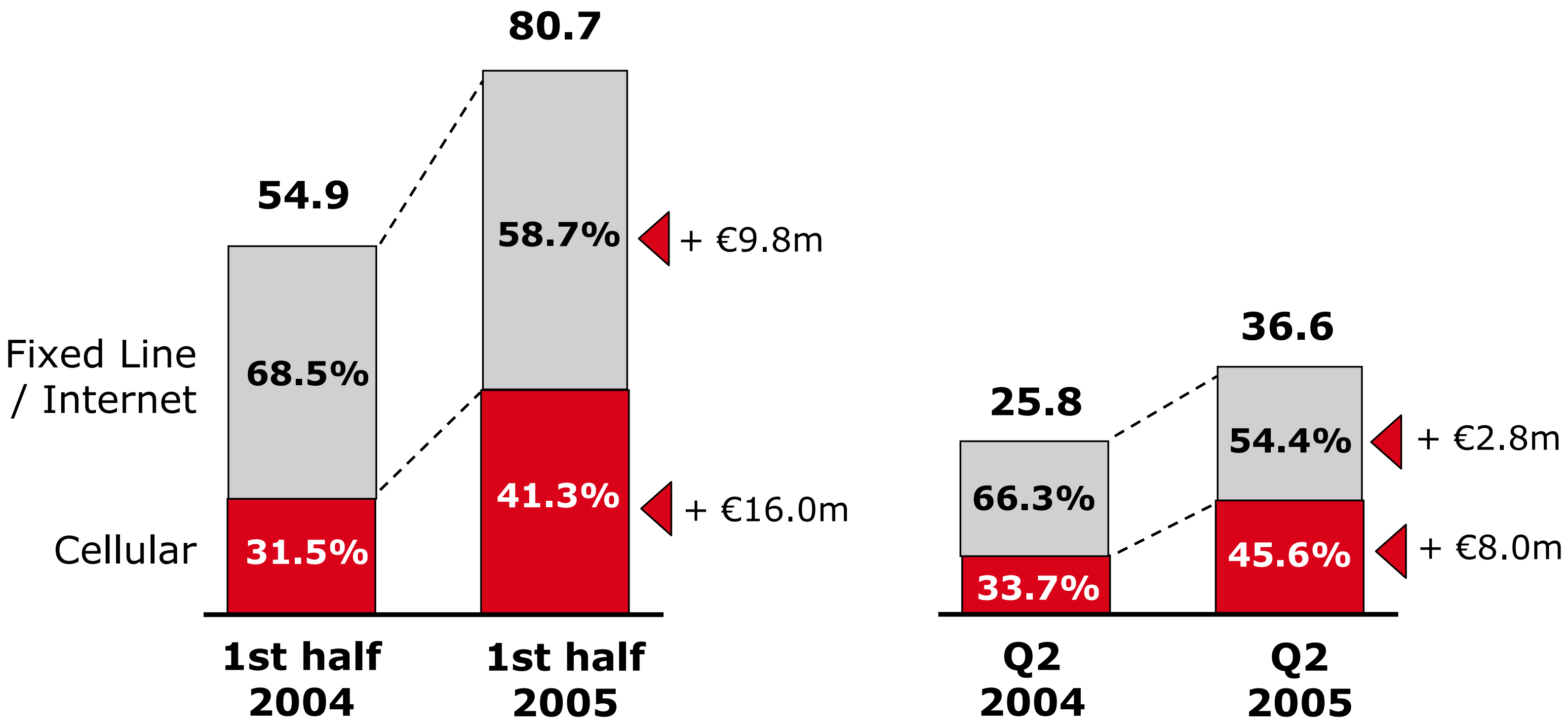
	Q2/05	Q2/04*	Diff.	1st HY/05	1st HY/04	Diff.
Revenue	**509.6**	**466.6**	**+43.0**	**960.2**	**934.3**	**+25.9**
Gross income	126.0	107.0	+19.0	250.3	224.0	+26.3
Margin	*24.7%*	*22.9%*	*+1.8%*	*26.1%*	*24.0%*	*2.1%*
EBITDA	**51.7**	**42.4**	**+9.3**	**108.9**	**88.2**	**+20.7**
Margin	*10.1%*	*9.1%*	*+1%*	*11.3%*	*9.4%*	*+1.9%*
Depr./amort.	- 15.2	-16.6	- 1.5	- 28.2	-33.3	- 5.1
EBIT	**36.6**	**25.8**	**+10.8**	**80.7**	**54.9**	**+25.8**
Margin	*7.2%*	*5.5%*	*+1.7%*	*8.4%*	*5.9%*	*2.5%*
Net income	**25.3**	**15.7**	**+9.6**	**53.6**	**32.7**	**20.9**
Minority interests	-6.2	-6.0	-0.2	-6.2	-9.2	-3.0

Record earnings posted for the half-year!

*adjusted based on IAS 1 and IFRS 2

mobilcom Group: EBIT by Business Unit

[€ millions]



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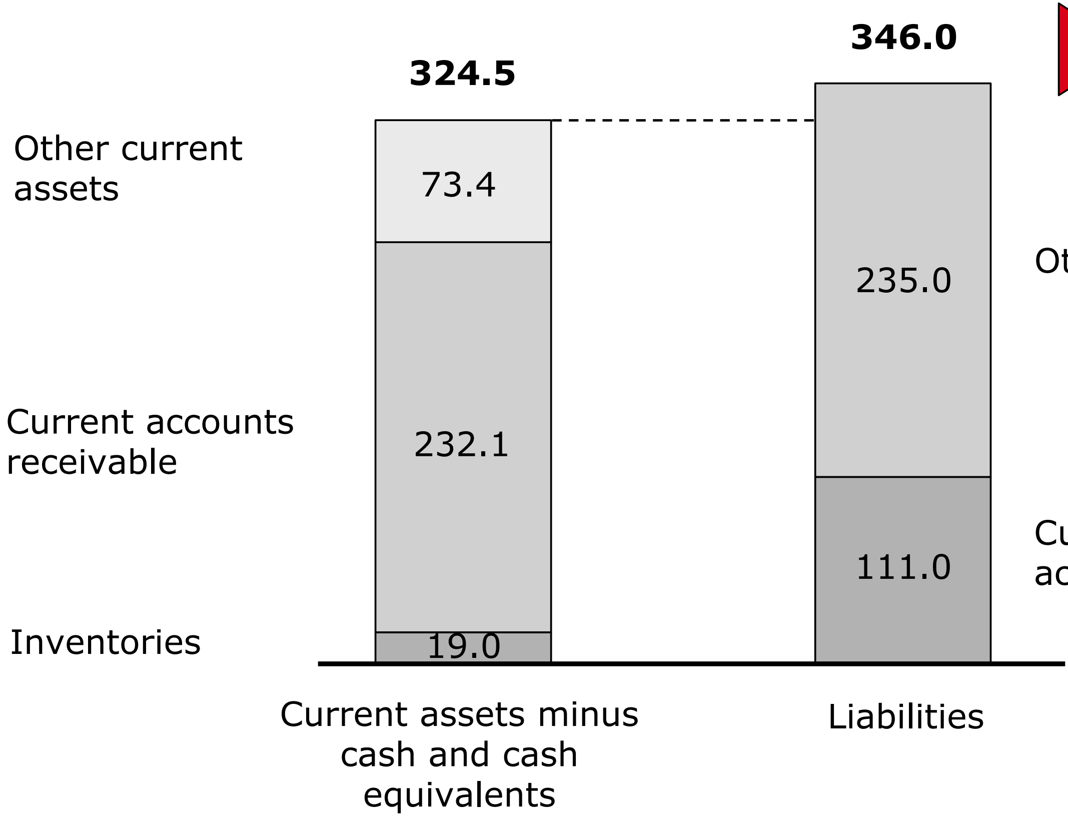
mobilcom Group: Net Working Capital

[€ millions as of Jun 30, 05]



Net working capital
€ -21.5m

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mobilcom Group: Cash Flow Statement, 1st Half 2005

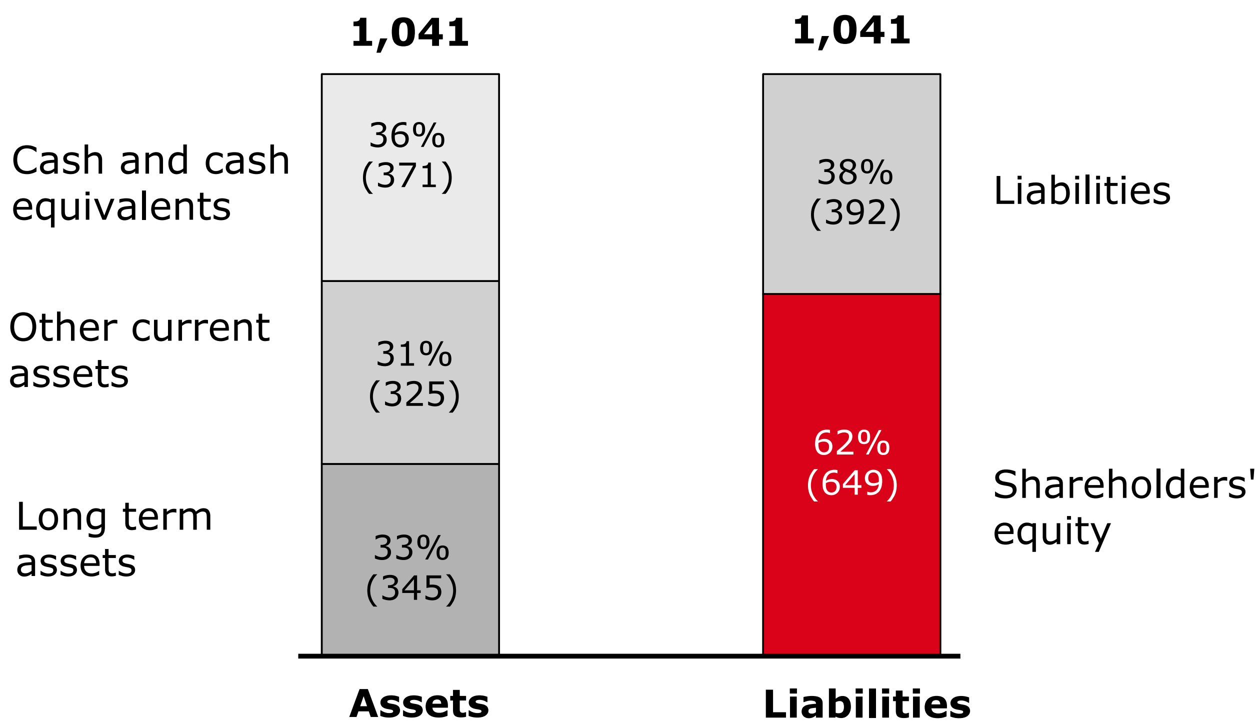
[€ millions]

Operating cash flow	118.6	Mobile Service Provider & freenet.de
Cash flow from investment activity	-73.9	Strato & Talkline ID acquisition
Cash flow from financing activity	-40.5	Dividends (15.6) & share buybacks (23.9)
Net cash flow	**4.2**	

mobilcom Group: Balance Sheet Structure June 30, 2005

[€ millions]

- High equity ratio, high liquidity, and low level of long-term committed capital



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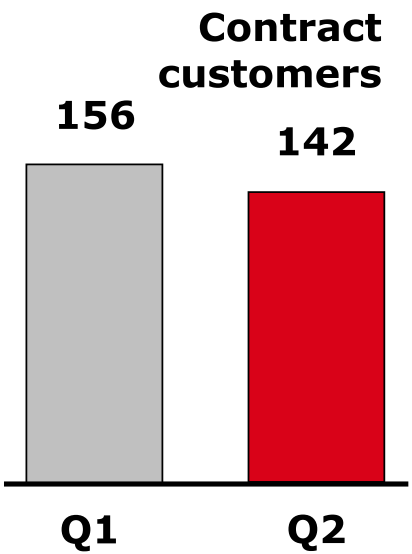
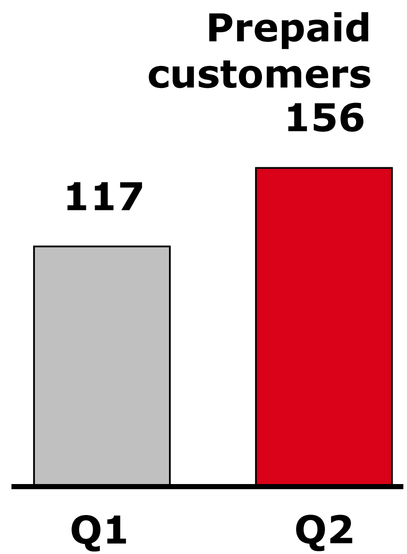
Agenda

1. **mobilcom Group in the 1st half year**
2. **Mobile Service Provider**
3. **Fixed Line/Internet**

Mobile Service Provider: New Customers and Market Share in the 1st Half of 2005

[in thousands]





	Contract Q1	Contract Q2	Prepaid Q1	Prepaid Q2
Market share*:	**7.8%**	**6.5%**	**4.8%**	**6.3%**

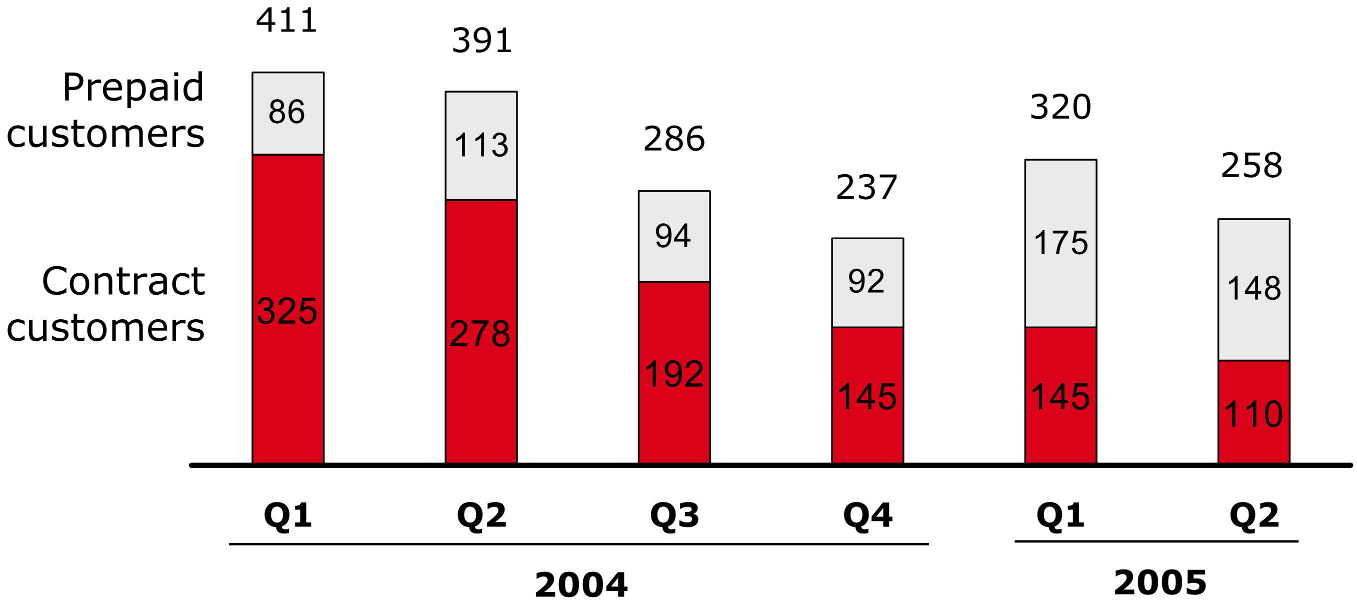
Market share new business HY1/2005: 6.4%

Market share customer base end Q2 2005: 6.1%

*preliminary, in part estimated

Mobile Service Provider: Customer Levels

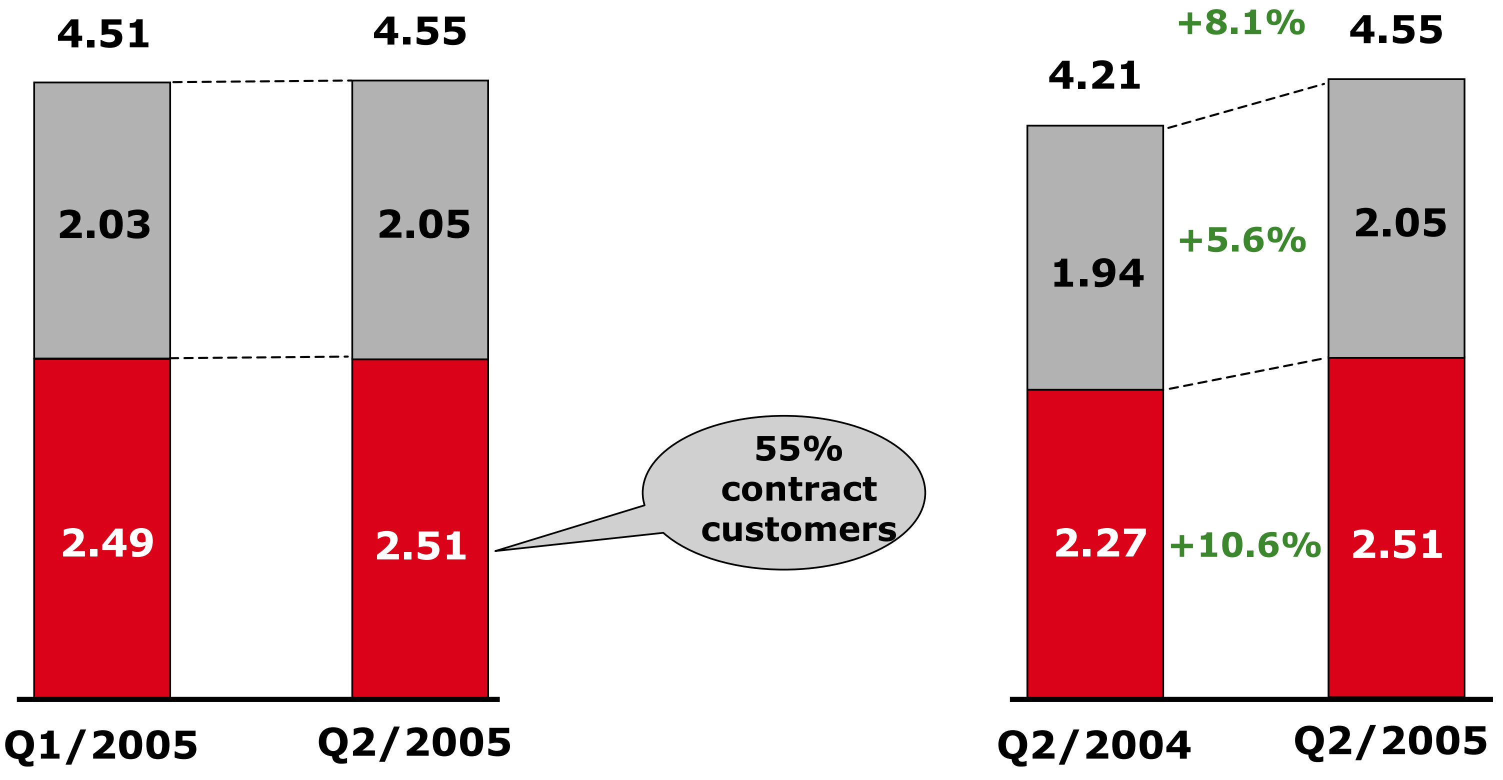
[in thousands]



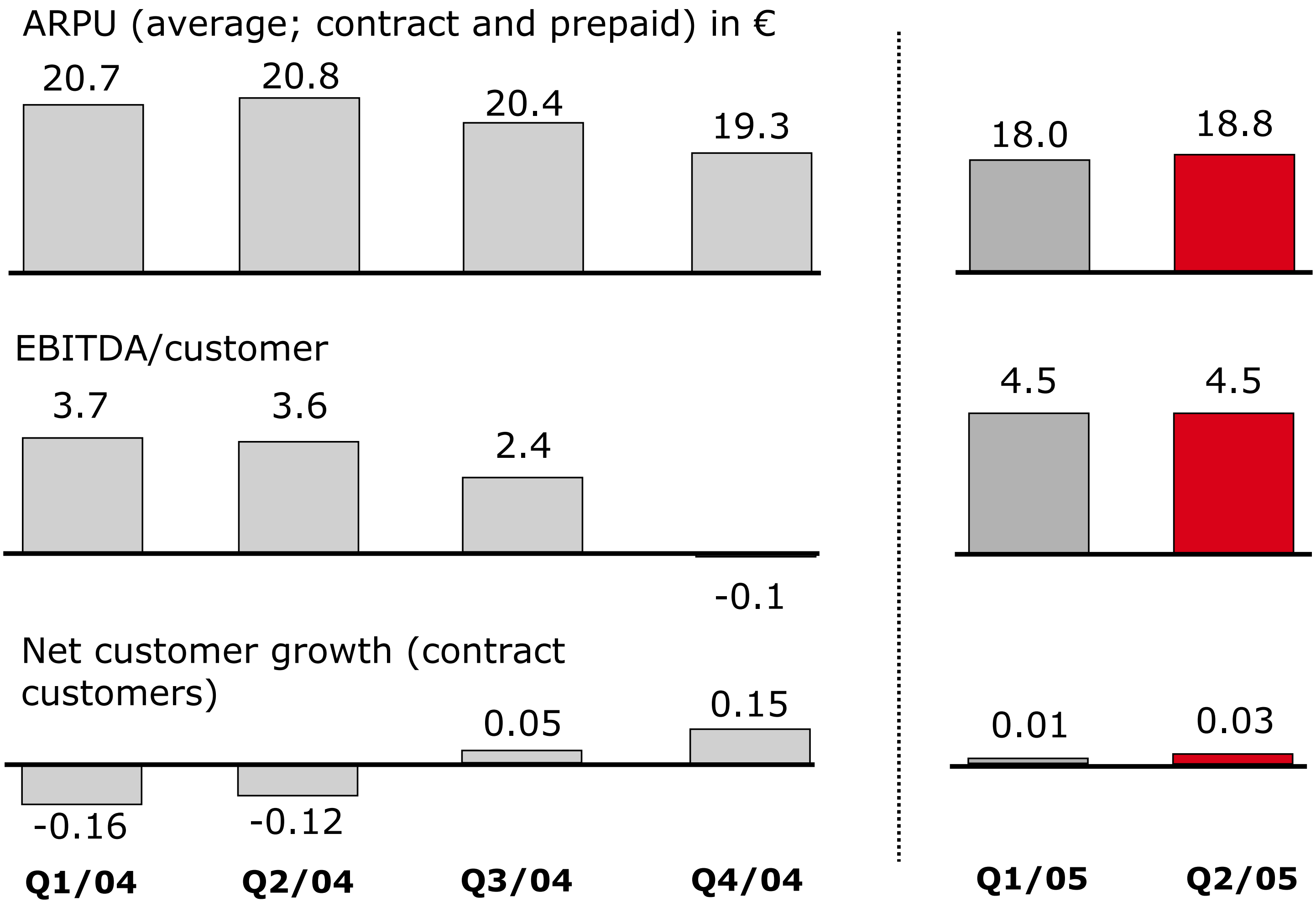
Contract Churn down from **278** thsd. in Q2 2004 to **110** thsd. in Q2 2005

Mobile Service Provider: Customer Base

[in millions]

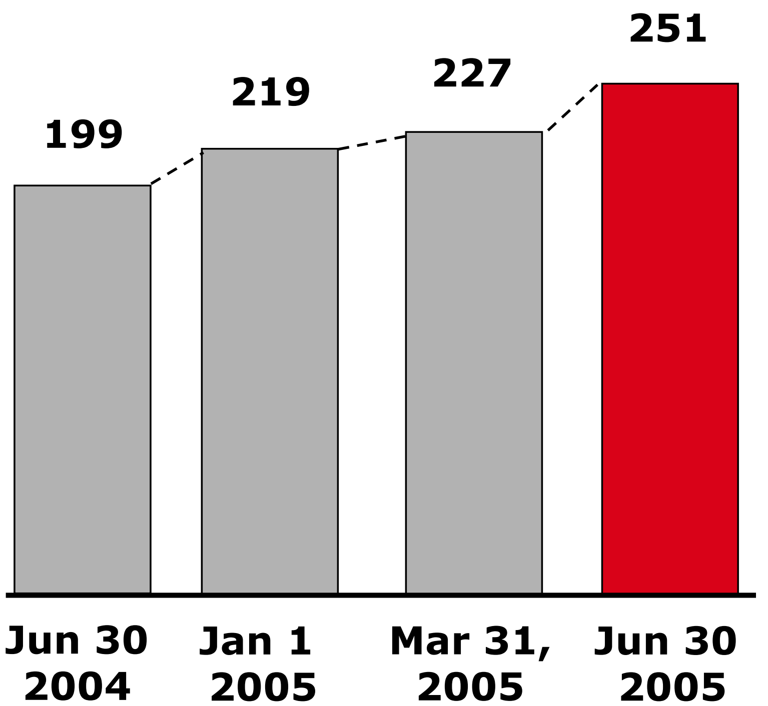


Mobile Service Provider: Change in ARPU, EBITDA/Customer and Net Customer Growth



Mobile Service Provider: mobilcom Chain of Shops

[Number of shops]



- **Goal for the year of "250 Shops" already achieved by the half-year mark**
- **Biggest distribution chain of any network-independent mobile service provider**
- **Sales volume rising**

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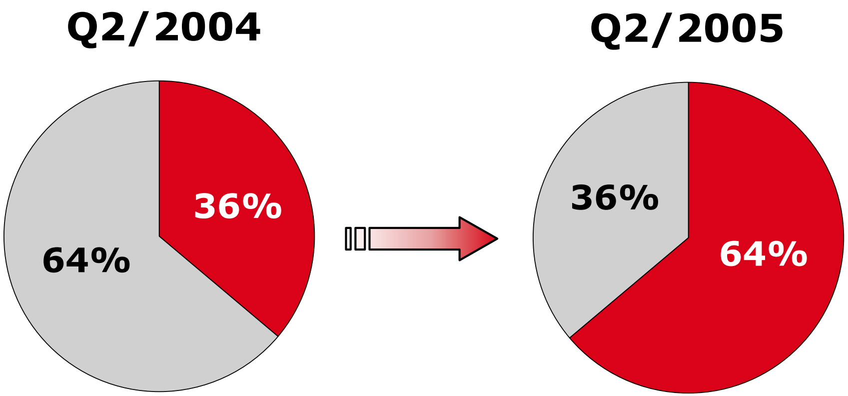
Mobile Service Provider: Distribution Channel Structure



- **Structural change towards higher ARPU in shop/dealer outlet sales**
- **Strengthening the "mobilcom" brand**
  - Visible presence
  - Decrease in "anonymous" channels

Share mc-Shops and dealer outlets in new business increases significantly

mobilcom Product Strategy: Single Provider for Products of all 4 Network Operators Plus Exclusive Top Innovations

All major products in the market

All the networks, all applicable pricing structures

T-Mobile | vodafone | e-plus | O2 can do.

Plus: freenetDSL

All major device makers

NOKIA Connecting People | SIEMENS | Sony Ericsson | Motorola | SAMSUNG | SHARP

Only at mobilcom in 2005

Q2/2005

- Simplified, cost-effective pricing concept: one price for all networks around the clock
- Price calculator and Stiftung Warentest test winner: discount 13 and 9.9-cent pricing
- New business customer pricing structures
- Begin O2 marketing (contract customer business)
- Expansion of mobile navigation: mobilcom Navigator
- freenetDSL and VoIP
- Partnercard redesign

Source: Marketing

Product Outlook for the Second Half of 2005

All major products in the market

2nd Half Year 2005

- Marketing of “no frills" products: Simyo, Base, Xtra Click&Go
- Free calling from the second minute on: Vodafone CallYa Open End (prepaid)
- Fixed line substitution: “Vodafone At Home”
- Data option for mobile web access with T-Mobile Web'n Walk
- Multi Cards (Vodafone, O2)
- O2 Surf@home
- Blackberry Enterprise Solution

Only at mobilcom in 2005

2nd Half Year 2005

- mobilcom O2 pricing structure
- Personal email push service: “Email To Go”
- Mobile software download portal: mobile applications
- Value-added voice services portal
- Mobile phone configuration tool
- Address synchronization (SynchML)
- SMS billing info service (SMS 2455)
- Hosting Blackberry Enterprise Solution (mobilcom/Strato)
- Preselection and call-by-call

Source: Marketing

Mobile Service Provider: Revenue and Earnings

[€ millions]

	Q2/05	Q2/04	Diff.	HY1/05	HY1/04	Diff.
Revenue	**333.8**	**357.4**	**-23.6**	**645.2**	**705.9**	**-60.7**
Gross income	48.5	54.0	-5.5	99.2	104.0	-4.8
Margin	*14.5%*	*15.1%*	*-0.6%*	*15.4%*	*14.7%*	*+0.7%*
EBITDA	**20.2**	**15.0**	**+5.2**	**40.5**	**30.2**	**+10.3**
Margin	*6.0%*	*4.2%*	*+2.2%*	*6.3%*	*4.3%*	*+2.0%*
Depr./amort.	- 3.5	-6.3	+2.8	-7.2	-12.9	-5.7
EBIT	**16.7**	**8.7**	**+8.0**	**33.3**	**17.3**	**+16.0**
Margin	*5.0%*	*2.4%*	*+2.6%*	*5.2%*	*2.5%*	*+2.7%*

Mobile Service Provider: Estimate for Full Year 2005

	Previous estimate	**Revised estimate**
EBITDA	€60 million	**€66 million**
EBIT	€32 million	**€40 million**
No. customers	€4.8 million	unchanged

➡ 150.000 Prepaid-Bundles not yet activated but already committed to certain specialized dealers and expensed!

Mobile Service Provider: Actual (operating) challenges – Future potentials (I)

- **„No frills" – segment: stronger presence in this growth segment necessary on short notice**
  - Entrance only through cheap tariffs so far
  - Broad appearence is necessary („no-frills-Provider")
- **Distribution power**
  - Achieving brand recognition as „largest" independent cellular sales organisation
  - Strengthening the specialised distributors
    - Recruiting powerful distributors / large commercial enterprises
    - deeper penetration (exclusivity, whole host of products)
  - Cross-Selling freenet

Mobile Service Provider:
Actual (operating) challenges – Future potentials (I)

- **Development of the UMTS-business**
- **Stabilization of the Prepaid-businss**
  - Creating consistency on high level
  - Improvement of quality
- **Further development of service efficiency**

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Agenda

1. **mobilcom Group in the 1st Half Year**
2. **Mobile Service Provider**
3. **Fixed Line/Internet**

Fixed Line/Internet: Revenue and Earnings

[€ millions]

	Q2/05	Q2/04	Diff.	HY1/05	HY1/04	Diff.
Revenue	**178.1**	**109.2**	**+68.9**	**324.1**	**228.5**	**+95.6**
Gross income	77.5	53.1	+24.4	151.1	49.9	+31.2
Margin	*43.5%*	*48.6%*	*-5.1%*	*46.6%*	*52.5%*	*-5.9%*
EBITDA	**31.6**	**27.4**	**+4.2**	**68.4**	**58.0**	**+10.4**
Margin	*17.7%*	*25.1%*	*-7.4%*	*21.1%*	*25.4%*	*-4.3%*
Depr./amort.	-11.7	-10.3	+1.4	-21.0	-20.4	+0.6
EBIT	**19.9**	**17.1**	**+2.8**	**47.4**	**37.6**	**+9.8**
Margin	*11.2%*	*15.7%*	*-4.5%*	*14.6%*	*16.5%*	*-1.9%*

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Fixed Line/Internet: Highlights 2nd Quarter 2005

- Net growth in DSL customer base of 60,000 up to 520,000
- Fixed line customers up from 4.3 to 4.6 million
- 3.72 million active internet access customers

Thank you for your attention