

independently, Powertel's ability to compete on a regional scale and VoiceStream's ability, following completion of the merger with Powertel, to compete on a national scale may be adversely affected.

VoiceStream or joint ventures in which VoiceStream holds an interest could lose licenses as a result of court proceedings, which could adversely affect VoiceStream's ability to provide national coverage

All of the C Block licenses controlled by VoiceStream could be affected by *U.S. AirWaves, Inc. v. FCC*. U.S. AirWaves participated in the original C Block auction, which concluded on May 6, 1996, but withdrew after the bids exceeded the maximum prices it was willing to pay. U.S. AirWaves sought judicial review of two orders in the FCC's rulemaking proceeding on payment financing for PCS licenses: the Second Report and Order and the Order on Reconsideration of the Second Report and Order (WT Docket No. 97-82). These orders enabled initial C Block licensees to return licenses or modify the conditions of payment. The court consolidated into this case similar petitions filed by several other parties. On November 21, 2000, the U.S. Court of Appeals for the D.C. Circuit upheld the FCC's rulemaking proceeding. However, U.S. AirWaves may appeal the ruling. If the decision of the Court of Appeals is appealed and the appeal is successful, the orders could be reversed and affected licenses could be returned to the FCC for reauction.

Additionally, 25 C Block licenses controlled by VoiceStream were issued subject to the outcome of the bankruptcy proceeding of the original licensee, a subsidiary of Pocket Communications, Inc., which was conditionally granted 43 C Block licenses in 1996. Pursuant to an FCC order, the bankruptcy debtors elected to relinquish certain licenses, which subsequently were reaucted, and the bankruptcy court issued an order making the election effective. A group of secured creditors of the debtors filed with the court a motion for reconsideration of the election order. The motion was denied, and the secured creditors appealed the denial to the United States District Court for the District of Maryland, Northern Division. The appeal of the election order is still pending but has been administratively stayed. Until the appeal is dismissed, there is uncertainty as to the status of these C Block licenses. The District Court could order the return of these licenses to the jurisdiction of the bankruptcy court. In the event that these licenses are so returned, it is unlikely that VoiceStream will be able to recoup any or all of the costs incurred by it in connection with the construction and development of systems related to such licenses.

Finally, FCC Auction No. 35, in which VoiceStream and a joint venture in which VoiceStream holds an interest participated, includes many licenses that are the subject of pending litigation by the original licensee, NextWave Communications, Inc. NextWave appealed to the U.S. Court of Appeals for the D.C. Circuit the FCC's action cancelling NextWave's licenses and reclaiming the spectrum and continues to pursue its administrative remedies. There is no assurance that NextWave will not prevail in its lawsuit, and that the FCC will not be obligated to return the licenses to NextWave, even if VoiceStream or the joint venture in which VoiceStream holds an interest is awarded any of the licenses for which it was the highest bidder at auction.

Loss of any license by VoiceStream will reduce or eliminate VoiceStream's ability to own interests in markets where the licenses are lost, thereby reducing VoiceStream's ability to compete with other national competitors.

Concerns over media reports regarding the effect of radio frequency emissions on medical devices and other potential negative health effects related to the use of wireless handsets may discourage use of wireless services and adversely affect VoiceStream's business

Media reports have suggested that some radio frequency emissions from wireless handsets may raise various health concerns, including cancer, and may interfere with various electronic medical devices, including hearing aids and pacemakers, and at least one class action lawsuit has been filed in the U.S. against wireless service providers and handset manufacturers relating to these issues. Concerns over radio frequency emissions may discourage the use of wireless handsets, which would adversely affect VoiceStream's business. Some governments may propose legislation mandating health warnings pending the outcome of research concerning the health and safety risks of wireless handsets.

Negative findings of studies concerning health and safety risks of wireless handsets could have an adverse effect on the wireless industry, VoiceStream's business, or the use of GSM wireless technology and could lead to governmental regulations that may have an adverse effect on VoiceStream's business. In addition, several states in the U.S. have proposed or enacted legislation that would limit or prohibit the use and/or possession of a mobile telephone while driving an automobile. If such legislation is adopted and strictly enforced, it may have an adverse effect on VoiceStream's business.

FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus, and the documents we are incorporating by reference, contain forward-looking statements about Deutsche Telekom, VoiceStream, Powertel and the combined companies, which we intend to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Any document we filed or will file with the SEC also may include forward-looking statements. Other written or oral forward-looking statements have been made and may in the future be made, from time to time, by or on behalf of Deutsche Telekom, VoiceStream and Powertel. Forward-looking statements are statements that are not historical facts, and include financial projections and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; the impact of regulatory initiatives on our operations; our share of new and existing markets; general industry and macroeconomic growth rates and our performance relative to them and statements regarding future performance. Forward-looking statements generally are identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates” and similar expressions.

The forward-looking statements in this proxy statement/prospectus and in the documents incorporated by reference into this document are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of Deutsche Telekom, VoiceStream and Powertel. Accordingly, actual results of Deutsche Telekom following the Deutsche Telekom/VoiceStream and Deutsche Telekom/Powertel mergers or of VoiceStream following the VoiceStream/Powertel merger may differ materially from those expressed in, or implied by, the forward-looking statements. The risks and uncertainties to which forward-looking statements are subject include:

- those we discuss under “Risk Factors Relating to the Deutsche Telekom/VoiceStream Merger and the Deutsche Telekom/Powertel Merger” and “Risk Factors Relating to the VoiceStream/Powertel Merger;”
- those we discuss or identify in our public filings with the SEC;
- risks and uncertainties with respect to our expectations regarding the benefits anticipated from the Deutsche Telekom/VoiceStream merger, the Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger;
- for the mergers involving Deutsche Telekom, effects of foreign exchange rate fluctuations;
- level of demand for telecommunications services, including with regard to wireless telecommunications services, access lines, traffic and new higher value products;
- competitive forces, including pricing pressures, technological developments, alternative routing developments and our ability to gain market share in new markets, including, among others, the United States in respect of Deutsche Telekom, and our ability to retain market share in existing markets in the face of competition from existing and new market entrants;
- for the mergers involving Deutsche Telekom, effects of Deutsche Telekom’s tariff reduction initiatives, particularly in Deutsche Telekom’s core telephony business, but also with regard to many other areas;
- regulatory developments and changes, including with respect to the levels of tariffs, terms of interconnection, customer access and international settlement arrangements;
- outcome of litigation in which we are involved;
- success of new business, operating and financial initiatives, many of which involve start-up costs, and new systems and applications, particularly with regard to our integration of service offerings;
- VoiceStream’s and Powertel’s high level of debt, which may need to be refinanced;
- ability to attract and retain qualified personnel;

- product liability and other claims asserted against us;
- concerns over radio frequency emissions or other health and safety risks related to the use of wireless handsets;
- progress of our domestic and international investments, joint ventures and alliances;
- impact of unusual items resulting from ongoing evaluations of our strategies;
- availability, terms and deployment of capital, particularly in view of our debt refinancing needs, including the possible refinancing of VoiceStream's and Powertel's debt, and the impact of regulatory and competitive developments on capital outlays;
- level of demand in the market for our shares and for shares of our subsidiaries, which can affect our acquisition strategies;
- our ability to achieve cost savings and realize productivity improvements;
- with respect to the mergers involving Deutsche Telekom, the development of the German real estate market in view of Deutsche Telekom's substantial real estate portfolio, which had a book value of approximately 17.2 billion euros as of December 31, 1999; and
- general economic conditions, government and regulatory policies, new legislation and business conditions in the markets we and our affiliates serve.

The actual results, performance or achievement of Deutsche Telekom, VoiceStream, Powertel or the combined companies following the Deutsche Telekom/VoiceStream merger and the Deutsche Telekom/Powertel merger or following the VoiceStream/Powertel merger could differ significantly from those expressed in, or implied by, our forward-looking statements. In addition, any of the events anticipated by our forward-looking statements might not occur, and if they do, we cannot predict what impact they might have on the results of operations and financial condition of Deutsche Telekom, VoiceStream, Powertel or the combined companies following the Deutsche Telekom/VoiceStream merger and the Deutsche Telekom/Powertel merger or the VoiceStream/Powertel merger.

THE COMPANIES

Deutsche Telekom AG

Deutsche Telekom is Europe's largest telecommunications company and one of the largest telecommunications carriers worldwide based on 2000 revenues. Deutsche Telekom's revenues in 2000 were 40.9 billion euros. Deutsche Telekom offers its customers a complete range of fixed-line voice telephony products and services through more than 49 million access lines as of December 31, 2000. As of December 31, 2000, through T-Mobile, Deutsche Telekom served approximately 31.1 million mobile telephony customers in Europe through majority-controlled operations. Deutsche Telekom is a leading provider of high-speed digital access lines with, as of December 31, 2000, 600,000 digital service lines and 17.3 million channels using the information transfer standard known as Integrated Services Digital Network. Deutsche Telekom is a leading provider of new asymmetric digital subscriber line services. In online services, T-Online is Europe's largest Internet provider with approximately 7.9 million subscribers as of December 31, 2000.

Deutsche Telekom's international portfolio of subsidiaries and investments includes telecommunications companies active in the United Kingdom, France, Austria, Central and Eastern Europe, the United States and Asia.

Deutsche Telekom's strategic focus is on growth in four key areas: mobile telecommunications, data/Internet Protocol/systems, consumer Internet services and access services. Deutsche Telekom intends to pursue growth in these areas aggressively, primarily through internal growth and acquisitions. In this regard, Deutsche Telekom's primary emphasis is on Europe and the United States, but Deutsche Telekom may pursue opportunities worldwide. Deutsche Telekom expects to expand its presence internationally. Deutsche Telekom believes that its advanced network and strategic focus position it well to take advantage of the technological convergence of telecommunications and information services.

For a description of certain recent developments involving Deutsche Telekom, see Deutsche Telekom's reports filed with the SEC that are, or may in the future be, incorporated by reference herein as described under "Additional Information — Where You Can Find More Information."

Deutsche Telekom's principal executive offices are located at Friedrich-Ebert-Allee 140 in 53113 Bonn, Germany, its telephone number is (011 49) 228-181-88880. Deutsche Telekom maintains a website on the Internet at www.telekom.de/international, but the information found on its website is not part of this proxy statement/prospectus.

VoiceStream Wireless Corporation

VoiceStream is a national provider of personal communications service in the United States using GSM wireless technology. As of September 30, 2000, VoiceStream, together with joint ventures in which it holds interests, had licenses to provide service to over 220 million people and operating systems from New York to Hawaii, serving approximately 3.3 million subscribers. VoiceStream has licenses in 23 of the 25 largest markets in the United States. In addition, VoiceStream holds 49.9% minority interests in two joint ventures controlled by Cook Inlet Region, Inc., Cook Inlet/VS GSM IV PCS Holdings, LLC and Cook Inlet/VS GSM V PCS Holdings, LLC. Subsidiaries of these joint ventures are qualified to obtain C and F Block licenses that VoiceStream cannot obtain directly. Subsidiaries of Cook Inlet/VS GSM IV PCS Holdings have entered into agreements to acquire licenses in markets including Philadelphia, Pennsylvania; Las Vegas, Nevada; New Orleans, Louisiana; Battle Creek, Michigan; and Corpus Christi, Texas. In addition, a subsidiary of Cook Inlet/VS GSM V PCS Holdings participated in FCC Auction No. 35 to acquire C and F Block licenses and was the highest bidder in 22 markets covering approximately 21 million people, at a cost of \$506,376,000.

VoiceStream was incorporated in June 1999 as a Delaware corporation to act as the parent company for business combinations involving its predecessor, now named "VS Washington Corporation". Prior to May 3, 1999, VS Washington was an 80.1%-owned subsidiary of Western Wireless Corporation. The remaining 19.9% was owned by Hutchison Telecommunications PCS (USA) Limited, a subsidiary of Hutchison Whampoa Limited, a Hong Kong company. On May 3, 1999, VS Washington was formally separated in a spin-off transaction from Western Wireless's other operations. In the first half of 2000, VoiceStream acquired Omnipoint Corporation and Aerial Communications, Inc., substantially increasing VoiceStream's geographic coverage.

For a description of certain recent development involving VoiceStream, see VoiceStream's reports filed with the SEC that are, or may in the future be, incorporated by reference herein as described under "Additional Information — Where you Can Find More Information."

VoiceStream's principal executive offices are located at 12920 SE 38th Street, Bellevue, Washington 98006, its telephone number is (425) 378-4000. VoiceStream maintains a website on the Internet at www.voicestream.com, but the information found on its website is not part of this proxy statement/prospectus.

Powertel, Inc.

Powertel is a provider of wireless telecommunications services in the southeastern United States. With licenses that cover over 24 million people, Powertel has one of the largest contiguous licensed PCS coverage areas in the southeastern United States. Powertel's licenses cover the major trading areas of Atlanta, Georgia; Jacksonville, Florida; Memphis, Tennessee; Jackson, Mississippi; and Birmingham, Alabama; and 13 basic trading areas in Kentucky and Tennessee. Powertel provides its services using GSM wireless technology.

Powertel recently invested \$125 million for a minority interest in an affiliate of Eliska Wireless Ventures I, Inc., which purchased the assets of DiGiPH PCS, a GSM-based provider that serves the Gulf Coast area of Alabama, Florida and Mississippi. These markets are contiguous with Powertel's existing markets. A portion of Powertel's business is now conducted through an affiliate of Eliska in which Powertel holds a non-controlling equity interest.

For a description of certain recent developments involving Powertel, see Powertel's reports filed with the SEC that are, or may in the future be, incorporated by reference herein as described under "Additional Information — Where You Can Find More Information."

Powertel was incorporated in 1991 as a Delaware corporation. Powertel's principal executive offices are located at 1239 O.G. Skinner Drive, West Point, Georgia 31833, its telephone number is (706) 645-2000. Powertel maintains a website on the Internet at www.powertel.com, but the information found on its website is not part of this proxy statement/prospectus.

THE VOICESTREAM SPECIAL MEETING

General

The special meeting of stockholders of VoiceStream will be held on March 13, 2001, at 8:00 a.m., Pacific time, at the offices of VoiceStream Wireless Corporation, 12920 SE 38th Street, Bellevue, Washington 98006. At the VoiceStream special meeting, VoiceStream stockholders will consider and vote upon proposals to approve and adopt:

- the Agreement and Plan of Merger, dated as of July 23, 2000, as amended and restated as of February 8, 2001, among Deutsche Telekom AG, VoiceStream Wireless Corporation and a Delaware corporation formed by Deutsche Telekom, pursuant to which that corporation will be merged into VoiceStream, and VoiceStream will become a wholly-owned subsidiary of Deutsche Telekom.
- the Agreement and Plan of Reorganization, dated as of August 26, 2000, as amended and restated as of February 8, 2001, among VoiceStream Wireless Corporation, Powertel, Inc. and a wholly-owned subsidiary of VoiceStream and the transactions contemplated thereby, including the issuance of VoiceStream Common Shares to Powertel stockholders. Pursuant to that agreement, the VoiceStream subsidiary will be merged into Powertel, and Powertel will become a wholly-owned subsidiary of VoiceStream. The merger between VoiceStream and Powertel can occur only if the merger agreement between VoiceStream and Deutsche Telekom is terminated.

If the Deutsche Telekom/VoiceStream merger is completed, VoiceStream will become a wholly-owned subsidiary of Deutsche Telekom and the VoiceStream/Powertel merger agreement will automatically terminate. If, however, the Deutsche Telekom/VoiceStream merger agreement is terminated, the VoiceStream/Powertel merger may still be completed. Therefore, it is necessary for VoiceStream stockholders to vote on both the Deutsche Telekom/VoiceStream merger and the VoiceStream/Powertel merger, even though it is not possible for both mergers to be completed. We have attached copies of the Deutsche Telekom/VoiceStream and VoiceStream/Powertel merger agreements to this document as Annexes A and C, respectively.

Record Date; Quorum

Only holders of VoiceStream common shares and VoiceStream voting preferred shares are entitled to vote on the mergers at the VoiceStream special meeting. The VoiceStream board of directors has fixed the close of business on January 24, 2001 as the record date for the determination of the stockholders entitled to notice of, and to vote at, the VoiceStream special meeting. At the record date, there were outstanding 251,070,590 VoiceStream common shares held by approximately 2,075 VoiceStream stockholders of record, and 3,906,250 VoiceStream voting preferred shares outstanding, all of which are held by Deutsche Telekom.

The holders of a majority of the votes entitled to be cast in respect of VoiceStream common shares and VoiceStream voting preferred shares outstanding at the record date, represented in person or by proxy, will constitute a quorum for purposes of the VoiceStream special meeting. A quorum is necessary to hold the VoiceStream special meeting. Any VoiceStream common shares held in treasury by VoiceStream or by any of its subsidiaries will not be counted for purposes of a quorum. Brokers and nominees are allowed to vote on the approval of either the Deutsche Telekom/VoiceStream merger or the VoiceStream/Powertel merger on behalf of VoiceStream stockholders only if they receive instructions from such stockholder on how to vote, and VoiceStream shares that are not voted because brokers did not receive instructions are referred to as "broker non-votes." Abstentions and broker non-votes represented at the special meeting count as present for establishing a quorum. Once a VoiceStream share is represented at the VoiceStream special meeting, it will be counted for the purpose of determining a quorum at the VoiceStream special meeting and any adjournment of the VoiceStream special meeting unless the holder is present solely to object to the VoiceStream special meeting. However, if a new record date is set for the adjourned VoiceStream special meeting, then a new quorum will have to be established.

Required Vote

The completion of the Deutsche Telekom/VoiceStream merger requires the approval of the Deutsche Telekom/VoiceStream merger agreement by the affirmative vote of the holders of a majority of the voting power of the outstanding VoiceStream common shares and VoiceStream voting preferred shares, voting together as a single class. The completion of the VoiceStream/Powertel merger requires the approval of the VoiceStream/Powertel merger agreement by a majority of the votes cast at the VoiceStream special meeting by holders of VoiceStream common shares and VoiceStream voting preferred shares, voting together as a single class. Each VoiceStream common share and VoiceStream voting preferred share outstanding as of the close of business on the record date, January 24, 2001, entitles the holder to one vote with respect to each merger to be voted upon at the VoiceStream special meeting. Because the vote to approve the Deutsche Telekom/VoiceStream merger is based on the number of VoiceStream shares outstanding and entitled to vote rather than on the number of votes cast, failure to vote your VoiceStream shares is effectively a vote against approval of the Deutsche Telekom/VoiceStream merger. Similarly, abstentions and broker non-votes represented at the VoiceStream special meeting will have the same effect as votes against approval of the Deutsche Telekom/VoiceStream merger.

You may vote your VoiceStream shares in either of two ways:

- by completing and returning the accompanying proxy card; or
- by appearing and voting in person at the VoiceStream special meeting.

At the record date, directors and executive officers of VoiceStream and their associates and affiliates owned approximately 53.6% of the outstanding VoiceStream common shares.

Agreements to Vote in Favor of the Mergers

In connection with the Deutsche Telekom/VoiceStream merger, VoiceStream stockholders who, in the aggregate, had sufficient voting power as of the VoiceStream record date to approve the Deutsche Telekom/VoiceStream merger entered into separate stockholder agreements with Deutsche Telekom whereby each of the stockholders has agreed to vote its VoiceStream common shares in favor of the Deutsche Telekom/VoiceStream merger. See "Summary of the Deutsche Telekom/VoiceStream Transaction Documents — Deutsche Telekom's Agreements with Stockholders of VoiceStream." In addition, the VoiceStream voting preferred shares held by Deutsche Telekom entitle Deutsche Telekom to cast approximately 1.5% of the votes, and Deutsche Telekom intends to vote these shares in favor of the Deutsche Telekom/VoiceStream merger. As a result, VoiceStream stockholder approval of the Deutsche Telekom/VoiceStream merger is assured.

In connection with the VoiceStream/Powertel merger, VoiceStream stockholders who, in the aggregate, had sufficient voting power as of the VoiceStream record date to approve the VoiceStream/Powertel merger entered into stockholder agreements with Powertel whereby each of the stockholders has agreed to vote its VoiceStream common shares in favor of the VoiceStream/Powertel merger. See "Summary of Deutsche Telekom/Powertel and VoiceStream/Powertel Transaction Documents — Powertel's Agreements with Stockholders of VoiceStream." As a result, VoiceStream stockholder approval of the VoiceStream/Powertel merger is assured.

Deutsche Telekom has obtained all corporate and stockholder approvals necessary to complete the Deutsche Telekom/VoiceStream merger, other than ministerial actions to be taken in connection with the completion of the merger.

Voting and Revocation of Proxies

If you vote your VoiceStream common shares or voting preferred shares by signing a proxy, your shares will be voted at the VoiceStream special meeting as you indicate on your proxy card. If no instructions are indicated on your signed proxy card, your VoiceStream common shares or voting preferred

shares will be voted "FOR" the approval of both the Deutsche Telekom/VoiceStream merger and the VoiceStream/Powertel merger.

You may revoke or change your proxy at any time before the proxy is voted at the VoiceStream special meeting. A proxy may be revoked prior to the vote at the VoiceStream special meeting in any of the following ways:

- by submitting a written revocation to the Secretary of VoiceStream Wireless Corporation at 12920 SE 38th Street, Bellevue, Washington 98006;
- by submitting a new proxy dated after the date of the proxy that is being revoked; or
- by voting in person at the VoiceStream special meeting.

However, simply attending the VoiceStream special meeting will not revoke a proxy. If you do not hold your VoiceStream common shares in your own name, you may revoke or change a previously given proxy by following the instructions provided by the bank, broker or other party that is the registered owner of the shares.

The VoiceStream board of directors is not aware of any other business to be brought before the VoiceStream special meeting. If, however, other matters are properly brought before the VoiceStream special meeting or any adjournment of the VoiceStream special meeting, the persons appointed as proxies will have discretionary authority to vote the shares represented by duly executed proxies in accordance with their discretion and judgment.

Do not include VoiceStream share certificates when returning the enclosed proxy card.

Election Procedures

At least 45 days before the expected completion of the Deutsche Telekom/VoiceStream merger, we expect to mail to you a form with instructions for making your election of the consideration you prefer to receive in the Deutsche Telekom/VoiceStream merger and indicating whether you prefer to receive Deutsche Telekom ADSs or Deutsche Telekom ordinary shares and a letter of transmittal for surrendering your VoiceStream share certificates. To make an election, you will need to complete the form as instructed and send your VoiceStream share certificates with a completed letter of transmittal so that the escrow agent receives them no later than the election deadline, which is the fifth business day before the completion of the Deutsche Telekom/VoiceStream merger. If you fail to make a valid election before the election deadline, including failing to send in your VoiceStream share certificates, you will receive the mixed consideration per VoiceStream common share of 3.2 Deutsche Telekom shares and \$30 in cash, subject to a tax-related adjustment, and after we complete the Deutsche Telekom/VoiceStream merger, we will send you instructions explaining how to exchange your VoiceStream common share certificates for depositary receipts representing Deutsche Telekom ADSs and cash, or, if you elect, cash and certificates for Deutsche Telekom ordinary shares. We will make a public announcement of the election deadline at least five business days before that deadline.

VoiceStream stockholders who hold VoiceStream common shares in "street name" through a bank, broker or other financial institution should receive from that institution information about the procedures for making an election and exchanging that holder's shares for Deutsche Telekom ADSs or Deutsche Telekom ordinary shares.

Solicitation of Proxies

VoiceStream is, and Deutsche Telekom may be, soliciting, and each will bear its own cost of soliciting, proxies to vote on the mergers at the VoiceStream special meeting. Deutsche Telekom, VoiceStream and Powertel will share equally the amount of the expenses incurred in connection with the cost of printing and distributing this proxy statement/prospectus. Deutsche Telekom and VoiceStream will share equally the amount of the SEC filing fees incurred in connection with registering the Deutsche Telekom ADSs and Deutsche Telekom ordinary shares issuable upon completion of the Deutsche

Telekom/VoiceStream merger. VoiceStream and Powertel will share equally the amount of the SEC filing fees incurred in connection with registering VoiceStream common shares issuable upon completion of the VoiceStream/Powertel merger. Officers, directors and employees of VoiceStream and Deutsche Telekom also may solicit proxies from VoiceStream stockholders by telephone, mail, the Internet or in person. However, they will not be paid for soliciting proxies. VoiceStream will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners of VoiceStream shares, and VoiceStream will reimburse those brokerage houses and custodians for their reasonable expenses in doing so. MacKenzie Partners, Inc. has been retained by VoiceStream to assist in the solicitation of proxies, using the means referred to above, and will receive fees of up to \$6,000, plus reasonable out-of-pocket expenses.

THE POWERTEL SPECIAL MEETING

General

The special meeting of stockholders of Powertel will be held on March 13, 2001, at 11:00 a.m., Eastern time, at The Cotton Duck, 6101 20th Avenue, Valley, Alabama 36854. At the Powertel special meeting, the Powertel stockholders will consider and vote upon proposals to approve and adopt:

- the Agreement and Plan of Merger dated as of August 26, 2000, as amended and restated as of February 8, 2001, among Deutsche Telekom, Powertel and a Delaware corporation formed by Deutsche Telekom, pursuant to which that corporation will be merged into Powertel, and Powertel will become a wholly-owned subsidiary of Deutsche Telekom; and
- the Agreement and Plan of Reorganization dated as of August 26, 2000, as amended and restated as of February 8, 2001, among VoiceStream, Powertel and a wholly-owned subsidiary of VoiceStream, pursuant to which that subsidiary will be merged into Powertel, and Powertel will become a wholly-owned subsidiary of VoiceStream.

The Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger are mutually exclusive. If the Deutsche Telekom/VoiceStream merger is completed, then the VoiceStream/Powertel merger agreement will automatically terminate, and Powertel is expected to merge with a Delaware corporation formed by Deutsche Telekom upon the terms set forth in the Deutsche Telekom/Powertel merger agreement. If, however, the Deutsche Telekom/VoiceStream merger agreement is terminated, the Deutsche Telekom/Powertel merger agreement will also terminate. In that case, Powertel is expected to merge with the wholly-owned subsidiary of VoiceStream upon the terms set forth in the VoiceStream/Powertel merger agreement. Therefore, it is necessary for Powertel stockholders to vote on both the Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger, even though it is not possible for both mergers to be completed. We have attached copies of the Deutsche Telekom/Powertel merger agreement and the VoiceStream/Powertel merger agreement to this proxy statement/prospectus as Annex B and Annex C, respectively.

Record Date; Quorum

Holders of Powertel common shares and preferred shares are entitled to vote on the Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger at the Powertel special meeting. The Powertel board of directors has fixed the close of business on January 24, 2001 as the record date for the determination of the stockholders entitled to notice of, and to vote at, the Powertel special meeting. At the record date there were outstanding:

- 31,587,409 Powertel common shares held by approximately 281 Powertel stockholders of record;
- 100,000 Series A preferred shares, all of which are owned by Sonera Corporation;
- 100,000 Series B preferred shares, all of which are owned by SCANA Communications Holdings, Inc.;
- 50,000 Series D preferred shares, all of which are owned by SCANA Communications Holdings, Inc.;
- 50,000 Series E preferred shares, all of which are owned by SCANA Communications Holdings, Inc.; and
- 50,000 Series F preferred shares, all of which are owned by ITC Wireless, Inc.

The holders of shares representing a majority of the votes entitled to be cast with respect to the proposals at the record date, represented in person or by proxy, will constitute a quorum for purposes of the Powertel special meeting. A quorum is necessary to hold the Powertel special meeting. Any Powertel common shares held in treasury by Powertel or by any of its subsidiaries will not be counted for purposes of a quorum. Brokers and nominees are allowed to vote on the approval of either the Deutsche Telekom/

Powertel merger or the VoiceStream/Powertel merger on behalf of Powertel stockholders only if they receive instructions from such stockholders on how to vote, and Powertel shares that are not voted because brokers did not receive instructions are referred to as "broker non-votes". Abstentions and broker non-votes represented at the special meeting count as present for establishing a quorum. Once a Powertel share is represented at the Powertel special meeting, it will be counted for the purpose of determining a quorum at the Powertel special meeting and any adjournment of the Powertel special meeting, unless the holder is present solely to object to the Powertel special meeting. However, if a new record date is set for the adjourned Powertel special meeting, then a new quorum will have to be established.

Required Vote

The completion of each of the Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger requires the approval of the relevant merger agreement by the affirmative vote of the holders of:

- a majority of the voting power of the outstanding Powertel common shares and Powertel Series A preferred shares, voting together as a single class, with the Series A preferred shares voting on an as-converted-to-common shares basis; and
- two-thirds of each of the Series A preferred shares, Series B preferred shares, Series D preferred shares, Series E preferred shares and Series F preferred shares, each voting as a separate class.

Each Powertel common share outstanding as of the close of business on January 24, 2001 entitles the holder to one vote at the Powertel special meeting. Each Powertel Series A preferred share outstanding as of the close of business on January 24, 2001 entitles the holder to 46.26774 votes at the Powertel special meeting when voting together with the common shares on an as-converted-to-common shares basis. Each Powertel preferred share is entitled to one vote when voting as a separate class. Because the vote is based on the number of Powertel shares outstanding rather than on the number of votes cast, failure to vote your shares is effectively a vote against the mergers. In addition, abstentions and broker non-votes will have the same effect as votes against approval of the mergers.

You may vote your shares in either of two ways:

- by completing and returning the accompanying proxy card; or
- by appearing and voting in person at the Powertel special meeting.

At the Powertel record date, directors and executive officers of Powertel and their respective affiliates beneficially owned approximately 47.7% of all the outstanding Powertel common shares, and Sonera Corporation beneficially owned an additional 12.8% of all the outstanding Powertel common shares. All of the outstanding Powertel preferred shares were held by the stockholders in the amounts set forth under "— Record Date; Quorum."

Agreements to Vote in Favor of the Deutsche Telekom/Powertel Merger

In connection with the execution of the Deutsche Telekom/Powertel merger agreement, Powertel stockholders who, in the aggregate, had sufficient voting power as of the Powertel record date to approve the Deutsche Telekom/Powertel merger entered into stockholder agreements with Deutsche Telekom whereby each of the stockholders has agreed to vote its Powertel shares in favor of the Deutsche Telekom/Powertel merger. See "Summary of Deutsche Telekom/Powertel and VoiceStream/Powertel Transaction Documents — Deutsche Telekom's Agreements with Stockholders of Powertel." As a result, stockholder approval of the Deutsche Telekom/Powertel merger is assured.

Deutsche Telekom has obtained all corporate and stockholder approvals necessary to complete the Deutsche Telekom/Powertel merger, other than ministerial actions to be taken in connection with the completion of the merger.

Agreements to Vote in Favor of the VoiceStream/Powertel Merger

In connection with the execution of the VoiceStream/Powertel merger agreement, Powertel stockholders who, in the aggregate, had sufficient voting power as of the Powertel record date to approve the VoiceStream/Powertel merger entered into stockholder agreements with VoiceStream whereby each of the stockholders has agreed to vote its Powertel shares in favor of the VoiceStream/Powertel merger. See "Summary of Deutsche Telekom/Powertel and VoiceStream/Powertel Transaction Documents — VoiceStream's Agreements with Stockholders of Powertel." As a result, stockholder approval of the VoiceStream/Powertel merger is assured.

Voting and Revocation of Proxies

If you vote your Powertel common shares or Powertel preferred shares by signing a proxy, your shares will be voted at the Powertel special meeting as you indicate on your proxy card. If no instructions are indicated on your signed proxy card, your Powertel common shares or Powertel preferred shares will be voted "FOR" the adoption of the Deutsche Telekom/Powertel merger agreement and the VoiceStream/Powertel merger agreement.

You may revoke your proxy at any time before the proxy is voted at the Powertel special meeting. A proxy may be revoked prior to the vote at the Powertel special meeting in any of the following ways:

- by submitting a written revocation to the Secretary of Powertel, Inc. at 1239 O.G. Skinner Drive, West Point, Georgia 31833;
- by submitting a new proxy dated after the date of the proxy that is being revoked; or
- by voting in person at the Powertel special meeting.

However, simply attending the Powertel special meeting will not revoke a proxy. If you do not hold your Powertel common shares or Powertel preferred shares in your own name, you may revoke a previously given proxy by following the revocation instructions provided by the bank, broker or other party that is the registered owner of the shares.

The Powertel board of directors is not aware of any other business to be brought before the Powertel special meeting. If, however, other matters are properly brought before the Powertel special meeting or any adjournment of the Powertel special meeting, the persons appointed as proxies will have discretionary authority to vote the Powertel shares represented by duly executed proxies in accordance with their discretion and judgment.

Do not include Powertel share certificates when returning the enclosed proxy card.

After the completion of the Deutsche Telekom/Powertel merger, Powertel will mail to you a form with instructions for electing whether you prefer to receive Deutsche Telekom ADSs or Deutsche Telekom ordinary shares and a letter of transmittal for surrendering your Powertel share certificates to Deutsche Telekom. You will need to send a completed letter of transmittal and Powertel share certificates representing your Powertel shares to the escrow agent for the Deutsche Telekom/Powertel merger. If you make an election to receive Deutsche Telekom ordinary shares in connection with the Deutsche Telekom/Powertel merger, you also will need to send a completed form of election.

In the alternative, if the Deutsche Telekom/VoiceStream merger agreement terminates and the VoiceStream/Powertel merger is completed, VoiceStream will promptly mail to you a form with instructions and a letter of transmittal for surrendering your Powertel share certificates to VoiceStream. You will need to send a completed letter of transmittal and Powertel share certificates representing your Powertel shares to the escrow agent for the VoiceStream/Powertel merger.

Powertel stockholders who hold Powertel shares in "street name" through a bank, broker or other financial institution should receive from that institution information about the procedures for making an election and exchanging that holder's shares for Deutsche Telekom ADSs or Deutsche Telekom ordinary shares, or if the Deutsche Telekom/VoiceStream merger agreement terminates and the VoiceStream/

Powertel merger is completed, information about the procedures for exchanging that holder's shares for VoiceStream common shares.

Solicitation of Proxies

Powertel is, and Deutsche Telekom may be, soliciting, and each will bear its own cost of soliciting, proxies to vote on the Deutsche Telekom/Powertel merger and the VoiceStream/Powertel merger at the Powertel special meeting. Deutsche Telekom, VoiceStream and Powertel will share equally the amount of expenses incurred in connection with the cost of printing and distributing this proxy statement/prospectus. Deutsche Telekom and Powertel will share equally the amount of SEC filing fees incurred in connection with registering the Deutsche Telekom ADSs and Deutsche Telekom ordinary shares issuable upon completion of the Deutsche Telekom/Powertel merger. VoiceStream and Powertel will share equally the amount of SEC filing fees incurred in connection with registering the VoiceStream common shares issuable upon completion of the VoiceStream/Powertel merger. Officers, directors and employees of Powertel and Deutsche Telekom also may solicit proxies from Powertel stockholders by telephone, mail, the Internet or in person. However, they will not be paid for soliciting proxies. Powertel will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners of Powertel shares, and Powertel will reimburse those brokerage houses and custodians for their reasonable expenses in doing so. MacKenzie Partners, Inc. has been retained by Powertel to assist in the solicitation of proxies, using the means referred to above, and will receive fees of up to \$7,500, plus reasonable out-of-pocket expenses.

THE DEUTSCHE TELEKOM/VOICESTREAM MERGER

Background of the Deutsche Telekom/VoiceStream Merger

Deutsche Telekom — General Background

Deutsche Telekom has been seeking to expand internationally through acquisitions, investments and joint undertakings in the areas that are the four pillars of its growth strategy: mobile telecommunications, data/Internet Protocol/systems, consumer Internet services and access services. Deutsche Telekom considers expansion of its international business to be an essential component of its overall business strategy. In particular, Deutsche Telekom has aimed to build on its strength in Europe and to expand its reach in the United States. From time to time, Deutsche Telekom has engaged and may continue to engage in discussions with other parties that may lead to one or more substantial cross-border acquisitions or business combinations. In that connection, Deutsche Telekom retained Donaldson, Lufkin & Jenrette and Dresdner Kleinwort Benson in November 1999 as financial advisors to advise it on acquisition alternatives in the U.S. wireless telecommunications industry. Over the next several months, Deutsche Telekom, with the aid of Donaldson, Lufkin & Jenrette and Dresdner Kleinwort Benson, explored several wireless opportunities in the United States, including an acquisition of VoiceStream. Among other things, Deutsche Telekom and its financial advisors analyzed the U.S. wireless market, possible valuations of VoiceStream and alternative transaction structures and considerations.

VoiceStream — General Background

Following the spin-off of VoiceStream from Western Wireless in May 1999, the VoiceStream board of directors has sought to expand the geographical scope of, and enhance the services provided by, its wireless business operations to enable VoiceStream to become a nationwide service provider and to compete effectively against larger wireless carriers. In the first half of 2000, VoiceStream acquired wireless carriers Omnipoint Corporation and Aerial Communications, Inc., received a \$957 million investment from Hutchison Whampoa Ltd., a \$500 million investment from Sonera Corporation, entered into a new \$3.25 billion credit agreement and raised \$1.46 billion in a high-yield debt offering.

As a result of these acquisitions and financing activities, by the end of the first half of 2000, VoiceStream had become a national competitor in the U.S. wireless telecommunications industry. VoiceStream's board of directors and management believed that VoiceStream's size and financial resources relative to other national competitors, and the conditions and trends in the telecommunications industry, including the ongoing consolidation of telecommunications companies both in the United States and globally, would require VoiceStream to continue to expand if VoiceStream were to remain a strong competitor in the wireless telecommunications industry, and VoiceStream's board of directors and management understood that this expansion strategy would require VoiceStream to raise and spend billions of dollars in the future.

On a number of occasions during the year 2000, VoiceStream received inquiries from U.S. and international communications companies expressing interest in an acquisition of all of VoiceStream or a significant minority investment in VoiceStream. In response to these inquiries and contacts, VoiceStream's management, together with Goldman, Sachs & Co., VoiceStream's financial advisor, held preliminary discussions with 10 parties who expressed interest in such possible transactions with VoiceStream. Of these parties, three communications companies expressed interest in acquiring all of VoiceStream, including Deutsche Telekom and another party which submitted a preliminary acquisition proposal in July. In addition, VoiceStream also received written proposals from two international communications companies in addition to Deutsche Telekom that expressed an interest in acquiring a significant minority stake in VoiceStream. One of these parties, in addition to Deutsche Telekom, conducted due diligence with VoiceStream's management, and VoiceStream delivered to such party drafts of agreements under which such investment would be made.

As discussed under “— Recommendation and Considerations of the VoiceStream Board of Directors,” the VoiceStream board determined that the Deutsche Telekom/VoiceStream merger, including the \$5 billion equity investment by Deutsche Telekom which was agreed to at the time of signing of the Deutsche Telekom/VoiceStream merger agreement, was the most desirable strategic alternative for VoiceStream as well as the most attractive transaction that was available.

The Deutsche Telekom/VoiceStream Transaction

On March 7, 2000, a representative of Donaldson, Lufkin & Jenrette, one of Deutsche Telekom’s financial advisors, contacted John W. Stanton, chairman and chief executive officer of VoiceStream, by telephone to inform Mr. Stanton that Deutsche Telekom was seeking to expand its telecommunications business into the United States and that Deutsche Telekom had an interest in acquiring VoiceStream and to arrange a meeting between Mr. Stanton and Dr. Ron Sommer, chairman of Deutsche Telekom’s management board. Mr. Stanton and Dr. Sommer, together with other representatives of VoiceStream and Deutsche Telekom, met in New York on March 13. At this meeting, the parties discussed the telecommunications industry in general, and Deutsche Telekom indicated its interest in acquiring VoiceStream to expand its wireless telecommunications business into the United States.

On March 29, 2000, Mr. Stanton and Dr. Sommer, together with other representatives of VoiceStream and Deutsche Telekom, met again in New York. At this meeting, Deutsche Telekom indicated that it was considering making a proposal to acquire VoiceStream in a transaction in which stockholders of VoiceStream would receive shares of T-Mobile, which is the Deutsche Telekom subsidiary through which Deutsche Telekom conducts a substantial portion of its mobile telecommunications businesses. Mr. Stanton said that VoiceStream would not be willing to consider such a proposal, if made, in light of the absence of an existing public trading market for the shares of T-Mobile and a number of other contingencies and uncertainties surrounding T-Mobile.

On June 1, 2000, in light of press reports concerning a possible minority investment in VoiceStream by a third party, Donaldson, Lufkin & Jenrette contacted Goldman Sachs and VoiceStream to determine whether VoiceStream would consider a proposal by Deutsche Telekom for an acquisition of VoiceStream or an equity investment in VoiceStream. Goldman Sachs indicated that VoiceStream would be willing to consider a written proposal from Deutsche Telekom, and requested that any such proposal be provided no later than early June because of the presence of other possible bidders. Later that day or the next, Dr. Sommer telephoned Mr. Stanton and informed him that Deutsche Telekom would like to continue discussions of a possible acquisition of VoiceStream by Deutsche Telekom. Mr. Stanton indicated that VoiceStream would be willing to consider a written proposal from Deutsche Telekom to acquire VoiceStream and requested that such proposal be provided no later than early June.

On June 6, 2000, Deutsche Telekom submitted a written, preliminary proposal to acquire all of VoiceStream. The proposal contemplated the acquisition of VoiceStream solely for Deutsche Telekom ordinary shares at a fixed exchange ratio to be negotiated that would imply a price of between \$170 and \$190 per VoiceStream share.

On June 12, 2000, Mr. Stanton sent a written reply to Deutsche Telekom’s proposal which stated that VoiceStream would be willing to consider an acquisition proposal for VoiceStream of at least \$200 per VoiceStream common share provided that a significant component of the purchase price be paid in cash and that the proposal contain protection for VoiceStream stockholders if the price of Deutsche Telekom’s shares declined. The reply indicated that VoiceStream would permit Deutsche Telekom to conduct limited due diligence if Deutsche Telekom believed it could raise the value of its proposal to at least \$200 per VoiceStream common share.

On June 15, 2000, Mr. Stanton and Dr. Sommer spoke by telephone and discussed terms of a potential transaction. Also on June 15, 2000, representatives of the two companies held a conference call in which the parties agreed that VoiceStream would provide Deutsche Telekom with preliminary due diligence information. On June 21, 2000, Deutsche Telekom and VoiceStream entered into a non-disclosure agreement.

On June 22, 2000, Deutsche Telekom submitted a revised written, preliminary proposal to acquire VoiceStream, indicating that it would be willing to pay at least \$200 per VoiceStream common share, with 10% of the consideration to be paid in cash and the balance to be paid in Deutsche Telekom shares. Deutsche Telekom's proposal stated that the share portion of the consideration would be subject to a collar that would provide VoiceStream stockholders with some value protection in the event of a decrease in the price of Deutsche Telekom's shares. The proposal also indicated that, as part of any definitive agreement with VoiceStream, Deutsche Telekom would require VoiceStream's principal stockholders representing more than 50% of VoiceStream's voting power on a fully diluted basis to agree to support the transaction and to restrict dispositions of the Deutsche Telekom shares they would receive in the transaction for a period of at least six months after the completion of the transaction.

On June 22, 2000, Mr. Stanton sent a written reply to Dr. Sommer and Mr. Jeffrey Hedberg, a member of the Deutsche Telekom management board, raising a number of business issues with respect to Deutsche Telekom's proposal and scheduling due diligence meetings in Seattle, Washington commencing June 27. Mr. Stanton requested that Deutsche Telekom be prepared to make a definitive proposal by July 5.

On June 27 through June 29, 2000, Deutsche Telekom and its representatives met in Seattle, Washington with senior members of VoiceStream's management and conducted a due diligence review of VoiceStream's business, operations, properties and finances. The parties discussed the terms of a separate significant investment by Deutsche Telekom in VoiceStream.

On July 5, 2000, Deutsche Telekom delivered to VoiceStream a written acquisition proposal, including a draft merger agreement and draft agreement to be entered into by VoiceStream's major stockholders. Deutsche Telekom's proposal was to acquire all of the outstanding shares of VoiceStream for a combination per VoiceStream common share of \$10 in cash and Deutsche Telekom shares having an anticipated value of \$190. The proposal contained a collar designed to provide that the portion of the consideration payable in Deutsche Telekom shares would have a value of \$190 as long as the trading price of Deutsche Telekom ordinary shares were in the range of 54 euros to 69 euros. If the trading price of Deutsche Telekom ordinary shares were below that range, a maximum agreed fixed exchange ratio would apply and the trading value of the consideration payable in Deutsche Telekom shares would be less than \$190. Conversely, if the trading price of Deutsche Telekom shares were above the range, a minimum fixed exchange ratio would apply and the trading value of the Deutsche Telekom shares would exceed \$190. Deutsche Telekom also proposed to invest \$5 billion in VoiceStream on terms that Deutsche Telekom believed to be customary for strategic investments of this kind, but which VoiceStream believed would have the effect of significantly limiting VoiceStream's ability to use the funds unless Deutsche Telekom specifically approved. The form of stockholders agreement included as part of the proposal would obligate VoiceStream's principal stockholders to vote for the transaction at the VoiceStream special meeting and not to transfer any VoiceStream common shares or Deutsche Telekom shares prior to six months after the completion of the Deutsche Telekom/VoiceStream merger.

On July 7, 2000, Mr. Stanton responded to Deutsche Telekom's proposal of July 5, requesting revisions to various business terms proposed by Deutsche Telekom and suggesting that negotiations commence the following week among the principals and their outside financial advisors. The parties agreed to meet in New York on Monday, July 10 to discuss Deutsche Telekom's acquisition proposal.

On July 7, 2000, VoiceStream received an indication of interest from a non-U.S. wireless company to combine with VoiceStream. The indication of interest said that the third party was prepared to consider offering \$160 to \$180 per VoiceStream common share but did not propose a specific transaction structure and indicated that the timing of any transaction and the form of consideration could be affected by other strategic transactions involving the third party. The third party indicated that, as an alternative, it would also consider making an investment in VoiceStream of between \$5 billion and \$8 billion as the first stage of a transaction that would result in the acquisition of all of VoiceStream.

On July 9, 2000, VoiceStream informed the third party that VoiceStream would be willing to consider an acquisition proposal by such third party only if its stockholders were to receive consideration of at least \$200 per VoiceStream common share.

On July 10, 2000, Mr. Stanton and other members of VoiceStream's senior management and representatives of VoiceStream's financial advisor met with members of Deutsche Telekom's management and representatives of its financial advisor in New York to discuss the terms proposed by Deutsche Telekom and modifications of such terms. At this meeting the parties discussed major terms of a transaction, including financial terms, structure, tax considerations, retention of VoiceStream's management and employees after the Deutsche Telekom/VoiceStream merger and the portion of the purchase price that would be payable to VoiceStream stockholders in cash. The parties also discussed an investment by Deutsche Telekom in VoiceStream to be made prior to the completion of a merger between the parties, the impact of the acquisition of VoiceStream on Deutsche Telekom's plans for its mobile telecommunications subsidiary, T-Mobile, and representation of VoiceStream on the supervisory and management boards of Deutsche Telekom and T-Mobile.

During the period from July 12 to July 14, 2000, members of VoiceStream's and Deutsche Telekom's respective managements and their respective financial advisors met daily at Sun Valley, Idaho and continued to discuss a potential transaction. On July 14, 2000, Deutsche Telekom and VoiceStream reached agreement on the Deutsche Telekom/VoiceStream merger consideration per VoiceStream share by raising the cash portion to \$30 and fixing the exchange ratio at 3.2 Deutsche Telekom shares, implying a value of about \$205 per VoiceStream common share, based on the closing price of Deutsche Telekom ADSs on July 13, 2000. This agreement was subject to mutually satisfactory negotiation of the other terms of the Deutsche Telekom/VoiceStream merger agreement, the agreements to be entered into by VoiceStream's principal stockholders and of a significant investment by Deutsche Telekom in VoiceStream. In regard to the investment, Deutsche Telekom and VoiceStream agreed that Deutsche Telekom would invest \$5 billion in a VoiceStream security that would be convertible into VoiceStream common shares at a conversion price of \$160 per VoiceStream common share and having other terms which were to be negotiated. Deutsche Telekom said that obtaining agreements from VoiceStream's stockholders representing in the aggregate more than 50% of the voting power of VoiceStream would be a condition to Deutsche Telekom's participation in the transaction.

On July 19, 2000, VoiceStream's representatives were contacted by telephone by representatives of the financial advisors for the third party which had submitted the written indication of interest on July 7, 2000. The representatives indicated by phone that the third party would consider making a proposal to acquire VoiceStream at a value in the range of \$200 per VoiceStream common share. Such representatives also stated that the third party would require a period of several weeks to conduct due diligence of VoiceStream and that the timing of a transaction could be delayed by other strategic transactions involving the third party.

During the period between July 14 and July 23, 2000, members of VoiceStream's and Deutsche Telekom's respective senior management and their respective legal and financial advisors held continuous meetings in New York to negotiate the terms and conditions of the Deutsche Telekom/VoiceStream merger agreement, the \$5 billion investment by Deutsche Telekom in VoiceStream and related agreements between the parties. Representatives of Deutsche Telekom held discussions with members of senior management of VoiceStream regarding the retention of senior management and other employees of VoiceStream by Deutsche Telekom after the completion of the Deutsche Telekom/VoiceStream merger and the terms of such retention arrangements. Discussions also continued between VoiceStream and Deutsche Telekom and VoiceStream's major stockholders with respect to the terms of the proposed stockholders agreements between Deutsche Telekom and the major stockholders of VoiceStream.

On July 18, 2000, VoiceStream convened a meeting of its board. At this meeting, the VoiceStream board received an update from VoiceStream's management and its financial and legal advisors on the status of the negotiations with Deutsche Telekom and with the third party that had submitted the proposal on July 7, 2000. The VoiceStream board also reviewed the history and status of the various proposals

which had been made to VoiceStream for an acquisition or significant minority investment. Based on concerns about the timing, feasibility, structure and value which might be realized in a transaction with the third party, and noting the contingent nature of the third party's preliminary proposal, the VoiceStream board instructed management to focus its efforts on a transaction with Deutsche Telekom and to convey its concerns to the third party. The VoiceStream board meeting was adjourned until July 21, 2000.

On July 21, 2000, the VoiceStream board continued to review the proposed Deutsche Telekom/VoiceStream merger and VoiceStream's other strategic alternatives. Representatives of VoiceStream's management and VoiceStream's financial and legal advisors made presentations regarding the various strategic alternatives available to VoiceStream, including:

- continuing as an independent entity and entering into strategic financing or business arrangements with other industry participants or financing sources that would assist VoiceStream in financing its business strategy;
- pursuing one or more significant acquisitions of other wireless telecommunications companies; and
- entering into a combination with Deutsche Telekom or the third party that had submitted the preliminary proposal on July 7, 2000, as orally modified by its financial advisors on July 19, 2000.

VoiceStream's management and advisors then reviewed for the VoiceStream board the status of the negotiations with Deutsche Telekom and the business and strategic rationale for the proposed Deutsche Telekom/VoiceStream merger transaction, and VoiceStream's legal counsel discussed certain legal considerations relating to the proposed transactions. VoiceStream's management and advisors also reviewed, among other things, the matters set forth under "Risk Factors Relating to the Deutsche Telekom/VoiceStream Merger and the Deutsche Telekom/Powertel Merger," "— Deutsche Telekom's Reasons for the Deutsche Telekom/VoiceStream Merger" and "— Recommendation and Considerations of the VoiceStream Board of Directors," as well as the provisions contained in the draft Deutsche Telekom/VoiceStream merger agreement and the related documents, including the various stockholders agreements in which VoiceStream stockholders owning in the aggregate more than 50% of the voting power of VoiceStream would agree to vote for the Deutsche Telekom/VoiceStream merger and not to transfer their shares of VoiceStream or Deutsche Telekom for certain specified periods. Goldman Sachs made presentations to the VoiceStream board concerning financial aspects of the proposed Deutsche Telekom/VoiceStream merger and discussed financial aspects of the various strategic alternatives available to VoiceStream. The VoiceStream board meeting was again adjourned until July 23, 2000.

Deutsche Telekom's management board discussed a potential acquisition transaction involving VoiceStream and a minority investment in VoiceStream on various occasions at regularly scheduled meetings during the period from March through July 2000. On July 23, 2000, Deutsche Telekom's supervisory board met in Bonn, Germany to consider the proposed transactions. At this meeting, the supervisory board approved and authorized the execution of the Deutsche Telekom/VoiceStream merger agreement and the agreements providing for Deutsche Telekom's \$5 billion investment in VoiceStream, subject to finalization by the parties' management and respective legal advisors.

Also on July 23, 2000, the VoiceStream board continued to review and consider the proposed merger with Deutsche Telekom. VoiceStream's management and financial and legal advisors reviewed the terms of the Deutsche Telekom/VoiceStream merger agreement and described the resolution of all significant open issues between VoiceStream and Deutsche Telekom. Representatives of Goldman Sachs confirmed the financial analyses presented on July 21 and then delivered Goldman Sachs' oral opinion, later confirmed in writing, that as of the date of that opinion, the merger consideration in aggregate to be received by holders of VoiceStream common shares was fair from a financial point of view to those holders of VoiceStream common shares. Following further discussion and consideration, the VoiceStream board, with one director not present, unanimously approved and authorized the execution of the Deutsche Telekom/VoiceStream merger agreement and the agreements providing for Deutsche Telekom's \$5 billion investment in VoiceStream on the terms discussed at the VoiceStream board meeting, subject to finalization by the parties' management and respective legal advisors.

In the evening of July 23, representatives of Deutsche Telekom's and VoiceStream's respective management and legal advisors completed the definitive Deutsche Telekom/VoiceStream merger agreement, stockholder agreements, investment agreement and related documents, and thereafter the parties executed those documents, and Deutsche Telekom and VoiceStream's principal stockholders entered into the stockholder agreements.

On July 24, 2000, Deutsche Telekom and VoiceStream issued a joint press release announcing the transaction.

On February 8, 2001, with the approval of the VoiceStream board of directors and the Deutsche Telekom management and supervisory boards, Deutsche Telekom and VoiceStream agreed to amend the Deutsche Telekom/VoiceStream merger agreement to provide, among other things, that the Deutsche Telekom/VoiceStream merger will not be completed before May 31, 2001, which is the second day after the expected record date for determining which Deutsche Telekom shareholders will be entitled to receive Deutsche Telekom's annual dividend in respect of fiscal year 2000. In connection with this agreement, the parties agreed that VoiceStream would be permitted to pay a stock dividend to its stockholders before completion of the Deutsche Telekom/VoiceStream merger of 0.0075 of a VoiceStream common share for each VoiceStream share outstanding. This dividend will have the effect of increasing by 0.75% the number of shares owned by VoiceStream stockholders and, accordingly, the aggregate amount of cash and Deutsche Telekom shares to be received by VoiceStream stockholders in the Deutsche Telekom/VoiceStream merger. The parties further agreed that if all of the conditions to completion of the Deutsche Telekom/VoiceStream merger are satisfied or waived in accordance with the merger agreement as of a date that is earlier than May 31, 2001, including the condition that no material adverse effect on VoiceStream shall have occurred, then after that earlier date Deutsche Telekom will no longer have the ability to terminate the merger agreement because of any material adverse effect on, or a material inaccuracy in, a representation or warranty of VoiceStream.

Deutsche Telekom's Reasons for the Deutsche Telekom/VoiceStream Merger

Deutsche Telekom believes that the addition of VoiceStream to Deutsche Telekom's mobile telephony operations will make Deutsche Telekom a more competitive telecommunications company with greater prospects for growth than either Deutsche Telekom or VoiceStream would have on its own, and will generate significant opportunities to deliver greater value to Deutsche Telekom shareholders, including former VoiceStream stockholders after the Deutsche Telekom/VoiceStream merger. Deutsche Telekom believes that VoiceStream provides it with a strong entry opportunity into the U.S. wireless telecommunications market, based on the same GSM wireless technology employed by Deutsche Telekom, and believes that Deutsche Telekom will provide VoiceStream with the necessary capital resources, technology expertise and global reach to provide cost-competitive service and accelerate the introduction of next-generation voice and data services in the United States.

High-Growth U.S. Wireless Telecommunications Industry

Deutsche Telekom's objective is to become a global player in four major telecommunications segments: mobile telecommunications, data/Internet Protocol/systems, consumer Internet services and network access services. The U.S. telecommunications industry is the world's largest and its wireless telecommunications sector, which is its most significant growth area, is one of the most attractive wireless markets globally. Deutsche Telekom believes that the U.S. wireless telecommunications sector has significant growth potential and that the combined company will be well positioned to take advantage of this opportunity.

VoiceStream's Licenses and Potential Customers

VoiceStream's licenses enable it to operate in 23 of the 25 largest markets in the United States in terms of persons in a geographic area, which in this document we refer to as "POPs". VoiceStream's

licenses cover 220 million potential customers and VoiceStream's current network coverage enables access to approximately 100 million potential customers. VoiceStream expects its network coverage to increase by an additional 20 million customers during 2001. Access to these customers is a key factor in realizing the potential of the wireless telecommunications business. Deutsche Telekom believes that these capabilities will enable it to implement its objective of becoming a global player in this market.

First Transatlantic Wireless Operator Utilizing the GSM Wireless Technology Standard

Deutsche Telekom and VoiceStream have compatible network platforms utilizing GSM wireless technology, which is the established standard in most countries outside the United States. VoiceStream is the only U.S. wireless telecommunications provider with a national GSM wireless technology network. The combination of Deutsche Telekom and VoiceStream will create the first transatlantic wireless operator utilizing GSM wireless technology. Together, Deutsche Telekom and VoiceStream will offer seamless services over a common technology platform and provide customer-friendly features, such as global roaming, unified billing and worldwide customer service. Deutsche Telekom believes that these services, which currently are not offered in this form by any other U.S. provider, will give the combined company a competitive edge in the U.S. wireless telecommunications industry. The combined company will be, after the combination, the number one global GSM wireless telecommunications operator in terms of POPs with approximately 375 million POPs. If the Deutsche Telekom/VoiceStream merger and the Deutsche Telekom/Powertel merger had been completed on September 30, 2000, the combined company would have been, as of that date, the number two provider of global GSM wireless technology in terms of number of subscribers.

VoiceStream's Management

VoiceStream's senior executive team, which has substantial experience in the industry, has agreed to fully support the Deutsche Telekom/VoiceStream merger and the integration with Deutsche Telekom and is expected to lead Deutsche Telekom's wireless telecommunications activities in the U.S. market.

Other Factors

Deutsche Telekom also has considered the following potentially negative factors associated with the Deutsche Telekom/VoiceStream merger:

- The risks described under "Risk Factors Relating to the Deutsche Telekom/VoiceStream Merger and the Deutsche Telekom/Powertel Merger" as they apply to VoiceStream.
- The relatively small current market share of VoiceStream in the U.S. mobile telecommunications market.
- The substantial operating losses and negative cash flow from operations incurred by VoiceStream to date and expected to be incurred by VoiceStream in the future.
- The substantial capital expenditures likely to be required to build out VoiceStream's mobile network and to market and distribute VoiceStream's mobile services in the U.S., including the uncertainties associated with potential auctions of additional FCC licenses, both as to the timing of such auctions and the financial obligations to be incurred in connection with any successful bids.
- The risk that, if the Deutsche Telekom/VoiceStream merger were not to be completed, Deutsche Telekom would retain a \$5 billion minority financial investment in VoiceStream that would not provide it with control over VoiceStream's operations.

Recommendation and Considerations of the VoiceStream Board of Directors

On July 23, 2000, the board of directors of VoiceStream, by unanimous vote of all of the directors present, with one director absent, determined the Deutsche Telekom/VoiceStream merger and the other transactions contemplated by the Deutsche Telekom/VoiceStream merger agreement to be advisable, fair to and in the best interests of VoiceStream and its stockholders, approved and adopted the Deutsche

Telekom/VoiceStream merger agreement and recommended that the stockholders of VoiceStream vote for approval and adoption of the Deutsche Telekom/VoiceStream merger agreement. **The VoiceStream board continues to recommend that the stockholders of VoiceStream vote “FOR” approval and adoption of the Deutsche Telekom/VoiceStream merger agreement at the VoiceStream special meeting.**

In the course of reaching its decision to adopt the Deutsche Telekom/VoiceStream merger agreement, the VoiceStream board consulted with management, as well as with its outside legal counsel and financial advisors, and considered the following material factors:

- *Financial Terms — Premium Valuation; Continuing Interest in Combined Company.* The VoiceStream board noted that:
 - Based on the closing market price of Deutsche Telekom ordinary shares on the last trading day prior to the announcement of the Deutsche Telekom/VoiceStream merger, the per share value of the Deutsche Telekom/VoiceStream merger consideration represented a premium of approximately:
 - (1) 31% over the closing price of VoiceStream common shares on the last trading day prior to the VoiceStream board’s approval;
 - (2) 57% over the closing price of VoiceStream common shares on July 10, 2000, the last date prior to public reports of merger discussions between Deutsche Telekom and VoiceStream; and
 - (3) 58% and 96% over the average closing prices of VoiceStream common shares for the three and six month periods leading up to the announcement of the Deutsche Telekom/VoiceStream merger agreement, respectively; and
 - The stock portion of the aggregate merger consideration, even without considering the \$30 per share in cash, would be received by VoiceStream stockholders at a significant premium to historical ratios of the relative trading prices of Deutsche Telekom ordinary shares and VoiceStream common shares. As a result, the VoiceStream stockholders would obtain a continuing interest in the Deutsche Telekom/VoiceStream combined company on favorable terms.
- *Alternatives to the Merger.* VoiceStream had considered a number of strategic alternatives and concluded that the Deutsche Telekom/VoiceStream merger represented the most desirable strategic alternative for VoiceStream, as well as the most attractive opportunity that was available to VoiceStream and its stockholders. Specifically:
 - The VoiceStream board believed that in order to compete effectively in the wireless telecommunications industry, VoiceStream would need to continue its strategy of expanding its geographic coverage, including by acquiring spectrum licenses, building out its network in areas where it held licenses and growing its subscriber base. The VoiceStream board considered that this strategy entails considerable risk and would require VoiceStream to raise significant amounts of new debt and equity capital;
 - The VoiceStream board considered various strategic alternatives available to VoiceStream, including:
 - (1) continuing as an independent entity and entering into strategic financing or business arrangements with other industry participants or financing sources that would assist VoiceStream in financing its business strategy;
 - (2) pursuing one or more significant acquisitions of other wireless communications companies; and
 - (3) entering into a combination with or being acquired by a major telecommunications company of national or global scale, or a company in another industry;

- VoiceStream’s directors and management investigated and discussed these strategic alternatives over a period of months, and, during this period, were in contact with and/or engaged in discussions with numerous other parties interested in acquiring, being acquired by, or engaging in a strategic or financial alliance with VoiceStream, as discussed under “— Background of the Deutsche Telekom/VoiceStream Merger,” and
- The possibility of a combination between Deutsche Telekom and VoiceStream received substantial publicity commencing at least two weeks before Deutsche Telekom and VoiceStream announced the Deutsche Telekom/VoiceStream merger, and earlier a possible strategic investment in VoiceStream was the subject of considerable publicity. Notwithstanding the investigations and discussions described above, and despite the publicity, only one other party indicated an interest in engaging in a business combination transaction at a value to VoiceStream stockholders comparable to that offered by Deutsche Telekom. The preliminary proposal from the third party was not a firm proposal, did not offer the assurances of value or completion offered by Deutsche Telekom, and was subject to a due diligence contingency.
- *Opinion of Financial Advisor.* Goldman Sachs, VoiceStream’s financial advisor, made presentations to the VoiceStream board concerning financial aspects of the proposed Deutsche Telekom/VoiceStream merger and of the various strategic alternatives available to VoiceStream, and delivered its oral opinion, later confirmed in writing, that as of the date of that opinion, the merger consideration in aggregate to be received by holders of VoiceStream common shares was fair from a financial point of view to those holders of VoiceStream common shares.
- *\$5 Billion Investment by Deutsche Telekom.* The VoiceStream board viewed favorably Deutsche Telekom’s willingness to invest \$5 billion in VoiceStream convertible preferred shares at an effective price of \$160 per VoiceStream common share irrespective of whether the Deutsche Telekom/VoiceStream merger were completed. This investment, which was completed on September 6, 2000, will help VoiceStream to finance its existing business strategy in the near term, including the potential acquisition of spectrum licenses.
- *Complementary Strategies and Technologies.* The VoiceStream board believed that there is a strong strategic and technology fit between Deutsche Telekom’s and VoiceStream’s mobile communications businesses and operations. In particular, the VoiceStream board noted that:
 - VoiceStream’s and Deutsche Telekom’s mobile communications services are based on compatible network platforms utilizing GSM wireless technology, which is the established standard in most countries outside the United States; and
 - VoiceStream is the only U.S. wireless communications provider with a nationwide GSM network.
- *New Opportunities for Growth.* The VoiceStream board believed that combining VoiceStream’s and Deutsche Telekom’s mobile communications businesses will create growth opportunities not available to either company without the Deutsche Telekom/VoiceStream merger. These include the opportunities:
 - to offer seamless services on a global basis over a common technology platform and to provide services such as global roaming, unified billing and worldwide customer service;
 - accelerate the introduction by VoiceStream of next-generation wireless voice and data services, such as mobile Internet and multimedia applications; and
 - to use Deutsche Telekom’s greater financial resources to finance VoiceStream’s growth-focused business strategy, which is expected to require significant capital commitments in the near term.

The VoiceStream board observed that these opportunities could enable the combined company to grow more quickly and beyond the levels VoiceStream could be expected to achieve without the Deutsche Telekom/VoiceStream merger.

- *Likelihood of Completion.* The VoiceStream board believed that the nature and relatively limited number of conditions to the completion of the Deutsche Telekom/VoiceStream merger, and the strength of Deutsche Telekom's obligations to fulfill those conditions, would increase the likelihood that the Deutsche Telekom/VoiceStream merger will be completed.
- *Tax-Free Treatment.* It is expected that the portion of the merger consideration to be received by VoiceStream stockholders in the form of Deutsche Telekom ADSs or Deutsche Telekom ordinary shares will be tax-free to those stockholders for U.S. federal income tax purposes, although the VoiceStream board also considered that the cash portion of the Deutsche Telekom/VoiceStream merger consideration would be taxable for U.S. federal income tax purposes. See "U.S. Federal and German Tax Consequences."

The VoiceStream board also considered the following potentially negative factors associated with the Deutsche Telekom merger:

- the risks described under "Risk Factors Relating to the Deutsche Telekom/VoiceStream Merger and the Deutsche Telekom/Powertel Merger;"
- that legislation had been proposed in the U.S. Congress which, if enacted, would have prevented the FCC from approving the transfer of wireless licenses to an entity of which a foreign government owns more than 25 percent and would have had the effect of preventing the U.S. regulatory approvals necessary for the Deutsche Telekom/VoiceStream merger, and the risk that there may be other legislation or other political or regulatory opposition to the Deutsche Telekom/VoiceStream merger that could delay, impede or prohibit the Deutsche Telekom/VoiceStream merger, as discussed under "Regulatory Approvals — Regulatory Approvals Required for the Deutsche Telekom/VoiceStream Merger and the Deutsche Telekom/Powertel Merger;"
- that (1) the Deutsche Telekom/VoiceStream merger agreement is required to be submitted to the stockholders even if the VoiceStream board withdraws or changes its recommendation that VoiceStream stockholders vote in favor of the merger; and (2) because VoiceStream stockholders representing in excess of 50% of the outstanding voting power would enter into stockholder agreements with Deutsche Telekom contemporaneously with the signing of the Deutsche Telekom/VoiceStream merger agreement, and would agree to vote their shares in favor of the merger agreement, stockholder approval of the merger is assured even if the VoiceStream board were to withdraw or change its recommendation.

These facts would likely discourage other potentially interested third parties from proposing an alternative or superior transaction to VoiceStream and would prevent VoiceStream from engaging in any such transaction if proposed;

- that Deutsche Telekom ordinary shares and Deutsche Telekom ADSs have experienced substantial price volatility in the past year;
- the risk that because the exchange ratios for the stock election and the stock portion of the mixed election are fixed and the cash election is subject to proration, the dollar value of the merger consideration to VoiceStream stockholders receiving Deutsche Telekom ADSs or Deutsche Telekom ordinary shares in the Deutsche Telekom/VoiceStream merger could decrease prior to the completion of the merger. The merger agreement does not contain a "collar" or other mechanism that could mitigate the effect of a decrease in the trading price of Deutsche Telekom shares, except that the VoiceStream board has the right to terminate the Deutsche Telekom/VoiceStream merger if the trading price of Deutsche Telekom ordinary shares falls below 33 euros as calculated in accordance with the Deutsche Telekom/VoiceStream merger agreement during a 15-day measurement period shortly prior to completion of the merger; and

- that Deutsche Telekom is organized under German law and that the Federal Republic of Germany and Kreditanstalt für Wiederaufbau, which in this document we refer to as “KfW”, which is a development bank that is 80 percent owned by the Federal Republic and 20 percent owned by the German Federal States, owned, as of July 23, 2000 approximately 58%, in the aggregate, of Deutsche Telekom’s shares, and after the completion of the Deutsche Telekom/VoiceStream merger the aggregate ownership of Deutsche Telekom by the Federal Republic of Germany and KfW would be expected to be diluted to approximately 47% of Deutsche Telekom’s shares.

The VoiceStream board believed and continues to believe that these potential risks are greatly outweighed by the potential benefits anticipated to result from the Deutsche Telekom/VoiceStream merger.

In considering the proposed Deutsche Telekom/VoiceStream merger, the directors of VoiceStream were aware of the interests of certain officers and directors in the Deutsche Telekom/VoiceStream merger described under “— Interests of Directors and Officers of VoiceStream in the Deutsche Telekom/VoiceStream Merger.”

The foregoing discussion addresses the material information and factors considered by the VoiceStream board in its consideration of the Deutsche Telekom/VoiceStream merger, including factors that support the Deutsche Telekom/VoiceStream merger as well as those that may weigh against it. The VoiceStream board conducted numerous discussions of the factors described above, including asking questions of VoiceStream’s management and legal and financial advisors. In view of the variety of factors and the amount of information considered, the VoiceStream board did not find it practical to, and did not, make specific assessments of, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination. In addition, the VoiceStream board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination. The determination to approve the Deutsche Telekom/VoiceStream merger was made after consideration of all of the factors as a whole. In addition, individual members of the VoiceStream board may have given different weights to different factors.

Subsequent Stock Market Developments

As of February 7, 2001, the trading price of Deutsche Telekom ordinary shares on the Frankfurt Stock Exchange had declined from 55.27 euros to 33.02 euros, or by approximately 40%, since the signing of the Deutsche Telekom/VoiceStream merger agreement on July 23, 2000. As a result, the mixed election consideration would have had a value on February 7, 2001 of approximately \$128.69, depending on exchange rates and other factors affecting the calculation of the tax-related adjustment to the consideration, which represents a premium of approximately 7.7% to the \$118.81 trading price of VoiceStream common stock on that day. As discussed above, in negotiating and approving the merger agreement, the VoiceStream board was aware that a decline in the trading price of Deutsche Telekom shares would decrease the dollar value of the stock portion of the consideration to be received by VoiceStream stockholders, and this fact was among the reasons VoiceStream negotiated to include up to \$30 of cash per VoiceStream common share in the merger consideration. However, as is also discussed above, the VoiceStream board believed that in a strategic transaction such as the Deutsche Telekom/VoiceStream merger, the relative interest of the former VoiceStream stockholders in the combined company after the merger is an important measure of long term value of the transaction to VoiceStream stockholders, particularly in light of the VoiceStream board’s view that the combined company would be likely to grow more quickly and beyond the levels VoiceStream could be expected to achieve without the merger. It is expected that VoiceStream stockholders will receive Deutsche Telekom shares that will represent approximately 21.1% of the equity of Deutsche Telekom outstanding after the Deutsche Telekom/VoiceStream merger, or 20.4% if both the Deutsche Telekom/VoiceStream and Deutsche Telekom/Powertel mergers are completed. These percentages may increase slightly depending on the extent to which the tax-related adjustment to the merger consideration is necessary, but will be unaffected by changes in the trading price of Deutsche Telekom shares.

Opinion of VoiceStream's Financial Advisor

VoiceStream Fairness Opinion

Goldman Sachs has acted as financial advisor to VoiceStream in connection with the Deutsche Telekom/VoiceStream merger. On July 23, 2000, Goldman Sachs delivered its oral opinion to the VoiceStream board, subsequently confirmed in writing, that, as of July 23, 2000, the Deutsche Telekom/VoiceStream merger consideration in aggregate to be received by holders of VoiceStream common shares was fair from a financial point of view to those holders of VoiceStream common shares.

For purposes of the opinion and this description of the opinion, merger consideration means the right to receive, with respect to each VoiceStream common share, at the election of the holder of that share:

- 3.7647 Deutsche Telekom ordinary shares as more fully set forth in the Deutsche Telekom/VoiceStream merger agreement;
- \$200 in cash; or
- a combination of \$30 and 3.2 Deutsche Telekom ordinary shares.

Each case is subject to certain procedures and limitations contained in the Deutsche Telekom/VoiceStream merger agreement including, without limitation, limiting the cash consideration to a maximum aggregate amount and to the right of VoiceStream to reduce such maximum aggregate amount as it reasonably determines necessary to permit delivery of the requisite tax opinion pursuant to the Deutsche Telekom/VoiceStream merger agreement, as to which procedures and limitations Goldman Sachs expressed no opinion.

The full text of the Goldman Sachs opinion is attached as Annex D to this proxy statement/prospectus and stockholders of VoiceStream are urged to, and should, read such opinion in its entirety.

In connection with its opinion, Goldman Sachs reviewed, among other things:

- the Deutsche Telekom/VoiceStream merger agreement;
- the subscription agreement relating to the VoiceStream voting preferred shares purchased by Deutsche Telekom;
- the annual reports to stockholders and annual reports on Form 10-K of VoiceStream and its predecessors for the four years ended December 31, 1999;
- certain interim reports to stockholders and quarterly reports on Form 10-Q of VoiceStream;
- the definitive proxy statement dated January 25, 2000, in connection with the acquisitions by VoiceStream of Aerial and Omnipoint;
- the Forms 20-F of Deutsche Telekom for each of the three years ended December 31, 1999;
- certain interim reports to stockholders of Deutsche Telekom;
- the registration statement on Form F-3 of Deutsche Telekom, including the prospectus, dated June 17, 2000, related to Deutsche Telekom's offering of 200 million Deutsche Telekom ordinary shares;
- the registration statement on Form F-3 of Deutsche Telekom, including the prospectus supplement, dated June 28, 2000, related to Deutsche Telekom's offering of \$14.6 billion aggregate principal amount of notes;
- other communications from VoiceStream and Deutsche Telekom to their respective stockholders; and
- internal financial analyses and forecasts for VoiceStream prepared by the management of VoiceStream.

Goldman Sachs also held discussions with members of the senior management of VoiceStream and Deutsche Telekom regarding their assessment of the strategic rationale for, and the potential benefits of,