

Telekom Austria Group Results for the Second Quarter 2009

Vienna, August 19, 2009

Cautionary Statement

“This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Forward-looking information involves risks and uncertainties that could significantly affect expected results.”

Agenda

- Key Developments
- Fixed Net
- Mobile Communication
- Financial Overview
- Outlook

Key Developments

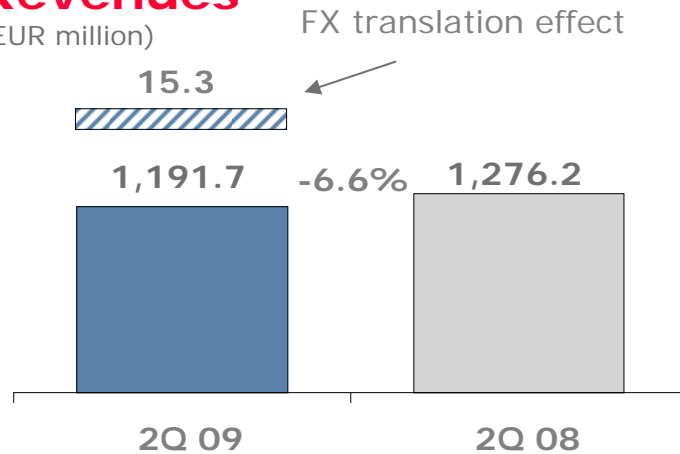
Telekom Austria Group – Second Quarter 2009

- Fixed Net line loss cut by 2/3 in 2Q 09 and double-digit subscriber growth in Mobile Communication
- Revenues decline by 6.6% to EUR 1.2 bn also driven by disposal of subsidiaries and FX translation for a total amount of EUR 24.7 mn
- EBITDA decreases by 3.9% to EUR 450.0 mn, which reflects a sequential improvement compared to 1Q 09
- Higher EBITDA contribution from Austria, Belarus, Republic of Serbia and Republic of Macedonia
- Operations in Bulgaria, Croatia and Slovenia suffer from weak economy and competition, but improving compared to 1Q 09
- Outlook for 2009 on a constant currency basis and 75 cent DPS guidance for 2009 – 2012 reiterated

Second Quarter 2009 - EBITDA Reflects Sequential Improvement Compared to 1Q 09

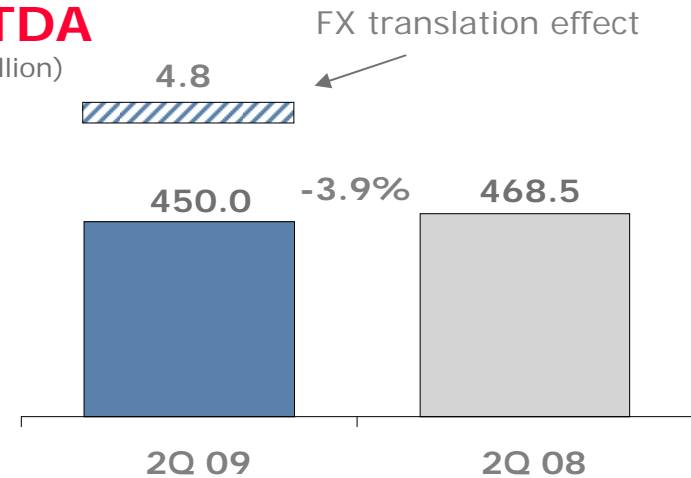
Revenues

(EUR million)



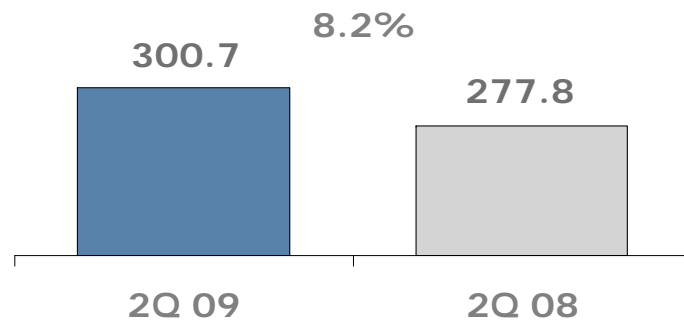
EBITDA

(EUR million)



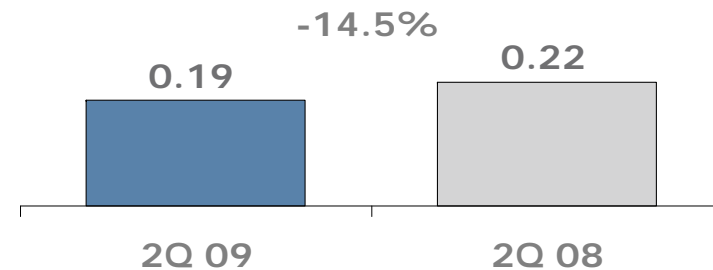
Operating Free Cash Flow*

(EUR million)



Earnings per Share

(EUR)



*Operating Free cash flow = EBITDA - Capex

Results for the Second Quarter 2009

Share Buyback Envisaged for 2010, Subject to Stable Conditions

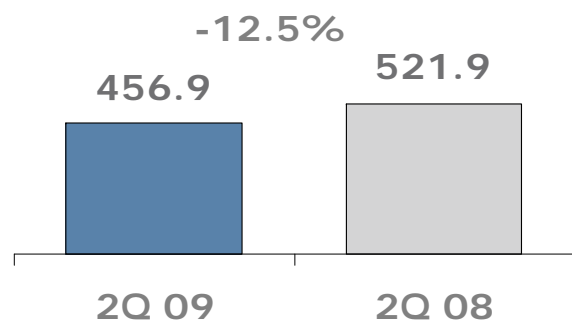
- Potential for share buyback evaluated as announced in January 09
- Following dividend distribution net debt amounts to 2.1x EBITDA at the end of 2Q 09
- Net debt expected to fall to ~1.9x EBITDA at year end 09 in line with targeted debt structure of 1.8x – 2.0x EBITDA
- Share buyback in accordance with capital allocation policy envisaged for 2010, 1/3 of free cash flow after dividends earmarked for potential share buyback
- Subject to normalization of business, stable currencies and provided no investment with a higher return is available

Fixed Net

Fixed Net Revenue Decline Reflects Market Trends, Margin Benefits From Cost Reduction

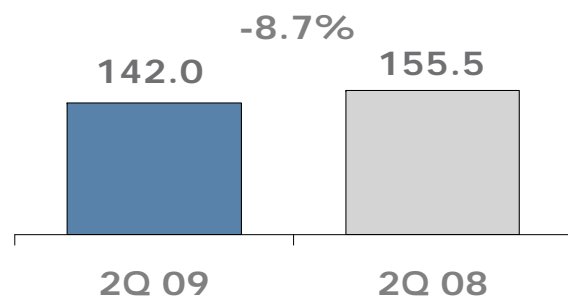
Revenues

(EUR million)



EBITDA

(EUR million)

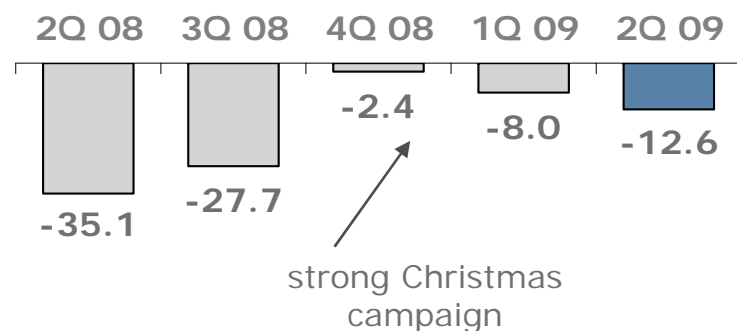


- Revenues decrease by EUR 65 mn, EUR 9.4 mn of which due to disposal of subsidiaries
- Underlying revenue decline primarily driven by lower call volumes and access line base
- Profitability rises from 29.8% to 31.1% as cost reductions take effect
- Total operating expenses decline by 13.1 % or EUR 50.3 mn
- Lower interconnection, lower personnel expenses due to restructuring and reduced material expenses

Access Line Loss Cut by 2/3 to 12,600 Lines

Line Loss

(in 000)

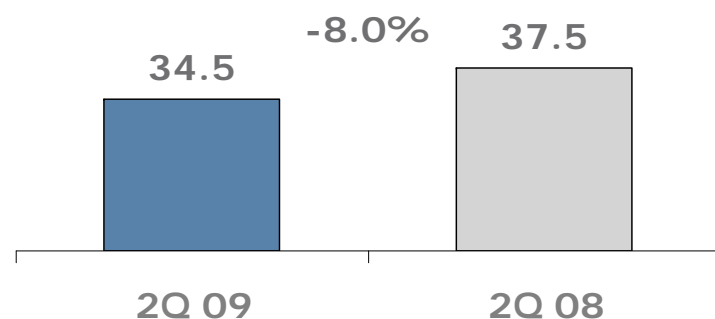


- Access line loss cut by 2/3 from 35,100 to 12,600 in 2Q 09

- Retail product bundles are main instrument to counteract line loss

Average Revenues per Access Line

(in EUR)



- Sequential trends reflect timing of promotional campaigns

- Lower ARPL reflects decline of voice minutes and price declines

Business Product Bundle Introduced at the End of 2Q 09

Die BusinessKombi:



ab € 29,-*

Alles aus einer Hand.

Jetzt auch für Unternehmer: Unlimitiertes Highspeed-Internet, Mobiltelefonie und Festnetz zum Superpreis!

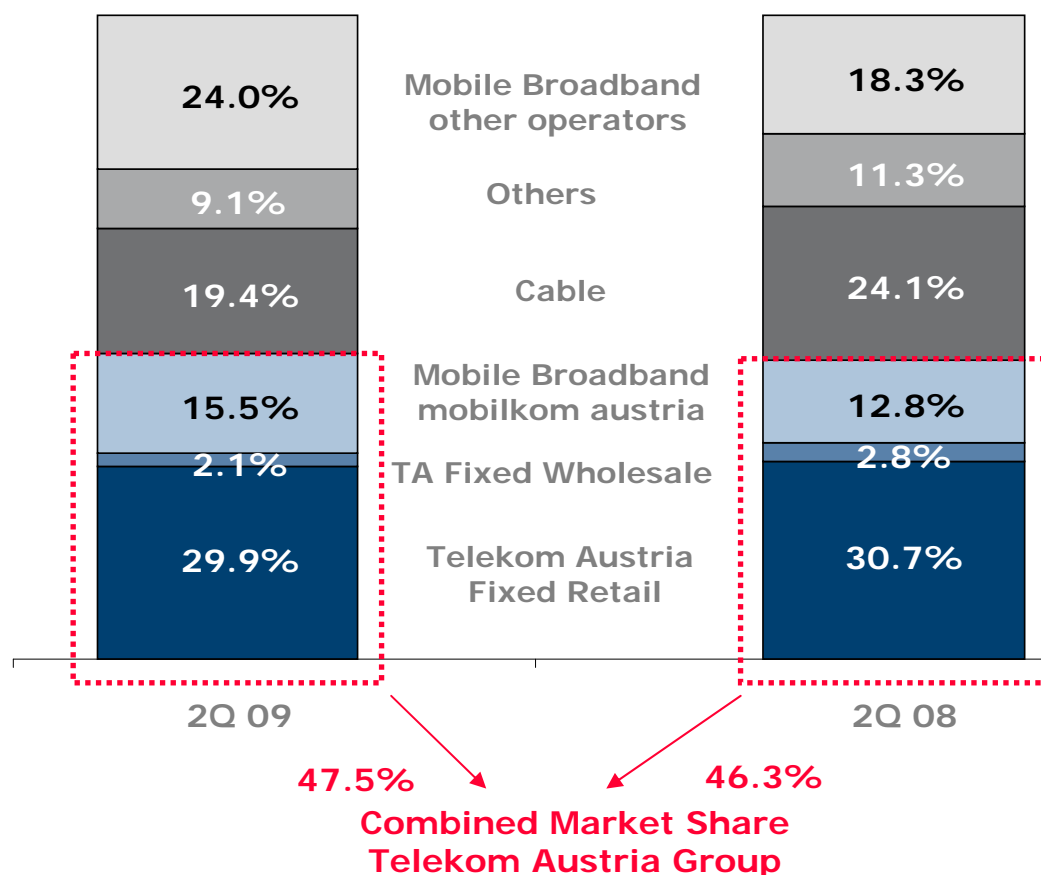


* Alle Infos und Aktionsbedingungen auf der Rückseite oder unter business.telekom.at und 0800 100 800.

- Product bundle targeting small businesses launched at the end of 2Q 09
- Business bundle builds on the success of retail product bundles
- Addresses highly fragmented Austrian business market
- Unlimited broadband Internet, monthly fixed net rental and up to 5 SIM cards
- Prices start at EUR 29.0

Telekom Austria Group Increases Combined Broadband Market Share by 1.2%-Points

Broadband Market Shares



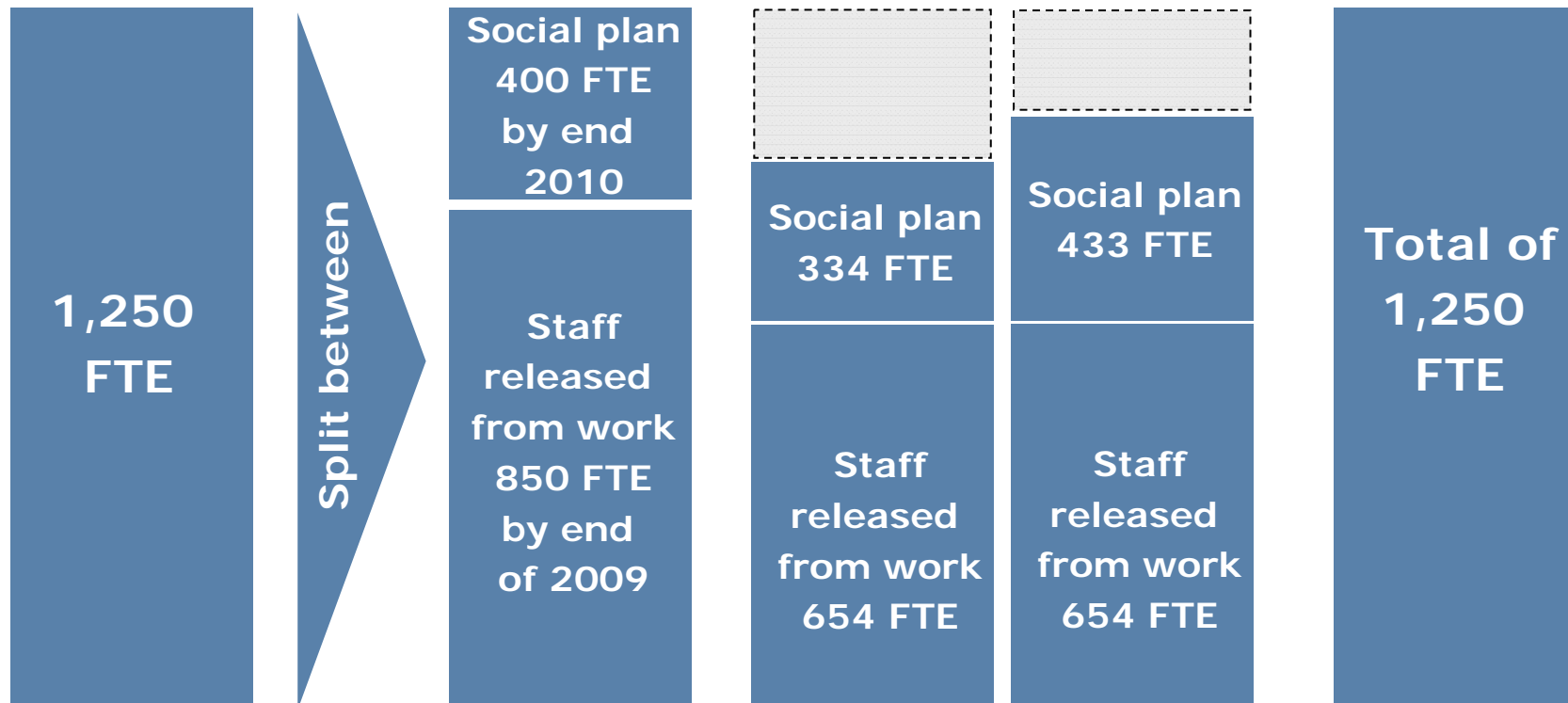
- Fixed Net retail broadband participates in market growth and maintains market share
- Number of Fixed retail broadband lines continues to rise
- Broadband net adds grow 2.5x to 22,700 in 2Q 09
- Number of cable broadband lines shrinks

Maintaining 2009 Target for Personnel Restructuring, Social Plan Ahead of Plan

Announced Nov. 08

Status as of March 31, 09 Status as of June 30, 09

Target Dec. 31, 2009

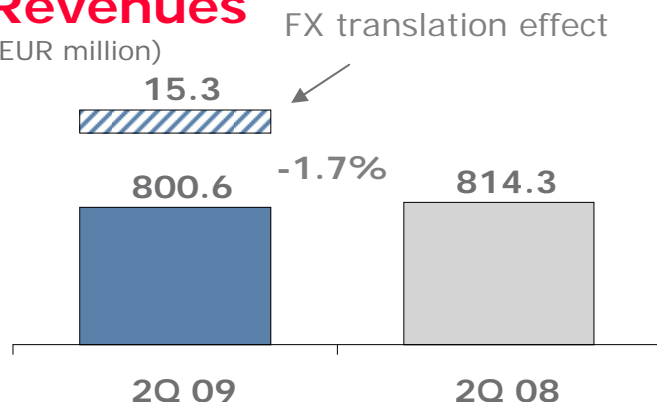


Mobile Communication

Revenues and EBITDA Impacted by Foreign Currency Translation

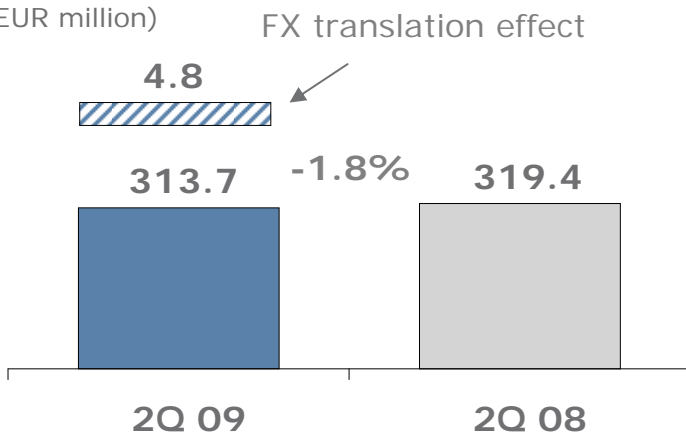
Revenues

(EUR million)



EBITDA

(EUR million)

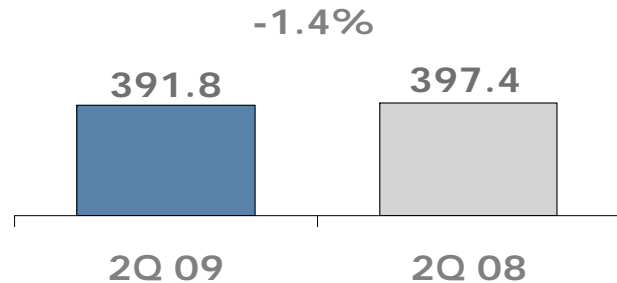


- Mobile Communication grows subscriber base by 10.1% to 18.1million customers
- Revenue growth by 0.2% excluding impact from FX translation, EBITDA nearly stable at -0.3%
- Higher EBITDA contribution from Austria, Belarus, Republic of Serbia and Republic of Macedonia
- Bulgaria, Croatia and Slovenia suffer from weak economy and competition but trends are improving

mobilkom austria with EBITDA Growth and Higher Profitability

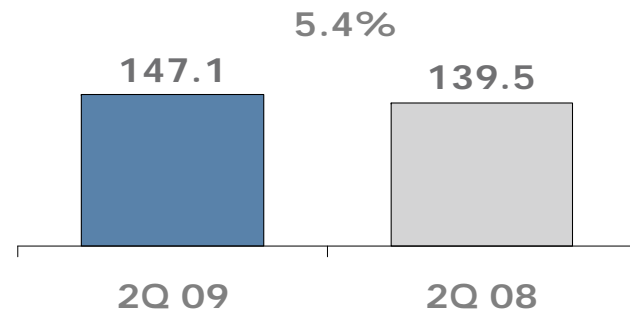
Revenues

(EUR million)



EBITDA

(EUR million)

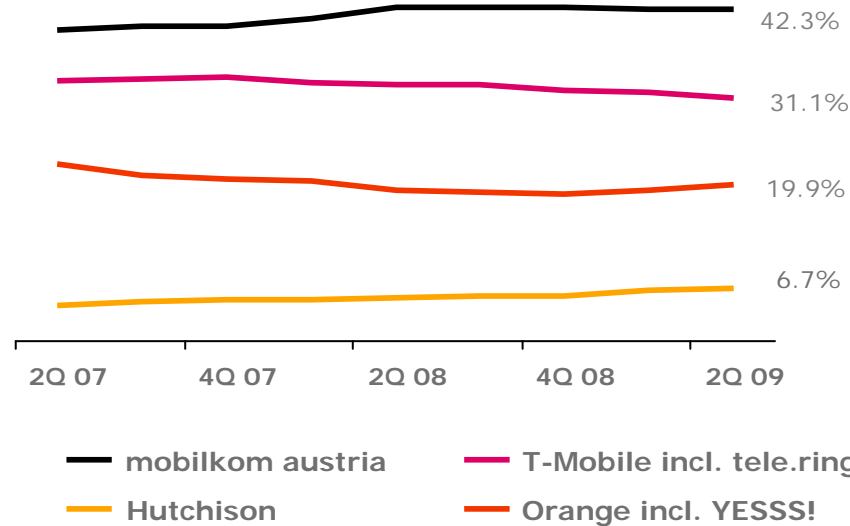


- mobilkom austria's customer base grows by 8.7% to 4.6 mn subscribers
- Revenues decline by 1.4% due to lower traffic and roaming revenues
- ARPU declines by 9.3% to EUR 25.5 due to dilution from cheaper mobile broadband and no-frills customers
- EBITDA growth is driven by reduction of marketing and sponsoring costs
- EBITDA margin rises from 35.1% in 2Q 08 to 37.5% in 2Q 09

mobilkom austria Continues to Grow Mobile Broadband Subscriber Base

Market Shares

As of June 2009



- Market share remains nearly stable at 42.3% in 2Q 09 compared to 42.5% in 2Q 08

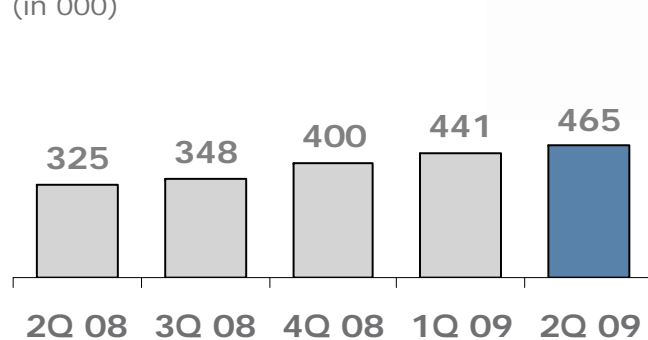
- Mobile broadband subscriber base grows by 43.1% to 465k customers

- 24k mobile broadband net adds in 2Q 09

- Data as % of traffic related revenues increases to 35.1% in 2Q 09 up from 31.0% in 2Q 08

Mobile Broadband Subscribers

(in 000)

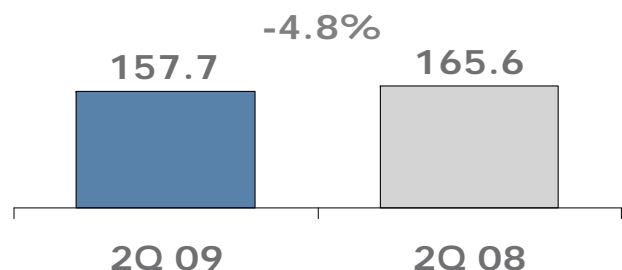


Results for the Second Quarter 2009

Bulgarian Operations Impacted by Combination of Price Competition and Economic Crisis

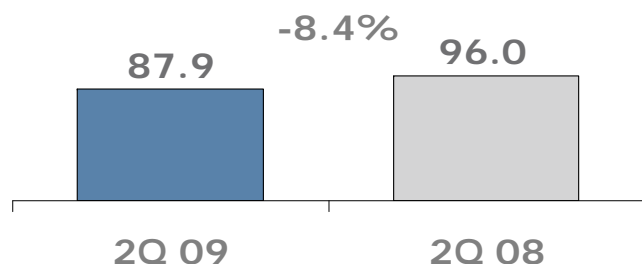
Revenues

(EUR million)



EBITDA

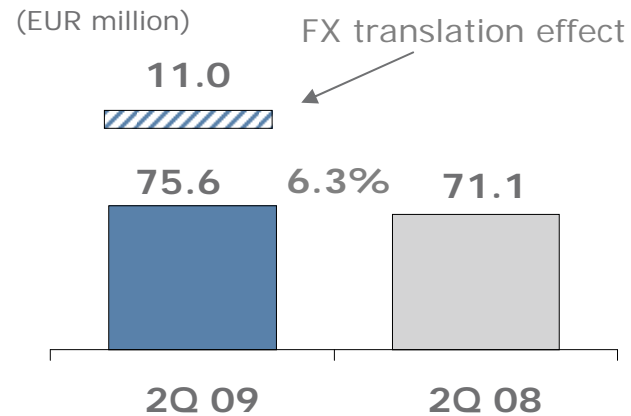
(EUR million)



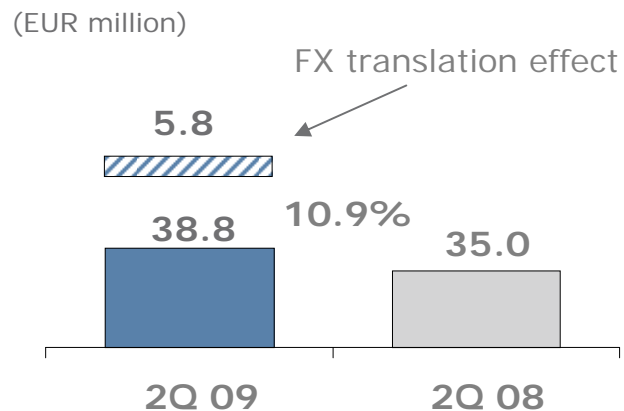
- Fierce competition and economic crisis impact revenue development
- Usage growth of 14.4% partly compensates for lower prices
- EBITDA trend improves after weaker 1Q as cost reductions take effect
- EBITDA margin of 55.7%
- Operating expenses reduced mainly due to lower marketing and sales costs and material expenses

Revenue & EBITDA Growth in Belarus Despite Currency Devaluation

Revenues



EBITDA

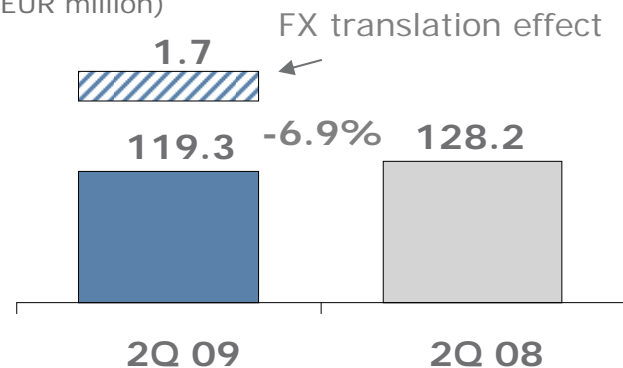


- Subscriber base grows by 13.3% to 3.8 million at end of 2Q 09
- Market share declines slightly to 43.1%
- Revenues increase by 6.3% to EUR 75.6 million and EBITDA by 10.9% to EUR 38.8 million
- Strong organic growth in local currency of 21.9% for revenues and 27.3% for EBITDA

Strong Subscriber Growth in Croatia and Slovenia, EBITDA Still Weak but Trends Improve

Revenues Vipnet

(EUR million)

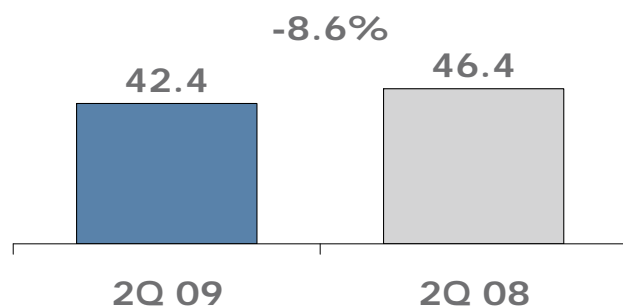


Vipnet in Croatia

- Subscriber base grows by 14.8% to 2.6 mn customers
- EBITDA declines to EUR 40.6 million due to lower revenues impacted by the expiry of national roaming agreement

Revenues Si.mobil

(EUR million)



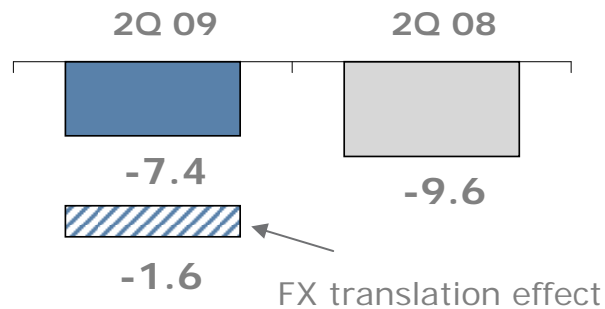
Si.mobil in Slovenia

- Subscriber base grows by 8.8% to 581,800 customers
- EBITDA declines to EUR 11.4 million due to the interconnection symmetry with the incumbent introduced in April 2009

Greenfield Operations Show Subscriber Growth and Continue to Enhance Operations

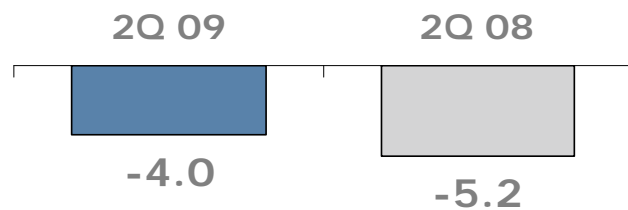
EBITDA Vip mobile

(EUR million)



EBITDA Vip operator

(EUR million)



Vip mobile in Serbia

- Subscriber base grows by 60.1% to 1.1 mn customers
- Market share increases strongly to 10.7% after 7.2% at the end of 2Q 08
- Continuing improvement of EBITDA

Vip operator in Macedonia

- Subscriber base increases by 7.3% to 224,400 customers
- Market share of 9.6% compared to 9.9% at the end of 2Q 08
- EBITDA continues to improve

Financial Overview

Higher Profitability Dampens Impact of Lower Revenues on EBITDA and Operating Income

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|-----------------------------------|----------------|--------------|-------------|--------------|--------------|-------------|
| Revenues | 1,191.7 | 1,276.2 | -6.6% | 2,388.8 | 2,535.8 | -5.8% |
| EBITDA | 450.0 | 468.5 | -3.9% | 904.8 | 954.2 | -5.2% |
| <i>EBITDA margin</i> | <i>37.8%</i> | <i>36.7%</i> | <i>n.a.</i> | <i>37.9%</i> | <i>37.6%</i> | <i>n.a.</i> |
| Operating income | 170.2 | 174.1 | -2.2% | 350.3 | 376.4 | -6.9% |
| Financial result | -62.0 | -50.6 | 22.5% | -132.6 | -86.6 | 53.1% |
| Income before income taxes | 108.2 | 123.5 | -12.4% | 217.7 | 289.8 | -24.9% |
| Income tax expense | -25.9 | -27.2 | -4.8% | -50.1 | -63.8 | -21.5% |
| Net income | 82.3 | 96.3 | -14.5% | 167.6 | 226.0 | -25.8% |

Reduction of Capital Expenditures Bears Fruit as Cash Flow per Share Rises

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|--|--------------|--------------|--------------|--------------|--------------|-------------|
| Cash Flow from operations before working capital adjustments | 390.9 | 406.4 | -3.8% | 772.8 | 826.8 | -6.5% |
| Change in working capital | -43.7 | -39.3 | 11.2% | -177.9 | -154.6 | 15.1% |
| Ordinary capital expenditures | -149.3 | -190.7 | -21.7% | -265.3 | -350.3 | -24.3% |
| Free cash flow | 197.9 | 176.4 | 12.2% | 329.6 | 321.9 | 2.4% |
| Free cash flow per share | 0.45 | 0.40 | 12.1% | 0.75 | 0.73 | 2.4% |

Capex Reduction to Protect Free Cash Flow Continues in 2Q 09

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|--|--------------|--------------|---------------|--------------|--------------|---------------|
| Fixed Net | 55.9 | 64.4 | -13.2% | 89.4 | 132.5 | -32.5% |
| Mobile Communication | 93.4 | 126.3 | -26.0% | 175.9 | 217.8 | -19.2% |
| Ordinary capital expenditures | 149.3 | 190.7 | -21.7% | 265.3 | 350.3 | -24.3% |
| Growth projects & acquisitions | 10.6 | 7.3 | 45.0% | 13.8 | 9.3 | 48.0% |
| Capex, growth projects & acquisitions | 159.9 | 198.0 | -19.2% | 279.1 | 359.6 | -22.4% |
| Other investing activities, net | -15.1 | -7.0 | 114.8% | 74.7* | -13.6 | n.a. |
| Cash acquired | -1.1 | 0.0 | n.a. | -1.1 | 0.0 | n.a. |
| Cash used in investing activities | 143.7 | 191.0 | -24.8% | 352.7 | 346.0 | 1.9% |

* Investment of proceeds from bond issue

Reduction of Asset Base Due to FX Adjustments and D&A Exceeding Investments

| (EUR million) | June 30, 09 | Dec. 31, 08 | % change |
|---|----------------|----------------|--------------|
| Long-term assets | 6,800.2 | 7,452.0 | -8.7% |
| Current assets | 1,911.3 | 1,545.4 | 23.7% |
| Total assets | 8,711.5 | 8,997.4 | -3.2% |
| Current liabilities | 2,281.1 | 2,220.5 | 2.7% |
| Long-term liabilities | 4,752.0 | 4,621.3 | 2.8% |
| Stockholders' equity | 1,678.4 | 2,155.6 | -22.1% |
| Liabilities and stockholders' equity | 8,711.5 | 8,997.4 | -3.2% |
| Net Debt | 4,003.9 | 3,993.3 | 0.3% |
| Net Debt/EBITDA (last 12 months) | 3.3x | 3.1x | n.a. |
| Net Debt/EBITDA (last 12 months) excluding restructuring program | 2.1x | 2.1x | n.a. |

Cancellation of 17 Million Shares or 3.7% of Share Capital of Telekom Austria AG

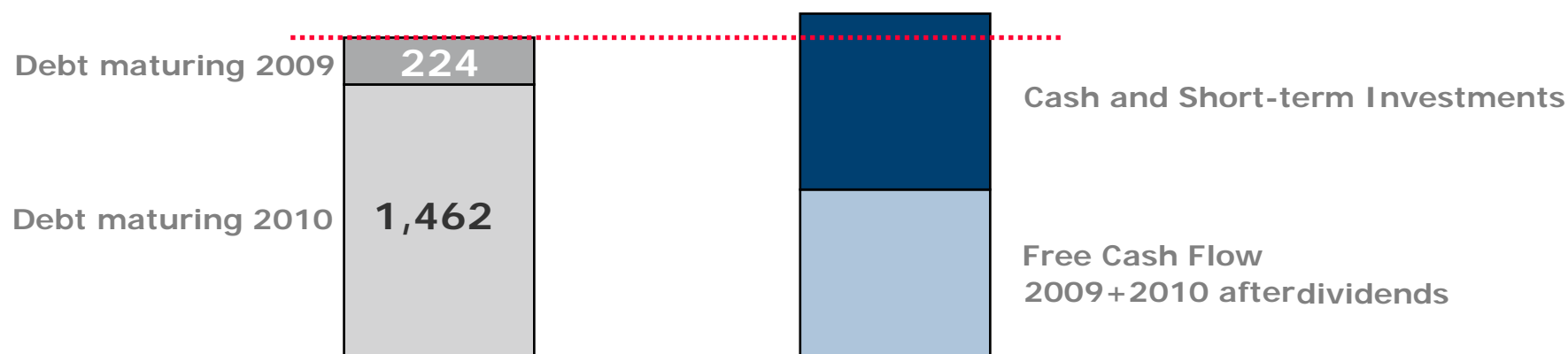
- Management Board has resolved to cancel treasury shares
- 17 mn shares equivalent to 3.7% of Telekom Austria AG share capital
- Cancellation to take effect as of August 24, 2009
- Number of shares in issue will be reduced to 443 mn
- Cancellation increases stakes of remaining shareholders by 3.8%

Free Cash Flow After Dividend and Cash Cover Refinancing in 2009 & 2010

Debt Maturing as of June 30, 2009

(in EUR million)

Sources of Cash as of June 30, 2009



- EUR 1.3 bn of undrawn, committed lines of credit available

Outlook

Outlook on Constant Currency Basis Fully Reiterated as Announced at 1Q 09

Telekom Austria Group 2009 on a constant currency basis

| | |
|----------------------------|--|
| Revenues | slightly weaker than originally expected EUR 5.1 bn* |
| EBITDA | ~ EUR 1.9 bn |
| CAPEX | ~ EUR 0.8 bn |
| Operating Free Cash Flow** | ~ EUR 1.1 bn |
| Dividend | DPS of 75 cent minimum |

* announced in January 09

* * Operating Free Cash Flow = EBITDA - Capex

Appendix

Regulatory Issues – Key Aspects (1)

Amendments to the Austrian Telecommunications Act: On July 16, 2009 amendments to the Austrian Telecommunications Act entered into force with the goal to stimulate innovation and investment in infrastructure.

Next Generation Networks: The European Commission has launched its 2nd public consultation on the regulatory treatment of next generation access in June 09. Previous guidelines of the Commission have partly contradicted the terms adopted by the European Parliament for the next legal framework on the subject of investments.

Review of the Regulatory Electronic Communication Framework: The legislative process of the new regulatory framework remains subject to further negotiations between representatives of the EU institutions in September 09.

Fixed Net Termination Rates: In August 2009, the national regulatory authority mandated an increase of the mobile-to-fixed termination rates between Hutchison Austria and Telekom Austria. After final validity of this decision, the local termination rates will be increased by 29% (local) and by 19% (regional), national termination rates will be slightly reduced by 5%.

Mobile termination rates: The national regulatory authority has published the finale gliding path as of mid of June 09, which reduces MTR to 2,01c/min by June 1, 2011. The gliding path started on July 1, 2009 with an initial value of 4,00c/min and foresees cuts in MTR of about 0,50c/min every six months.

Regulatory Issues – Key Aspects (2)

International roaming charges: on July 1, 2009 the extension of the existing roaming regulation entered into force. The regulation includes:

- Extension of the voice roaming regulation at both wholesale and retail level due to expire in July 2012.
- Per-second billing both at wholesale and retail level, except for an initial charging period of 30 seconds both at retail and wholesale level.
- Wholesale and retail price caps for SMS. Wholesale cap at 4 Cents, retail cap at 11 Cents.
- Introduction of transparency measures for data roaming: By March 1, 2010 customers should be able to specify a “cut-off limit” for their outstanding data roaming charges expressed either in volume or currency.
- Introduction of a wholesale gliding path for data roaming services of EUR 1 by July 1, 2009, EUR 0.8 by July 1, 2010 and EUR 0.5 by July 1, 2011.

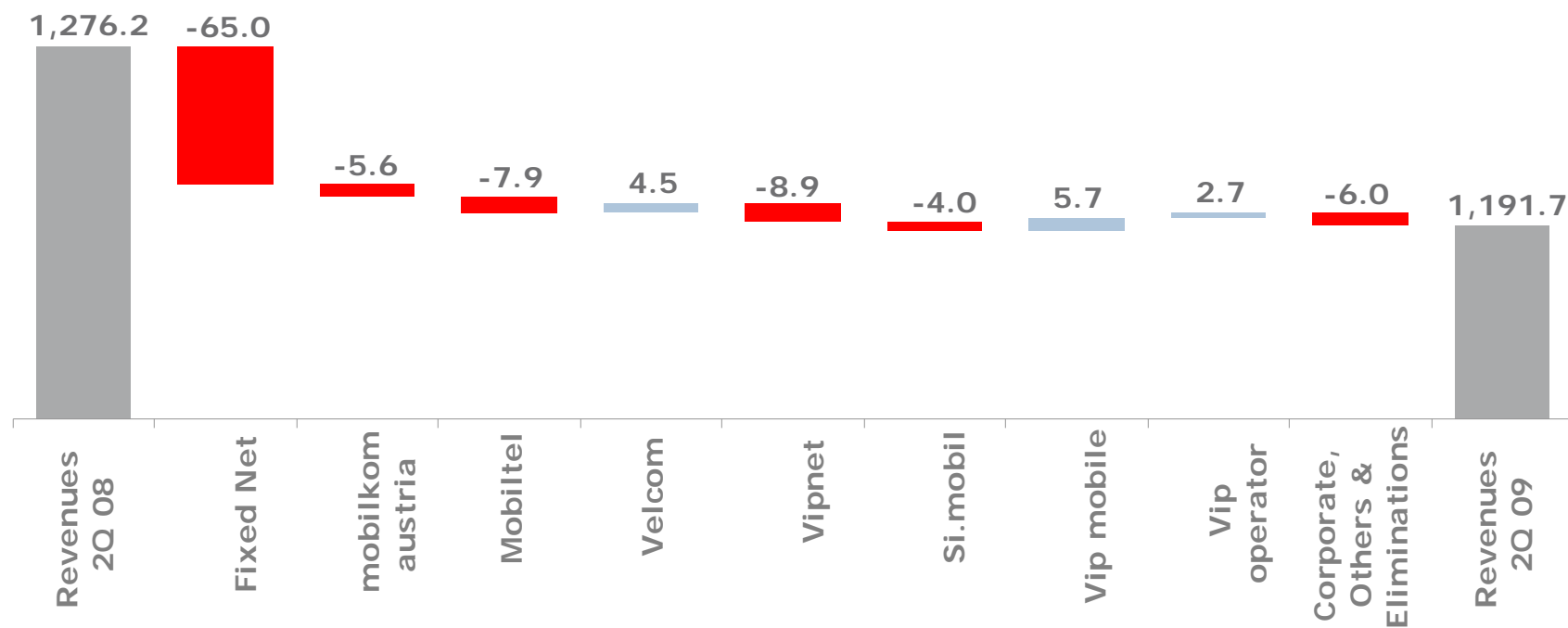
Sales Tax Croatia: At the end of July 2009 the Croatian Parliament passed an act which introduces a monthly tax on mobile operators’ services (effective date: August 1, 2009). According to the act, the mobile operators are obliged to pay a monthly fee of 6% on revenues from SMS, MMS and voice services.

Sales Tax Republic of Serbia: As of June 1, 2009, mobile telephony service users have to pay an additional 10% tax in the Republic of Serbia. This tax refers to SMS, MMS, voice services, data transfers (internet traffic) as well as special services and is collected on behalf of the state by all three operators in the territory of the Republic of Serbia.

Development of Revenues 2Q 09 vs. 2Q 08

Revenues

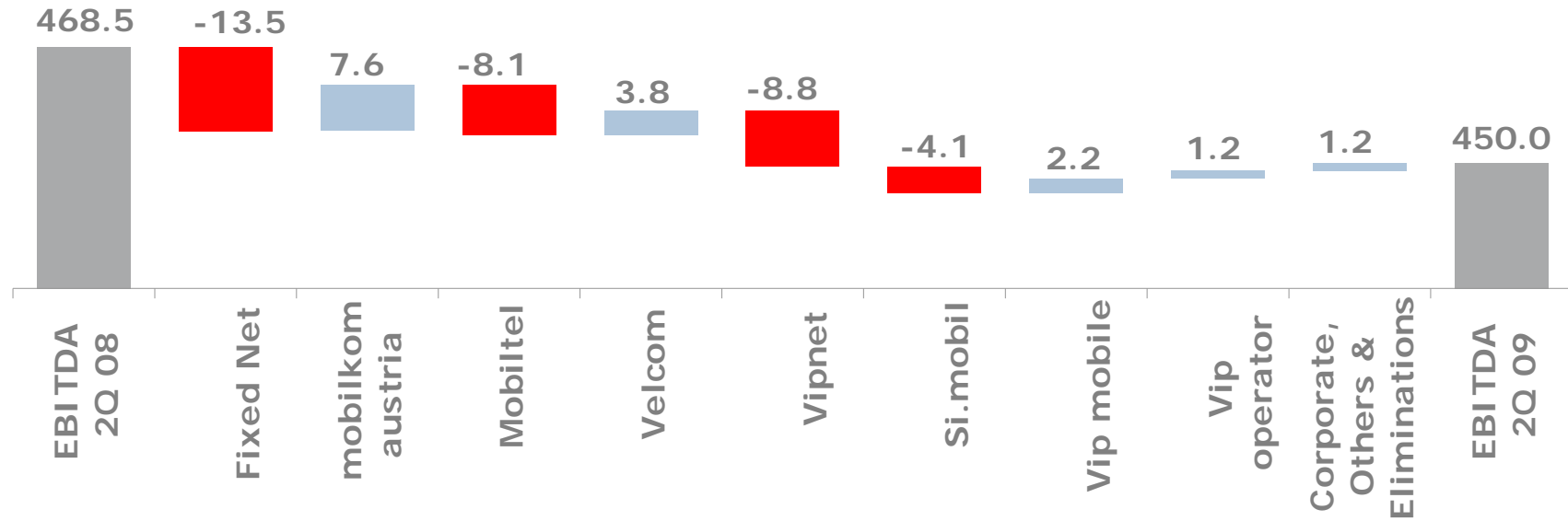
(EUR million)



Development of EBITDA 2Q 09 vs. 2Q 08

EBITDA

(EUR million)

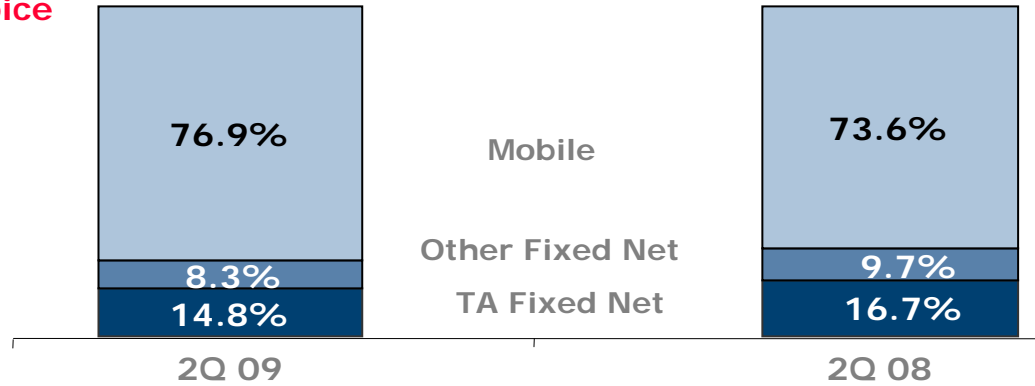


Fixed Net - Access Lines

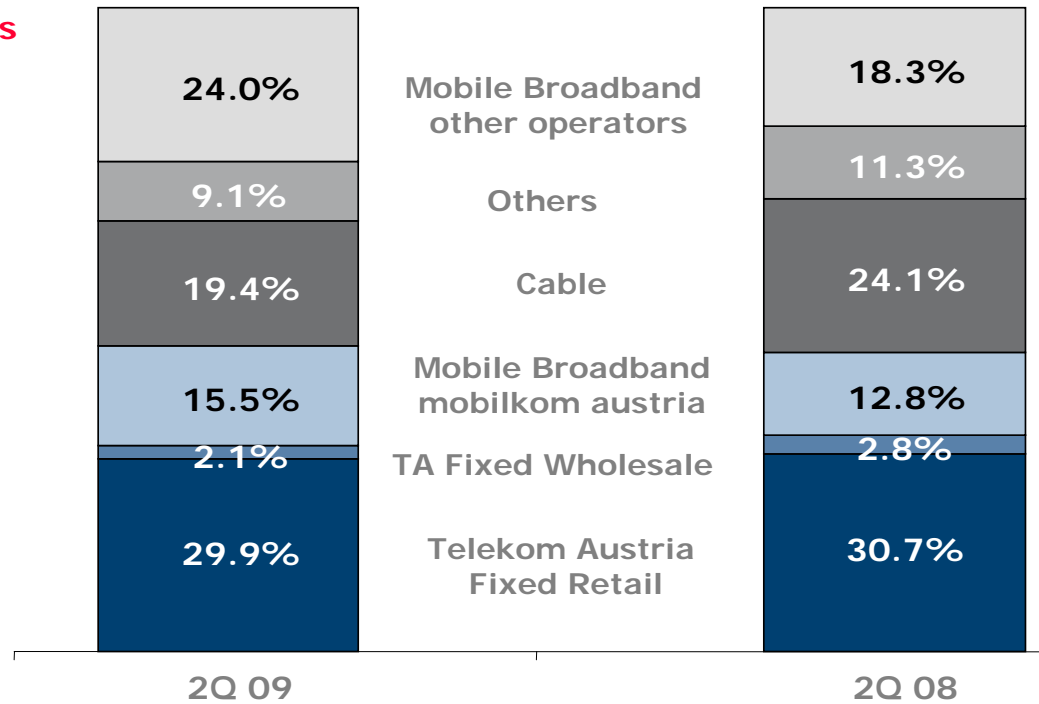
| (in 000) | 2Q 09 | 2Q 08 | % change |
|---|----------------|----------------|---------------|
| Access lines (without broadband lines) | 1,357.8 | 1,540.5 | -11.9% |
| Fixed Net broadband retail lines | 895.8 | 757.5 | 18.3% |
| Fixed Net broadband wholesale lines | 62.6 | 68.9 | -9.1% |
| Fixed Net broadband lines | 958.4 | 826.4 | 16.0% |
| Total access lines | 2,316.2 | 2,366.9 | -2.1% |
| Lines unbundled | 291.6 | 297.5 | -2.0% |
| (in 000) | 2Q 09 | 2Q 08 | % change |
| Fixed Net broadband net adds | 22.7 | 8.9 | 155.1% |
| Broadband penetration | 83.1% | 70.1% | n.a. |

Fixed Net – Voice & Broadband Market Shares

Market Share Voice Minutes

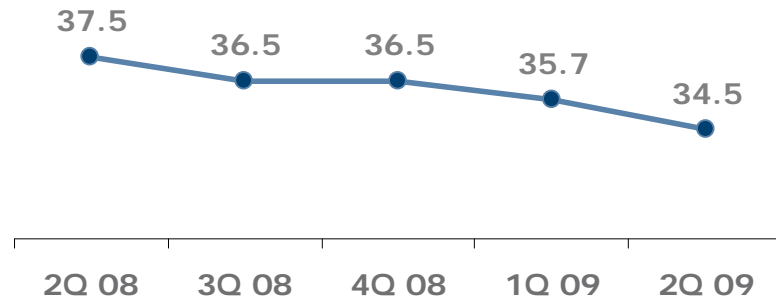


Market Share Broadband Lines

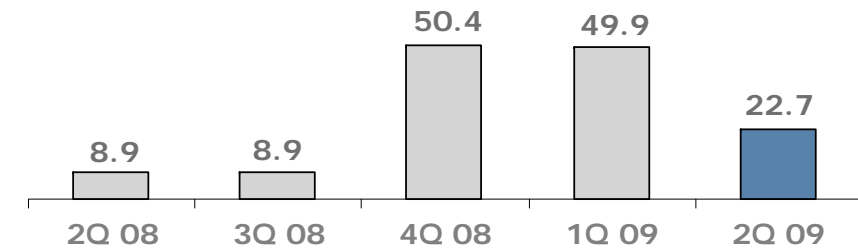


Fixed Net Key Performance Indicators

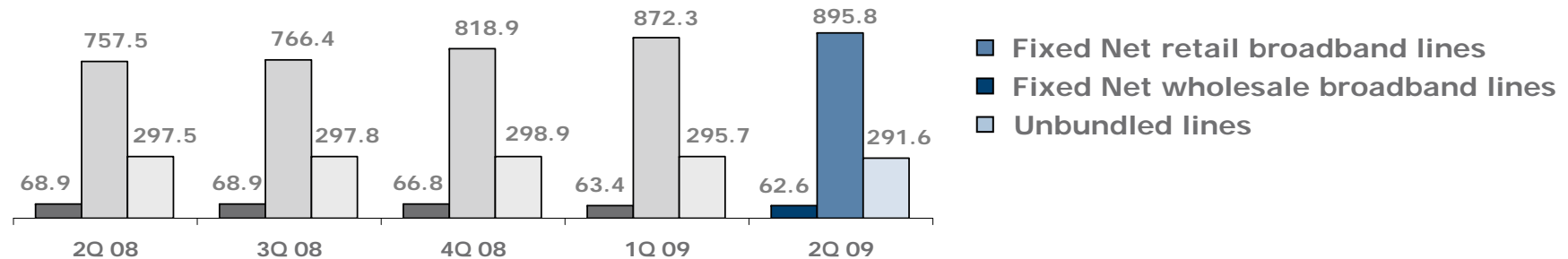
Average Revenues per Access Line
(in EUR)



Fixed Net Broadband Net Adds incl. Wholesale
(in 000)



Fixed Broadband Access Lines
(in 000)










Fixed Net - Minutes

| (in million minutes) | 2Q 09 | 2Q 08 | % change |
|--------------------------------|------------|--------------|---------------|
| National | 583 | 673 | -13.5% |
| Fixed-to-mobile | 171 | 186 | -8.3% |
| International | 86 | 101 | -14.8% |
| Total voice minutes | 839 | 960 | -12.6% |
| Total Fixed Net minutes | 878 | 1,045 | -16.0% |

| (in million minutes) | 2Q 09 | 2Q 08 | % change |
|--------------------------------|--------------|--------------|--------------|
| National wholesale | 1,586 | 1,757 | -9.8% |
| International wholesale | 1,025 | 996 | 2.9% |
| Total wholesale minutes | 2,610 | 2,753 | -5.2% |

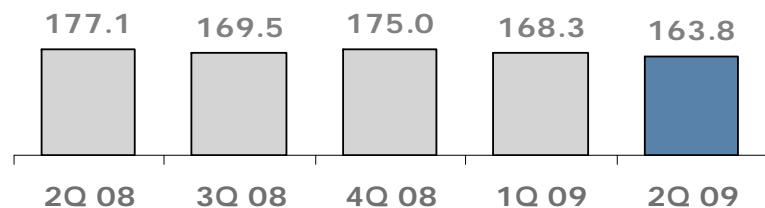
Mobile Subscribers

| | (in 000) | 2Q 09 | 2Q 08 | % change |
|---|------------------------------|-----------------|-----------------|--------------|
|  | Austria | 4,628.4 | 4,257.4 | 8.7% |
| | Market share | 42.3% | 42.5% | |
|  | Bulgaria | 5,205.4 | 5,154.2 | 1.0% |
| | Market share | 50.0% | 50.5% | |
|  | Belarus | 3,817.4 | 3,369.0 | 13.3% |
| | Market share | 43.1% | 44.4% | |
|  | Croatia | 2,609.0 | 2,272.2 | 14.8% |
| | Market share | 43.3% | 42.2% | |
|  | Slovenia | 581.8 | 534.7 | 8.8% |
| | Market share | 28.0% | 27.2% | |
|  | Republic of Serbia | 1,067.5 | 666.6 | 60.1% |
| | Market share | 10.7% | 7.2% | |
|  | Republic of Macedonia | 224.4 | 209.2 | 7.3% |
| | Market share | 9.6% | 9.9% | |
|  | Liechtenstein | 6.2 | 5.5 | 12.7% |
| | Market share | 20.0% | 18.7% | |
| | Mobile Communication | 18,140.1 | 16,468.8 | 10.1% |

Operational Data – mobilkom austria

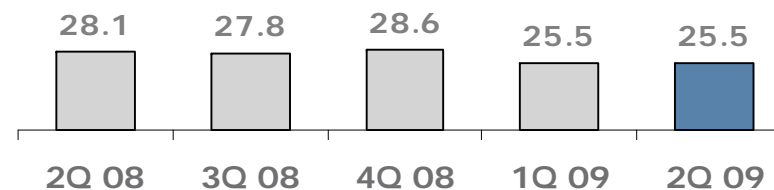
MoU per Subscriber

(in minutes)

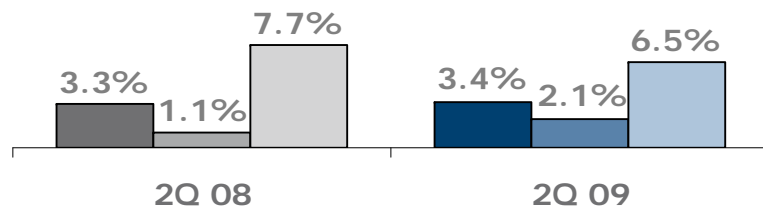


ARPU

(in EUR)

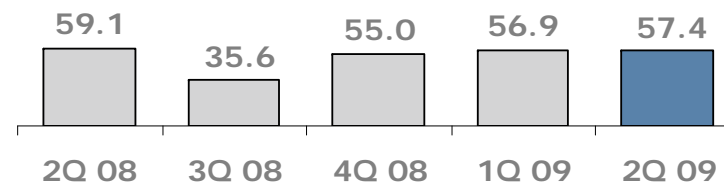


Quarterly Churn



SAC per Gross Add

(in EUR)

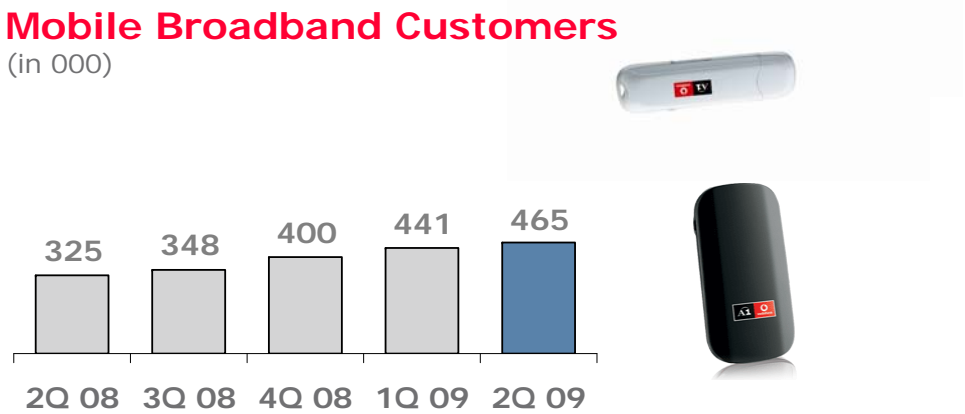


■ Blended ■ Contract ■ Prepaid

Mobile Data - mobilkom austria

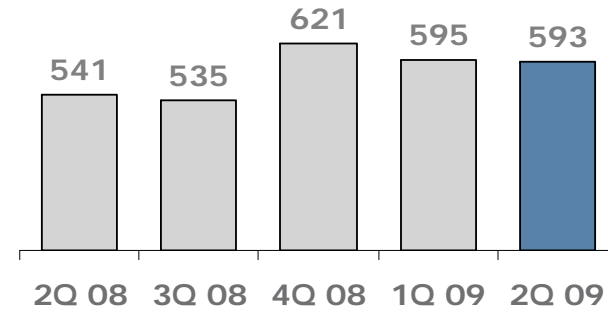
Mobile Broadband Customers

(in 000)



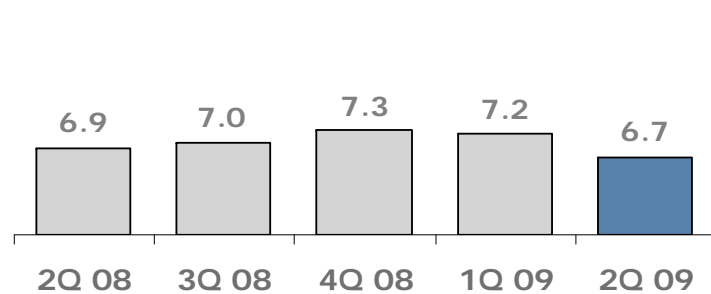
Number of SMS

(in million)

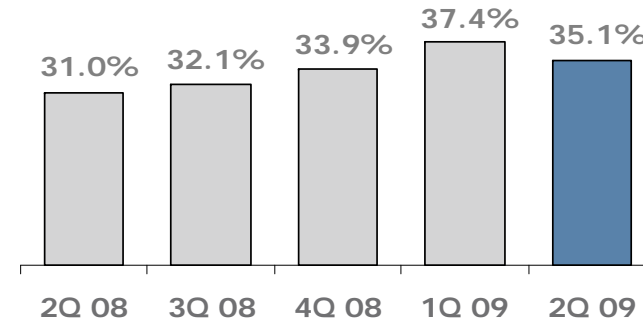


Data ARPU

(in EUR)



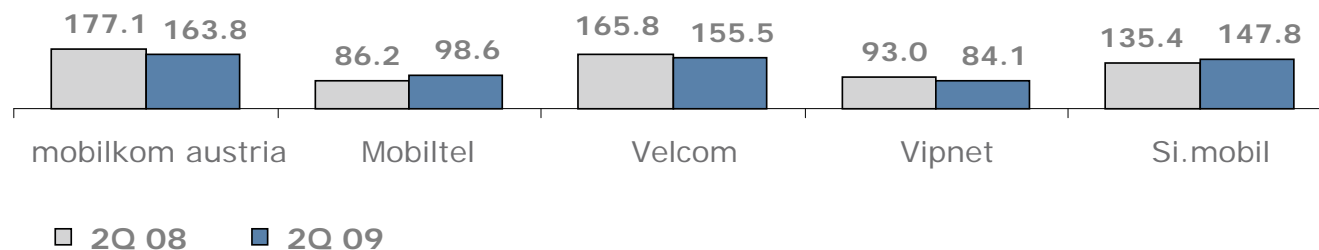
Data as % of Traffic Related Revenues



ARPU & MoU per Subscriber for Selected Mobile Communication Operations

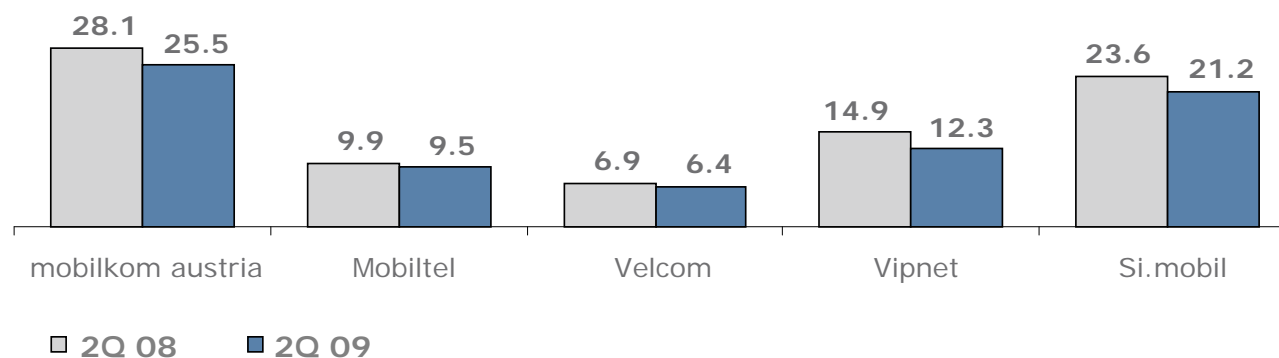
MoU per Subscriber

(in minutes)



ARPU

(in EUR)



Headcount* Development

| (Average period) | 2Q 09 | 2Q 08 | change |
|------------------------------|---------------|---------------|---------------|
| Fixed Net** | 8,213 | 9,474 | -1,261 |
| Mobile Communciation | 8,612 | 8,192 | 420 |
| Telekom Austria Group | 16,825 | 17,666 | -841 |
| (End of period) | 2Q 09 | 2Q 08 | change |
| Fixed Net** | 8,216 | 9,454 | -1,238 |
| Mobile Communciation | 8,643 | 8,230 | 413 |
| Telekom Austria Group | 16,859 | 17,684 | -825 |

* Full-time-equivalents

** FTE net of idle workforce

Revenues by Segment

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|---------------------------------------|----------------|----------------|--------------|----------------|----------------|--------------|
| Fixed Net revenues | 456.9 | 521.9 | -12.5% | 926.4 | 1,043.8 | -11.2% |
| Mobile Communication revenues | 800.6 | 814.3 | -1.7% | 1,590.9 | 1,610.8 | -1.2% |
| Corporate, Other & Eliminations | -65.8 | -60.0 | 9.7% | -128.5 | -118.8 | 8.2% |
| Revenues Telekom Austria Group | 1,191.7 | 1,276.2 | -6.6% | 2,388.8 | 2,535.8 | -5.8% |

EBITDA and Operating Income by Segment

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Fixed Net EBITDA | 142.0 | 155.5 | -8.7% | 299.8 | 312.4 | -4.0% |
| Mobile Communication EBITDA | 313.7 | 319.4 | -1.8% | 620.0 | 652.8 | -5.0% |
| Corporate, Other & Eliminations | -5.7 | -6.4 | -10.9% | -15.0 | -11.0 | 36.4% |
| EBITDA Telekom Austria Group | 450.0 | 468.5 | -3.9% | 904.8 | 954.2 | -5.2% |

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Fixed Net operating income | 23.4 | 23.1 | 1.3% | 68.4 | 53.0 | 29.1% |
| Mobile Communication operating income | 152.4 | 157.3 | -3.1% | 296.5 | 334.2 | -11.3% |
| Corporate, Other & Eliminations | -5.6 | -6.3 | -11.1% | -14.6 | -10.8 | 35.2% |
| Operating income Telekom Austria Group | 170.2 | 174.1 | -2.2% | 350.3 | 376.4 | -6.9% |

Fixed Net - Revenue Breakdown

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|-----------------------------|--------------|--------------|---------------|--------------|----------------|---------------|
| Access, Voice and Broadband | 240.4 | 276.3 | -13.0% | 490.4 | 554.1 | -11.5% |
| Data & ICT-Solutions | 96.7 | 115.8 | -16.5% | 194.2 | 219.1 | -11.4% |
| Wholesale Voice & Internet | 86.6 | 103.8 | -16.6% | 176.6 | 214.6 | -17.7% |
| Others | 33.2 | 26.0 | 27.7% | 65.2 | 56.0 | 16.4% |
| Fixed Net revenues | 456.9 | 521.9 | -12.4% | 926.4 | 1,043.8 | -11.2% |

Fixed Net – Expense Breakdown

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|---|--------------|--------------|---------------|--------------|----------------|---------------|
| Material expense | 14.1 | 23.2 | -39.2% | 30.1 | 47.2 | -36.2% |
| Employee costs | 130.3 | 146.0 | -10.8% | 263.8 | 290.5 | -9.2% |
| Depreciation, amortization and impairment charges | 118.6 | 132.4 | -10.4% | 231.3 | 259.4 | -10.8% |
| Interconnection | 72.6 | 89.5 | -18.9% | 143.0 | 175.9 | -18.7% |
| Maintenance and repairs | 23.5 | 25.4 | -7.5% | 44.5 | 50.7 | -12.2% |
| Services received | 28.8 | 20.5 | 40.5% | 51.8 | 41.2 | 25.7% |
| Other support services | 18.7 | 26.5 | -29.4% | 38.8 | 55.9 | -30.6% |
| Other | 44.6 | 51.8 | -13.9% | 83.1 | 100.8 | -17.6% |
| Fixed Net expenses | 451.2 | 515.3 | -12.4% | 886.4 | 1,021.6 | -13.2% |

Mobile Communication - Revenue Breakdown

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|--------------------------------------|--------------|--------------|--------------|----------------|----------------|--------------|
| Subscription and Traffic | 586.8 | 597.5 | -1.8% | 1,150.7 | 1,160.3 | -0.8% |
| Equipment | 51.0 | 54.1 | -5.7% | 108.3 | 115.2 | -6.0% |
| Roaming | 28.5 | 39.6 | -28.0% | 62.5 | 90.0 | -30.6% |
| Interconnection | 125.8 | 122.3 | 2.9% | 251.9 | 237.2 | 6.2% |
| Other | 19.0 | 11.2 | 69.6% | 36.9 | 28.5 | 29.5% |
| Discounts | -10.5 | -10.4 | 1.0% | -19.4 | -20.4 | -4.9% |
| Mobile Communication revenues | 800.6 | 814.3 | -1.7% | 1,590.9 | 1,610.8 | -1.2% |

Mobile Communication – Expense Breakdown

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|---|--------------|--------------|--------------|----------------|----------------|-------------|
| Material expense | 80.1 | 74.4 | 7.7% | 166.8 | 154.8 | 7.8% |
| Employee costs | 70.3 | 66.8 | 5.2% | 141.6 | 126.6 | 11.8% |
| Depreciation, amortization and impairment charges | 161.4 | 162.1 | -0.4% | 323.5 | 318.6 | 1.5% |
| Interconnection | 100.6 | 101.8 | -1.2% | 201.3 | 196.3 | 2.5% |
| Repairs | 22.3 | 18.5 | 20.5% | 42.5 | 36.5 | 16.4% |
| Services received | 72.7 | 76.8 | -5.3% | 139.2 | 146.3 | -4.9% |
| Other support services | 8.7 | 9.7 | -10.3% | 17.6 | 18.1 | -2.8% |
| Other | 141.5 | 158.4 | -10.7% | 279.6 | 303.2 | -7.8% |
| Mobile Communication expenses | 657.6 | 668.5 | -1.6% | 1,312.1 | 1,300.4 | 0.9% |

Capital Expenditures by Segment

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|--|--------------|--------------|---------------|--------------|--------------|---------------|
| Fixed Net | 55.9 | 64.4 | -13.2% | 89.4 | 132.5 | -32.5% |
| Mobile Communication | 93.4 | 126.3 | -26.0% | 175.9 | 217.8 | -19.2% |
| Total Capex Telekom Austria Group | 149.3 | 190.7 | -21.7% | 265.3 | 350.3 | -24.3% |
| Thereof tangible | 117.0 | 152.4 | -23.2% | 198.0 | 274.6 | -27.9% |
| Thereof intangible | 32.3 | 38.3 | -15.7% | 67.3 | 75.7 | -11.1% |

| (EUR million) | 2Q 09 | 2Q 08 | % change | 1H 09 | 1H 08 | % change |
|---|-------|-------|----------|-------|-------|----------|
| Mobile Communication Total Capex | | | | | | |
| mobilkom austria | 27.1 | 39.3 | -31.0% | 47.7 | 73.5 | -35.1% |
| Mobiltel | 17.1 | 28.4 | -39.8% | 48.0 | 46.9 | 2.3% |
| Velcom | 4.7 | 7.7 | -39.0% | 10.8 | 12.1 | -10.7% |
| Vipnet | 25.4 | 19.6 | 29.6% | 33.5 | 35.2 | -4.8% |
| Si.mobil | 2.6 | 3.9 | -33.3% | 4.5 | 6.6 | -31.8% |
| Vip mobile | 15.0 | 25.6 | -41.4% | 30.6 | 40.1 | -23.7% |
| Vip operator | 1.4 | 3.7 | -62.2% | 1.7 | 5.5 | -69.1% |

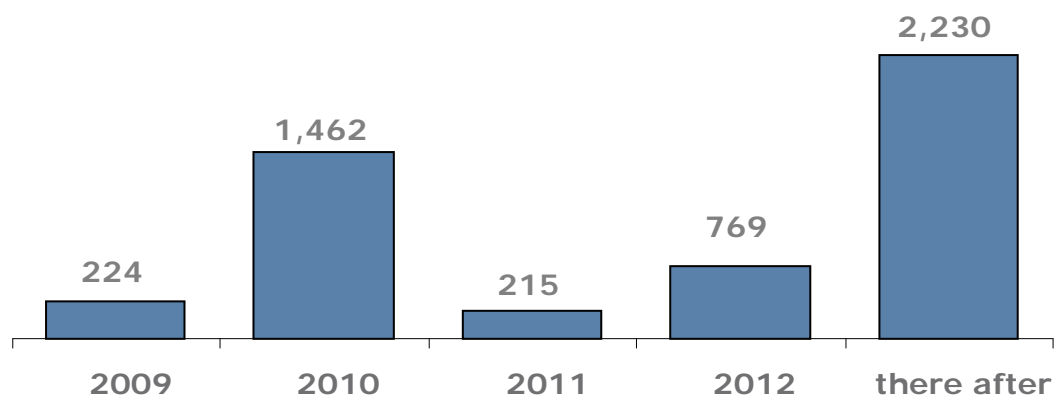
Net Debt - Telekom Austria Group

| (EUR million) | Jun 30, 2009 | Dec 31, 2008 | % change |
|---|----------------|----------------|-------------|
| Long-term debt | 3,760.6 | 3,599.5 | 4.5% |
| Short-term debt | 1,158.5 | 961.5 | 20.5% |
| Cash and cash equivalents, short-term and long term investments, financing with related parties | -893.8 | -513.1 | 74.2% |
| Derivate financial instruments for hedging purposes | -21.4 | -54.6 | -60.8% |
| Net Debt of Telekom Austria Group | 4,003.9 | 3,993.3 | 0.3% |
| Net Debt/ EBITDA (last 12 months) | 3.3x | 3.1x | n.a. |
| EBITDA (last 12 months) | 1,231.4 | 1,280.8 | -3.9% |
| Net Debt/ EBITDA (last 12 months) excluding restructuring measures | 2.1x | 2.1x | n.a. |

EUR 750 mn Bond Issued in 1Q 09 Supports Refinancing Beyond 2010

Debt Maturity Profile

(EUR million)



Ratings:

- S&P: BBB+ (*negative outlook*)
- Moody's: A3 (*stable outlook*)

Lines of Credit

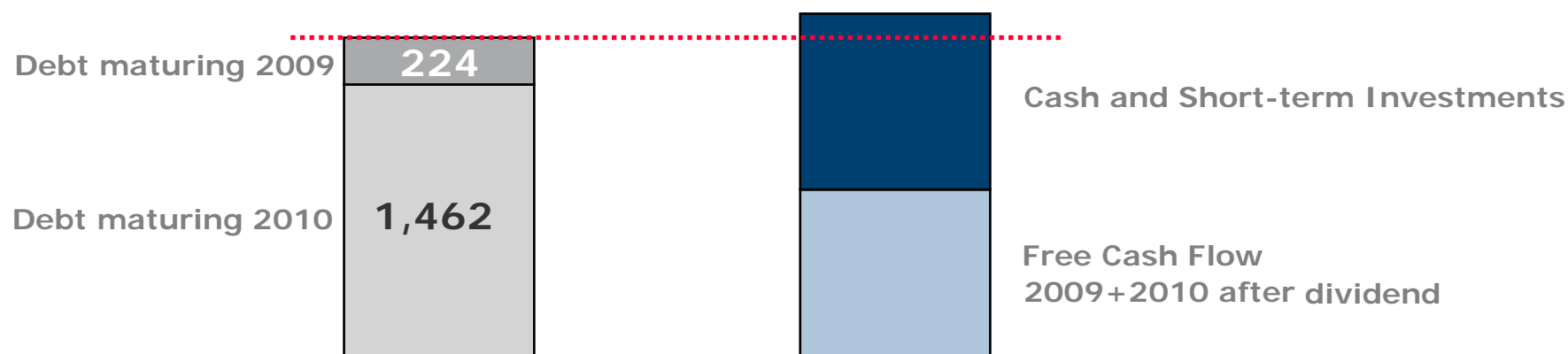
- Undrawn committed lines of credit amounting to EUR 1.3 bn
- Average life of 3 years
- Provided by 20 Banks

Free Cash Flow After Dividend and Cash Cover Refinancing in 2009 & 2010

Debt Maturing as of June 30, 2009

(in EUR million)

Sources of Cash as of June 30, 2009



- EUR 1.3 bn of undrawn, committed lines of credit available