



Results for the first half and second quarter 2014

Vienna, 13 August 2014



Cautionary statement

'This presentation contains forward-looking statements. These forward-looking statements are usually accompanied by words such as 'believe', 'intend', 'anticipate', 'plan', 'expect' and similar expressions. Actual events may differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Neither Telekom Austria nor any other person accepts any liability for any such forward-looking statements. Telekom Austria will not update these forward-looking statements, whether due to changed factual circumstances, changes in assumptions or expectations. This presentation does not constitute a recommendation or invitation to purchase or sell securities of Telekom Austria.'



Operational and financial highlights for the first half 2014

H1 2014 - Successful execution of strategy - focus on convergence and turnaround (1/2)

- > Group revenues decline by 7.3% and EBITDA comparable declines by 7.2% mainly driven by regulation, macro-economic effects in CEE as well as extraordinary effects of EUR 28.2 mn net in Austria
 - > Clean (without extraordinary and FX effects): Group revenues -4.1% and Group EBITDA comparable flat at -0.1%
- > Group EBITDA comparable margin remains flat at 31.9% and increases to 33.2% on a clean basis*
- > Austria benefits from successful strategy implementation: regulation and extraordinary effects account for most of revenue decline; cost cuts and subsidy reductions result in strong EBITDA comparable trends (-0.2% excl. extraord. effect)
- > Bulgaria: Macro effects and fierce competition drive customer and revenue decline in fixed and mobile; EUR 400 mn impairment due to adjustment of WACC and medium-term expectations
- > Croatia: solid fixed-line performance cannot offset regulatory cuts and effects of mobile competition; spectrum fee introduced in June will burden EBITDA comparable as of H2 2014

* Excluding extraordinary effects in Austria and FX translation effects

Results for the first half and second quarter 2014



H1 2014 - Successful execution of strategy - focus on convergence and turnaround (1/2)

- > Belarus and Additional Markets segment achieve revenue and EBITDA comparable growth
- > Spectrum prolongations and acquisitions in Bulgaria and Slovenia strengthen network
- > Next step in implementation of successful convergence strategy: Agreement for acquisition of cable operator blizoo in the Republic of Macedonia in June (closed in July)
- > Commitment to broadband funding announced by Austrian government as of 2016
- > Group outlook for FY 2014 refined: Revenues of approx. -3.5% (from approx. -3.0%), CAPEX** of EUR 650 - 700 mn (from approx. EUR 700 mn), intended dividend of EUR 0.05/share

* Does not include investments for spectrum and acquisitions



Key financial developments in the second quarter 2014

Q2 2014: Extraordinary effects and impairment overshadow strong operational performance

(in EUR million)	Q2 2014	Q2 2013	% change
Revenues	963.0	1,043.2	-7.7%
EBITDA comparable*	299.4	330.3	-9.3%
<i>EBITDA comparable margin*</i>	<i>31.1%</i>	<i>31.7%</i>	
Restructuring	0.9	-4.9	n.m.
Impairment	-400.0	0.0	n.a.
Depreciation & amortisation	-220.4	-219.9	n.m.
Operating income	-320.0	105.5	n.m.
Financial result	-44.1	-42.8	n.m.
Income before income taxes	-364.1	62.7	n.m.
Income tax gain/expense	5.5	-10.2	n.m.
Net income / Net loss	-358.6	52.5	n.m.

- > Revenues decline by 3.1% and EBITDA comparable grew by 2.0% on a clean basis**
- > Regulatory impact on Group revenues of EUR -43.7 mn
- > Extraordinary negative revenue effects of EUR 28.2 mn net in Austria (impact on Group EBITDA comparable)
- > Operating costs reduced by EUR 46.1 mn, mostly due to savings in Austria
- > Positive restructuring effects as inactive civil servants (staff released from work) accept social plans
- > Net loss of EUR 358.6 mn due to EUR 400 mn impairment in Bulgaria

* Excluding effects from restructuring and impairment

** Excluding extraordinary effects in Austria and FX translation effects

EUR 28.2 mn extraordinary negative revenue net effect in Austria

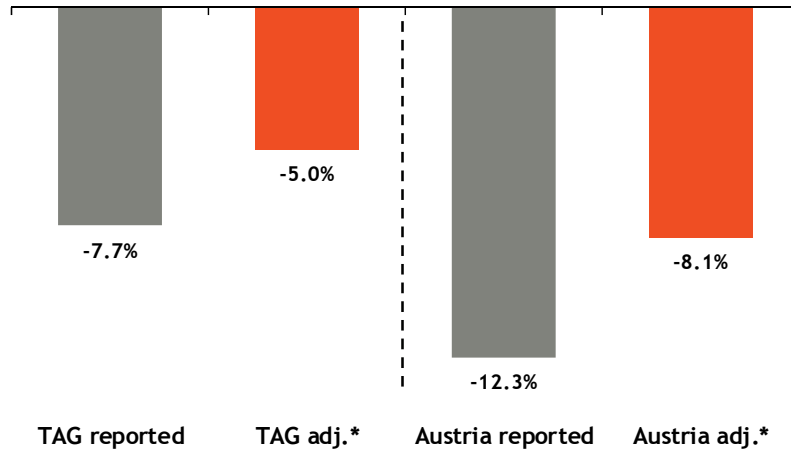
Background

- > Implementation of new revenue assurance interface enables more accurate revenue estimation
- > Adjustments to operating revenues and accounts receivables
- > No impact on cash, ARPL and ARPU

- Monthly fee and traffic: EUR -39.4 mn
Data and ICT: EUR -7.8 mn
- Wholesale (incl. roaming): EUR 17.0 mn
Other revenues: EUR 2.0 mn

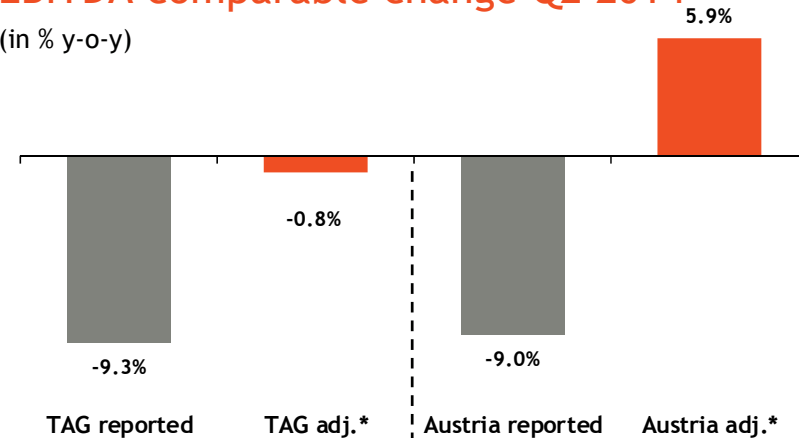
Revenue change Q2 2014

(in % y-o-y)



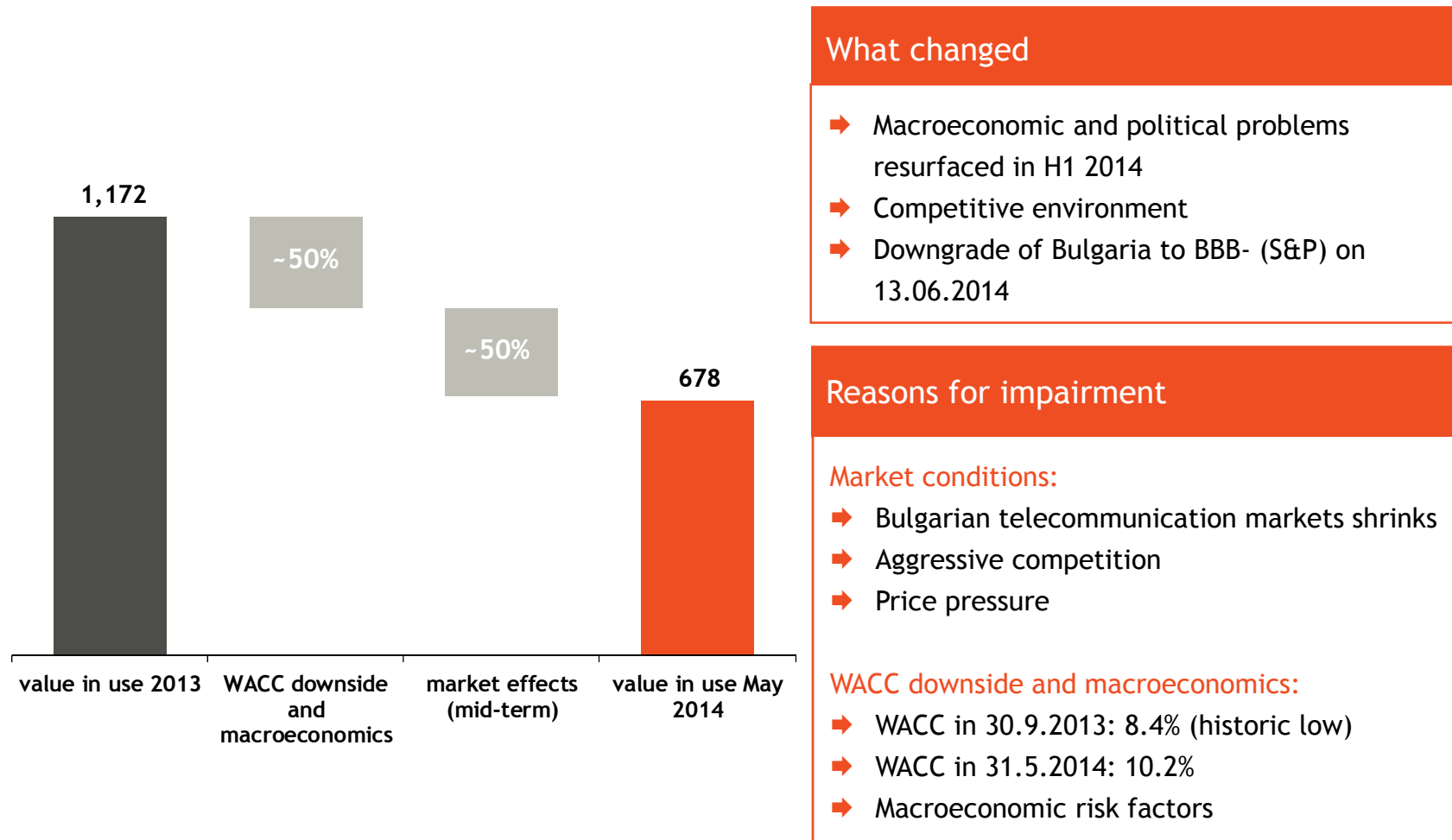
EBITDA comparable change Q2 2014

(in % y-o-y)



* Excluding extraordinary effect in Austria

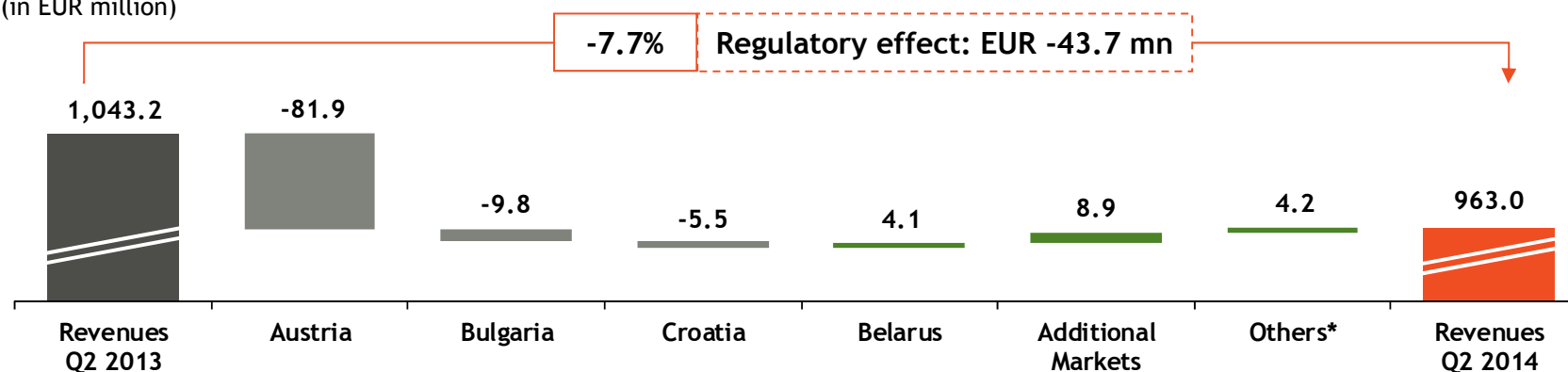
EUR 400 mn impairment in Bulgaria due to WACC, macroeconomics and changed expectations



Revenue decline driven mainly by extraordinary effects in Austria and regulatory interventions

Quarterly revenue development

(in EUR million)



Segment Austria

- > Revenues decline by 8.1% excluding extraordinary effects due to the changed billing system interface
- > EUR -22.0 mn equipment revenues due to lower SAC subsidies and gross adds in the residential contract business
- > EUR -23.5 mn interconnection revenues due to reduction in MTR from EURc 2.01 to EURc 0.8
- > Mobile service revenues decline slowed to 4.8% y-o-y from 8.8% y-o-y in the previous quarter; only slight decline in fixed-line service revenues

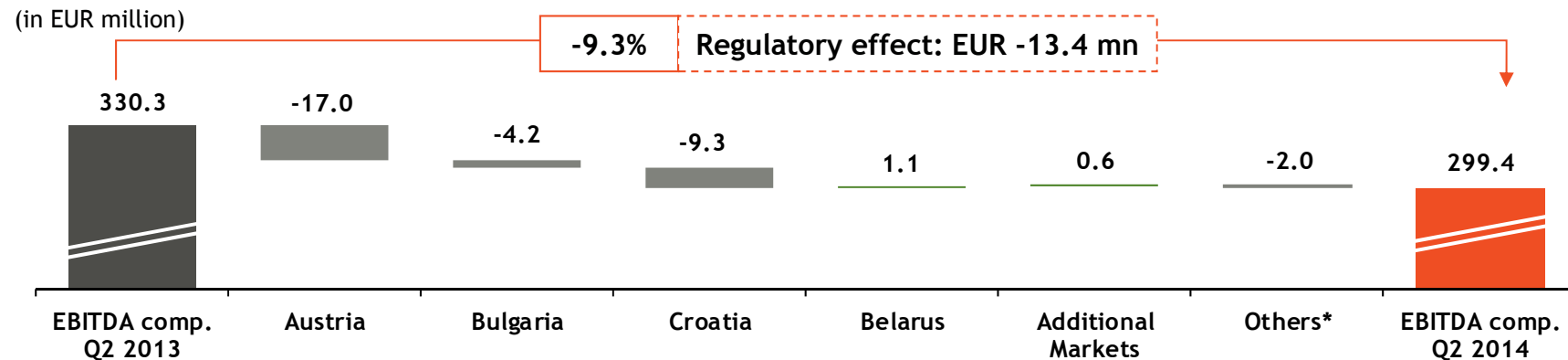
International Segments

- > Bulgaria: Weak macroeconomic environment weighed on consumer demand
- > Croatia: Lower usage and mobile prices as well as regulatory effects offset fixed-line gains
- > Belarus: Revenues increased by 20.4% on a local currency basis; but was mostly offset by negative FX effects of EUR 17.4 mn
- > Additional Markets: 5.1% revenue growth in Slovenia, 18.5% growth in the Republic of Serbia primarily driven by higher equipment revenues; -13.1% in the Republic of Macedonia due to MTR cuts

* Corporate, Others & Eliminations

Cost savings result in stable EBITDA comparable (clean of extraordinary and FX effects)

Quarterly EBITDA comparable development



Segment Austria

- > Excluding the extraordinary effects EBITDA comparable rises by 5.9%
- > Operating expenses fell 12.6% or EUR 62.8 mn
- > EUR 26.0 mn lower material expenses versus Q2 2013 primarily due to lower subsidies
- > EUR 20.7 mn reduced interconnection costs
- > 3.7% lower employee costs as a result of a lesser number of average employees

International Segments

- > Bulgaria: Opex fell by 6.2% driven by lower roaming and interconnection costs
- > Croatia: Higher material expenses from the sale of higher-value handsets as well as higher marketing and sales costs
- > Belarus: Higher Opex due to rise in equipment sales and inflation-adjustments to salaries and more employees
- > Additional Markets: 8.1% and 1.0% growth in Slovenia and the Republic of Serbia offset the 25.7% decline in the Republic of Macedonia

* Corporate, Others & Eliminations

Free cash flow falls due to increased cash requirements for working capital

(in EUR million)	Q2 2014	Q2 2013	% change	1-6 M 2014	1-6 M 2013	% change
Gross cash flow	303.4	299.4	1.3%	587.4	596.5	-1.5%
Change in working capital	-78.8	2.9	n.m.	-213.9	-102.5	n.m.
Cashflow from operating activities	224.5	302.2	-25.7%	373.4	494.0	-24.4%
Ordinary capital expenditures	-229.5	-176.4	n.m.	-329.0	-325.4	n.m.
Proceeds from sale of equipment	1.7	2.7	-38.8%	4.0	3.8	4.1%
Free cash flow	-3.4	128.6	n.m.	48.5	172.5	-71.9%

Year-to-date analysis

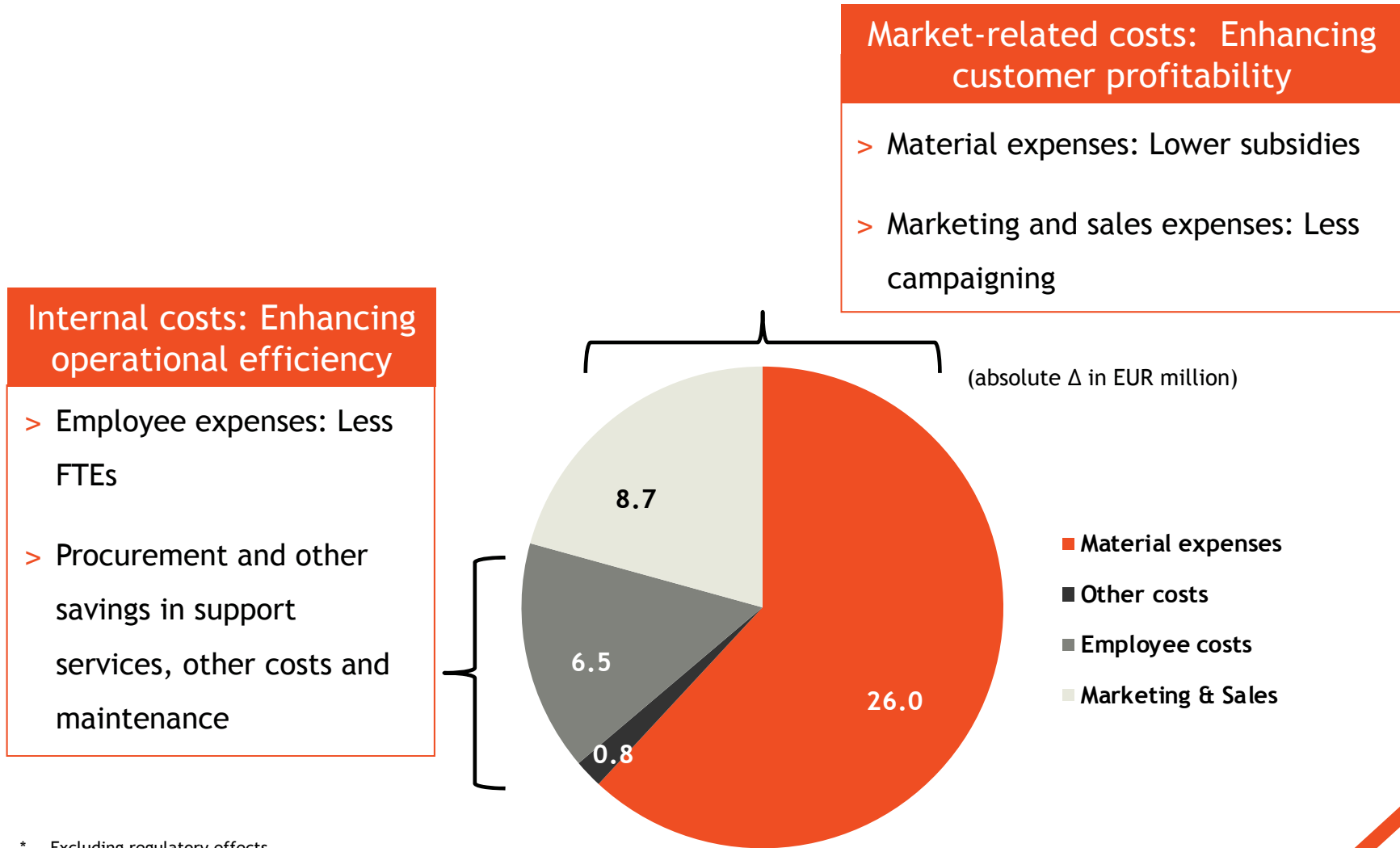
- > Operating cash flow - only slight reduction in gross cash flow but materially increased cash requirements for working capital
- > Changes in working capital in the first half of 2014 were caused by
 - > Lower levels of accounts payable as a result of lower Austrian CAPEX
 - > Declining provisions and accrued liabilities pertaining to personnel provisions in Austria
 - > Increase in cashflow-relevant accounts receivable*
- > With roughly stable Group CAPEX, lower operating cash flow results in a decline of free cash flow by 71.9%

* The reduction in accounts receivable visible in the balance sheet is primarily the result of the changes to revenue accounting estimates in Austria.



Focus points

Austria: Profitability benefits from approx. EUR 40 mn Opex savings in Q2 2014*

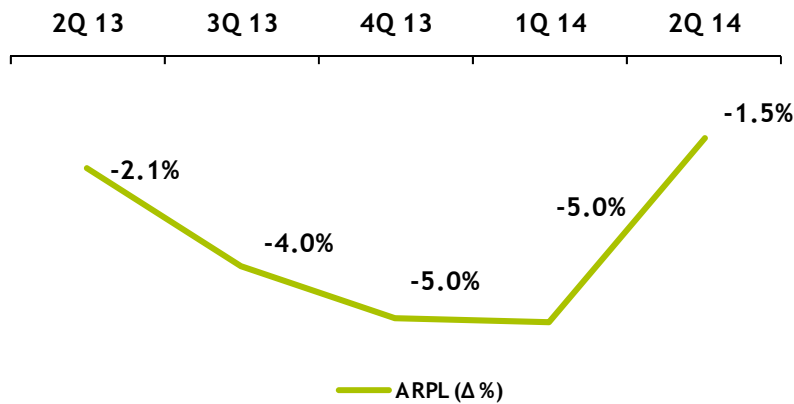
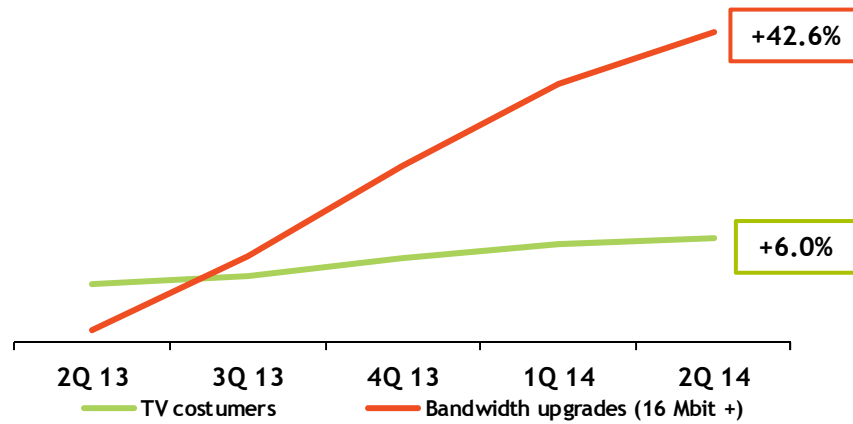


* Excluding regulatory effects

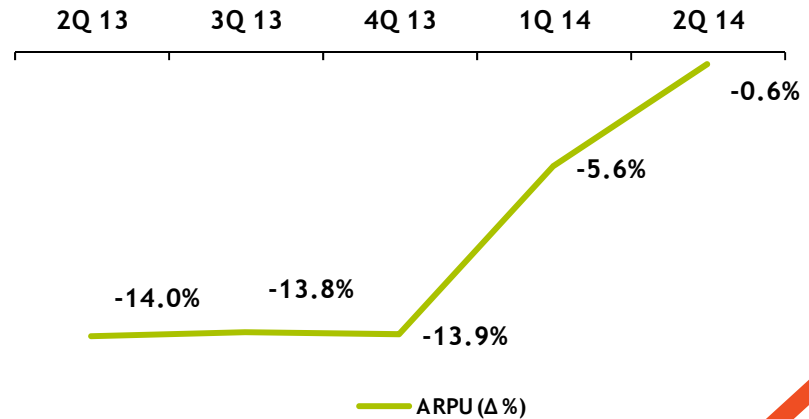
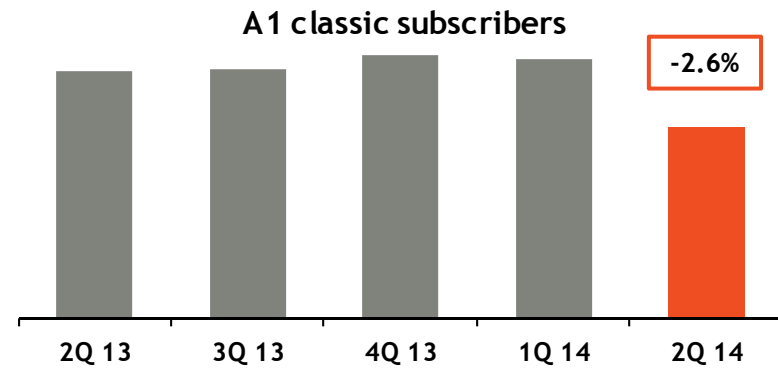


Austria: Strongly improved revenue trends - successful strategic focus on high-value customers

Fixed-line KPIs



Mobile KPIs



Broadband funding by the Austrian government

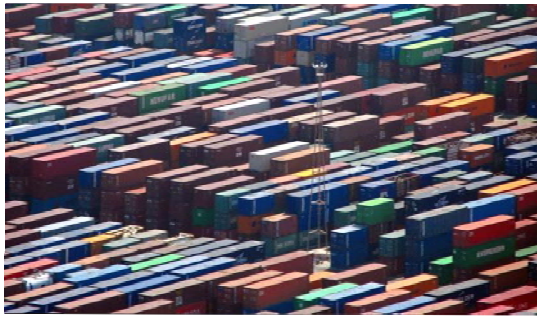
EUR 200 mn broadband funding as of 2016 (Tranche 1)

- ➔ The tender process will begin in 2015
- ➔ Funding program will be designed and executed analogous to the current ELER model
- ➔ Geographical focus points will be defined by the Austrian ministry for transport, innovation and technology in cooperation with Austrian provinces and municipalities
- ➔ A decision by the council of ministers should be reached by mid-October (following the resolution of the frequency auction lawsuit)



Technological innovation: Network Function Virtualisation (NFV) - A paradigm shift for networks

Advantage: Standardisation like container



Cost benefits & vision

- > Distributed telecom data centers for all telecom network functions
- > Interoperability between different vendors
- > Costs per production unit are reduced substantially
- > NFV platforms will develop agility and high flexibility in bringing innovations to the market

* Picture source: flickr_SlapBcn

Declaration of Independence

- > Simpler and more automated networks
- > Higher quality of delivered services
- > Enlarging the vendors' space
- > Easier innovation



Next steps

- > Trials in Vipnet, Mobitel have already taken place
- > Upcoming trials: Vip mobile and A1
- > Successful proof of concepts
- > Decision on evolved packet core suppliers and rollout



"Direct2home" satellite product was awarded a prize by Global Telecoms Business (GTB)

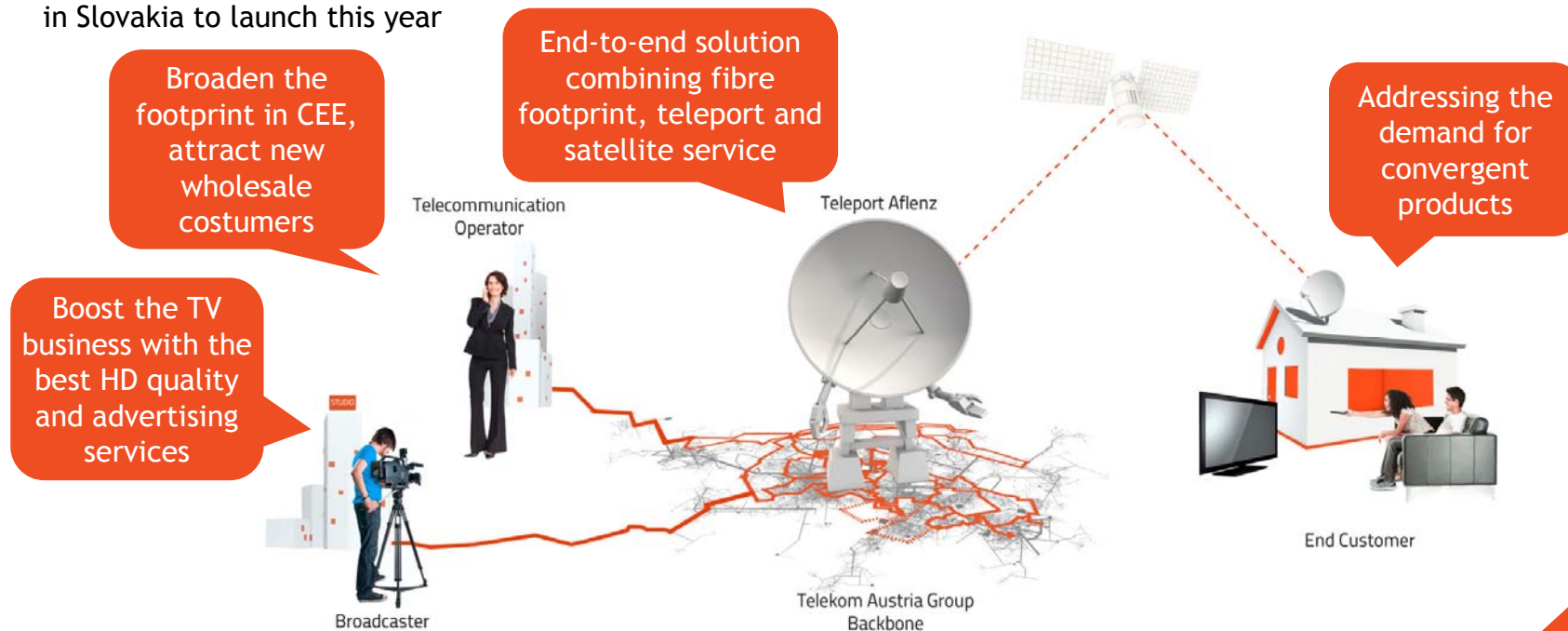


Market & Customers

- > Addressable market: 75 Mio. households in CEE
- > Vipnet: 28.500 end-customers active
- > Mobiltel: planned launch with 45.000 target customers in first year
- > First external customers in customers in the Czech Republic and in Slovakia to launch this year

Key Facts

- > Product launch September 2013
- > Revenue H1 2014: approx. EUR 1 mn
- > 7 % expected annual growth of DTH TV households in CEE in the coming years*



* Source: Arthur D. Little

Outlook for the full year 2014

Telekom Austria Group outlook for the full year 2014 refined

Financial outlook for 2014 refined

	13 August 2014	26 February 2014
Revenues	Approx. -3.5%	Approx. -3.0%
CAPEX*	EUR 650-700 mn	Approx. EUR 700 mn
Proposed dividend**	EUR 0.05	EUR 0.05

* Does not include investments for spectrum and acquisitions


** Intended proposal for the AGM 2015



Appendix 1

The leading regional communications player providing convergent telecommunication services

as of 30 June 2014
(in '000, in %)

Austria* 

Mobile:

- > Market share: 41.5% (Q2 2013: 42.5%)
- > Subscriber base: 5,510 (Q2 2013: 5,790)

Fixed Line:

- > Access Lines: 2,275 (Q2 2013: 2,274)

Croatia 

Mobile:

- > Market share: 36.7% (Q2 2013: 37.7%)
- > Subscriber base: 1,830 (Q2 2013: 1,902)

Fixed Line:

- > Access Lines: 208 (Q2 2013: 179)

Liechtenstein 

Mobile:

- > Market share: 16.2% (Q2 2013: 16.0%)
- > Subscriber base: 7 (Q2 2013: 6)

Slovenia 

Mobile:

- > Market share: 29.8% (Q2 2013: 29.9%)
- > Subscriber base: 680 (Q2 2013: 673)



Republic of Serbia 

Mobile:

- > Market share: 22.0% (Q2 2013: 20.6%)
- > Subscriber base: 2,037 (Q2 2013: 1,908)

Belarus 

Mobile:

- > Market share: 42.5% (Q2 2013: 43.7%)
- > Subscriber base: 4,940 (Q2 2013: 4,834)

Bulgaria** 

Mobile:

- > Market share: 38.1% (Q2 2013: 39.8%)
- > Subscriber base: 4,108 (Q2 2013: 4,232)

Fixed Line:

- > Access Lines: 153 (Q2 2013: 164)

Republic of Macedonia 

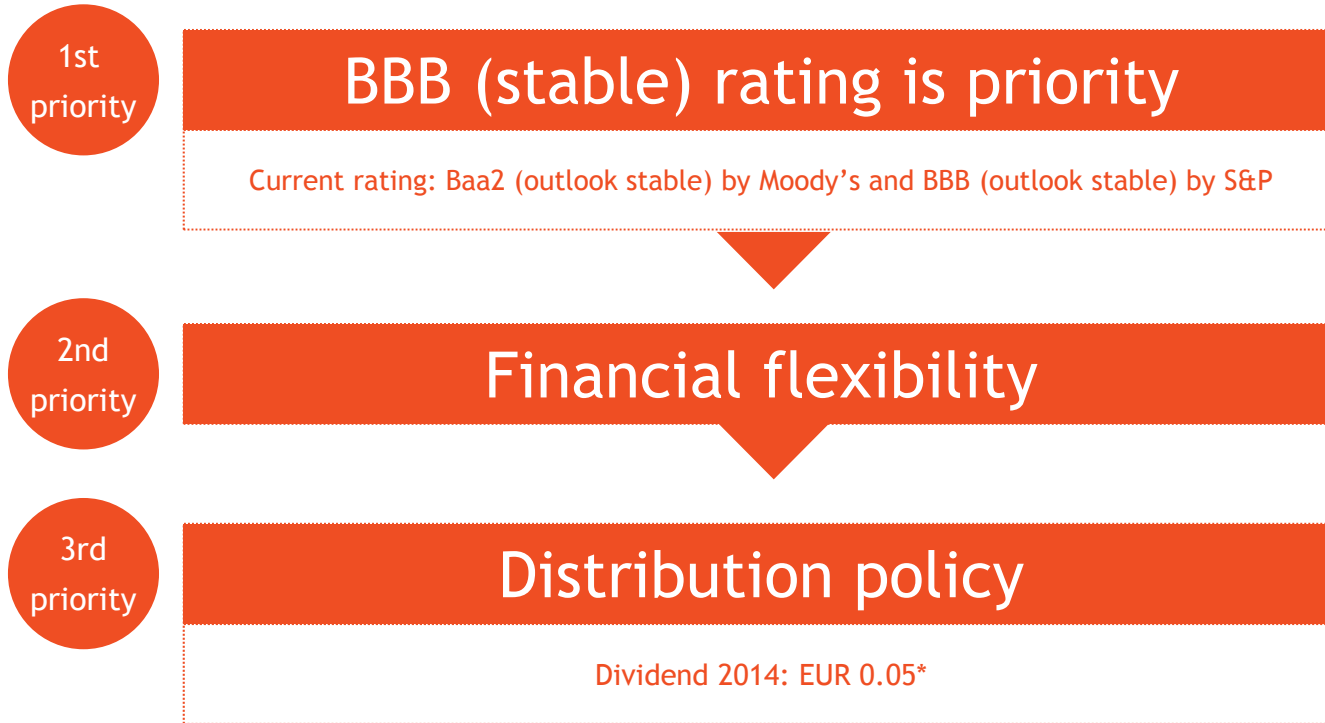
Mobile:

- > Market share: 28.2% (Q2 2013: 28.0%)
- > Subscriber base: 620 (Q2 2013: 621)

* As of Q2 2013 the methodology for counting subscribers has been changed. Previous quarters of 2013 have been adjusted retrospectively.

** As of Q4 2013 the methodology for counting subscribers has been changed. Previous quarters of 2013 have been adjusted retrospectively.

Cash-use policy - Focus remains on deleveraging via cash flow



* Intended proposal to the Annual General Meeting 2015



Telekom Austria Group - Revenue breakdown

Revenue Split - Segment Austria (in EUR million)	Q2 2014	Q2 2013	% change
Monthly fee and traffic	413.6	457.6	-9.6%
Data and ICT solutions	45.7	53.0	-13.8%
Wholesale (incl. Roaming)	48.1	36.3	32.6%
Interconnection	47.3	70.7	-33.2%
Equipment	20.3	42.2	-52.0%
Other revenues	8.4	5.6	50.8%
Total revenues - Segment Austria	583.5	665.4	-12.3%

Revenue Split - International Operations (in EUR million)	Q2 2014	Q2 2013	% change
Monthly fee and traffic	290.4	297.4	-2.4%
Data and ICT solutions	0.5	0.1	248.1%
Wholesale (incl. Roaming)	4.7	8.0	-40.9%
Interconnection	39.9	48.5	-17.7%
Equipment	51.6	33.5	53.9%
Other revenues	1.7	2.9	-43.2%
Total revenues - int. Operations	388.8	390.5	-0.4%

Telekom Austria Group - Expense breakdown

Operating Expense - Segment Austria (in EUR million)	Q2 2014	Q2 2013	% change
Material expense	55.8	81.8	-31.8%
Employee costs	167.5	174.0	-3.7%
Interconnection	44.4	65.2	-31.8%
Maintenance and repairs	26.0	25.1	3.5%
Services received	29.3	29.7	-1.5%
Other support services	31.3	34.0	-8.0%
Other	80.4	87.7	-8.3%
Total OPEX - Segment Austria	434.6	497.4	-12.6%

Operating Expense - International Operations (in EUR million)	Q2 2014	Q2 2013	% change
Material expense	57.2	42.6	34.2%
Employee costs	35.8	33.2	8.0%
Interconnection	42.3	50.8	-16.7%
Maintenance and repairs	15.0	16.0	-5.9%
Services received	16.5	27.3	-39.5%
Other support services	5.7	4.7	21.7%
Other	86.1	72.9	18.1%
Total OPEX - int. Operations	258.6	247.3	4.6%

Telekom Austria Group - Headcount development

FTE (Average period)	Q2 2014	Q2 2013	% change
Austria	8,854	9,234	-4.1%
International	7,034	7,029	0.1%
Telekom Austria Group*	16,062	16,418	-2.2%

FTE (End of period)	Q2 2014	Q2 2013	% change
Austria	8,837	9,225	-4.2%
International	7,035	6,975	0.9%
Telekom Austria Group*	16,044	16,352	-1.9%

* Including corporates.

Results for the first half and second quarter 2014

Telekom Austria Group - Capital expenditures split

Capital Expenditures (in EUR million)	Q2 2014	Q2 2013	% change
Segment Austria	79.9	122.4	-34.7%
Segment Bulgaria	41.2	12.7	223.2%
Segment Croatia	18.4	14.7	25.2%
Segment Belarus	7.3	7.3	-0.1%
Segment Additional Markets	82.8	19.3	n.m.
<i>Slovenia</i>	70.6	3.8	n.m.
<i>Republic of Serbia</i>	10.6	14.1	-24.6%
<i>Republic of Macedonia</i>	1.4	1.4	5.1%
<i>Liechtenstein</i>	0.0	0.0	n.a.
<i>Eliminations additional markets</i>	0.0	0.0	n.a.
Corporate, Others & Elimination	0.0	0.0	n.a.
Total capital expenditures	229.5	176.4	30.1%
Thereof tangible	106.3	122.2	-13.0%
Thereof intangible	123.3	54.2	127.3%

Telekom Austria Group - Net debt

Net debt (in EUR million)	30 June 2014	31 December 2013	% change
Long-term debt	3,084.5	3,737.7	-17.5%
Short-term borrowings*	805.4	232.2	246.9%
Cash and cash equivalents, short-term and long term investments, installment sales, finance lease receivables	-201.7	-274.1	n.m.
<i>Cash and cash equivalents and short-term investments</i>	-122.2	-211.2	n.m.
<i>Long-term investments, installment sales, finance lease receivables</i>	-79.4	-62.9	n.m.
Derivate financial instruments for hedging purposes	0.0	0.0	n.a.
Net Debt**/** of Telekom Austria Group	3,688.1	3,695.8	-0.2%

EUR 600 mn non-call 5 years hybrid bond qualified as 100% equity under IFRS

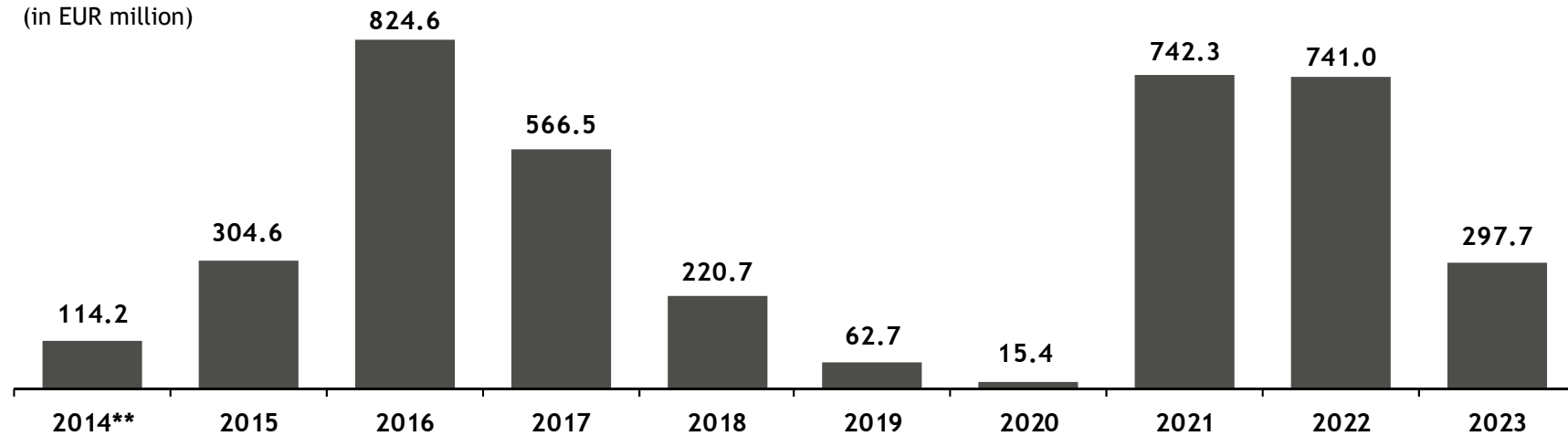
* The deferred consideration for the acquisition of SOBS paid in June 2014 is included in short-term borrowings as of 31 December 2013.

** Due to "Change of Control"-clauses long-term loans have to be presented under short-term borrowings according to IAS 1.74 until all lenders agree to waive payment. Therefore, long-term debt of EUR 641.7 mn is currently classified as short-term debt. As Telekom Austria Group expects to receive these waivers shortly the maturity profile does not reflect this temporary change. Bonds with maturities in the years 2021, 2022 and 2023 are not affected by these waivers.

Telekom Austria Group - Debt maturity profile

Debt Maturity Profile (Including Accrued Interest)*

(in EUR million)



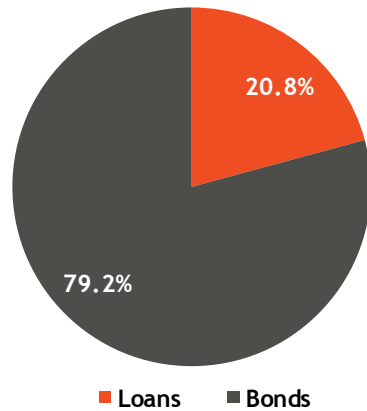
- > EUR 3,889.8 mn of short- and long-term borrowings as of 30 June 2014**
- > Average cost of debt of approximately 4.13%
- > Cash and cash equivalents and short-term investments of EUR 122.2 mn
- > Average term to maturity of 4.86 years

* EUR 600 mn non-call 5 years hybrid bond qualified as 100% equity under IFRS

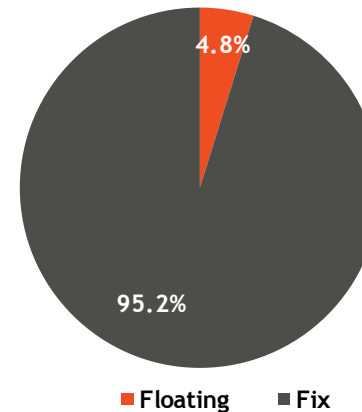
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Telekom Austria Group - Debt profile

Overview debt instruments



Fixed-floating mix



Lines of credit

- > Undrawn committed credit lines amounting to EUR 1,060 mn
- > Average term to maturity of approx. 3 years

Ratings

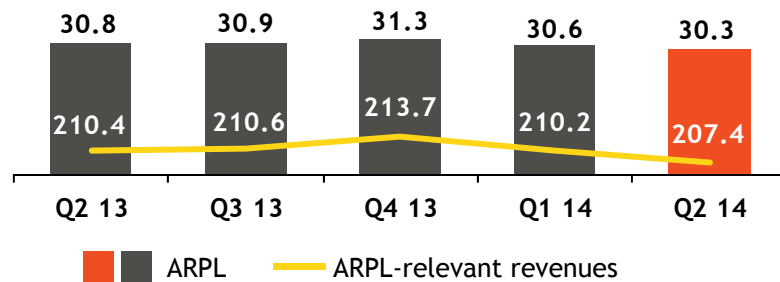
- > S&P: BBB (outlook stable)
- > Moody's: Baa2 (outlook stable)



Segment Austria - Fixed-line key performance indicators

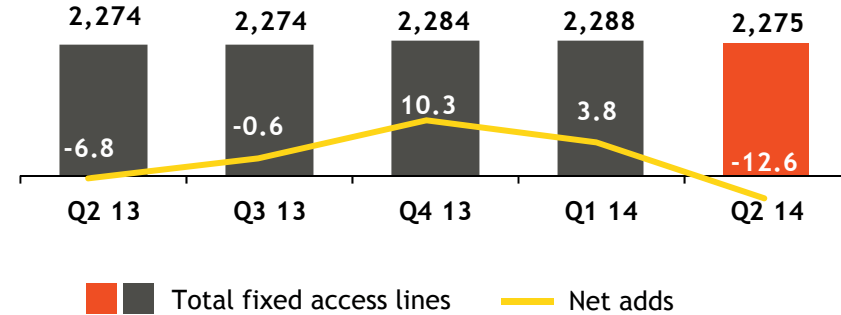
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



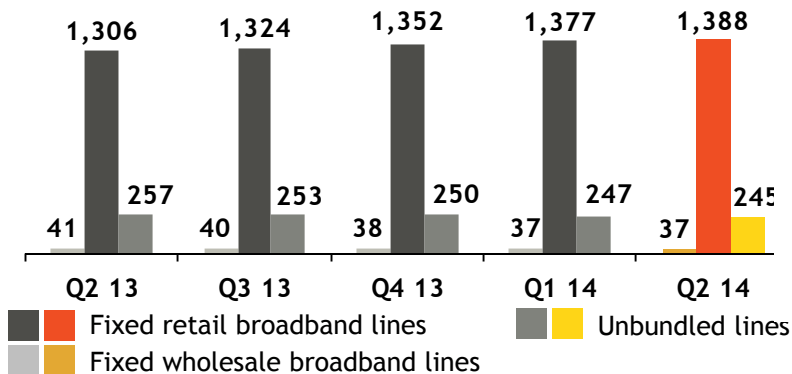
Total fixed access lines & net adds

(in '000)



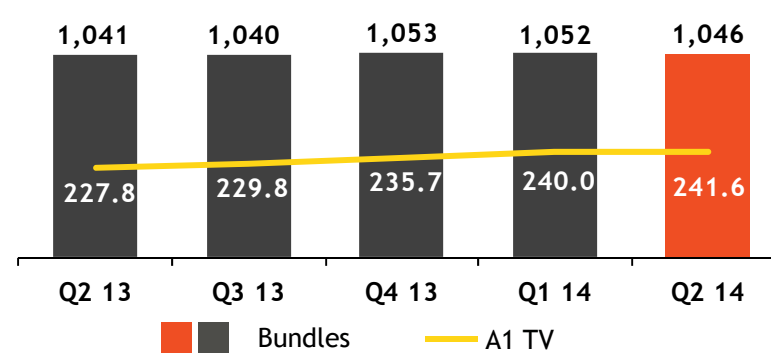
Fixed broadband access lines

(in 000)



Bundle subscriber growth

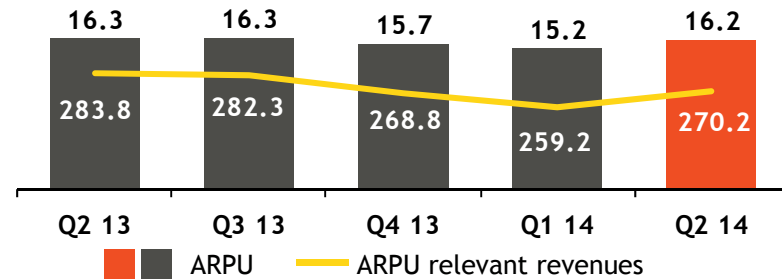
(in '000)



Segment Austria* - Mobile key performance indicators

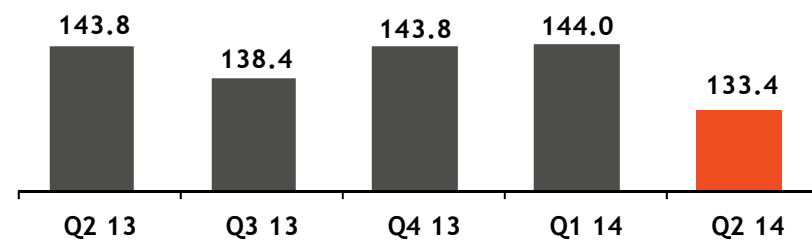
ARPU & ARPU-relevant revenues*

(in EUR)



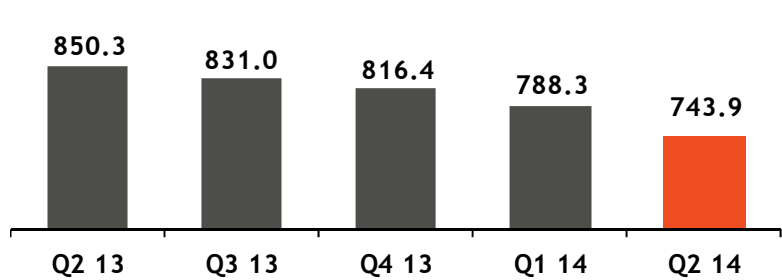
MoU per subscriber*

(in min)



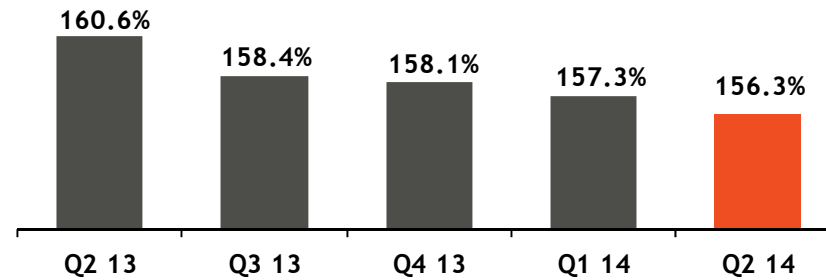
Mobile broadband customers*

(in '000)



Mobile penetration*

(in %)



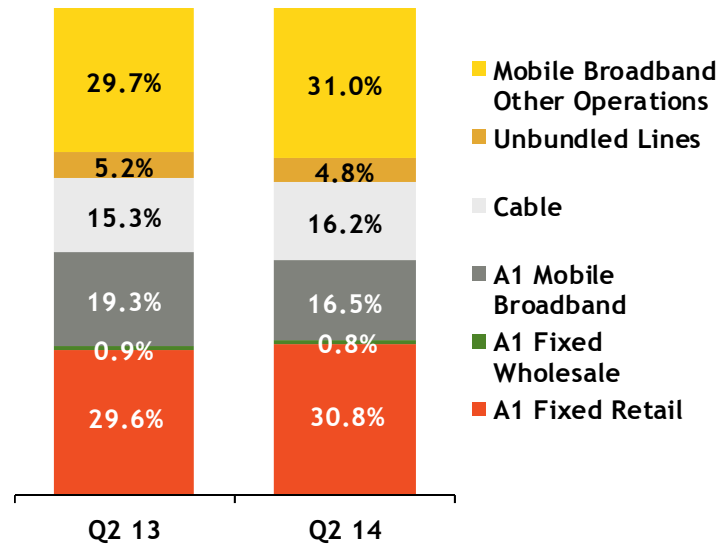
* As of Q2 2013 Telekom Austria Group's methodology for counting subscribers was changed in the Austrian Segment. Previous quarters of 2012 and 2013 were adjusted retrospectively.



Segment Austria - Broadband market split

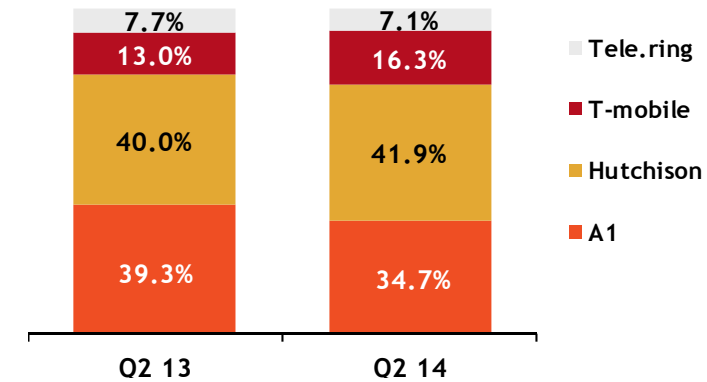
Market share total broadband*

(in %)



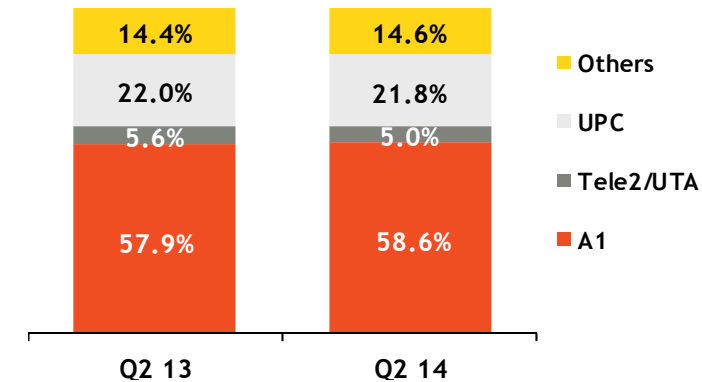
Market share mobile broadband*

(in %)



Market share fixed-line broadband

(in %)



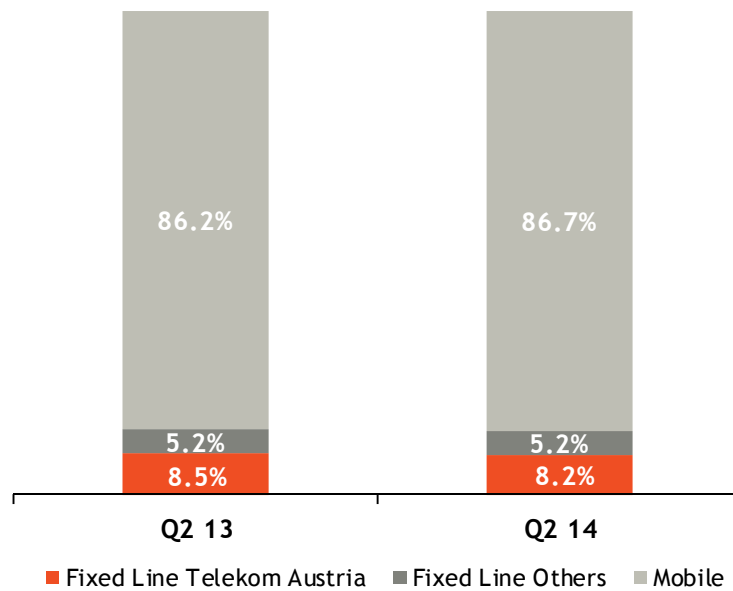
* As of Q2 2013 Telekom Austria Group's methodology for counting subscribers was changed in the Austrian Segment. Previous quarters of 2012 and 2013 were adjusted retrospectively.



Segment Austria - Voice market split

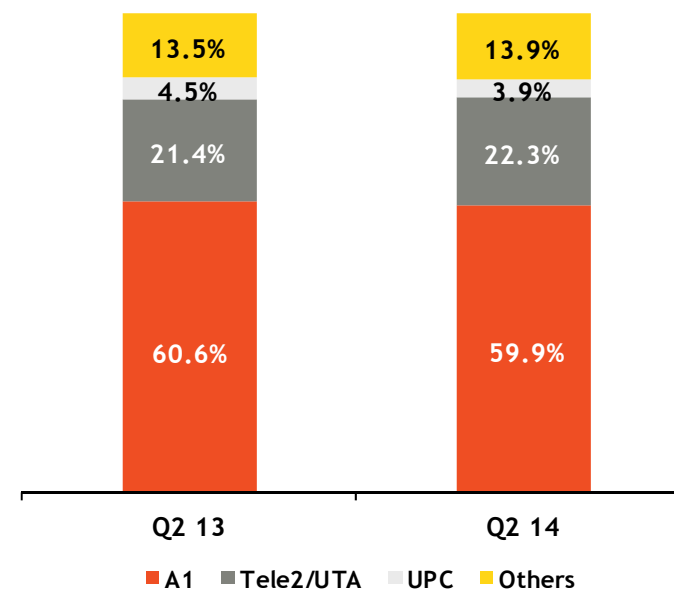
Market share total minutes

(in %)



Market share fixed-line minutes

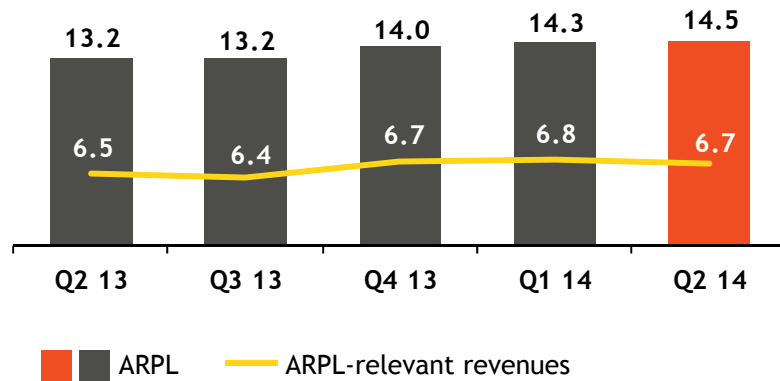
(in %)



Segment Bulgaria* - Fixed-line key performance indicators

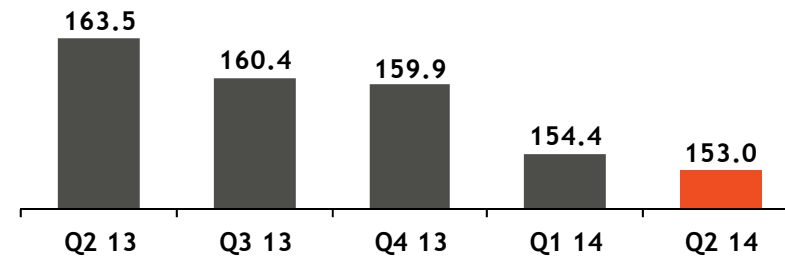
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



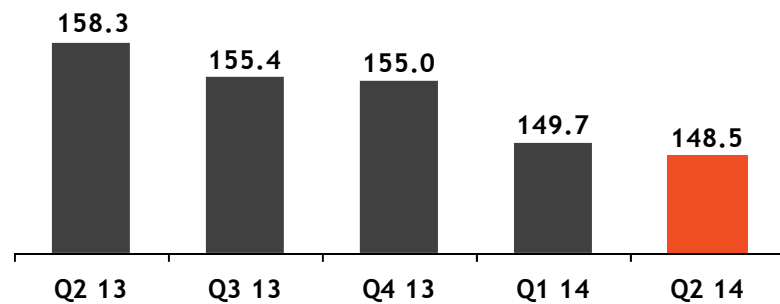
Total fixed access lines

(in '000)



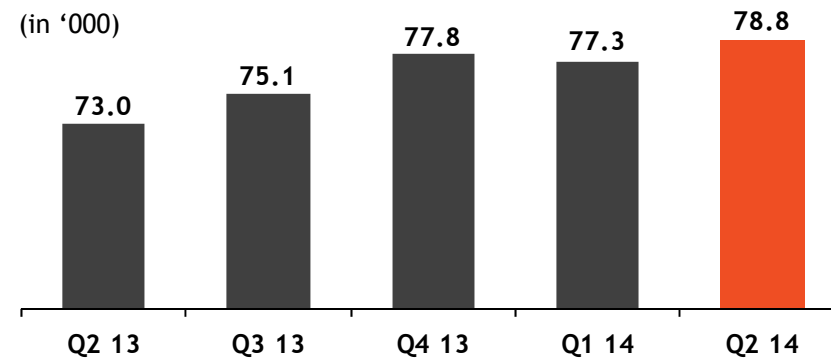
Fixed broadband retail access lines

(in '000)



TV subscribers

(in '000)

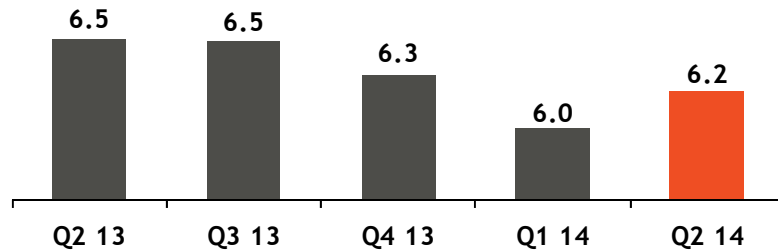


* As of Q4 2013 the methodology for counting subscribers was changed in Bulgaria. Previous quarters of 2012 and 2013 were adjusted retrospectively.
Results for the first half and second quarter 2014

Segment Bulgaria* - Mobile key performance indicators

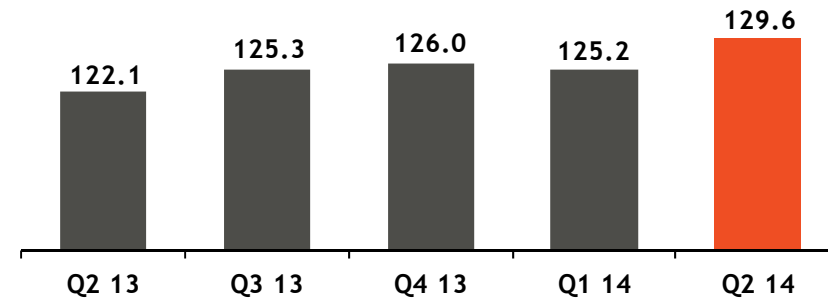
ARPU

(in EUR)



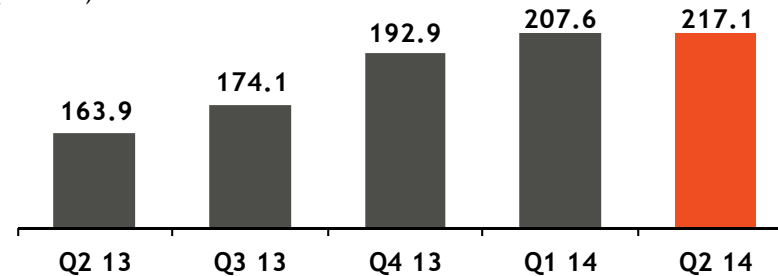
MoU per subscriber

(in min)



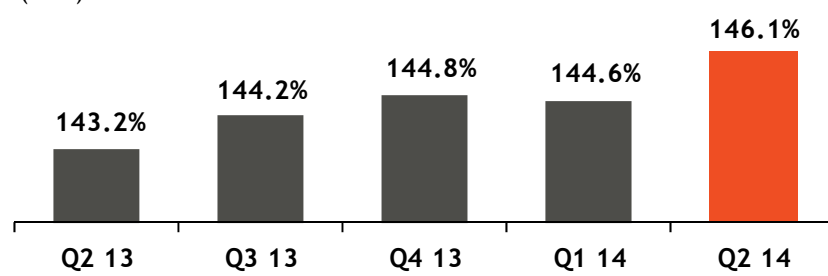
Mobile broadband customers

(in '000)



Mobile penetration

(in %)



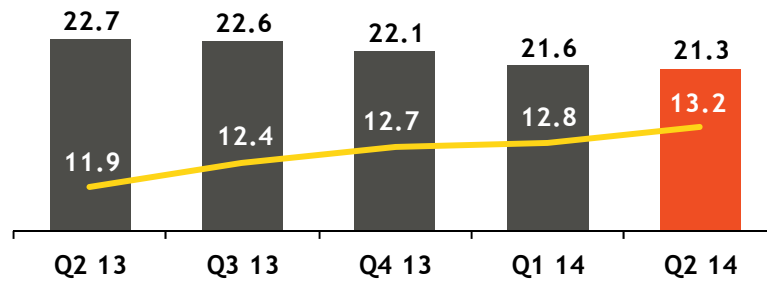
* As of Q4 2013 the methodology for counting subscribers was changed in Bulgaria. Previous quarters of 2012 and 2013 were adjusted retrospectively.
Results for the first half and second quarter 2014



Segment Croatia - Fixed-line key performance indicators

ARPL & ARPL-relevant revenues

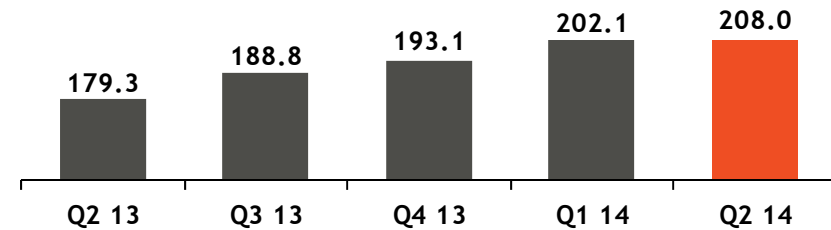
(in EUR, in EUR million)



■ ARPL ■ ARPL-relevant revenues

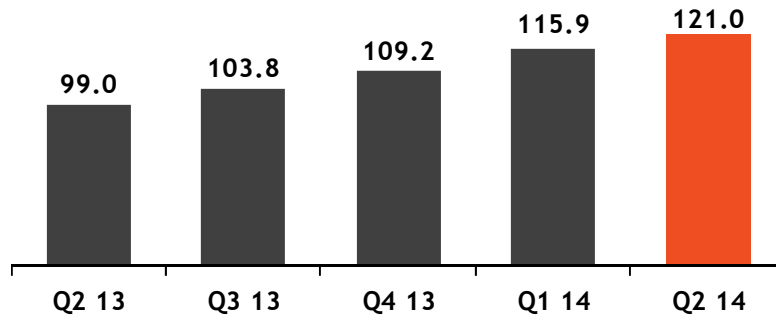
Total fixed access lines

(in '000)



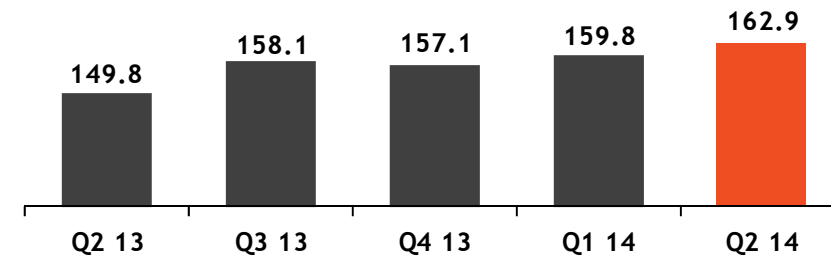
Fixed broadband retail access lines

(in '000)



TV subscribers

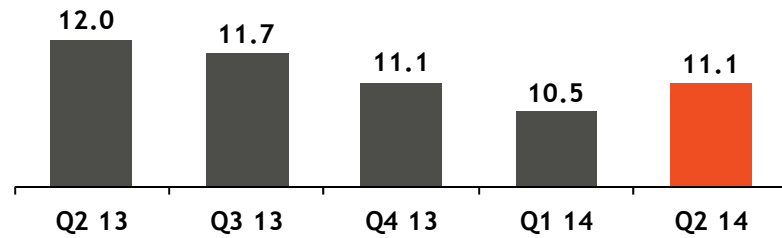
(in '000)



Segment Croatia - Mobile key performance indicators

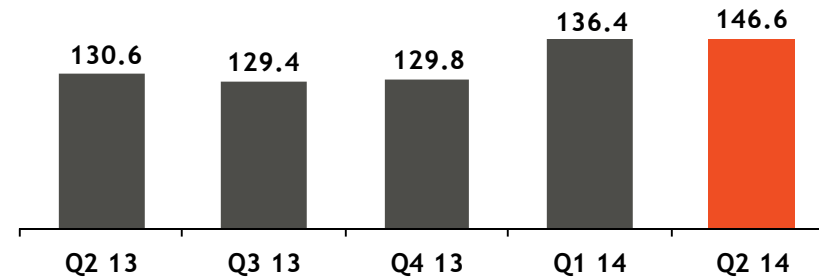
ARPU

(in EUR)



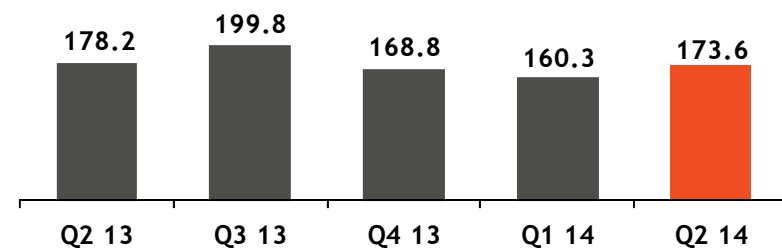
MoU per subscriber

(in min)



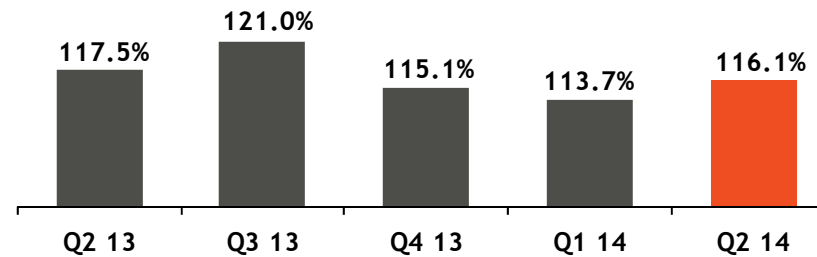
Mobile broadband customers

(in '000)



Mobile penetration

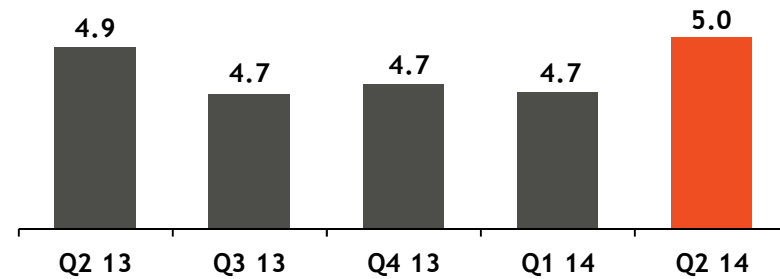
(in %)



Segment Belarus - Mobile key performance indicators

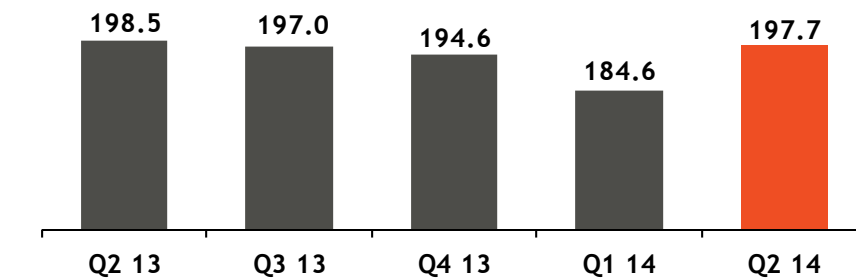
ARPU

(in EUR)



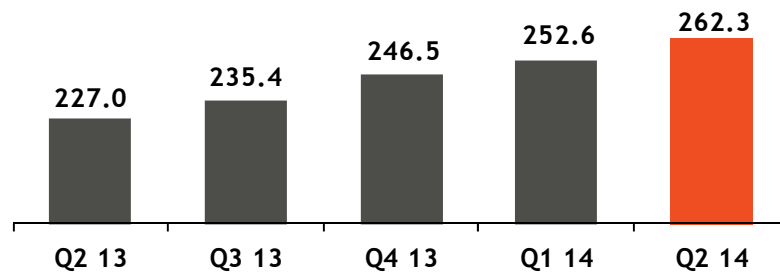
MoU per subscriber

(in min)



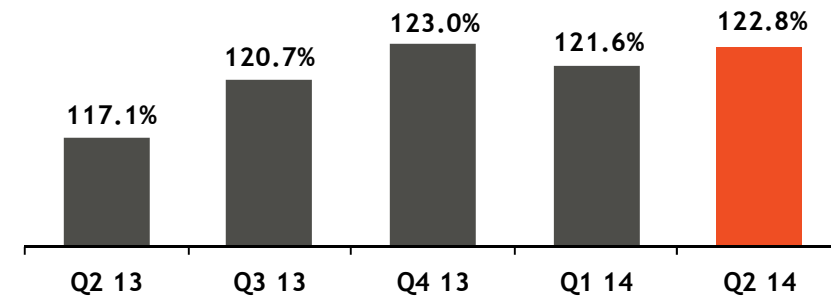
Mobile broadband customers

(in '000)



Mobile penetration

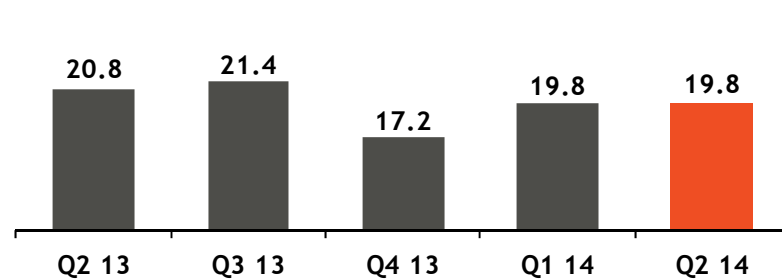
(in %)



Segment Additional Markets - Mobile key performance indicators

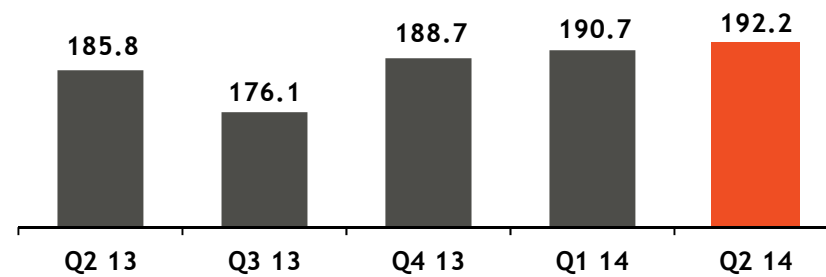
Slovenia - ARPU

(in EUR)



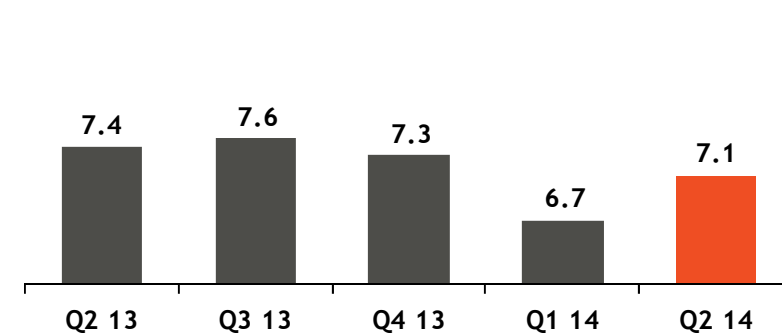
Slovenia - MoU per subscriber

(in min)



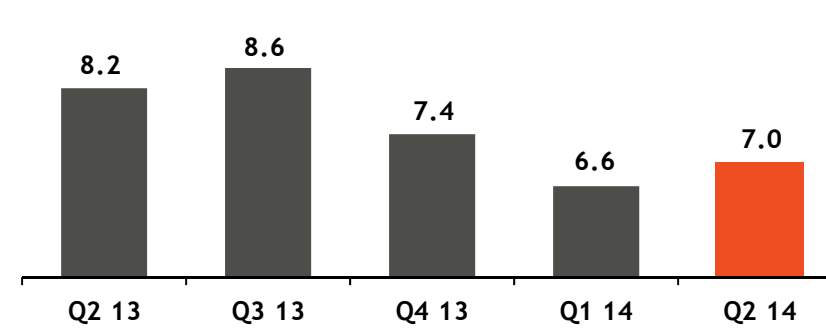
Republic of Serbia - ARPU

(in EUR)



Republic of Macedonia - ARPU

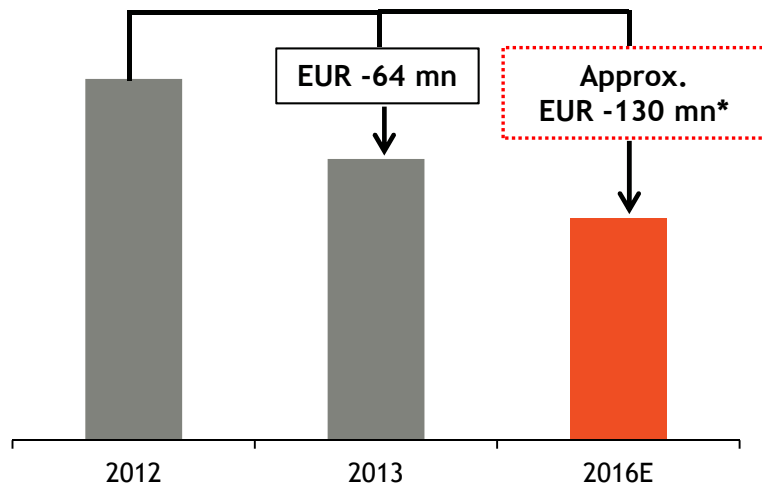
(in EUR)



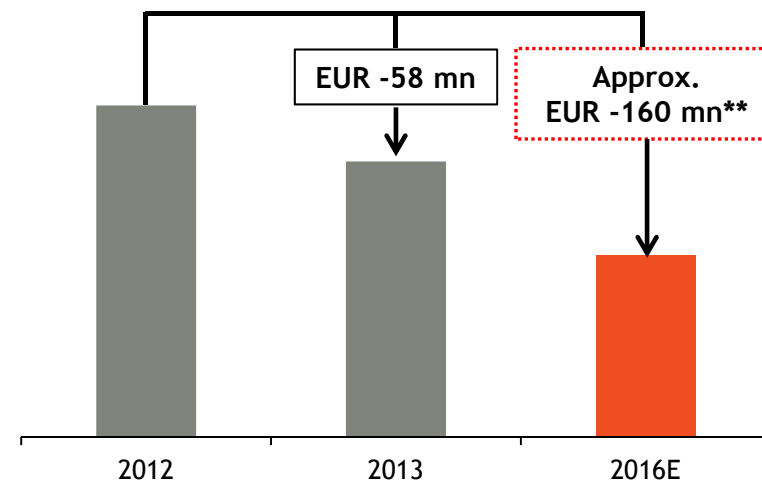
Appendix 2 – Regulatory topics

Negative impact from regulation in 2013 - 2016

Telekom Austria Group roaming revenues



Telekom Austria Group interconnection revenues



Negative regulatory impact for 2013 is included in outlook for 2014

* Total roaming revenue effect in 2013 - 2016

** Total interconnection revenue effect in 2013 - 2016

Glide Path of Mobile Termination Rates

EU Pressure on National Regulatory Authorities to Further Decrease Rates

(in EURc)

	Jul 2013	Nov 2013	Jan 2014	Jul 2014	Sep 2014	Jan 2015	Jul 2015
Austria	2.01	0.8049	0.8049	0.8049	0.8049	0.8049	0.8049
Bulgaria	1.18	1.18	1.02	1.02	1.02	0.97	0.97
Croatia	2.54**	2.54**	1.69**	1.69**	1.69**	0.83	0.83
Belarus	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Slovenia	3.24	3.24	3.24	3.24	1.14*	1.14*	1.14*
Serbia	4.20	3.72	3.46	3.46	3.46	3.01	3.01
Macedonia	6.50	1.95	1.95	1.95	1.46	1.46	1.46

* Final decision pending

** National MTRs stated. International MTRs differ

Results for the first half and second quarter 2014



EU Roaming Price Regulation

RETAIL (in EURc)	Before	July 2012	July 2013	July 2014
Data (per MB)	none	70	45	20
Voice-calls made (per minute)	35	29	24	19
Voice-calls received (per minute)	11	8	7	5
SMS (per SMS)	11	9	8	6

WHOLESALE (in EURc)	Before	July 2012	July 2013	July 2014
Data (per MB)	50	25	15	5
Voice (per minute)	18	14	10	5
SMS (per SMS)	4	3	2	2



Upcoming spectrum tenders/prolongations/assignments

	Tender planned/expected	Comments
Austria	2019 (2100 MHz)	
Bulgaria	2015 (2600 MHz)	800 MHz, 1800 MHz, 2100: undecided
Croatia	2015 (2100 MHz) 2016 (2600 MHz)	2100 MHz: 1x 5 MHz 2600 MHz: Tender foreseen in 2016
Belarus	No official information	900 & 1800 MHz: Spectrum holdings in Belarus are automatically prolonged without additional costs
Slovenia	No official information	Possible tender for spectrum "leftovers"
Republic of Serbia	2014 (900 MHz & 1800 MHz) 2015 (800 MHz)	800 MHz: Spectrum tender expected in 2015 900 & 1800 MHz: Beauty contest for additional spectrum in 2014 expected
Republic of Macedonia	2018 (900 MHz & 1800 MHz)	900 & 1800 MHz: Prolongation of licences foreseen in 2018

Appendix 3 – Personnel restructuring in Austria

Quarterly overview - Restructuring charges and provision vs. FTE

Overview restructuring charges

(in EUR million)

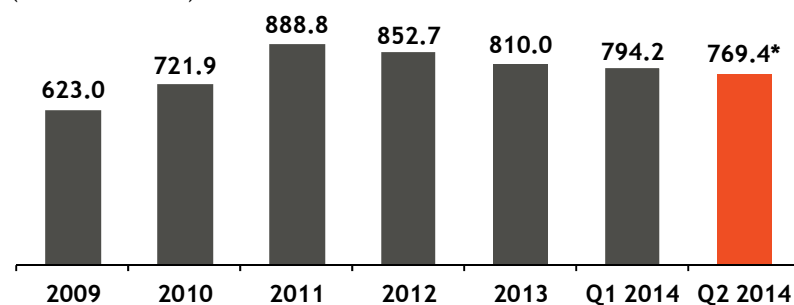
	2009	2010	2011	2012	2013	Q1 2014	Q2 2014
FTE effect	-10.0	76.9	274.3	49.9	149.0	8.8	10.4
Servicekom	0.0	0.0	-40.6	-76.7	-103.8	-1.2	-11.3*
Interest rate adjustments	27.5	47.2	0.0	61.4	0.0	0.0	0.0
Total	17.5	124.1	233.7	34.7	45.2	7.7	-0.9

FTEs addressed

	2009	2010	2011	2012	2013	Q1 2014	Q2 2014
Transfer to government	0	158	106	44	22	11	11
Social plans	451	28	685	94	409	13	29
Staff released from work	-194	27	0	0	0	0	0
Total	257	213	791	138	431	24	40

Overview restructuring provision**

(in EUR million)



Provisioned FTEs

	2009	2010	2011	2012	2013	Q1 2014	Q2 2014
Transfer to government	0	158	264	308	330	341	216
Social plans	273	299	922	1,030	1,315	1,320	1,357
Staff released from work	789	763	649	510	410	405	366*
Total	1,062	1,220	1,835	1,848	2,055	2,066	1,939

* Impacted by 32 FTEs transferring from Staff released from work to Social plans.

** Including liabilities for transfer of civil servants to government bodies since 2010.

Results for the first half and second quarter 2014

Overview - Cash flow impact of restructuring

Overview cash flow impact*

(in EUR million)

	Total cash-flow impact
2008	14.7
2009	62.0
2010	57.9
2011	93.4
2012	104.0
2013	108.0
<i>Q1 2014</i>	<i>28.4</i>
<i>Q2 2014</i>	<i>28.3</i>

- > Total cash flow impact comprises old and new programmes
- > Cash flow impact for Q2 2014 of EUR 28.3 mn
- > Total expected cash flow impact for 2014 of approximately EUR 110 mn

* Historical numbers have been restated since 2011 to fully reflect all payments from the transfer of civil servants to government bodies.

Results for the first half and second quarter 2014



Appendix 4 – Corporate sustainability

Alignment with core business and materiality analysis define sustainability strategy

Products Providing Responsible Products



Develop Products in a Future-Oriented and Responsible Way

- Powerful Network Infrastructure
- Highest Data Protection and Safety Standards
- Products with Added Value

Environment Living Green



Manage Resources in an Efficient and Sustainable Way

- Energy-Efficient Infrastructures
- Increased Use of Renewable Energy
- Active Climate Protection Through CO₂ Reduction



Employees Empowering People



Systematically Promote Employees' Skills and Utilising Them

- Sound Education and Trainings
- Promotion of Internal Career Paths
- Increase the Proportion of Female Employees – Including Management Posts

Society Creating Equal Opportunities



Creating Equal Opportunities in the Digital Society

- Focused Trainings on Media Literacy
- Increase the Safe Use of Digital Media
- Social Cooperations Based on Local Needs

22 Firm and Measurable Targets



Reporting Follows the Global Reporting Initiative Guidelines



ISO 14001
ISO 50001
ISO 27001



Key figures

Selected Group-wide KPIs

Products: Providing Responsible Products		2013
Customer contacts in customer service ('000)		40.640
Employees in customer service (in FTE)		3.627
Environment: Living Green*		2013
Total CO ₂ Emissions (Scope 1+2 in tonnes)		222.722
Energy efficiency index (in Mwh/terabyte)		1,1
Paper consumption (in tonnes)		1.777
Collected old mobile phones (in pcs)		107.353
E-billing share (in %)		64
Employees: Empowering People		2013
Share of femal employees (in %)		37
Share of femal executives (in %)		31
Internally hired positions		631
Society: Creating Equal Opportunities		2013
Participants in trainings on media literacy**		24.483
Local educational projects		over 30

* Mobilkom liechtenstein is not included due to size of the operating company

** Since beginning of the iniative

Results for the first half and second quarter 2014

Ratings



› Classification: C
(74 points out of 100)



› Classification: C+



Indices



Memberships

