

# Telekom Austria Group Results for the Third Quarter 2009

Vienna, November 12, 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

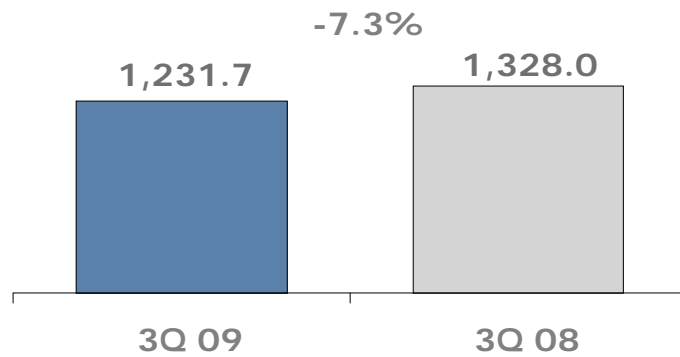
# Telekom Austria Group – Third Quarter 2009

- Fixed Net operating trends improve further in 3Q 09 driven by a reduction in access lines of just 7,000 lines
- Mobile communication subscriber base grows by 1.5 mn to 18.5 mn customers
- Revenues decline by 7.3% to EUR 1.2 bn and EBITDA by 9.0% to EUR 489.8 mn mainly due to the combined impact from FX translation, reduced roaming revenues and lower termination rates
- Operating income and net income reflect EUR 352 mn of impairment charges for the operations in Belarus and in the Republic of Serbia
- Outlook for operating free cash flow of 1.1 bn for 2009 on actual currency basis and 75 cents DPS floor for 2009-2012 reiterated
- Management expects difficult environment to prevail also in 2010

# Cost Reduction Mitigates Impact of Lower Revenues

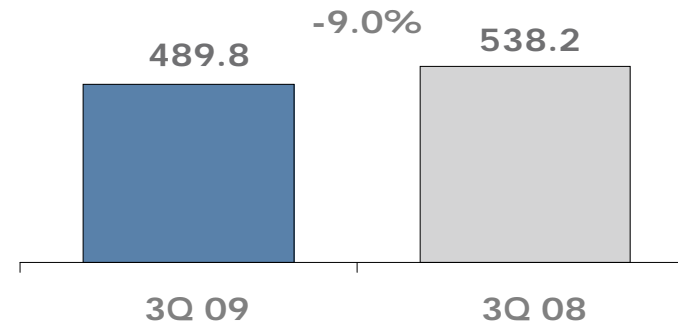
## Revenues

(EUR million)



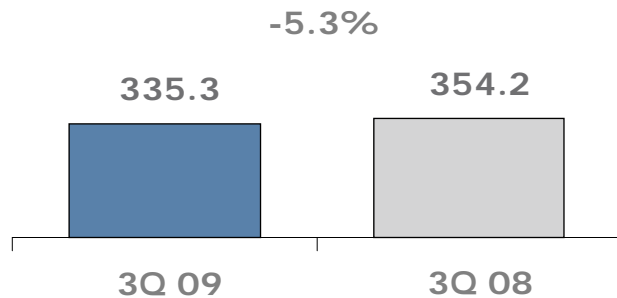
## EBITDA

(EUR million)



## Operating Free Cash Flow\*

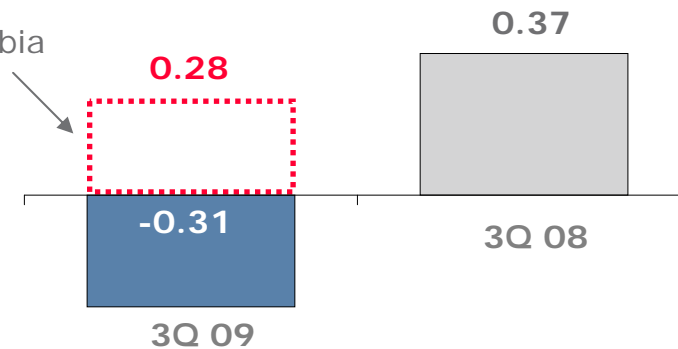
(EUR million)



## Earnings per Share

(EUR)

Impairment charges for Belarus and Republic of Serbia



\*Operating Free cash flow = EBITDA - Capex

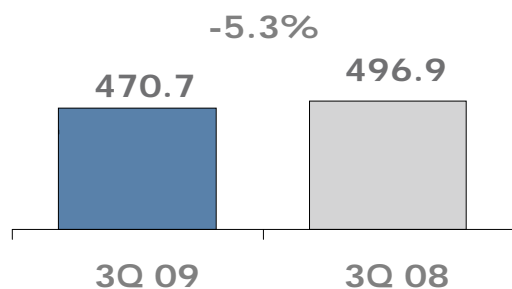
Results for the Third Quarter 2009

# Fixed Net

# Sequential Improvements of Fixed Net Revenue Trends

## Revenues

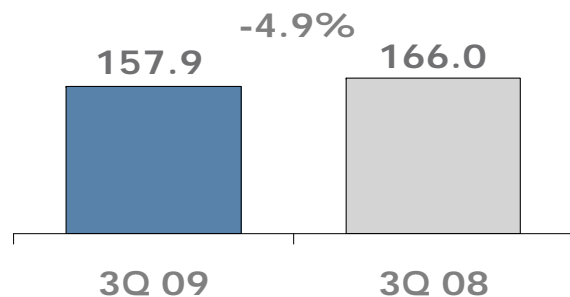
(EUR million)



- Revenues decline by 5.3% in 3Q 09 compared to a 12.5% decrease in 2Q 09
- Significant slowdown in line loss continues, ARPL dilution decelerates

## EBITDA

(EUR million)



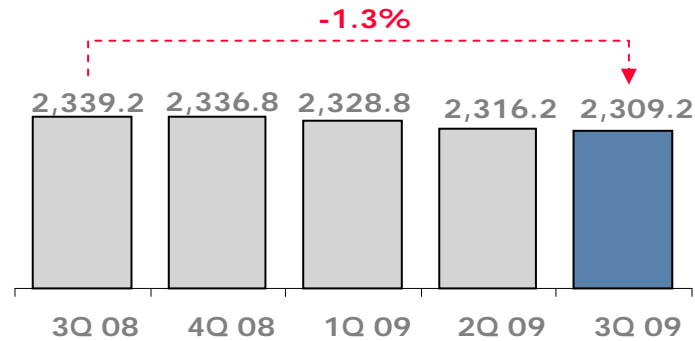
- All revenue lines reflect sequential trend improvement
- Cost cuts and one-off refund of EUR 10.2 mn stabilize margin at 33.5%



# Access Line Base stabilizes as Line Loss is Cut by 75% to 7,000

## Access Lines

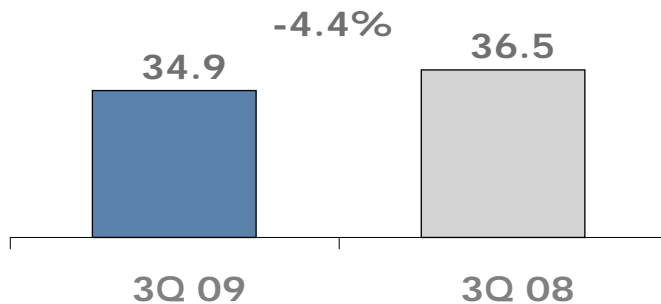
(in 000)



- Access line base stabilizes with a reduction of 1.3% year-on-year
- Access line loss cut by 75% to just 7,000 in 3Q 2009

## Average Revenues per Access Line

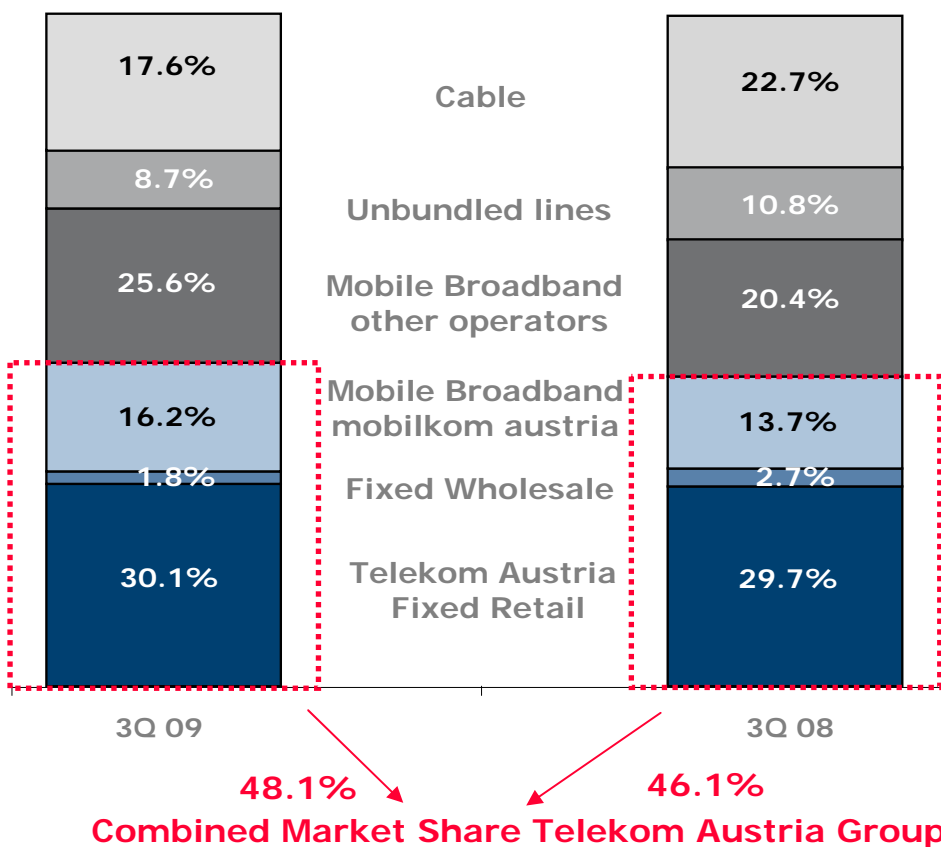
(in EUR)



- Sequential improvement of ARPL trend of -4.4% vs. -8.0% in 2Q 09
- Leakage of minutes to mobile is main driver of lower ARPL

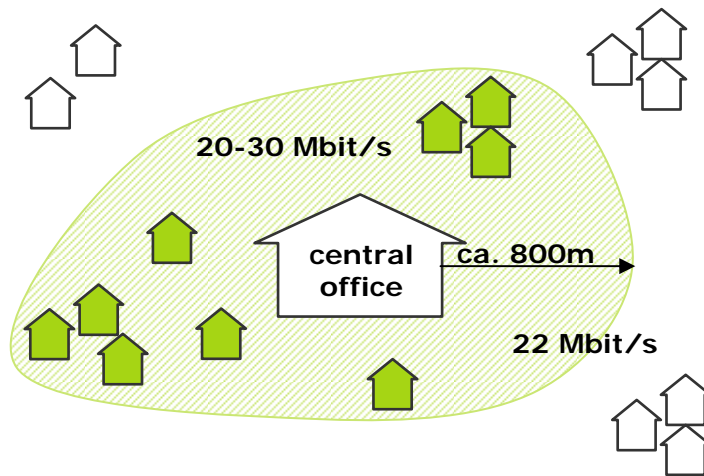
# Fixed Net Retail Outgrows Broadband Market for the First Time Driven by Product Bundles

## Broadband Market Shares



- Fixed Net retail broadband outgrows overall market which increases by 19.2%
- Number of Fixed Net retail broadband lines rises by 20.8%
- Fixed Net segment increases retail broadband market share to 30.1%
- Broadband net adds grow from 8,900 in 3Q 08 to 24,200 in 3Q 09

# VDSL2 Rollout to Connect 365,000 Households in Rural Areas



- High speed internet access for rural areas at a low incremental investment
- 400 central offices upgraded to provide up to 30 MBit/s
- 365,000 households equivalent to about 10% coverage until Jan 2010
- GigaBooster 30 speed option marketed for EUR 14.90/month on top of Kombi Packages



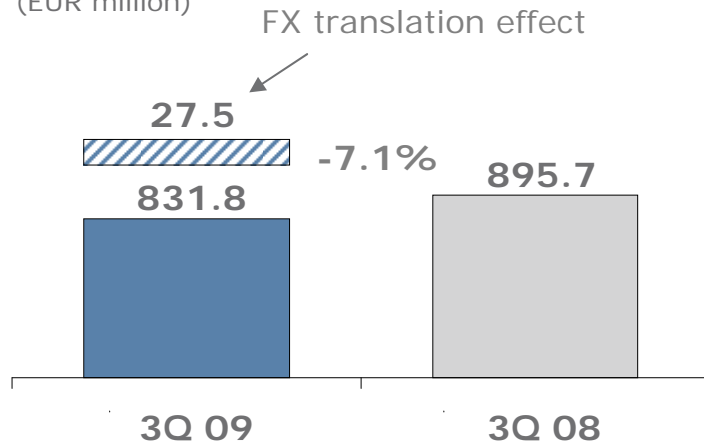


# Mobile Communication

# Mobile Communication Impacted by FX, Roaming, Interconnection and Lower Prices

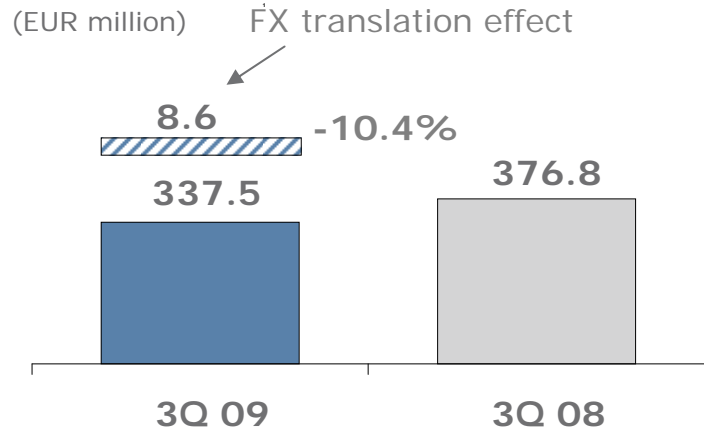
## Revenues

(EUR million)



## EBITDA

(EUR million)

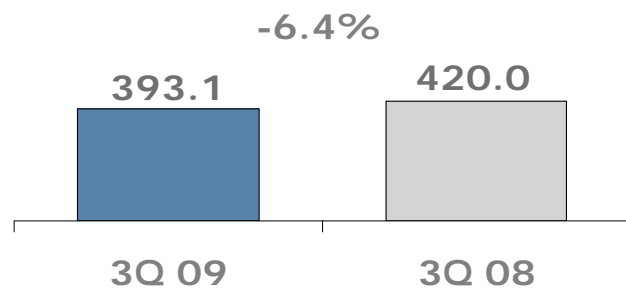


- Mobile Communication's subscriber base grows by 8.6% to 18.5mn subscribers
- Revenues and EBITDA excluding FX impact decline by 4.1% and 8.1% respectively
- Lower roaming tariffs impact revenues by 11.3 mn and EBITDA by 6.3 mn
- MTR cuts impact revenues by 16.2 mn and EBITDA by 4 mn

# Cost Reductions at mobilkom austria Initiated to Mitigate Impact from Regulation

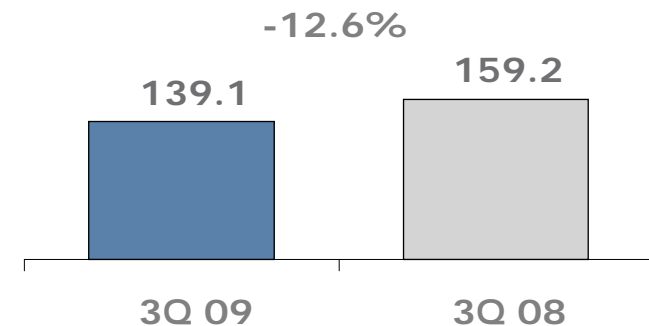
## Revenues

(EUR million)



## EBITDA

(EUR million)

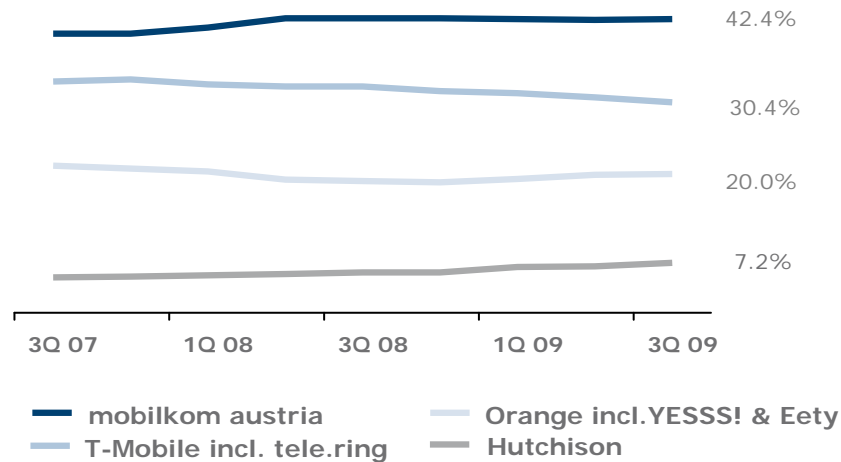


- mobilkom austria's customer base grows by 8.3% to 4.7 mn subscribers
- Fierce competition in the domestic mobile market remains
- Roaming regulation cuts prices by up to 14% and 30% decrease of termination rates
- Lower roaming and interconnection tariffs hit revenues by 12.3 mn
- EBITDA declines by 12.6% due to lower revenues

# Mobilkom Austria Continues to Enhance Mobile Broadband Subscriber Base

## Market Shares

As of Sep 2009



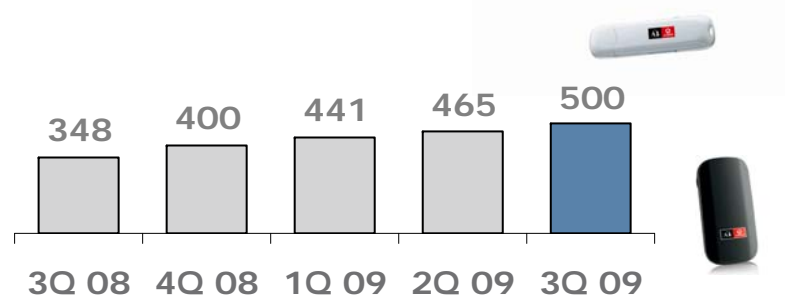
- Market share remains stable at 42.4% in 3Q 09

- Mobile broadband subscriber base increases by 43.9% in 3Q 09 compared to 3Q 08

- Data share reaches 36.7% in 3Q 09 up from 32.1% in 3Q 08

## Mobile Broadband Subscribers

(in 000)



- Test winner for best network within the German speaking region from telco magazine Connect



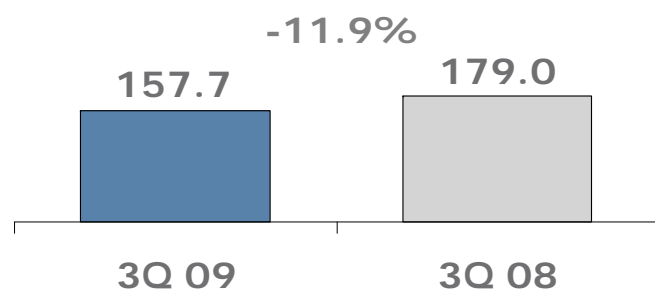
Results for the Third Quarter 2009



# Bulgarian Operations Impacted by Combination of Price Competition and Economic Downturn

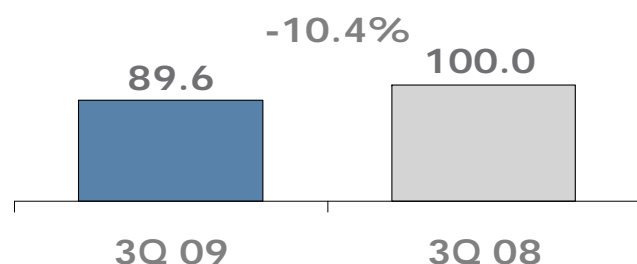
## Revenues Mobiltel

(EUR million)



## EBITDA Mobiltel

(EUR million)

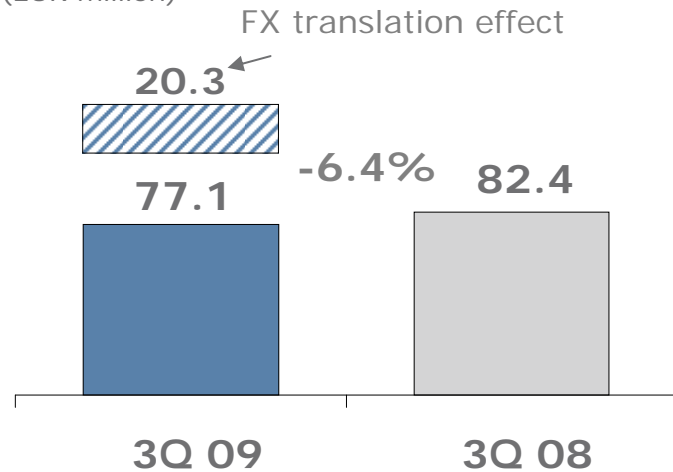


- Fierce competition, mobile termination rate cut by 28% and economic crisis impact revenues
- Usage growth of 5.9% partly compensates for lower prices
- EBITDA declines due to lower revenues
- Reduction in operating expenses by 12.0% protects profitability
- EBITDA margin hits 56.8%

# Currency Devaluation in Belarus Consumes Strong Organic Growth of Velcom

## Revenues Velcom

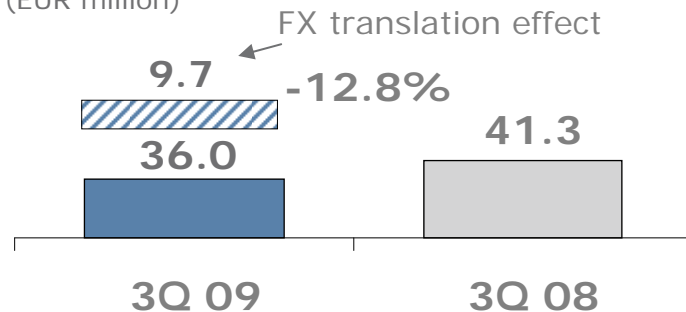
(EUR million)



- Subscriber base grows by 12.9% to 4.0 million at the end of 3Q 09
- Market share slightly lower at 43.5%
- Strong organic revenue growth of 18.2% and EBITDA growth of 10.6% before FX translation

## EBITDA Velcom

(EUR million)

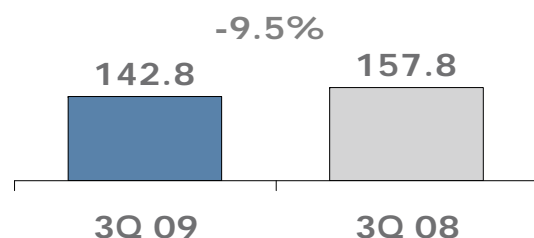


- Reported key financials impacted by a 31% devaluation of currency since the beginning of 2009

# Strong Subscriber Growth in Croatia and Slovenia

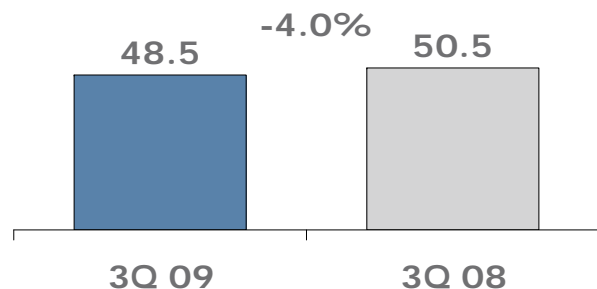
## Revenues Vipnet

(EUR million)



## Revenues Si.mobil

(EUR million)



Results for the Third Quarter 2009

## Vipnet in Croatia

- Subscriber base grows by 9.9% to 2.6 mn customers
- EBITDA declines mainly due to 15% reduction of MTRs

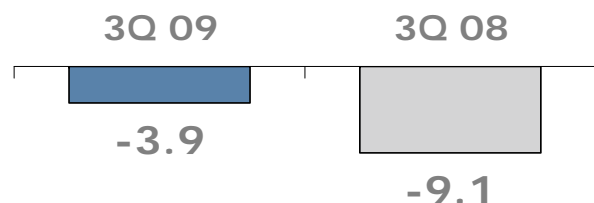
## Si.mobil in Slovenia

- Subscriber base grows by 5.1% to 580,300 customers
- EBITDA declines following MTR symmetry introduced in April 2009

# Greenfield Operations Remain on Path to Break Even as EBITDA Losses are Halved

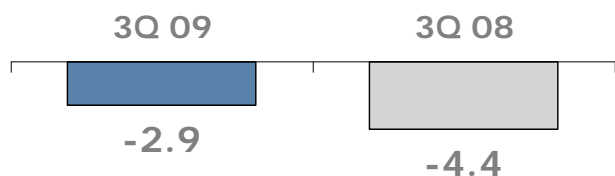
## EBITDA Vip mobile

(EUR million)



## EBITDA Vip operator

(EUR million)



## Vip mobile in Serbia

- Subscriber base grows by 42.2% to 1.1 mn customers
- Market share grows to 11.5% up from 7.9% at the end of 3Q 08
- Improvement of EBITDA continues

## Vip operator in Macedonia

- Subscriber base increases by 5.8% to 265,500 customers
- Market share of 12.9% compared to 11.5% at the end of 3Q 08
- EBITDA continues to improve

# Financial Overview

# Impairment Charges of EUR 352 mn Impact Results, EBITDA Margin Maintained at High Level

(EUR million)	<b>3Q 09</b>	3Q 08	% change	1-9M 09	1-9M 08	% change
<b>Revenues</b>	<b>1,231.7</b>	1,328.0	-7.3%	3,620.5	3,863.8	-6.3%
<b>EBITDA</b>	<b>489.8</b>	538.2	-9.0%	1,394.6	1,492.4	-6.6%
<i>EBITDA margin</i>	<i>39.8%</i>	40.5%		38.5%	38.6%	
<b>Operating income</b>	<b>-126.4</b>	260.0	n.a.	223.9	636.4	-64.8%
Financial result	-54.7	-49.2	11.2%	-187.3	-135.8	37.9%
<b>Income before income taxes</b>	<b>-181.1</b>	210.8	n.a.	36.6	500.6	-92.7%
Income tax expense	44.8	-47.9	n.a.	-5.3	-111.7	-95.3%
<b>Net income</b>	<b>-136.3</b>	162.9	n.a.	31.3	388.9	-92.0%

# Reduction of Capital Expenditures to Support Free Cash Flow Continues

(EUR million)	<b>3Q 09</b>	3Q 08	% change	1-9M 09	1-9M 08	% change
Cash Flow from operations before working capital adjustments	443.0	478.3	-7.4%	1,215.8	1,305.1	-6.8%
Change in working capital	-75.0	-44.8	67.3%	-252.9	-199.4	26.8%
Ordinary capital expenditures	-154.5	-184.0	-16.0%	-419.8	-534.3	-21.4%
<b>Free cash flow</b>	<b>213.5</b>	<b>249.5</b>	<b>-14.4%</b>	<b>543.1</b>	<b>571.4</b>	<b>-5.0%</b>
<b>Free cash flow per share</b>	<b>0.48</b>	<b>0.56</b>	<b>-14.3%</b>	<b>1.23</b>	<b>1.29</b>	<b>-4.7%</b>

# Capital Expenditure in Fixed Net Catch Up while Mobile Communication Requires less Capex

(EUR million)	<b>3Q 09</b>	3Q 08	% change	1-9M 09	1-9M 08	% change
Fixed Net	67.5	48.7	38.6%	156.9	181.2	-13.4%
Mobile Communication	87.0	135.3	-35.7%	262.9	353.1	-25.5%
<b>Ordinary capital expenditures</b>	<b>154.5</b>	<b>184.0</b>	<b>-16.0%</b>	<b>419.8</b>	<b>534.3</b>	<b>-21.4%</b>
<b>Growth projects &amp; acquisitions</b>	<b>0.0</b>	<b>5.4</b>		<b>13.8</b>	<b>14.7</b>	<b>-6.3%</b>
<b>Capex, growth projects &amp; acquisitions</b>	<b>154.5</b>	<b>189.4</b>	<b>-18.4%</b>	<b>433.6</b>	<b>549.0</b>	<b>-21.0%</b>
Other investing activities, net	-57.6	-3.5	n.a.	17.1	-17.1	n.a.
Cash acquired	0.0	-0.5	n.a.	1.1	-0.5	n.a.
<b>Cash used in investing activities</b>	<b>96.9</b>	<b>185.4</b>	<b>-47.7%</b>	<b>449.6</b>	<b>531.4</b>	<b>-15.4%</b>

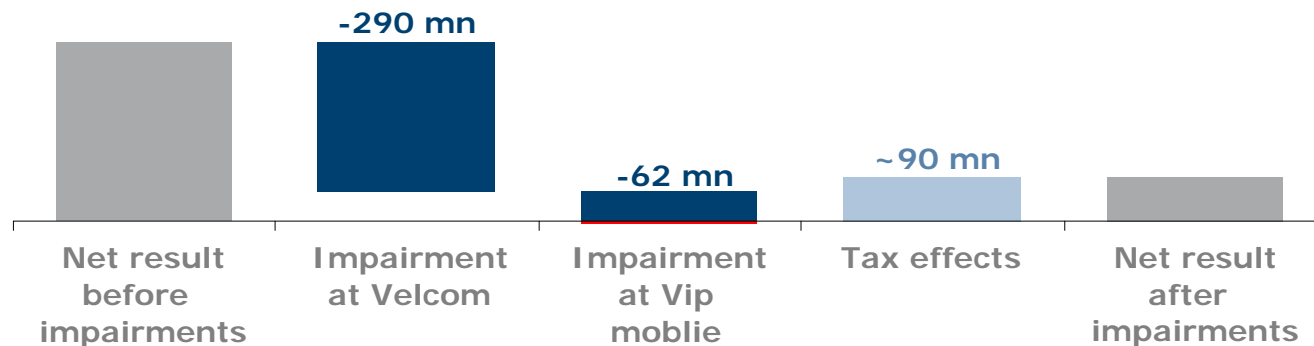


# Deleveraging Continues with Net Debt Decreasing by 5.3%

(EUR million)	Sep 30, 09	Dec 31, 08	% change
Long-term assets	6,515.2	7,452.0	-12.6%
Current assets	2,056.8	1,545.4	33.1%
<b>Total assets</b>	<b>8,572.0</b>	<b>8,997.4</b>	<b>-4.7%</b>
Current liabilities	2,144.1	2,220.5	-3.4%
Long-term liabilities	4,860.6	4,621.3	5.2%
Stockholders' equity	1,567.3	2,155.6	-27.3%
<b>Liabilities and stockholders' equity</b>	<b>8,572.0</b>	<b>8,997.4</b>	<b>-4.7%</b>
<b>Net Debt</b>	<b>3,781.5</b>	<b>3,993.3</b>	<b>-5.3%</b>
Net Debt/EBITDA (last 12 months)	3.2x	3.1x	n.a.
<b>Net Debt/EBITDA (last 12 months) excluding restructuring program</b>	<b>2.1x</b>	<b>2.1x</b>	<b>n.a.</b>

# Impairment Charges Related to the Operations in Belarus and in the Republic of Serbia

- Impairment charges of EUR 352 mn impact operating income and net income
- Consequence of lower than expected growth, higher discount rates and weaker FX
- Impairments are cash flow neutral and provide tax shield
- Op. FCF 2009 and dividend distribution untouched



# Outlook

# Outlook Shifted from Constant to Actual Currency Basis, Op. FCF of EUR 1.1 bn reiterated

## Telekom Austria Group 2009

### Actual Currency Basis

### As announced on August 19, 2009 on constant currency basis

Revenues	~ EUR 4.8 bn	slightly lower than EUR 5.1 bn
EBITDA	~ EUR 1.8 bn	~ EUR 1.9 bn
CAPEX	~ EUR 0.7 bn	~ EUR 0.8 bn
Op. FCF*	~ EUR 1.1 bn	~ EUR 1.1 bn
Dividend	DPS of 75 cents min	DPS of 75 cents min

\*Operating Free Cash Flow = EBITDA - Capex

# Appendix

# Regulatory Issues – Key Aspects

**Next Generation Networks:** The European Commission has started the 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 on the subject of investments. The Recommendation is still in the consultation period.

**Review of the Regulatory Electronic Communication Framework:** On November 5, 2009 the Council and the European Parliament reached political agreement on the remaining issues of the new regulatory framework. Publication of the final directives in the Official Journal is envisaged for Q1/2010. EU Member States will have 18 month to incorporate the new provisions into national legislation.

**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. Following final approval of this decision, the local termination rates will be increased by 29% (local) and by 19% (regional), national termination rates will be reduced by 5%.

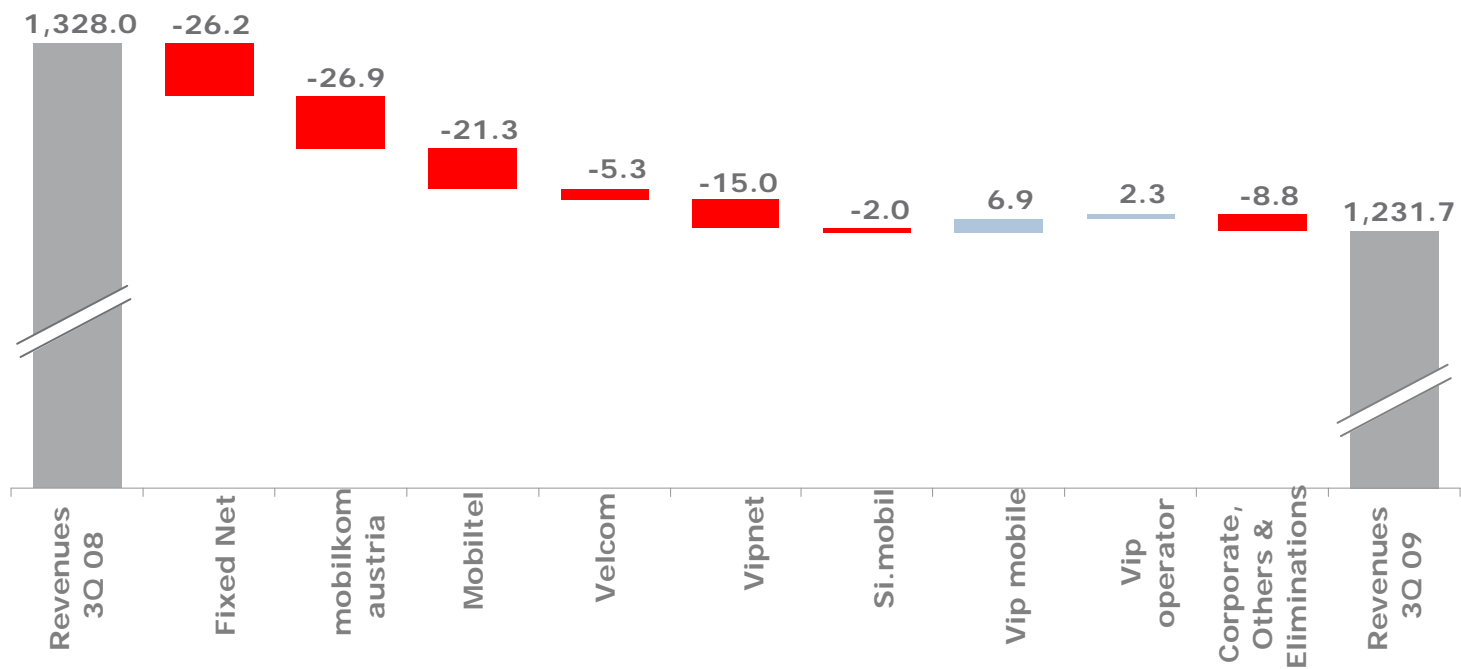
**Market Analysis:** The 3rd round of market analysis process in Austria is advancing with the national regulatory authority publishing its expertises on all relevant telecom markets in September 2009. The European Commission Concerning has voiced doubts on the new delineation of the wholesale broadband market and opened a 2nd phase of investigation.

**Mobile termination rates:** The national regulatory authority has published the final gliding path in mid 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.

# Development of Revenues 3Q 09 vs. 3Q 08

## Revenues

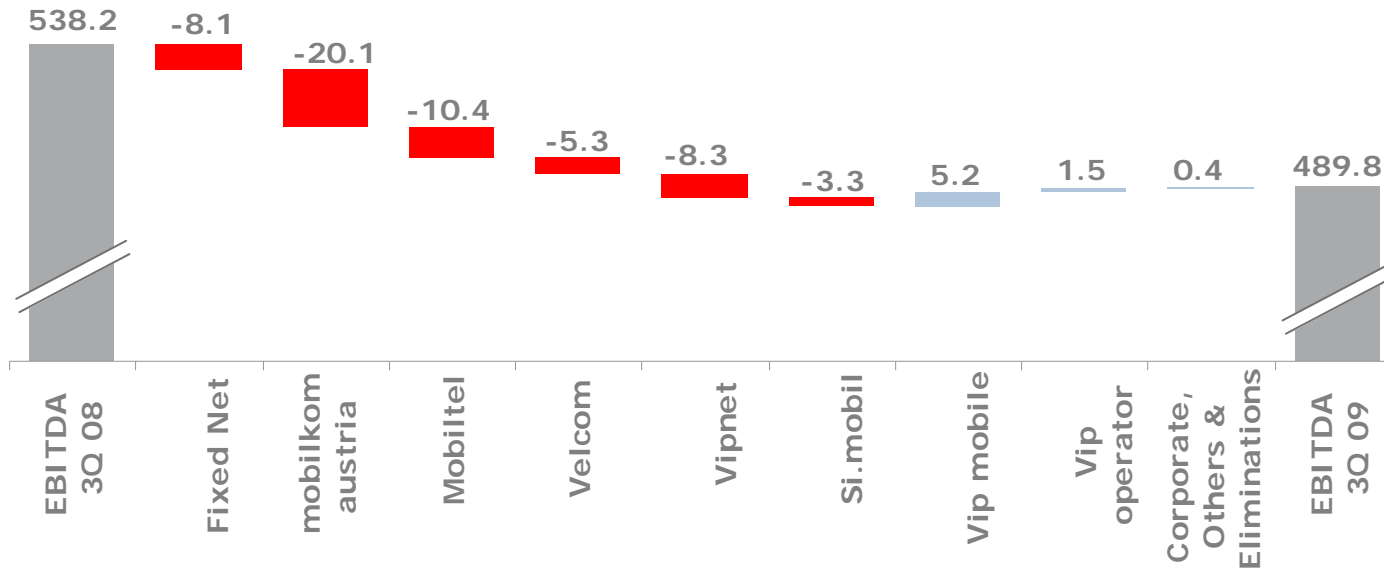
(EUR million)



# Development of EBITDA 3Q 09 vs. 3Q 08

## EBITDA

(EUR million)



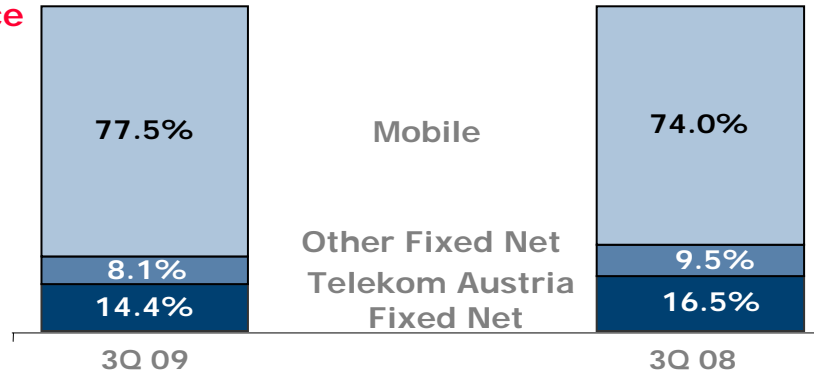


## Fixed Net - Access Lines

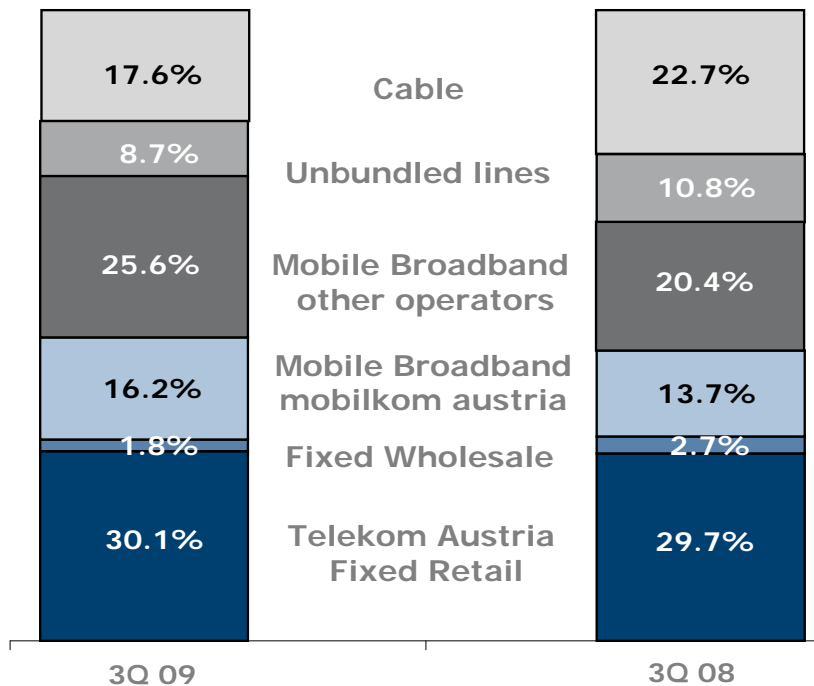
(in 000)	3Q 09	3Q 08	% change
<b>Access lines (without broadband lines)</b>	<b>1,326.6</b>	<b>1,503.9</b>	<b>-11.8%</b>
Fixed Net broadband retail lines	926.0	766.4	20.8%
Fixed Net broadband wholesale lines	56.6	68.9	-17.9%
<b>Fixed Net broadband lines</b>	<b>982.6</b>	<b>835.3</b>	<b>17.6%</b>
<b>Total access lines</b>	<b>2,309.2</b>	<b>2,339.2</b>	<b>-1.3%</b>
<b>Lines unbundled</b>	<b>287.7</b>	<b>297.8</b>	<b>-3.4%</b>
(in 000)	3Q 09	3Q 08	% change
<b>Fixed Net broadband net adds</b>	<b>24.2</b>	<b>8.9</b>	<b>171.9%</b>
<b>Broadband penetration</b>	<b>86.8%</b>	<b>72.5%</b>	<b>n.a.</b>

# Fixed Net – Voice & Broadband Market Shares

## Market Share Voice Minutes

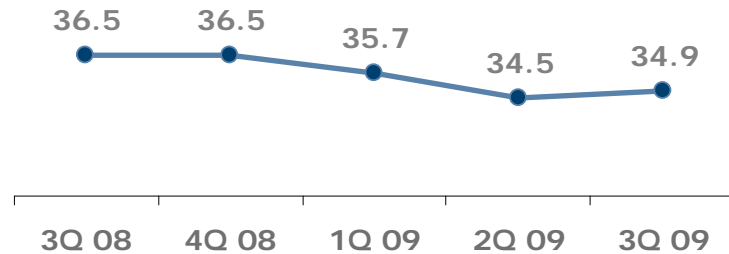


## Market Share Broadband Lines

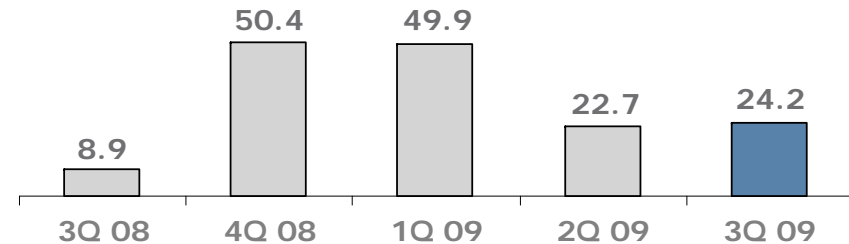


# Fixed Net Key Performance Indicators

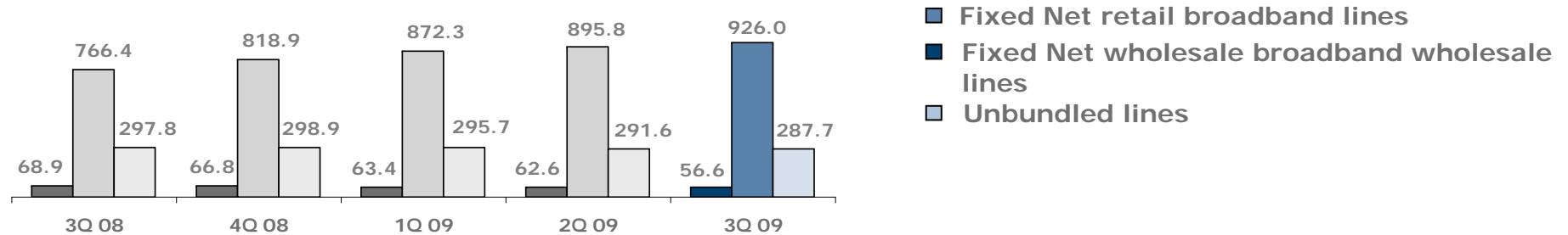
**Average Revenues per Access Line**  
(in EUR)



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



**Fixed Broadband Access Lines**  
(in 000)











# Fixed Net - Minutes

(in million minutes)	3Q 09	3Q 08	% change
National	555	635	-12.7%
Fixed-to-mobile	167	180	-6.9%
International	85	100	-14.8%
<b>Total voice minutes</b>	<b>807</b>	<b>914</b>	<b>-11.8%</b>
<b>Total Fixed Net minutes</b>	<b>839</b>	<b>987</b>	<b>-15.0%</b>

(in million minutes)	3Q 09	3Q 08	% change
National wholesale	1,202	1,712	-29.8%
International wholesale	1,514	1,159	30.6%
<b>Total wholesale minutes</b>	<b>2,716</b>	<b>2,872</b>	<b>-5.4%</b>

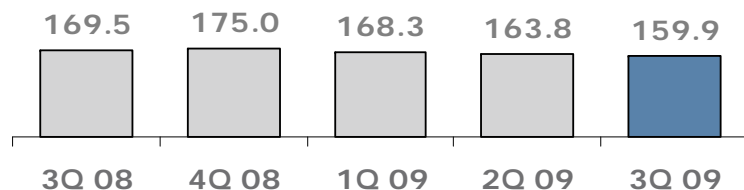
# Mobile Subscribers

		(in 000)	3Q 09	3Q 08	% change
	<b>Austria</b>		<b>4,719.4</b>	<b>4,355.8</b>	<b>8.3%</b>
	Market share		42.4%	42.5%	
	<b>Bulgaria</b>		<b>5,242.9</b>	<b>5,193.7</b>	<b>0.9%</b>
	Market share		49.7%	49.9%	
	<b>Belarus</b>		<b>3,981.3</b>	<b>3,525.0</b>	<b>12.9%</b>
	Market share		43.5%	44.7%	
	<b>Croatia</b>		<b>2,606.1</b>	<b>2,372.0</b>	<b>9.9%</b>
	Market share		42.9%	42.3%	
	<b>Slovenia</b>		<b>580.3</b>	<b>552.2</b>	<b>5.1%</b>
	Market share		27.9%	27.5%	
	<b>Republic of Serbia</b>		<b>1,070.1</b>	<b>752.6</b>	<b>42.2%</b>
	Market share		11.5%	7.9%	
	<b>Republic of Macedonia</b>		<b>265.5</b>	<b>250.9</b>	<b>5.8%</b>
	Market share		12.9%	11.5%	
	<b>Liechtenstein</b>		<b>6.2</b>	<b>5.6</b>	<b>10.7%</b>
	Market share		20.0%	18.9%	
	<b>Mobile Communication</b>		<b>18,471.8</b>	<b>17,007.8</b>	<b>8.6%</b>

# Operational Data – mobilkom austria

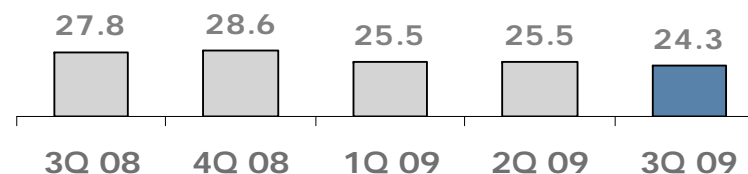
## MoU per Subscriber

(in minutes)

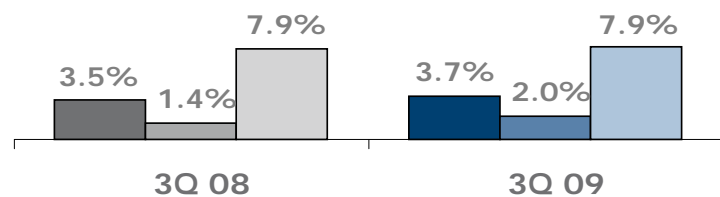


## ARPU

(in EUR)



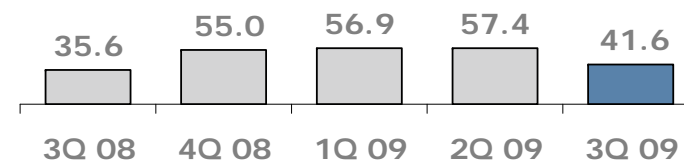
## Quarterly Churn



■ Blended ■ Contract ■ Prepaid

## SAC per Gross Add

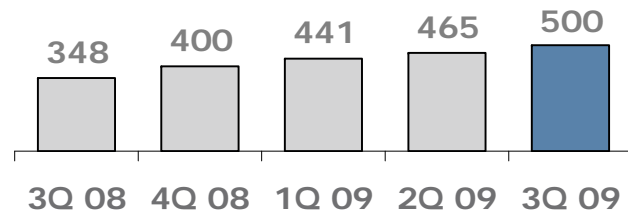
(in EUR)



# Mobile Data - mobilkom austria

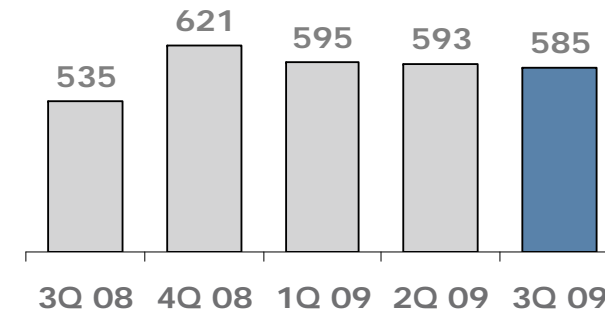
## Mobile Broadband Customers

(in 000)



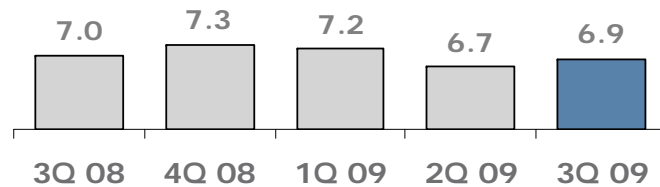
## Number of SMS

(in million)

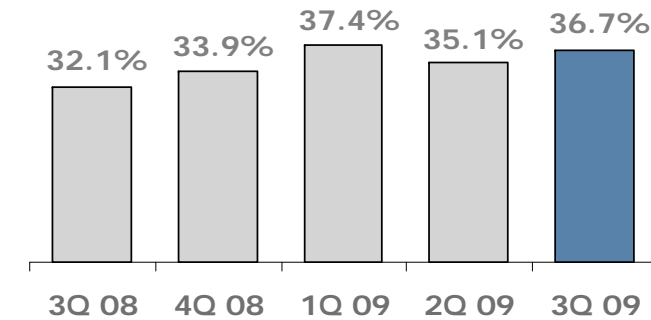


## Data ARPU

(in EUR)



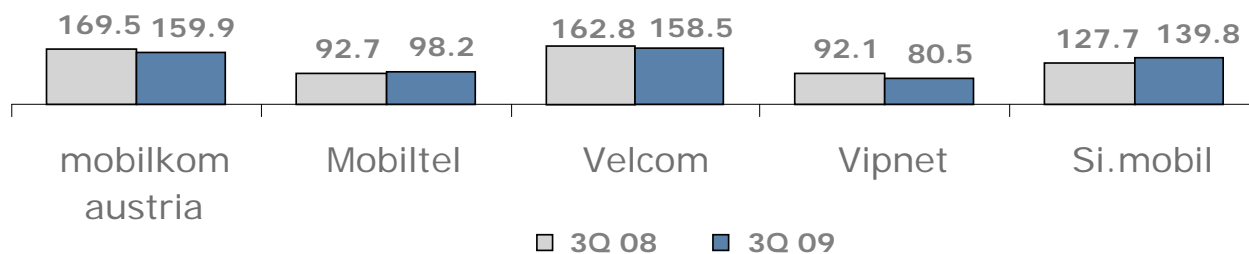
## Data in % of Revenues



# ARPU & MoU per Subscriber for Selected Mobile Communication Operations

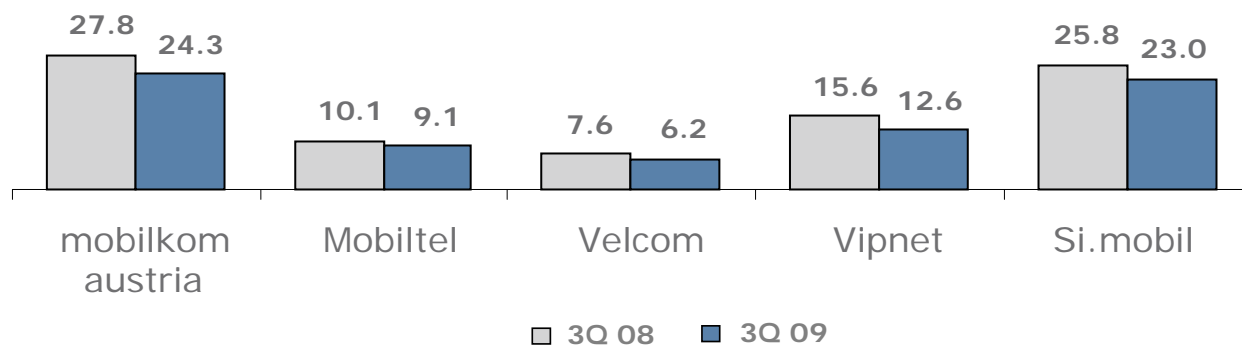
## MoU per Subscriber

(in minutes)



## ARPU

(in EUR)





# Headcount\* Development

(Average period)	3Q 09	3Q 08	change
Fixed Net	8,146	9,371	-1,225
Mobile Communciation	8,660	8,311	349
<b>Telekom Austria Group</b>	<b>16,807</b>	<b>17,682</b>	-875
(End of period)	3Q 09	3Q 08	change
Fixed Net	8,129	9,337	-1,208
Mobile Communciation	8,673	8,368	305
<b>Telekom Austria Group</b>	<b>16,802</b>	<b>17,705</b>	-903

\* Full-time-equivalents, Fixed Net net of idle workforce

# Revenues by Segment

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Fixed Net revenues	470.7	496.9	-5.3%	1,397.1	1,540.7	-9.3%
Mobile Communication revenues	831.8	895.7	-7.1%	2,422.7	2,506.5	-3.3%
Corporate, Other & Eliminations	-70.8	-64.6	9.6%	-199.3	-183.4	8.7%
<b>Revenues Telekom Austria Group</b>	<b>1,231.7</b>	<b>1,328.0</b>	<b>-7.3%</b>	<b>3,620.5</b>	<b>3,863.8</b>	<b>-6.3%</b>

# EBITDA and Operating Income by Segment

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Fixed Net EBITDA	157.9	166.0	-4.9%	457.7	478.4	-4.3%
Mobile Communciation EBITDA	337.5	376.8	-10.4%	957.5	1,029.6	-7.0%
Corporate, Other & Eliminations	-5.6	-4.6	21.7%	-20.6	-15.6	32.1%
<b>EBITDA Telekom Austria Group</b>	<b>489.8</b>	<b>538.2</b>	<b>-9.0%</b>	<b>1,394.6</b>	<b>1,492.4</b>	<b>-6.6%</b>

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Fixed Net operating income	52.7	47.4	11.2%	121.1	100.4	20.6%
Mobile Communication operating income	-173.6	217.1	n.a.	122.9	551.3	-77.7%
Corporate, Other & Eliminations	-5.5	-4.5	22.2%	-20.1	-15.3	31.4%
<b>Operating income Telekom Austria Group</b>	<b>-126.4</b>	<b>260.0</b>	<b>n.a.</b>	<b>223.9</b>	<b>636.4</b>	<b>-64.8%</b>

# Fixed Net – Revenue Breakdown

(EUR million)	<b>3Q 09</b>	3Q 08	% change	1-9 M 09	1-9M 08	% change
Access, Voice and Broadband	241.3	265.3	-9.0%	731.7	819.4	-10.7%
Data & ICT-Solutions	97.8	105.1	-6.9%	292.0	324.2	-9.9%
Wholesale Voice & Internet	91.7	100.3	-8.6%	268.3	314.9	-14.8%
Others	39.8	26.2	51.9%	105.0	82.2	27.7%
<b>Fixed Net revenues</b>	<b>470.7</b>	<b>496.9</b>	<b>-5.3%</b>	<b>1,397.1</b>	<b>1,540.7</b>	<b>-9.3%</b>

# Fixed Net – Expense Breakdown

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Material expense	21.5	20.1	7.0%	51.6	67.3	-23.3%
Employee costs	116.6	125.9	-7.4%	380.4	416.4	-8.6%
Depreciation, amortization and impairment charges	105.3	118.6	-11.2%	336.6	378.0	-11.0%
Interconnection	79.5	84.1	-5.5%	222.5	260.0	-14.4%
Maintenance and repairs	25.0	28.4	-12.0%	69.5	79.1	-12.1%
Services received	27.9	20.7	34.8%	79.7	61.9	28.8%
Other support services	21.2	22.8	-7.0%	60.0	78.7	-23.8%
Other	46.9	40.6	15.5%	130.0	141.4	-8.1%
<b>Fixed Net expenses</b>	<b>443.9</b>	<b>461.2</b>	<b>-3.8%</b>	<b>1,330.3</b>	<b>1,482.8</b>	<b>-10.3%</b>

# Mobile Communication - Revenue Breakdown

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Subscription and Traffic	601.5	628.1	-4.2%	1,752.2	1,788.4	-2.0%
Equipment	59.5	70.4	-15.5%	167.8	185.6	-9.6%
Roaming	51.2	62.5	-18.1%	113.7	152.5	-25.4%
Interconnection	114.1	130.3	-12.4%	366.0	367.5	-0.4%
Other	15.1	15.1	0.0%	52.0	43.6	19.3%
Discounts	-9.6	-10.7	-10.3%	-29.0	-31.1	-6.8%
<b>Mobile Communication revenues</b>	<b>831.8</b>	<b>895.7</b>	<b>-7.1%</b>	<b>2,422.7</b>	<b>2,506.5</b>	<b>-3.3%</b>

# Mobile Communication – Expense Breakdown

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Material expense	86.8	89.3	-2.8%	253.6	244.1	3.9%
Employee costs	66.8	66.2	0.9%	208.4	192.8	8.1%
Depreciation, amortization and impairment charges	511.1	159.7	220.0%	834.6	478.3	74.5%
Interconnection	93.4	105.6	-11.6%	294.7	301.9	-2.4%
Repairs	22.1	22.6	-2.2%	64.6	59.1	9.3%
Services received	73.8	80.4	-8.2%	213.0	226.7	-6.0%
Other support services	9.8	8.7	12.6%	27.4	26.8	2.2%
Other	148.3	153.0	-3.1%	427.9	456.2	-6.2%
<b>Mobile Communication expenses</b>	<b>1,012.1</b>	<b>685.5</b>	<b>47.6%</b>	<b>2,324.2</b>	<b>1,985.9</b>	<b>17.0%</b>

# Capital Expenditures by Segment

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
Fixed Net	67.5	48.7	38.6%	156.9	181.2	-13.4%
Mobile Communication	87.0	135.3	-35.7%	262.9	353.1	-25.5%
<b>Total Capex Telekom Austria Group</b>	<b>154.5</b>	<b>184.0</b>	<b>-16.0%</b>	<b>419.8</b>	<b>534.3</b>	<b>-21.4%</b>
Thereof tangible	111.2	141.1	-21.2%	309.2	415.7	-25.6%
Thereof intangible	43.3	42.9	0.9%	110.6	118.6	-6.7%

(EUR million)	3Q 09	3Q 08	% change	1-9 M 09	1-9M 08	% change
<b>Mobile Communication Total Capex</b>						
mobilkom austria	34.7	31.0	11.9%	82.4	104.5	-21.1%
Mobiltel	11.7	38.6	-69.7%	59.7	85.5	-30.2%
Velcom	9.4	13.6	-30.9%	20.2	25.7	-21.4%
Vipnet	9.9	14.9	-33.6%	43.4	50.1	-13.4%
Si.mobil	3.1	4.5	-31.1%	7.6	11.1	-31.5%
Vip mobile	15.8	34.3	-53.9%	46.4	74.4	-37.6%
Vip operator	2.3	3.1	-25.8%	4.0	8.6	-53.5%



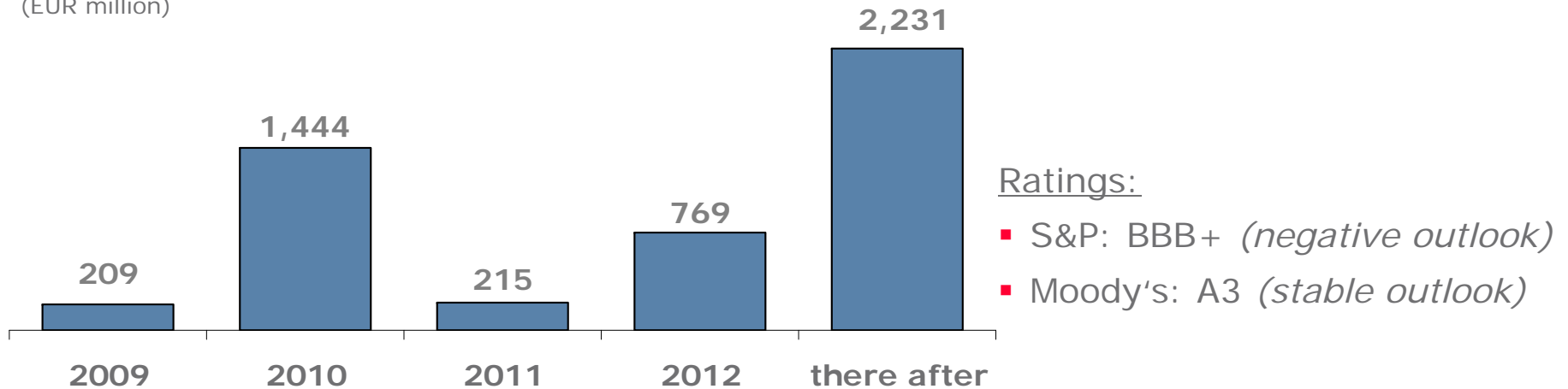
# Net Debt - Telekom Austria Group

(EUR million)	Sep 30, 2009	Dec 31, 2009	% change
Long-term debt	3,868.3	3,599.5	7.5%
Short-term debt	1,019.4	961.5	6.0%
Cash and cash equivalents, short-term and long term investments, financing with related parties	-1,096.2	-513.1	113.6%
Derivate financial instruments for hedging purposes	-10.0	-54.6	-81.7%
<b>Net Debt of Telekom Austria Group</b>	<b>3,781.5</b>	<b>3,993.3</b>	<b>-5.3%</b>
Net Debt/ EBITDA (last 12 months)	3.2x	3.1x	n.a.
EBITDA (last 12 months)	1,183.0	1,280.8	-7.6%
<b>Net Debt/ EBITDA (last 12 months) excluding restructuring measures</b>	<b>2.1x</b>	<b>2.1x</b>	<b>n.a.</b>

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

## Debt Maturity Profile

(EUR million)



## Lines of Credit

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