

## Report on Item 6 of the AGM Agenda

### **Report by the Management Board of Telekom Austria AG with Regard to the Share Buyback Effected, the Number of Treasury Shares Held and the Use of Treasury Shares of the Company Pursuant to Para 65 Sec 3 of the Stock Corporation Act**

The management board reports on the number of treasury shares acquired since the last annual general meeting, the number of treasury shares held and the use of treasury shares pursuant to Para 65 Sec 3 Stock Corporation Act.

At the annual general meeting 2008, the management board was authorized to acquire bearer or registered treasury shares up to the maximum extent legally permitted, during a period of 18 months from the day of this resolution at a minimum price of Euro 9 and a maximum price of Euro 30 per share.

At the same annual general meeting, the management board was further authorized to

- a) use treasury shares to serve stock options granted to employees, directors and members of the management board/management of the company and/or for issuance to employees of the company or of an affiliated company with or without consideration;
- b) use treasury shares to serve convertible bonds;
- c) use treasury shares – also abroad – as consideration for the acquisition of enterprises, businesses or parts thereof, or shares of one or more companies;
- d) decrease the share capital of the company according to Para 65 Sec 1 No. 8 last sentence in connection with Para 192 of the Stock Corporation Act by up to Euro 100,326,000 by withdrawing up to 46 million bearer or registered treasury shares with no par value without further shareholders' resolution. The Supervisory Board is authorized to resolve upon the amendments to the Articles of Association required by the withdrawal of shares;
- e) sell treasury shares in accordance with Para 65 Sec 1b Stock Corporation Act (i) anytime via the stock exchange or via a public offer; (ii) for a period of 5 years from the resolution in any other way permitted by law, also other than via the stock exchange, whereas the management board is also entitled to exclude the general purchase opportunity.

The management board did not acquire any shares from May 20, 2008 up to and including March 31, 2009.

Of the 17,788,258 treasury shares held on May 20, 2008, 186,480 shares were allocated for the third tranche of the Employee Participation Program.

On March 31, 2009 the company held 17,601,778 treasury shares, which represent approximately 3.83 % of the share capital or a proportionate amount of Euro 38,389,477.82. These shares were acquired for a total amount of Euro 330,845,207.68.

We will report on the current status of treasury shares held at the annual general meeting.

Vienna, April 2009

The management board