

IVA Questions

of

TELEKOM AUSTRIA AG

10 Questions for 2008 AGM by IVA (Advocacy Group for Investors)

1. How many employees had a higher annual remuneration than a member of the Management Board? How many employees do earn more than 75% of a Board Member's salary?

In 2007 no employee had a higher annual remuneration than a member of the Management Board. No employees earned up to 75% of a Board member's salary.

2. How much does the performance-related component of the total salary of all employees account for?

The performance-related component of the salary, based on the achievement of full year objectives, amounts to 5% for Fixed Net employees (calculated on the basis of the fixed salary) and 12.5% for Mobile Communication employees.

3. Disclosure of all Supervisory Board's functions (in public limited companies, limited liability companies, and foundations) performed by Management or Supervisory Board members in other companies outside the Telekom Austria Group?

Supervisory Board

Peter Michaelis

OMV AG, Austrian Airlines AG, Österreichische Post AG, APK-Pensionskasse AG

Edith Hlawati

Österreichische Post AG

Rainer Wieltsch

Austrian Airlines AG, OMV AG, Österreichische Post AG, Bundesrechenzentrum GmbH, Pavatex SA

Johann Haider

Energie Klagenfurt GmbH, Siemens AG Österreich, Meinl International Power Ltd.

Stephan Koren

Bawag PSK Leasing GmbH, Bawag PSK Versicherung AG, easybank AG, Österreichische Verkehrskreditbank AG, uni venture Beteiligungs AG, Sparda Bank AG, ISTROBANK A A.S., BAWAG Bank cz, Bausparkasse Wüstenrot AG, Omnimedia Werbebelegschaft mbH, Wiener Stadtwerke Holding AG, Austria Wirtschaftsservice GmbH

Wilfried Stadler

VBV Anlagenvermietungs- und Beteiligungs AG, Investkredit Investment Bank AG, ATP Planungs- und Beteiligungs-AG, Die Furche – Zeitschriften- Betriebsgesellschaft m.b.H., TRODAT Holding GmbH, Wienstrom GmbH

Harald Stöber

Deutsche Messe AG Hannover

Wolfgang C. Berndt

Cadbury Schweppes PLC, Lloyds TSB Group PLC, Lloyds TSB Bank PLC, GfK AG

Members of the Supervisory Board Delegated by the Work's Council

Markus Hinker

Outside the Group: none

Michael Kolek

Outside the Group: APK Pensionskasse AG, Österreichische Industrieholding AG

Werner Luksch

Outside the Group: none

Management Board

Boris Nemsic:

Outside the Group: FREQUENTIS GmbH, University Council of the Technical University of Vienna

Rudolf Fischer:

Outside the Group: Autobahn und Schnellstraßen Finanzierungs AG

Hans Tschuden:

Outside the Group: HFA 2 Mittelstandsfinanzierung AG

4. Number of shares purchased by employees in 2007 taking advantage of the related tax benefits ((§ 3, Para 15 Income Tax Act – for a maximum of Euro 1,460)

Within the framework of the Employee Participation Program Telekom Austria granted a total of 86,742 shares in 2007. Tax exemption according to § 3 Para 15 of the Income Tax Act is only granted if shares are kept for a minimum period of 5 years according to § 3 Para 15 of the Income Tax Act

5. Expenditures for press and PR activities, including details about external consultancy and agency costs?

Total expenditures for press and PR activities in 2007 amounted to EUR 2.9 million for Telekom Austria TA AG. This figure refers only to external expenses.

6. External expenses for AGM and Annual Report (incl. details about circulation) and for IR-related activities (incl. costs for investor meetings and road shows)?

External costs for the AGM 2007 amounted to approximately EUR 100,000. The realization of the Annual Report for the 2007 business year with a circulation of 6000 copies led to expenses of EUR 200,000. Moreover, a total of EUR 800,000 was spent for IR-related activities including costs for the Austrian Financial Market Authority.

7. In the 2007 reporting year did the group invest in real estate securities? Purchases, sales, profits/losses from these investments?

No, the Telekom Austria Group did not and does not have the intention to invest in real estate securities also in the future.

8. Which contribution was made to the reduction of CO₂? Which plans are available and with which potential effects? How much were total expenses for the CO₂ certification for 2007? Which expenses are expected in the next years in this regard?

Energy consumption was reduced via a number of measures in 2007, which clearly demonstrate Telekom Austria's contribution to decreasing CO₂ emissions. These measures include facility temperature management, purchasing ecological power, switching to climate-friendly district heating, purchasing vehicles that are more environmental-friendly and lead to less consumption. Telekom Austria has no CO₂ certification. The company plans to invest more in the optimization of energy efficiency as well as in environmentally friendly technology for its vehicle fleet.

9. Which shareholder-friendly measures does Telekom Austria plan in terms of Corporate Governance Code?

Telekom Austria is committed to the Austrian Corporate Governance Code and is actively collaborating within the Austrian Corporate Governance working group to promote its further development. In the last few years the number of Telekom Austria's declarations with regard to the rules of the Austrian Corporate Governance Code was clearly reduced. All amendments to the Austrian Corporate Governance Code were implemented. With the publication of remuneration details of each single Management Board member, the company was able to meet higher requirements in terms of transparency. Moreover, Telekom Austria constantly receives awards for the quality of its IR work.

10. Statement about a neutral shareholder representative with share voting rights, as envisaged with the implementation of the corresponding EU guideline in the Austrian Law?

Telekom Austria will implement the shareholder guideline in line with national law, which reinforces the position of a shareholder representative with share voting rights.