

## Questions on Issues of the AGM Season 2007 by the Interessenverband für Anleger (IVA)

**1. How many employees in 2006 had regular remunerations which were higher than those of a simple member of the Management Board, how many employees had more than 75 percent of the regular remunerations of a simple member of the Management Board?**

In 2006 no employee earned 75% of the regular emoluments of a simple member of the Management Board.

**2. Attitude of the company to corporate social responsibility. How high is the energy cost tangent? What impact (cost and earnings side) do you expect sustained climate change to have? How will the company respond?**

Acting sustainably means taking responsibility vis-à-vis stakeholders, shareholders, customers and employees and obligates us to pursue a corporate policy which takes balanced account of the ecological, social and economic aspects of doing business. Responsible company management contributes to increasing and safeguarding shareholder value in the long term.

Parallel network structures in the transitional phase to the next-generation telecommunications network, growing volumes of data and the increasing importance of mobile communications are expected to lead to increased electricity consumption in the years up to 2011. We want to minimize the burdens on the environment. The measures taken to date include: A specially developed energy-saving air-conditioning system which uses outdoor air for cooling purposes, helping to reduce the amount of energy required to cool technical equipment. Buildings are successively being fitted with improved thermal insulation and - as far as possible - heated with environmentally-friendly district heating. Increasing use is being made of energy-saving flat screens at workstations. The use of energy-saving lighting systems and energy-saving air-conditioning systems contribute to the efficient use of electricity.

**3. Amount of consultancy fees: Total sum and breakdown according to auditing, IT, legal advice, advertising and public relations work, research and development, other?**

Consultancy fees in 2006 at the Telekom Austria Group ran to EUR 37.3 million. A total of EUR 4.8 million was spent on auditing, tax consultancy and other related services. EUR 5.4 million was spent on IT consultancy and EUR 5.2 million on legal advice. EUR 21.9 million was spent on advertising and public relations work, research and development and Other.

**4. External costs of the Annual General Meeting and the Annual Report (with details of the print run)?**

The external costs of the Annual General Meeting 2006 amounted to approximately EUR 110,000. The preparation of the Annual Report for 2006 cost approximately EUR 200,000. A further EUR 130,000 were spent on publication (print run 16,000) and postage.

**5. Amount of non-deductible entertainment expenses?**

Non-deductible entertainment expenses of the Telekom Austria tax group in Austria amounted to approximately EUR 0.5 million in 2006.

**6. Statement of the company regarding measures to increase attendance at the Annual General Meeting? Record date instead of deposit? Neutral proxies?**

Telekom Austria supports all measures which increase attendance at the Annual General Meeting. The introduction of the record date could increase attendance. The introduction of the record date is planned at EU level. However, this has not yet been implemented in national law. Proxies: At present we regard the current possibilities for proxy voting as constructive. However, we will take guidance from the experiences with proxies of other listed companies.

**7. The new Shareholder Exclusion Act provides for a majority of 90 percent as the limit for a squeeze out. This can be increased by a resolution of the Annual General Meeting. Statement by the company regarding an increase of this threshold to 95 percent (as in Germany)?**

Due to our shareholder structure and as the ÖIAG has no privatization mandate, we do not at present see a need to deviate from the legal provisions by amending the Articles of Association.

**8. Number of shares acquired by employees in 2006 and claiming the tax concession (§3,15 Income Tax Act – maximum EUR 1,460).**

Within the scope of our Employee Participation Program we issued 500,503 shares gratuitously in 2006. The tax exemption under § 3 para. 15 of the Income Tax Act comes into force after expiry of the retention period stipulated in § 3 para. 15 of the Income Tax Act, i.e. 5 years.