

## Report on Item 8 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 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 General Meeting of May 19, 2011, the Management Board was authorized according to Para 65 Sec 1 No. 8 of the Stock Corporation Act to acquire bearer or registered treasury shares up to 5 % of the share capital, during a period of 18 months from the day of this resolution at a minimum price of Euro 1 and a maximum price of Euro 30 per share.

At the same General Meeting, the Management Board was further authorized to

- a) issue treasury to, be it with or without consideration to employees, directors and members of the Management Board/management of the company and its affiliated companies, and/or to use treasury shares to serve stock options granted to such persons;
- b) use treasury shares – also abroad – as consideration for the acquisition of enterprises, businesses or parts thereof, or shares of one or more companies;
- c) 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 48,309,150 by withdrawing up to 22,150,000 million treasury registered or bearer shares with no par value without further resolution by the Annual General Meeting;;
- d) sell treasury shares in accordance with Para 65 Sec 1b of the Stock Corporation Act (i) any time via the stock exchange or by public offer; (ii) for a period of 5 years from the day of this resolution in any way permitted by law, also other than via the stock exchange, whereby the Management Board is entitled to exclude the general purchase opportunity.

On May 19, 2011, the company held 436,031 bearer treasury shares without par value, which represented approximately 0.098 % of the share capital or a proportionate amount of Euro 950,983.61. The Management Board was neither acquired nor withdrawn, sold or otherwise used any treasury shares from May 19, 2011 up to and including April 11, 2012.

On April 11, 2012, the company held 436,031 treasury shares, which represent approximately 0.098 % of the share capital or a proportionate amount of Euro 950,983.61. These shares were acquired for a total amount of Euro 8,195,692.89.

We will report on the current status of treasury shares held at the General Meeting on May 23, 2012.

Vienna, April 2012

The Management Board