

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 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 of 29 May 2013, the Management Board was authorised according to Para 65 Sec 1 No. 8 of the Stock Corporation Act to buy back treasury registered or bearer shares in an amount of up to 5% of the share capital during a period of 18 months following the day of this resolution for a minimum price of EUR 5 and a maximum price of EUR 15 per share.

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

- a) issue treasury shares to, be it with or without consideration to employees, managers and members of the Management Board/management of the company and its affiliated companies, and/or to use treasury shares to serve Performance Share Programs 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) 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.

During the past year the company did not make any transactions with treasury shares.

On 28 April 2015, the company held 415,159 treasury shares, which represent approximately 0.062 % of the share capital or a proportionate amount of EUR 905,461.78. These shares were acquired for a total amount of EUR 7,803,328.56.

We will report on the current status of treasury shares held at the General Meeting on 27 May 2015.

Vienna, April 2015

The Management Board