

ANNUAL GENERAL MEETING 2018

VIENNA, 30 MAY 2018



Agenda

- 01 Report on the fiscal year 2017
- 02 Appropriation of the net profit
- 03 Discharge of the members of the Management Board
- 04 Discharge of the members of the Supervisory Board
- 05 Compensation for the members of the Supervisory Board
- 06 Elections to the Supervisory Board
- 07 Election of the auditors of the financial statements and of the consolidated financial statements for the fiscal year 2018





Agenda item 1

Report on the fiscal year 2017

**The Digital
Journey
continues...**



Good Performance

Revenues
+4.1%

EBITDA
+3.2%

Net result
-16.4% reported
+13.4% adjusted*

Free cash flow
+65.8%

Mobile contract
subscribers
+3.6%

RGUs**
TV +10.7%
BB +3.3%

One Company. One Brand.



One Company. One Brand.



Flexibility of the A1 Logo.
Corporate 'A'. Product-related & situative 'A's.



Evolving to a digital Telco

**Digitalizing
B2B
A1 Digital**

A1 Digital

Cloud-based software and
IT infrastructure for
Europe

- 
- Internet of Things – Connected devices and products
 - Mobilisation of business processes
 - Industry-specific solutions
 - Cloud services

Evolving to a digital Telco

**Digitalizing
B2B
A1 Digital**

**Digitalizing
B2C**

Digitalizing B2C



- Digitalization of customer relations
- Holistic customer view
- Marketing automation
- Big Data & Advanced Analytics
- We are digitalising ourselves


Evolving to a digital Telco

**Digitalizing
B2B
A1 Digital**

**Best
infrastructure**

**Digitalizing
B2C**

Best infrastructure

- 
- Best network
 - 5G preparation to support future business
 - Accelerated fibre roll-out
 - New data centres

Evolving to a digital Telco

**Digitalizing
B2B
A1 Digital**

**Best
infrastructure**

**Digitalizing
B2C**

**Content is
key**

Content is key

The background image shows a hand holding a tablet that displays a grid of numerous small, colorful thumbnails representing various types of media content, including sports, technology, and lifestyle. Below the hand, a larger grid of similar thumbnails is spread out on a wooden surface, creating a sense of depth and abundance of content. The overall theme is digital media and content creation.

- TV & media content
 - ✓ Croatia: Champions League & Vip Adria League season 1
 - ✓ Bulgaria: 2 sports channels
 - ✓ A1 eSports League Austria
- OTT services & products
e.g. A1 Xplore Music

Evolving to a digital Telco

**Digitalizing
B2B
A1 Digital**

**Best
infrastructure**

**Digital
working**

**Digitalizing
B2C**

**Content is
key**

Digital working



Modernising work environment for digital jobs

Guiding principles
–
Trust, team, agility

Intra-preneurship –
Promoting internal ideas

New digital learning platform

New office concept

Evolving to a digital Telco Summary

**Digitalizing
B2B
A1 Digital**

**Best
infrastructure**

**Digital
working**

**Digitalizing
B2C**

**Content is
key**

2017 Markets



Group: Growth path continued in 2017

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Group revenues	4,382.5	4,211.5	+4.1
EBITDA	1,397.3	1,354.3	+3.2
<i>EBITDA margin</i>	<i>31.9%</i>	<i>32.2%</i>	-
	2017 reported	2016 reported	+/- %
Net result (reported)	345.5	413.2	-16.4
Net result (adjusted*)	468.7	413.2	+13.4
CAPEX	736.9	764.1	-3.6

* Adjusted for EUR 123.2 mn non-cash relevant brand value amortisation in the financial year 2017

Group: Solid balance sheet structure was further strengthened

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Equity ratio	38.5%	34.9%	
Net debt*	2,332	2,339	-0.3
Net debt/EBITDA	1.7x	1.7x	
Free cash flow	385	232	+65.8

Austria

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Revenues	2,622.3	2,571.6	+2.0
EBITDA	914,2	899.7	+1.6
<i>EBITDA margin</i>	<i>34.9%</i>	<i>35.0%</i>	-

Mobile customers
5,335k

**Contract
subscribers:**
+1.9%

**RGUs* (excl.
voice telephony)**
1,744k

-1.2%



* Revenue generating units

Annual General Meeting 2018

Bulgaria

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Revenues	431.2	412.0	+4.7
EBITDA	130,1	125.6	+3.6
<i>EBITDA margin</i>	30.2%	30.5%	-

Mobile customers
3,977k

**Contract
subscribers:**
-0.3%

**RGUs* (excl. voice
telephony)**
920k

+1.4%



Croatia

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Revenues	434.9	398.3	+9.2
EBITDA	108.0	88.3	+22.4
<i>EBITDA margin</i>	24.8%	22.2%	-

Mobile customers
1,773k

**Contract
subscribers:**
+14.0%

**RGUs* (excl.
voice telephony)**
461k

+5.6%



Belarus

Financial figures in EUR mn	2017 reported	2016 reported	+/- %
Revenues	390.5	321.0	+21.6
EBITDA	181,3	151.5	+19.6
<i>EBITDA margin</i>	46.4%	47.2%	-

Financial figures in BYN mn	2017 reported	2016 reported	+/- %
Revenues	851.8	707.1	+20.5
EBITDA	395,5	333.8	+18.5
<i>EBITDA margin</i>	46.4%	47.2%	-

Mobile customers
4,864k

**Contract
subscribers:**
-0.2%

**RGUs* (excl. voice
telephony)**
461k

+66.4%

velcom



* Revenue-generating units

Annual General Meeting 2018

Additional Markets – Financial Figures

Slovenia



in EUR million	2017 reported	2016 reported	+/- %
Revenues	216.1	214.1	+0.9
EBITDA	40,6	52.8	-23.2

Republic of Serbia



in EUR million	2017 reported	2016 reported	+/- %
Revenues	230.8	221.1	+4.4
EBITDA	38,4	38.8	-1.2

Republic of Macedonia

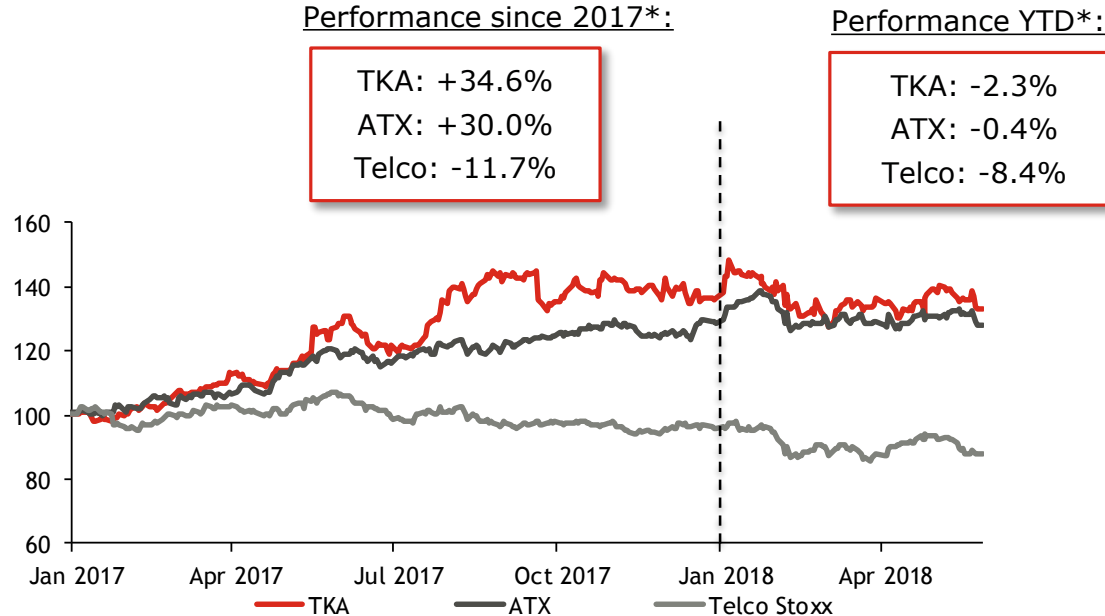


in EUR million	2017 reported	2016 reported	+/- %
Revenues	114.0	119.4	-4.5
EBITDA	30,1	26.1	+15.0



Share Price

Performance of the Telekom Austria share



(indexed from 1 January 2017)

* As of 28 May 2018

Treasury shares:

- Holdings as of 30 May 2018: 415,159 shares
- No transactions in the financial year 2017

2018 Outlook



2017

GUIDANCE

EXPECTATION

ACHIEVED

2018

REVENUES

+3%

+3.6%

+4.1%

+1-2%

CAPEX

~ EUR 745 mn

EUR 739 mn

EUR 737 mn

~ EUR 750 mn

DIVIDEND*

EUR 0.20

-

-

EUR 0.20

Guidance and results on reported basis

* Proposal to the 2018 and 2019 Annual General Meetings

Annual General Meeting 2018

The background of the slide is a network diagram. It consists of numerous black pins or nodes arranged on a dark surface, connected by thin, light-colored lines. The nodes are distributed across the frame, with some appearing more prominent than others, creating a sense of depth and connectivity.

Agenda item 2

Appropriation of the net profit

Appropriation of the net profit

The Management Board and the Supervisory Board propose to use the net profit of Telekom Austria AG generated in the 2017 fiscal year in the amount of EUR 345,500,000 as follows:

- Distribution of a dividend of EUR 0.20 per eligible no par value share
- The remainder is to be carried forward to new account

Information

- According to Austrian tax law, the dividend qualifies as a repayment of capital pursuant to Sec 4 para 12 Income Tax Act (EStG).
- Ex-dividend day: 6 June 2018
- Dividend record date: 7 June 2018
- Distribution payment date: 8 June 2018



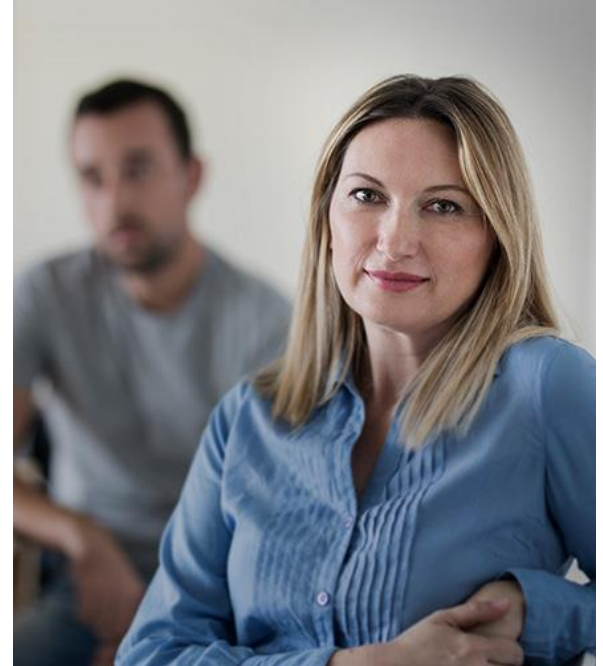
The background of the slide is a network diagram. It consists of numerous black pins or nodes arranged on a dark, reflective surface. Thin, light-colored lines connect these nodes, forming a complex web of triangles and other geometric shapes. The perspective is from a slightly elevated angle, looking down at the network.

Agenda item 3

**Discharge of the members of the
Management Board**

Discharge of the members of the Management Board

The Management Board and the Supervisory Board of Telekom Austria AG propose to grant discharge to the members of the Management Board for the fiscal year 2017.



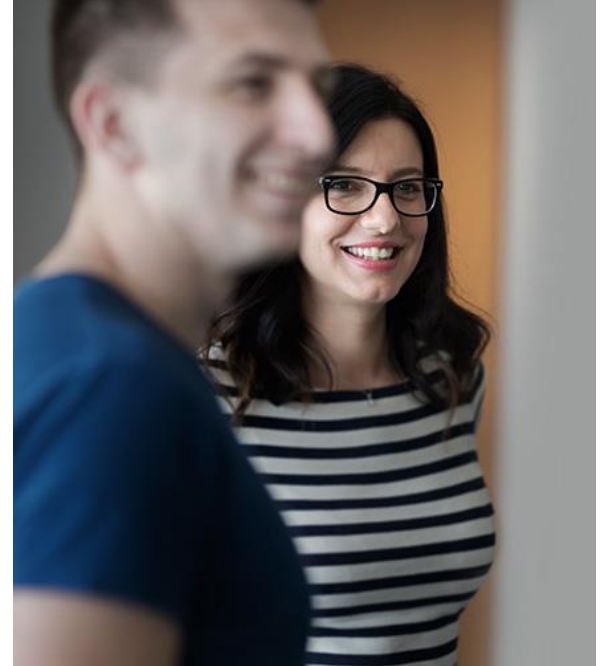
The background of the slide is a network diagram. It consists of numerous black pins or nodes arranged on a dark surface, connected by thin, light-colored lines that form a complex web of triangles and polygons, symbolizing a network or interconnected system.

Agenda item 4

Discharge of the members of the Supervisory Board

Discharge of the members of the Supervisory Board

The Management Board and the Supervisory Board of Telekom Austria AG propose to grant discharge to the members of the Supervisory Board for the fiscal year 2017.



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Agenda item 5

Compensation for the members of the Supervisory Board

Compensation for the members of the Supervisory Board

The Management Board and the Supervisory Board of Telekom Austria AG propose to determine the remuneration for the elected members of the Supervisory Board for the 2017 financial year as follows:

	2017
For the chair	EUR 40,000
For the deputy chair	EUR 30,000
For every further member of the Supervisory Board	EUR 20,000
For the chair of a committee	EUR 12,000
For every other committee member	EUR 10,000



For 2018, a fixed attendance fee of EUR 400 is to be granted for each member of the Supervisory Board for each of the meetings of the Supervisory Board or committee meetings which the member attends.

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Agenda item 6

Elections to the Supervisory Board

Dr. Edith Hlawati

Proposal for the election of

Ms. Dr. Edith Hlawati,
born 08 June 1957,

as of termination of this shareholder's meeting until the termination of such shareholder's meeting that resolves upon the discharge for the business year 2022, to the Supervisory Board of the Company.



Ms. Hlawati issued a statement according to Sec 87 Para 2 AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom Austria AG as of 3 May 2018.

Mag. Bettina Glatz-Kremsner

Proposal for the election of

Ms. Mag. Bettina Glatz-Kremsner,
born 30 September 1962,

as of termination of this shareholder's meeting until the termination of
such shareholder's meeting that resolves upon the discharge for the
business year 2022, to the Supervisory Board of the Company.



Ms. Glatz-Kremsner issued a statement according to Sec 87 Para 2
AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom
Austria AG as of 3 May 2018.

Daniela Lecuona Torras

Proposal for the election of

Ms. Daniela Lecuona Torras,
born 21 December 1982,

as of termination of this shareholder's meeting until the termination of such shareholder's meeting that resolves upon the discharge for the business year 2021, to the Supervisory Board of the Company.



Ms. Lecuona issued a statement according to Sec 87 Para 2 AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom Austria AG as of 3 May 2018.

Carlos García Moreno Elizondo

Proposal for the election of

Mr. Carlos García Moreno Elizondo,
born 06 January 1957,

as of termination of this shareholder's meeting until the termination of such shareholder's meeting that resolves upon the discharge for the business year 2022, to the Supervisory Board of the Company.



Mr. Moreno issued a statement according to Sec 87 Para 2 AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom Austria AG as of 3 May 2018.

Carlos M. Jarque

Proposal for the election of

Mr. Carlos M. Jarque,
born 18 October 1954,

as of termination of this shareholder's meeting until the termination of such shareholder's meeting that resolves upon the discharge for the business year 2021, to the Supervisory Board of the Company.



Mr. Jarque issued a statement according to Sec 87 Para 2 AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom Austria AG as of 3 May 2018.

Oscar Von Hauske Solís

Proposal for the election of

Mr. Oscar Von Hauske Solís,
born 01 September 1957,

as of termination of this shareholder's meeting until the termination of such shareholder's meeting that resolves upon the discharge for the business year 2022, to the Supervisory Board of the Company.



Mr. Von Hauske Solís issued a statement according to Sec 87 Para 2 AktG as well as providing a curriculum vitae.

The documents have been made available on the homepage of Telekom Austria AG as of 3 May 2018.

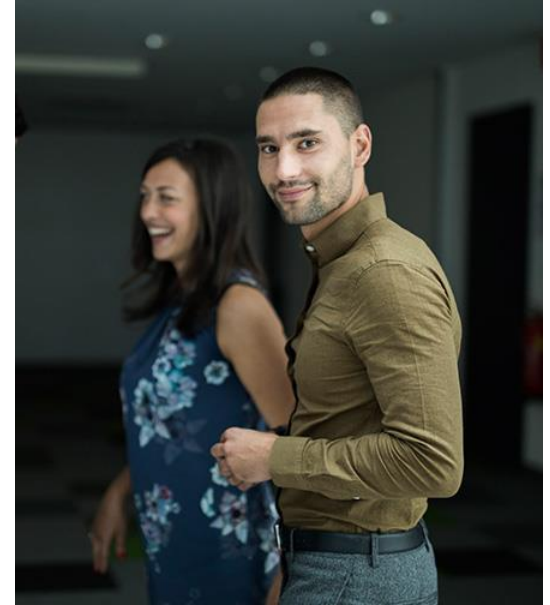
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Agenda item 7

Election of the auditors of the financial statements and of the consolidated financial statements

Election of the auditors of the financial statements and of the consolidated financial statements

The Supervisory Board of Telekom Austria AG proposes to elect Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H , Vienna, as auditor and Group auditor for the 2018 fiscal year.



Many thanks for attending!

<https://www.a1.group/>