

Telekom Austria Group Results for the Second Quarter 2008

Vienna, August 20, 2008

TELEKOM AUSTRIA  GROUP

Cautionary Statement

"This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Forward-looking information involves risks and uncertainties that could significantly affect expected results."

Agenda

- Key Developments
- Fixed Net
- Mobile Communication
- Financial Overview
- Outlook

Key Developments

Telekom Austria Group – Second Quarter 2008

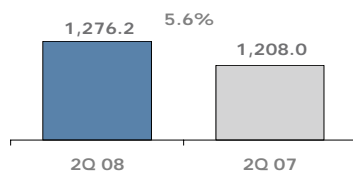
- Revenues grow by 5.6% to EUR 1,276.2 mn
- EBITDA increases by 0.6% to EUR 469.1 mn
- Growth of international operations drives EBITDA
- Effect of roaming regulation amplified by seasonality of Easter holidays
- Continuing stabilization of Fixed Net trends: product bundles effective in decelerating access line loss, stable revenues and EBITDA compared to 1Q 08
- Strong subscriber growth in the Mobile Communication segment of 52.5% to 16.5 mn customers; rising results due to the strong international business
- Outlook including DPS guidance of EUR 0.75 for full year 2008 reiterated

Results for the Second Quarter 2008

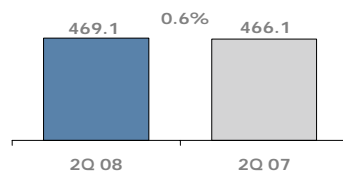
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International Operations Drive Revenue & EBITDA, Fixed Net Performance Reflected in Net Income

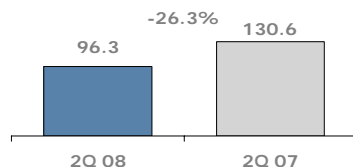
Revenues (EUR million)



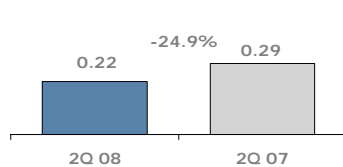
EBITDA* (EUR million)



Net Income (EUR million)



Earnings per Share (EUR)



* Starting 3Q 07 interest expenses related to employee benefit obligations are no longer reported as personnel expenses, but in the financial result. 2Q 07 figures are adjusted by EUR 1.4 mn (Fixed Net EUR 1.2 mn, Mobile Communication EUR 0.2 mn) for comparative purposes.

Results for the Second Quarter 2008

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Fixed Net

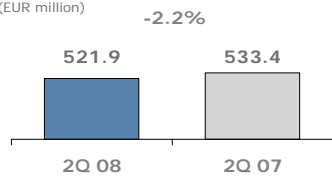
Results for the Second Quarter 2008

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Improving Trends Following New Product Bundles, Exceptional Expenses Impact the EBITDA

Revenues

(EUR million)

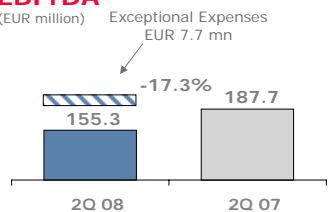


- Moderate revenue decline despite no consolidation effect from eTel in 2Q 07

- Higher costs driven by higher employee costs and exceptional expenses

EBITDA*

(EUR million)



- Exceptional expenses amount to EUR 7.7 mn

- Excluding exceptional expenses EBITDA declines by 13.2%

*For comparative purpose 2Q 07 EBITDA excludes EUR 1.2 mn of interest expense related to employee benefit obligations. See footnote on slide 6.

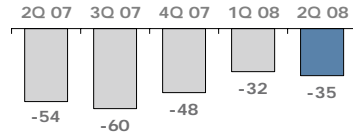
Results for the Second Quarter 2008

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Third Consecutive Quarter With Substantially Lower Line Loss

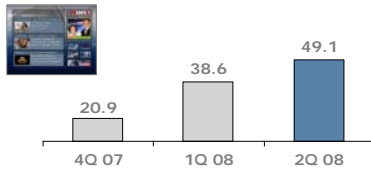
Line Loss

(in 000)



aonTV customers

(in 000)



- Fixed net product strategy overhauled starting in 3Q 07
- Propositions built around product bundles, broadband speed and aonTV
- New propositions effective in slowing down line loss
- Third consecutive quarter with substantially lower line loss
- Nearly 50,000 aonTV customers at the end of June 2008

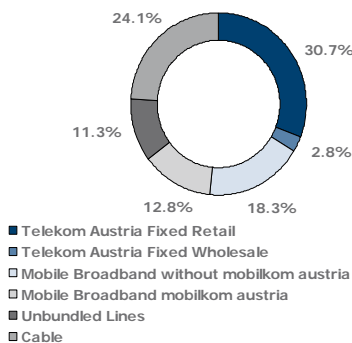
Results for the Second Quarter 2008

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Product Bundles Help Defend Fixed Net Broadband Market Share of 33.5%

Broadband Market Shares

as of June 08



- Telekom Austria Fixed Net broadband share remains solid at 33.5% in 2Q 08 compared to 1Q 08
- Fixed Net broadband net adds tripled to 8,900 in 2Q 08 compared to 2Q 07
- Mobile broadband accounts for 31% of broadband connections
- Cable, unbundled lines and wholesale lose market share

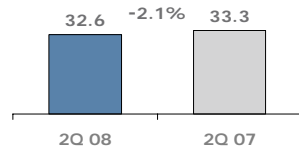
Results for the Second Quarter 2008

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Products Bundles & Up-Selling Soften ARPL Decline



Average revenues per access line (EUR)



Results for the Second Quarter 2008

- Average revenues per access line declined by only 2.1% despite heavy promotions for product bundles
- Average revenues per access line includes revenues from line rental, voice, broadband and aonTV
- Product bundles drive broadband penetration and increase broadband contribution to ARPL
- Already 1/3 of customers use more than one service of Telekom Austria

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Mobile Communication

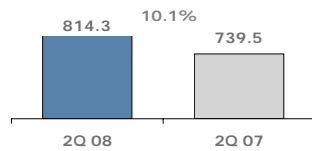
Results for the Second Quarter 2008

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Growth Driven by New Operations; Double Digit Subscriber Growth in all Countries

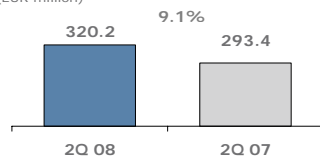
Revenues

(EUR million)



EBITDA*

(EUR million)



- Subscriber base grows by 52.5% to 16.5 mn customers, double digit subscriber growth in all countries
- Organic subscriber growth, excluding Velcom of 21.3%
- Revenue growth of 10.1%, EBITDA grows by 9.1%
- All operations impacted by lower roaming tariffs

*For comparative purpose 2Q 07 EBITDA excludes EUR 0.2 mn of interest expense related to employee benefit obligations. See footnote on slide 6.

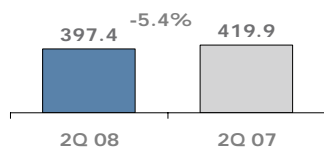
Results for the Second Quarter 2008

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mobilkom austria Results Reflect Roaming Regulation & Seasonality

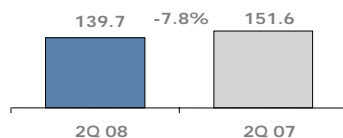
Revenues

(EUR million)



EBITDA*

(EUR million)



- Subscriber base grows by 13.1% to 4.3 mn customers
- Lower roaming revenue due to price decrease & seasonality
- Equipment revenue declines as more SIM-only products are sold resulting in lower level of SAC & SRC
- EBITDA decline exclusively driven by revenues, cost savings reduce impact on EBITDA

*For comparative purpose 2Q 07 EBITDA excludes EUR 0.2 mn of interest expense related to employee benefit obligations. See footnote on slide 6.

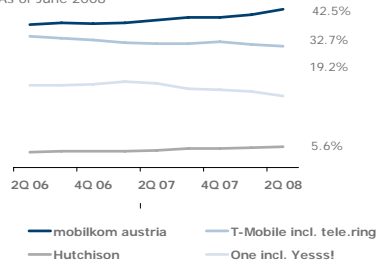
Results for the Second Quarter 2008

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mobilkom austria Extends its Market Leadership in a Challenging Environment

Market Shares

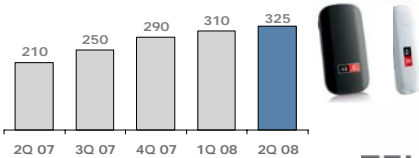
As of June 2008



- Market share increases from 39.6% to 42.5%
- Distance over #2 competitor widened
- Mobile broadband subscriber base grows by 115,000 to 325,000 customers
- Data accounts for almost 1/3 of traffic revenues

Mobile Broadband Subscribers

(in 000)



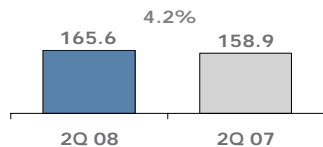
Results for the Second Quarter 2008

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Bulgarian Market Leadership Defended and High Profitability Maintained

Revenues

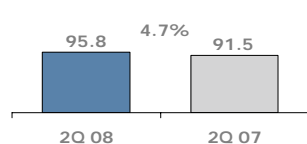
(EUR million)



- Mobiltel's subscriber base grows by 13.2% to 5.2 mn customers
- Stable market share of 50.5%. Contract subscriber base reaches 47.3% from 38.7%

EBITDA

(EUR million)



- Revenues grow by 4.2% driven by strong increase in customer base and higher traffic revenues
- EBITDA increases by 4.7% to EUR 95.8 mn corresponding to a margin of 57.9%

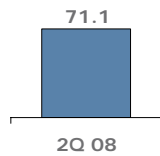
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Strong Subscriber Base and Revenue Growth in Belarusian Velcom

Revenues

(EUR million)



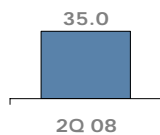
- Subscriber base grows to 3.4 million subscribers at end of June 08 compared to 3.2 million subscribers at end of March 08

- Revenues of EUR 71.1 mn

- EBITDA of EUR 35.0 mn with a margin of 49.2%

EBITDA

(EUR million)



- USD FX fluctuation eats into growth

- Market share increased to 44.4% and ARPU grows to EUR 6.9 in 2Q 08

- MDC renamed into Velcom in 2Q 08

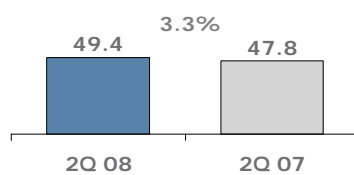
Results for the Second Quarter 2008

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Customer & EBITDA Growth in Croatia and Slovenia

EBITDA Vipnet

(EUR million)



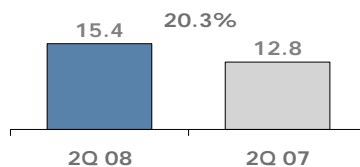
Vipnet in Croatia

- Subscriber base grows by 12.7% to 2.3 million customers

- EBITDA increases by 3.3% to EUR 49.4 mn, despite pressure on roaming

EBITDA Si.mobil

(EUR million)



Si.mobil in Slovenia

- Subscriber base grows by 15.4% to 534,700 customers

- EBITDA increases by 20.3% to EUR 15.4 mn

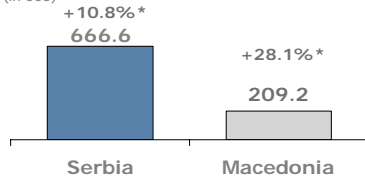
Results for the Second Quarter 2008

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Greenfield Operations Contribute to Larger Subscriber Base

Total Subscribers HY 08

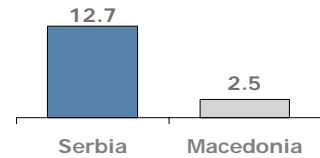
(in 000)



*Compared to 1Q 08

Revenues Q2 07

(EUR million)



Results for the Second Quarter 2008

Vip mobile in Serbia

- Subscriber base of 666,600 with 64,900 net adds in 2Q 08
- Market share of 7.2% at the end of June 08 understated

Vip operator in Macedonia

- Subscriber base of 209,200 with 45,900 net adds in 2Q 08
- Market share of 9.9% at the end of June 08

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Financial Overview

Results for the Second Quarter 2008

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Lower Contribution from Fixed Net Impact Net Income

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Revenues	1,276.2	1,208.0	5.6%	2,535.8	2,353.8	7.7%
EBITDA*	469.1	466.1	0.6%	967.7	942.4	2.7%
Operating income*	174.7	198.1	-11.8%	389.9	410.2	-4.9%
Financial Result	-51.2	-30.1	70.1%	-100.1	-59.9	67.1%
Income before income taxes	123.5	168.0	-26.5%	289.8	350.3	-17.3%
Income tax expense	-27.2	-37.4	-27.3%	-63.8	-72.5	-12.0%
Net income	96.3	130.6	-26.3%	226.0	277.8	-18.6%

*For comparative purpose 2Q 07 EBITDA excludes EUR 1.4 mn and in HY 07 EUR 2.8 mn respectively of interest expense related to employee benefit obligations. See footnote on slide 6.

Results for the Second Quarter 2008

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Working Capital Requirements Influence Free Cash Flow Generation

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Cash Flow from operations before working capital adjustments	406.4	421.4	-3.6%	826.8	852.3	-3.0%
Change in working capital	-39.3	-0.5	n.a.	-154.6	-56.0	176.0%
Ordinary capital expenditures	-190.7	-170.5	11.8%	-350.3	-321.6	8.9%
Free cash flow	176.4	250.4	-29.5%	321.9	474.7	-32.2%

Results for the Second Quarter 2008

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Higher Ordinary Capital Expenditures, Lower Growth Capital Expenditures

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Fixed Net	64.4	64.5	-0.2%	132.5	123.9	6.9%
Mobile Communication	126.3	106.0	19.2%	217.8	197.7	10.2%
Ordinary capital expenditures	190.7	170.5	11.8%	350.3	321.6	8.9%
Fixed Net	7.2	107.7	-93.3%	7.2	109.1	-93.4%
Mobile Communication	0.1	38.9	-99.7%	2.1	55.1	-96.2%
Growth projects & acquisitions	7.3	146.6	-95.0%	9.3	164.2	-94.3%
Capex, growth projects & acquisitions	198.0	317.1	-37.6%	359.6	485.8	-26.0%
Others investing activities, net	-7.0	-2.0	251.5%	-13.6	-5.3	156.8%
Purchase Price not yet paid*	0.0	-14.7	n.a.	n.a.	-12.6	n.a.
Cash used in investing activities	191.0	300.4	-36.4%	346.0	467.9	-26.1%

*incl. Cash acquired

Results for the Second Quarter 2008

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Asset Base Reduced due to Dividend Payment and FX-Translation Resulting from Velcom

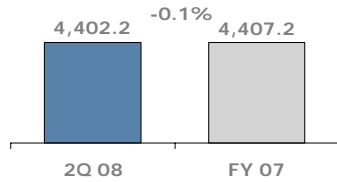
(EUR million)	June 31, 2008	Dec. 31, 07	% change
Long-term assets	7,351.6	7,677.5	-4.2%
Current assets	1,362.3	1,326.2	2.7%
Total assets	8,713.9	9,003.7	-3.2%
Current liabilities	2,776.3	2,557.2	8.6%
Long-term liabilities	3,544.5	3,881.2	-8.7%
Stockholders' equity	2,393.1	2,565.3	-6.7%
Liabilities and stockholders' equity	8,713.9	9,003.7	-3.2%
Net Debt	4,402.1	4,407.2	-0.1%

Results for the Second Quarter 2008

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On Track to Reach 2.0x Net Debt/EBITDA Target Around Year-End 2008

Net Debt (EUR million)

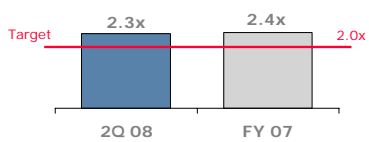


- Net debt/EBITDA at 2.3x compared to 2.4x at the end of 2007

- Stable net debt despite dividend payment of EUR 331.7 mn

- Share buybacks still suspended and to be resumed when net debt/EBITDA reaches 2.0x

Net Debt/EBITDA (last 12 months)



- EUR 300 mn promissory note loan issued in July 2008 to cover refinancing requirements

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Outlook

Results for the Second Quarter 2008

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Telekom Austria Group Reiterates Outlook for Full Year 2008 Including DPS Guidance of EUR 0.75

Group

- Revenue growth of approximately 5%
- EBITDA growth of approximately 3%
- Net income to decline by approximately 12% due to higher interest expenses
- Operating free cash flow growth of about 10%
- Capital expenditures to decline by approximately 5%

Fixed Net

- Revenue decrease of approximately 3%
- EBITDA decline of about 12%

Mobile Communication

- Revenue growth of approximately 10%
- EBITDA growth of approximately 10%

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Appendix

Results for the Second Quarter 2008

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Regulatory Issues – Key Aspects (1)

Mobile termination rates: The Austrian administrative court rescinded the last two SMP-decisions because the National Regulatory Authority imposed an ex-ante obligation on mobile operators retroactively which is illegal in the court's view. With this revocation the glide path of mobile termination rates was rescinded as well. It remains unclear, how the National Regulatory Authority will proceed.

Analysis wholesale broadband access market: The Austrian Regulatory authority has published its decision about a partial deregulation of the Austrian market for wholesale broadband access. According to this decision announced Telekom Austria's Fixed Net business is partly released from the strong regulation in certain geographic regions where efficient competition exists with at least two other main competitors exists. This applies mainly to major urban areas which cover about 45% of the population in Austria. In those areas Telekom Austria Fixed Net division will – after a transition period of 6 months - no longer be obliged e.g. to non-discrimination, to publish a standard offer or to retail-minus price-control. In the remaining rural areas the regulatory regime remains widely unchanged.

Regulatory Issues – Key Aspects (2)

Review of the Regulatory Electronic Communication Framework: The draft proposals are currently reviewed by the European Parliament and the Council of Telecoms Ministers. The provision to apply functional separation of networks under certain terms as a mean to remedy market failure remains under discussion. Also the discussion on the number of days in which mobile operators have to port mobile numbers is still open.

Next Generation Networks: The Commission announced that it will issue a recommendation on Next Generation Access for public consultation by the end of summer 2008, including the issues of geographical segmentation and access to basic facilities including ducts.

Unbundling of local loops and interconnection fees: Following the KombiPaket offer (Nov. 2007-Jan. 2008) the National Regulatory Authority mandated Telekom Austria to lower its monthly ULL charges from EUR 10.44 to EUR 9.33.

Regulatory Issues – Key Aspects (3)

International roaming charges: On July 15, 2008 EU-Commissioner Reding announced her plan to prepare a recommendation for the Parliament and the Council on the extension of the existing roaming regulation. The recommendation could call for:

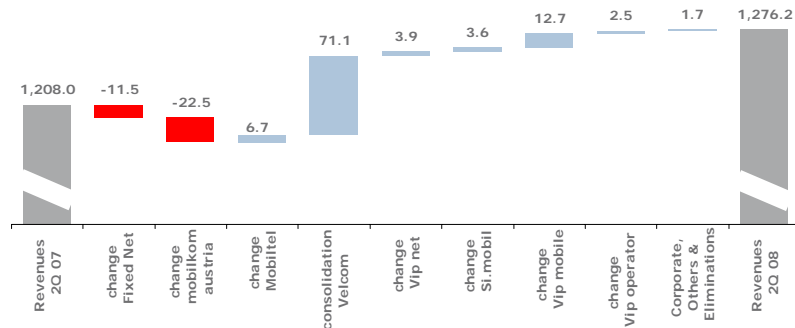
- Extension of the roaming regulation of voice on both wholesale and retail level beyond 2010
- Wholesale and retail price caps for SMS with retail caps possibly between 11 and 15 Eurocent
- Introduction of transparency measures for data roaming
- Introduction of a wholesale price cap for data roaming services

Results for the Second Quarter 2008

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Development of Revenues

Revenues
(EUR million)



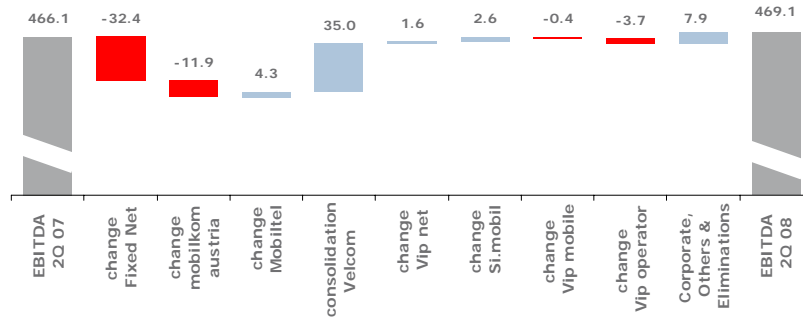
Results for the Second Quarter 2008

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Development of EBITDA

EBITDA*

(EUR million)



*For comparative purpose 2Q 07 EBITDA was adjusted by EUR 1.4 mn of interest expense related to employee benefit obligations. See footnote on slide 6.

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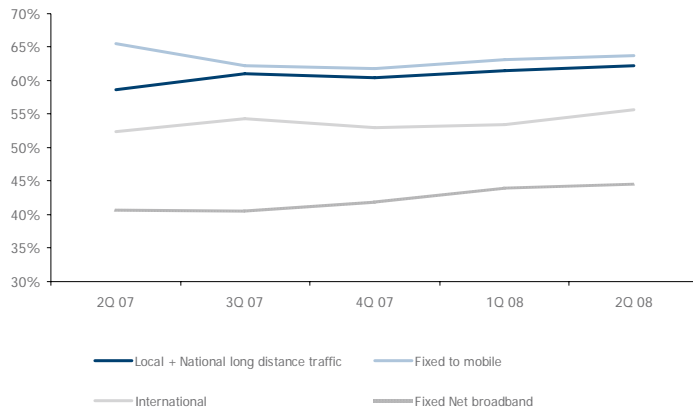
Fixed Net - Access Lines

(in 000)	2Q 08	2Q 07	% change
PSTN access lines	1,976.0	2,134.3	-7.4%
Basic ISDN access lines	342.1	375.5	-8.9%
Multi ISDN access lines	6.5	6.9	-6.3%
Naked broadband lines	42.3	24.8	70.4%
Total access lines in service	2,366.9	2,541.6	-6.9%
of these broadband access lines	826.4	724.0	14.1%
thereof broadband wholesale lines	68.9	98.1	-29.8%
(in 000)	2Q 08	2Q 07	% change
Total access channels in service	2,897.8	3,093.5	-6.3%
(in 000)	2Q 08	2Q 07	% change
Fixed Net broadband net adds	8.9	2.4	-
Unbundled lines	297.5	255.7	16.4%

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Fixed Net – Voice&Broadband Market Shares

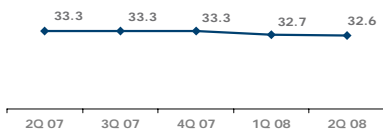


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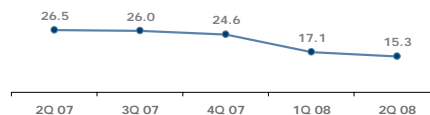
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Fixed Net: Average Revenues per Access Line and Broadband Residential ARPU

Average Revenues per Access Line
(EUR)



Fixed Net Broadband Residential ARPU
(EUR)



Results for the Second Quarter 2008

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Fixed Net - Minutes and Average Tariffs

(in million minutes)	2Q 08	2Q 07	% change
National	673	746	-9.8%
Fixed-to-mobile	186	188	-0.7%
International	101	103	-1.7%
Total voice minutes	960	1,037	-7.4%
Internet dial-up	84	177	-52.4%
Total Fixed Net minutes	1,045	1,214	-13.9%
(Average tariffs in EUR)	2Q 08	2Q 07	% change
National	0.042	0.041	2.2%
Fixed-to-mobile	0.164	0.167	-1.8%
International	0.173	0.179	-3.1%
Total voice average	0.079	0.077	3.1%
(in million minutes)	2Q 08	2Q 07	% change
National wholesale	1,757	1,911	-8.0%
International wholesale	996	836	19.1%
Total wholesale minutes	2,753	2,747	0.2%

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Mobile Subscribers

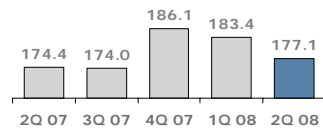
(in 000)	2Q 08	2Q 07	% change
 Total Austria	4,257.4	3,764.0	13.1%
Market share	42.5%	39.6%	
 Total Bulgaria	5,154.2	4,554.1	13.2%
Market share	50.5%	50.6%	
 Total Belarus	3,369.0	-	n.a.
Market share	44.4%	-	
 Total Croatia	2,272.2	2,015.4	12.7%
Market share	42.2%	42.7%	
 Total Slovenia	534.7	463.4	15.4%
Market share	27.2%	26.2%	
 Total Serbia	666.6	-	n.a.
Market share	7.2%	-	
 Total Macedonia	209.2	-	n.a.
Market share	9.9%	-	
 Total Liechtenstein	5.5	5.2	5.8%
Market share	18.7%	17.6%	
Total Mobile Communication	16,468.8	10,802.1	52.5%

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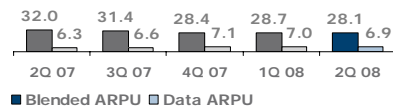
Operational Data – mobilkom austria

MoU per Subscriber



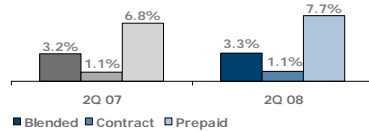
ARPU & Data ARPU

(in EUR)



■ Blended ARPU ■ Data ARPU

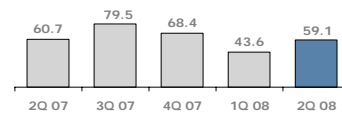
Quarterly Churn



■ Blended ■ Contract ■ Prepaid

SAC per Gross Add*

(in EUR)



* Subscriber acquisition cost

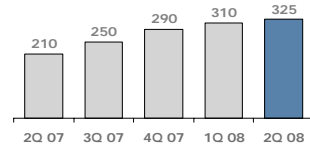
Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 39

Mobile Data - mobilkom austria

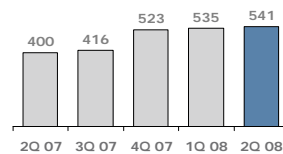
Mobile Broadband Customers

(in 000)



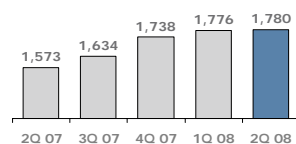
Number of SMS

(in million)

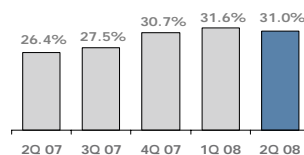


Vodafone Live! Customers

(in 000)



Data in % of Revenues*



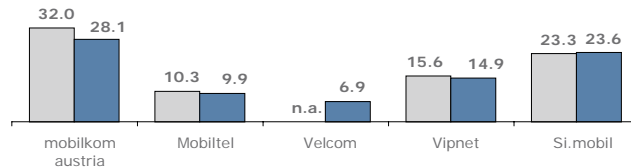
* Traffic related revenues

Results for the Second Quarter 2008

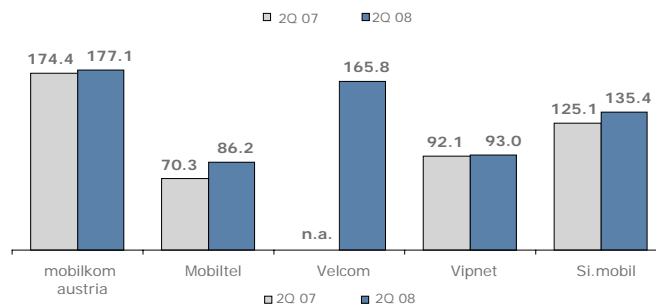
TELEKOM AUSTRIA  GROUP 40

ARPU & MoU per Subscriber – Mobile Communication

ARPU (in EUR)



MoU per Subscriber (in minutes)



Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 41

Headcount* Development

(average period)	2Q 08	2Q 07	change
Fixed Net	9,474	9,662	-188
Mobile Communication	8,192	6,292	1,900
Telekom Austria Group	17,666	15,954	1,712
(end of period)	2Q 08	2Q 07	change
Fixed Net	9,454	9,779	-325
Mobile Communication	8,230	6,282	1,948
Telekom Austria Group	17,684	16,061	1,623

* Full-time-equivalents

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 42

Fixed Net - Revenue Breakdown

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Switched voice base traffic	79.0	85.6	-7.7%	162.9	172.3	-5.5%
Switched voice monthly & other voice revenues	117.0	120.8	-3.1%	233.7	242.2	-3.5%
Payphones & VAS	10.0	11.6	-13.8%	21.0	22.7	-7.5%
Wholesale data & IT-solutions	124.1	105.6	17.5%	232.4	210.6	10.4%
Internet access & media	60.6	72.5	-16.4%	121.5	141.2	-14.0%
Wholesale voice & Internet	103.8	109.6	-5.3%	214.6	201.2	6.7%
Other	27.4	27.7	-1.1%	57.7	54.0	6.9%
Fixed Net revenues	521.9	533.4	-2.2%	1,043.8	1,044.2	0.0%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 43

Fixed Net – Expense Breakdown

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Material expense	23.2	18.4	26.1%	47.2	35.1	34.5%
Employee costs	146.0	135.8	7.5%	290.5	272.1	6.8%
Depreciation, amortization and impairment charges	132.4	142.8	-7.3%	259.4	281.6	-7.9%
Interconnection	89.5	92.1	-2.8%	175.9	172.6	1.9%
Maintenance and repairs	25.4	26.4	-3.8%	50.7	47.9	5.8%
Services received	20.5	15.0	36.7%	41.2	27.3	50.9%
Other support services	26.5	22.5	17.8%	55.9	41.4	35.0%
Other	51.8	50.3	3.0%	100.8	95.2	5.9%
Fixed Net expenses	515.3	503.3	2.4%	1,021.6	973.2	5.0%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 44

Mobile Communication - Revenue Breakdown

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Traffic revenues	411.1	361.0	13.9%	791.2	697.9	13.4%
Monthly rental	186.4	144.6	28.9%	369.1	283.0	30.4%
Equipment	54.1	68.7	-21.3%	115.2	123.3	-6.6%
Roaming	39.6	56.7	-30.2%	90.0	114.3	-21.3%
Interconnection	122.3	111.7	9.5%	237.2	215.3	10.2%
Other	11.2	12.0	-6.7%	28.5	28.0	1.8%
Discounts	-10.4	-15.2	-31.6%	-20.4	-28.2	-27.7%
Mobile Communication revenues	814.3	739.5	10.1%	1,610.8	1,433.6	12.4%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 45

Mobile Communication – Expense Breakdown

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Material expense	74.4	78.0	-4.6%	154.8	148.4	4.3%
Employee costs	66.8	58.8	13.6%	126.6	113.9	11.2%
Depreciation, amortization and impairment charges	162.1	125.7	29.0%	318.6	250.8	27.0%
Interconnection	101.8	87.4	16.5%	196.3	166.4	18.0%
Repairs	18.5	17.0	8.8%	36.5	33.4	9.3%
Services received	76.8	76.8	0.0%	146.3	146.1	0.1%
Other support services	9.7	7.2	34.7%	18.1	14.0	29.3%
Other	158.4	124.1	27.6%	303.2	237.4	27.7%
Mobile Communication expenses	668.5	575.0	16.3%	1,300.4	1,110.4	17.1%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 46

Revenues by Segment

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Fixed Net revenues	521.9	533.4	-2.2%	1,043.8	1,044.2	0.0%
Mobile Communication revenues	814.3	739.5	10.1%	1,610.8	1,433.6	12.4%
Corporate, Other & Eliminations	-60.0	-64.9	-7.6%	-118.8	-124.0	-4.2%
Operating revenues Telekom Austria Group	1,276.2	1,208.0	5.6%	2,535.8	2,353.8	7.7%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 47

EBITDA and Operating Income by Segment

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Fixed Net EBITDA	155.3	187.7	-17.3%	312.6	382.0	-18.2%
Mobile Communication EBITDA	320.2	293.4	9.1%	666.1	580.6	14.7%
Corporate, Other & Eliminations	-6.4	-14.9	-57.0%	-11.0	-20.2	-45.5%
EBITDA Telekom Austria Group	469.1	466.1	0.6%	967.7	942.4	2.7%

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Fixed Net operating income	22.9	44.7	-48.8%	53.2	100.3	-47.0%
Mobile Communication operating income	158.1	167.8	-5.8%	347.5	329.9	5.3%
Corporate, Other & Eliminations	-6.3	-14.4	-56.3%	-10.8	-20.0	-46.0%
Operating income Telekom Austria Group	174.7	198.1	-11.8%	389.9	410.2	-4.9%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 48

Capital Expenditures by Segment

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Fixed Net tangible	52.2	59.8	-12.7%	100.8	108.5	-7.1%
Mobile Communication tangible	100.2	110.4	-9.2%	173.8	183.4	-5.2%
Tangible	152.4	170.2	-10.5%	274.6	291.9	-5.9%
Fixed Net intangible	12.2	4.7	159.6%	31.7	15.4	105.8%
Mobile Communication intangible	26.1	34.5	-24.3%	44.0	69.4	-36.6%
Intangible	38.3	39.2	-2.3%	75.7	84.8	-10.7%
Total Capex Telekom Austria Group	190.7	209.4	-8.9%	350.3	376.7	-7.0%

(EUR million)	2Q 08	2Q 07	% change	HY 08	HY 07	% change
Mobile Communication tangible						
mobilkom austria	30.2	36.7	-17.7%	57.5	70.4	-18.3%
Mobilitel	18.7	20.7	-9.7%	29.6	35.2	-15.9%
Velcom	7.4	-	n.a.	11.7	-	n.a.
Vipnet	18.8	15.7	19.7%	31.5	24.4	29.1%
Si.mobil	3.2	6.7	-52.2%	5.6	10.5	-46.7%
Vip mobile	20.8	-	n.a.	35.1	-	n.a.
Vip operator	3.3	-	n.a.	5.1	-	n.a.

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 49

Net Debt - Telekom Austria Group

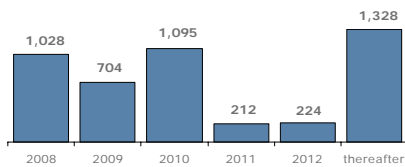
(EUR million)	Jun 30, 2008	Dec 31, 2007	% change
Long-term debt	3,038.2	3,389.3	-10.4%
Short-term debt	1,552.9	1,236.1	25.6%
- Short-term portion of capital and cross border lease obligations	-27.5	-8.7	-
+ Capital lease obligations	0.9	1.0	-17.5%
Cash and cash equivalents, short-term and long term investments, financing with related parties	-221.6	-230.4	-3.8%
Derivate financial instruments for hedging purposes	59.2	19.9	197.5%
Net Debt of Telekom Austria Group	4,402.1	4,407.2	-0.1%
Net Debt/ EBITDA (last 12 months)	2.3x	2.4x	-
EBITDA (last 12 months)	1,880.2	1,854.9	1.4%

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 50

Debt Maturity Profile

(EUR million)



- Undrawn committed lines of credit amounting to EUR 1.1bn
- Average life of 3.8 years

Ratings:

- S&P: BBB+ (*stable outlook*)
- Moody's: A3 (*stable outlook*)

Ratio:

- Net Debt / EBITDA (last 12 months): 2.3x

Selected long-term debt instruments:

- EUR 750 million 2003 – 2013
- EUR 500 million 2005 – 2010
- EUR 500 million 2005 – 2017
- EUR 300 million promissory note loan issued in July 2008 with maturity until 2012

Results for the Second Quarter 2008

TELEKOM AUSTRIA  GROUP 51