

Telekom Austria Group Results for the Third Quarter 2008

Vienna, November 12, 2008

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

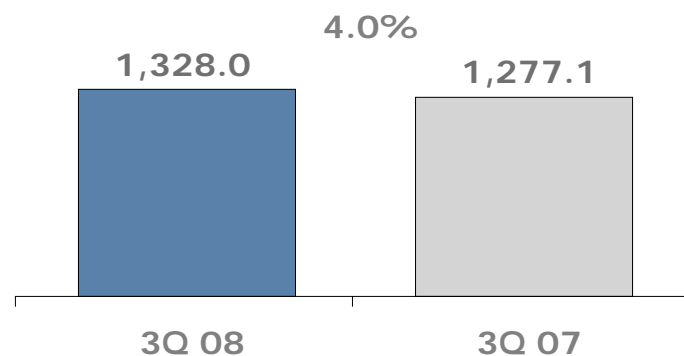
Telekom Austria Group – Third Quarter 2008

- Revenues grow by 4.0% to EUR 1,328.0 million driven by international operations including the consolidation of Velcom
- EBITDA increases by 3.6% to EUR 539.9 million as EBITDA growth in Mobile Communication including the consolidation of Velcom offsets lower EBITDA contribution from the Fixed Net
- Line Loss reduced by 53.5% to 27,700 access lines
- Mobile Communication subscriber base grows by 51.5% to 17.0 million customers
- Outlook for operating business 2008 and planned DPS of 75 Eurocent reiterated
- Announced restructuring measures for Fixed Net operation require non-cash provision of about EUR 630 million in 4Q 08

Revenue and EBITDA Growth Driven by Mobile Communication Segment

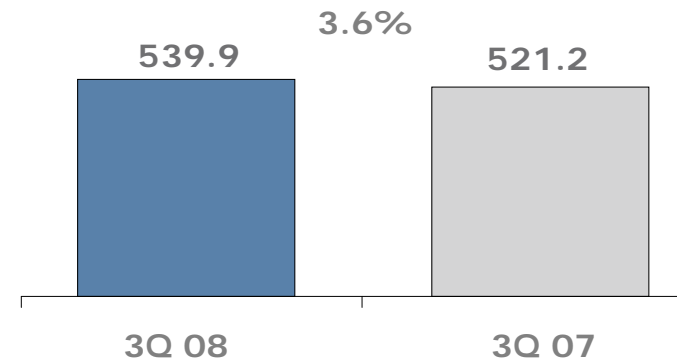
Revenues

(EUR million)



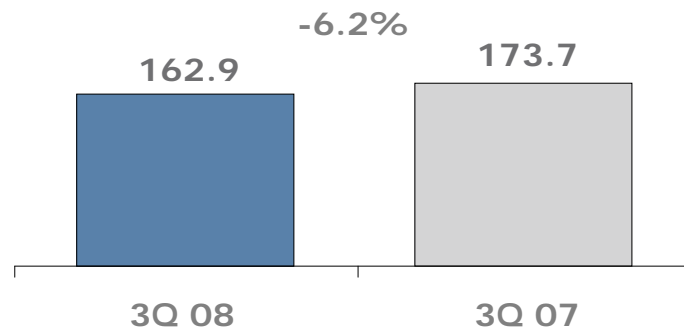
EBITDA

(EUR million)



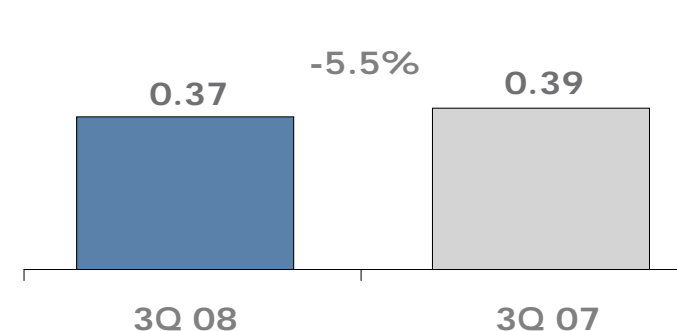
Net Income

(EUR million)



Earnings per Share

(EUR)

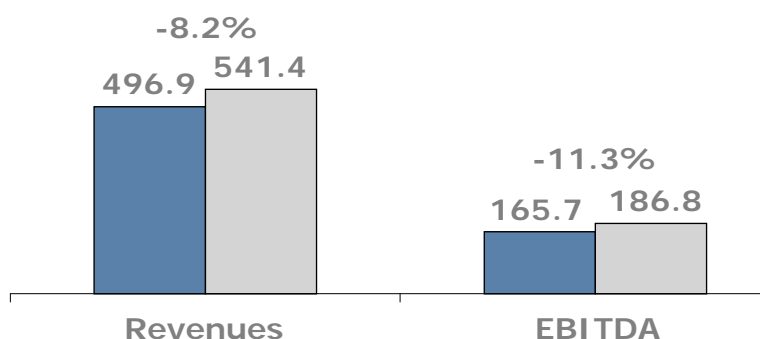


Fixed Net

Lower Costs and Gradual Improvement of EBITDA Trend

Revenues & EBITDA

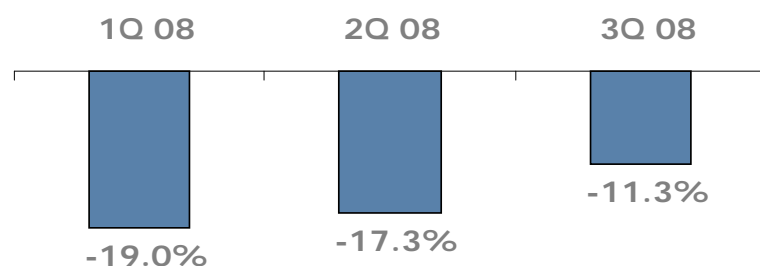
(EUR million)



■ 3Q 08 ■ 3Q 07

EBITDA Development

(EUR million)

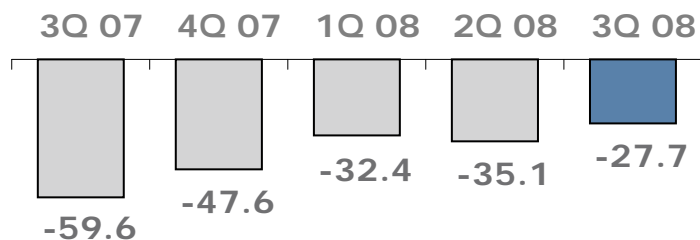


- Revenues decline by 8.2% due to reduction of access lines, minutes and lower Internet revenues
- Opex decline by 7.0% as cost saving program becomes effective
- EBITDA decline curbed to 11.3% after 1Q 08 decline of 19% and 2Q 08 reduction of 17.3%
- Gradual EBITDA improvement expected to continue in 4Q 08

Line Loss more than Halved while ARPL Remains Nearly Stable

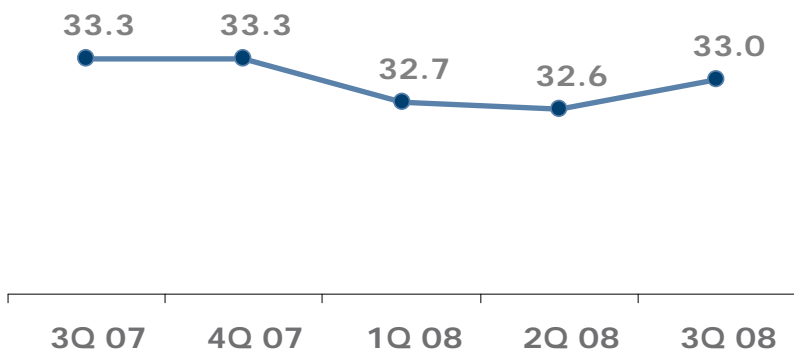
Line Loss

(in 000)



Average Revenues per Access Line (ARPL)

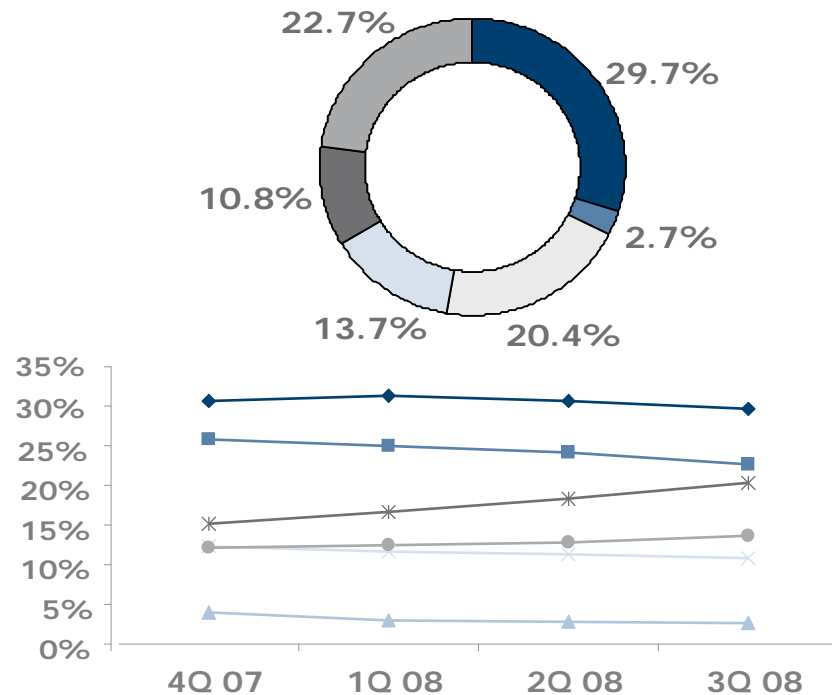
(in EUR)



- Substantially lower churn reflects improved customer retention
- Line loss reduced by 53.5%
- Fourth consecutive quarter with substantially lower line loss
- Broadband subscriber growth from product bundles nearly offsets lower broadband prices and supports ARPL
- ARPL remains nearly stable

Fixed Net Retail Defends Market Share Against Growing Mobile Broadband

Broadband Market Shares 3Q 08



- ◆ Telekom Austria Fixed Retail
- ▲ Telekom Austria Fixed Wholesale
- * Mobile Broadband without mobilkom austria
- ● Mobile Broadband mobilkom austria
- ✕ Unbundled Lines
- ■ Cable

Results for the Third Quarter 2008

- Telekom Austria's Fixed Net broadband market share stable at 29.7%
- Focus on product bundles helps to maintain market share and curb fixed-to-mobile substitution
- Fixed Net broadband net adds turned positive in 3Q 08 vs 3Q 07 with 8,900 new subscribers
- Cable-, unbundling- and wholesale operator lose market share

Christmas Promotion for Product Bundles Builds upon Success of Previous Bundles



Until Jan 20, 2009
for new broadband
customers

€ 19,90



Until Jan 20, 2009
for new broadband
customers

€ 24,90

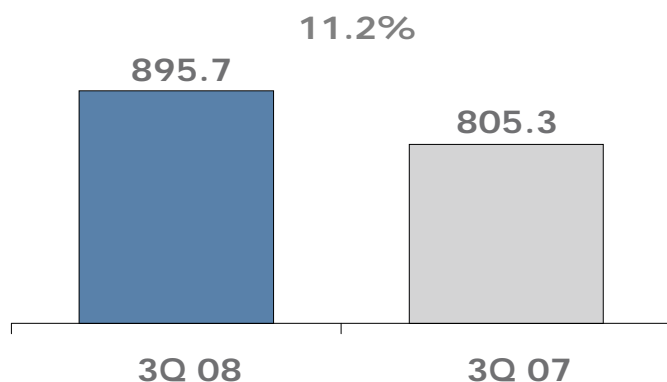
- Product bundles increase customer retention and curb fixed-to-mobile substitution
- Improve price perception, reduce churn rates and increase customer loyalty
- Product bundles drive broadband net adds and defend market share against mobile broadband
- Increased share of wallet as already 1/3 of customers use more than one service of Telekom Austria

Mobile Communication

Double Digit Revenue and EBITDA Growth despite Impact from Roaming Regulation

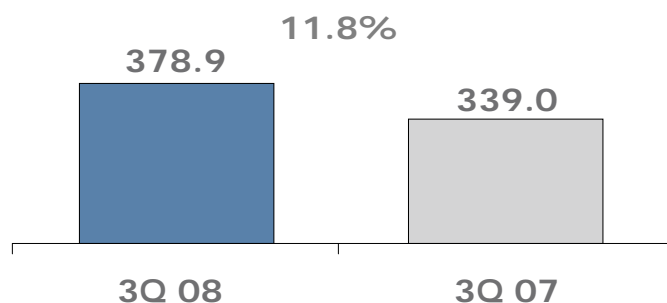
Revenues

(EUR million)



EBITDA

(EUR million)

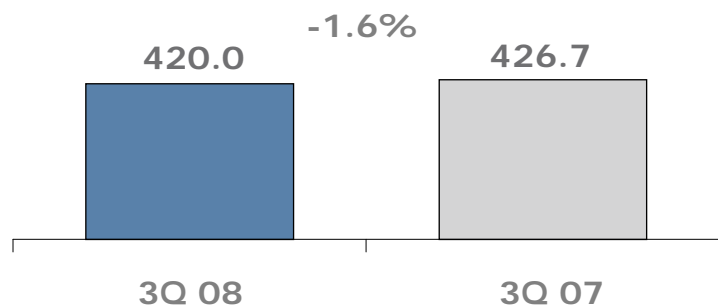


- Subscriber base grows by 51.5% to 17.0 million customers, subscriber growth in all countries
- Organic subscriber growth excluding Velcom of 20.1%
- All operations impacted by lower roaming tariffs due to the EU roaming regulation
- Roaming regulation EBITDA impact of EUR 22 million in 3Q 08 expected to wash out starting 4Q 08

Higher Profitability of mobilkom austria Drives EBITDA Growth

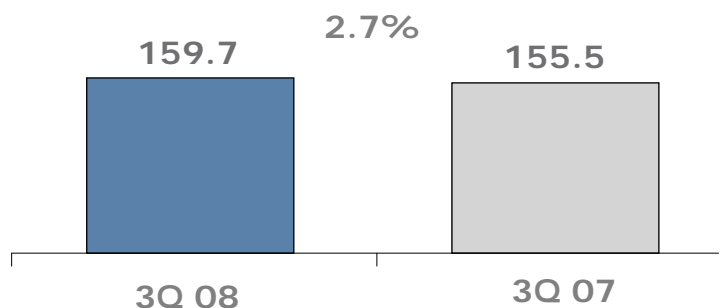
Revenues

(EUR million)



EBITDA

(EUR million)

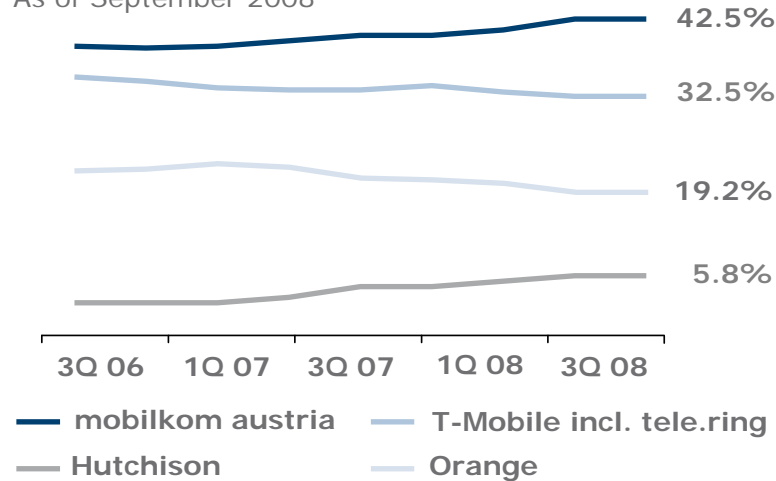


- Subscriber base of mobilkom austria grows by 13.0% to 4.4 million customers
- Moderate revenue decline despite roaming regulation
- EBITDA margin increases from 36.4% to 38%
- Higher profitability driven by lower subscriber acquisition costs

mobilkom austria Extends Market Leadership Based on Clear Propositions

Market Shares

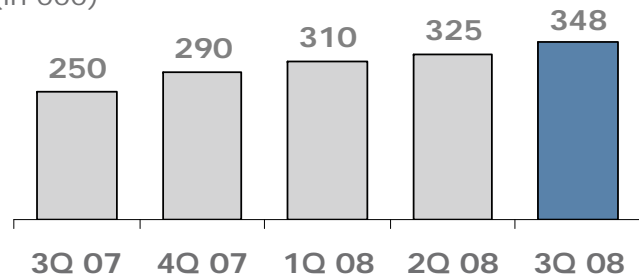
As of September 2008



- Market share increases from 40.3% to 42.5% in 3Q 08
- Lead over competitors continues to grow
- Mobile broadband subscriber base grows by 39.2% to 348,000 customers
- Service innovations like A1 Security and A1 Navigation increase share of wallet

Mobile Broadband Subscribers

(in 000)

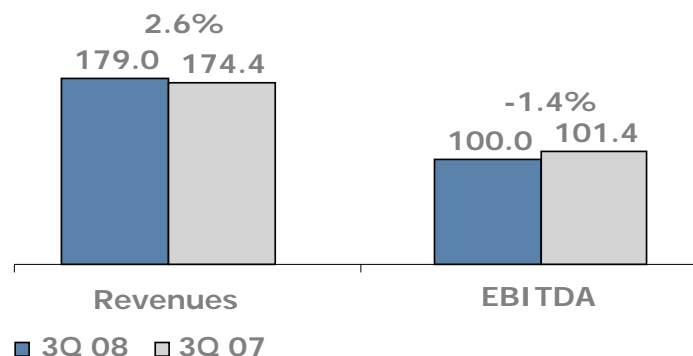


Results for the Third Quarter 2008

Revenue Growth in Bulgaria despite Competitive Environment

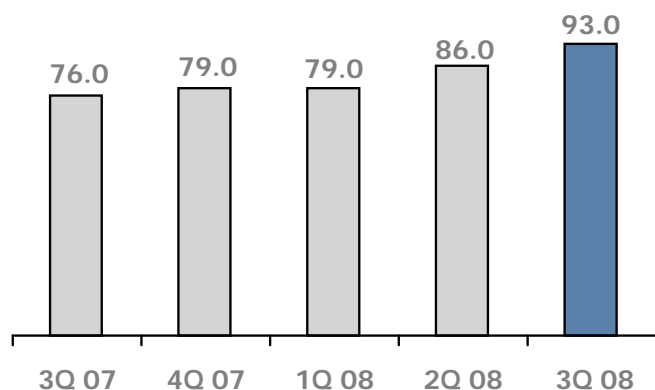
Revenues & EBITDA

(EUR million)



MoU Charged/Subscriber

(in minutes)



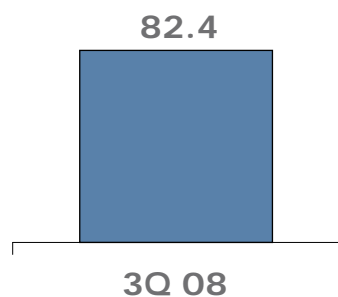
Results for the Third Quarter 2008

- Mobiltel's subscriber base grows by 7.9% to 5.2 million customers
- EU roaming regulation effects revenue and EBITDA development
- Revenues grow by 2.6% driven by strong increase in postpaid customer base and higher traffic volumes
- EBITDA declines by 1.4% to EUR 100.0 million mainly due to roaming regulation
- Usage continues to grow

Integration of Velcom Bears Fruit

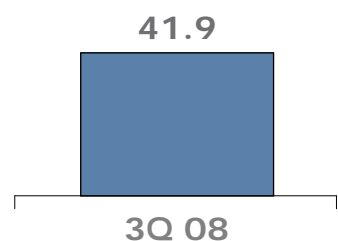
Revenues

(EUR million)



EBITDA

(EUR million)

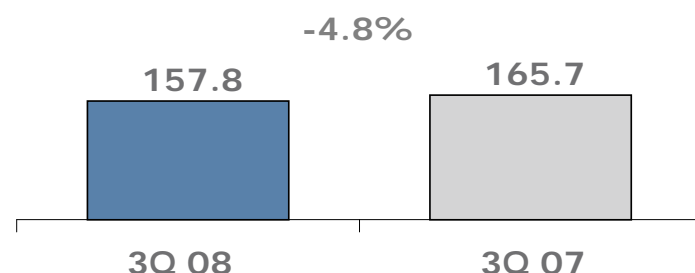


- Subscriber base grows to 3.5 million from 3.4 million subscribers at end of 2Q 08
- Market share increases to 44.7% from 44.4% at the end of 2Q 08
- ARPU grows to EUR 7.6 from EUR 6.9 in 2Q 08
- Revenues of EUR 82.4 million and EBITDA of EUR 41.9 million
- Margin expanded to 50.8%

Strong Underlying Core Business in Croatia and Slovenia Hit by Roaming Regulation

Revenues Vipnet

(EUR million)

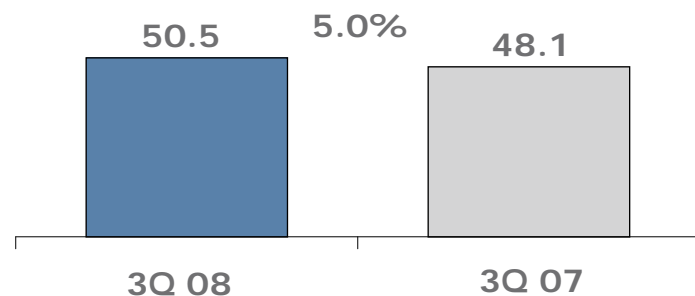


Vipnet in Croatia

- Subscriber base grows by 14.2% to 2.4 million customers
- EBITDA declines by 13.5% to EUR 73.1 million hit by lower roaming prices and expiry of national roaming agreement

Revenues Si.mobil

(EUR million)



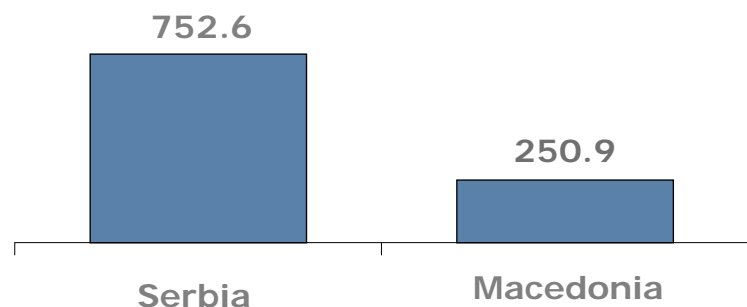
Si.mobil in Slovenia

- Subscriber base grows by 15.1% to 552,200 customers
- EBITDA declines by 2.9% to EUR 17.0 million impacted by EU roaming regulation

Greenfield Operations Improve Results and Further Strengthen Market Position

Total Subscribers 3Q 08

(in 000)

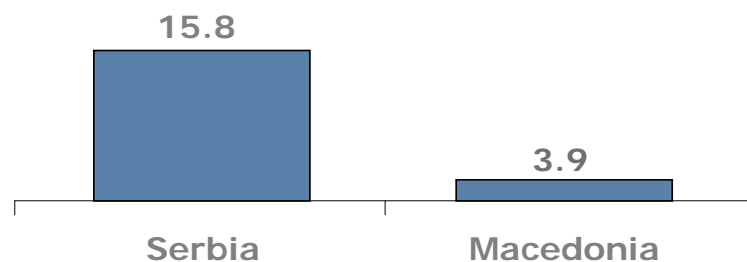


Vip mobile in Serbia

- Subscriber base of 752,600 with 86,000 net adds in 3Q 08
- Market share of 7.9% compared to 7.2% at the end of 2Q 08

Revenues 3Q 08

(EUR million)



Vip operator in Macedonia

- Subscriber base of 250,900 with 41,700 net adds in 3Q 08
- Market share of 11.5% compared to 9.9% at the end of 2Q 08

Financial Overview

Revenue & EBITDA Growth, Higher Interest Costs Weigh on Net Income

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Revenues	1,328.0	1,277.1	4.0%	3,863.8	3,630.9	6.4%
EBITDA	539.9	521.2	3.6%	1,507.6	1,463.6	3.0%
Operating income	261.7	257.8	1.5%	651.6	668.0	-2.5%
Financial result	-50.9	-38.0	33.9%	-151.0	-97.9	54.2%
Income before income taxes	210.8	219.8	-4.1%	500.6	570.1	-12.2%
Income tax expense	-47.9	-46.1	3.9%	-111.7	-118.6	-5.8%
Net income	162.9	173.7	-6.2%	388.9	451.5	-13.9%

Lower Funding Need of Working Capital Supports Free Cash Flow Generation in 3Q 08

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Cash Flow from operations before working capital adjustments	478.3	489.3	-2.2%	1,305.1	1,341.6	-2.7%
Change in working capital	-44.8	-88.0	-49.1%	-199.4	-144.0	38.5%
Ordinary capital expenditures	-184.0	-128.7	42.9%	-534.3	-449.7	18.8%
Free cash flow	249.5	272.6	-8.5%	571.4	747.9	-23.6%

Consolidation of Velcom and Higher Investments in Bulgaria Account for Increase in Capex

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Fixed Net	48.7	64.9	-25.0%	181.2	188.8	-4.0%
Mobile Communication	135.3	63.8	111.9%	353.1	260.9	35.3%
Ordinary capital expenditures	184.0	128.7	42.9%	534.3	449.7	18.8%
Growth projects & acquisitions	5.4	29.4	-81.6%	14.7	194.2	-92.4%
Capex, growth projects & acquisitions	189.4	158.1	19.8%	549.0	643.9	-14.7%
Others investing activities, net	-3.5	-6.2	-43.7%	-17.1	-11.5	48.7%
Purchase Price not yet paid or paid*	-0.5	10.2	-104.9%	-0.5	-2.5	-80.0%
Cash used in investing activities	185.4	162.1	14.4%	531.4	629.9	-15.6%

*incl. cash acquired

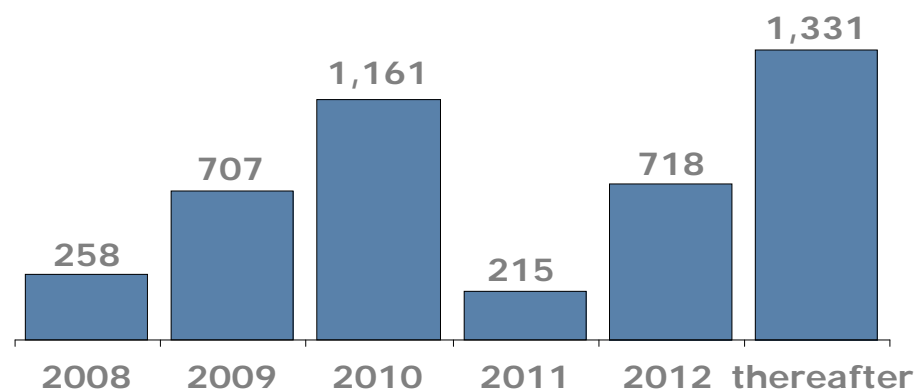
Smaller Asset Base mainly due to Depreciation & Amortization Exceeding Additions

(EUR million)	Sept. 30, 08	Dec. 31, 07	% change
Long-term assets	7,450.8	7,677.5	-3.0%
Current assets	1,319.2	1,326.2	-0.5%
Total assets	8,770.0	9,003.7	-2.6%
Current liabilities	1,972.2	2,557.2	-22.9%
Long-term liabilities	4,103.4	3,881.2	5.7%
Stockholders' equity	2,694.4	2,565.3	5.0%
Liabilities and stockholders' equity	8,770.0	9,003.7	-2.6%
Net Debt	4,170.8	4,407.2	-5.4%
Net Debt/EBITDA (last 12 months)	2.2x	2.4x	-8.3%

Solid Debt Maturity Profile and Sufficient Access to Liquidity

Debt Maturity Profile as of Sept 30, 2008

(EUR million)



Lines of Credit

- Undrawn committed lines of credit amounting to EUR 1.5 bn
- Average life of 4 years
- Provided by 20 Banks

- As of November 12 remaining financing need for 2008 already fully funded
- Free Cash Flow and measures initiated cover financing well into 2010 without need to draw on committed lines of credit
- Undrawn committed lines of credit of EUR 1.5 bn with well diversified portfolio of 20 banks
- EUR 700 million of agreed lines of credit and commercial paper program available

No Evidence of Changes in User Behavior in Eastern & Southeastern Europe

ARPU as % of average salary*

Mobitel
Bulgaria



3.4%

2007

VIPnet
Croatia



1.6%

2007

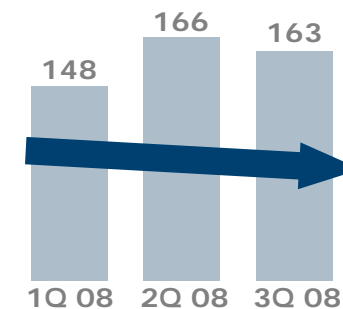
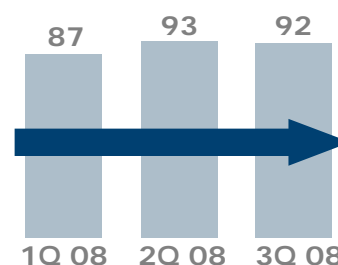
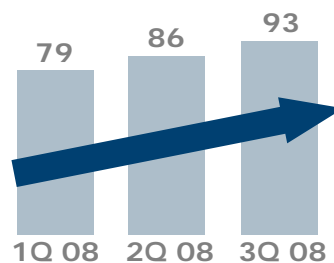
Velcom
Belarus



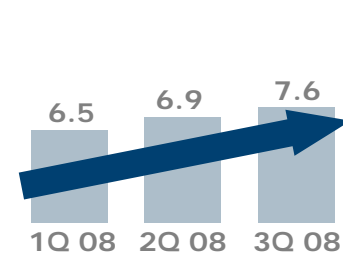
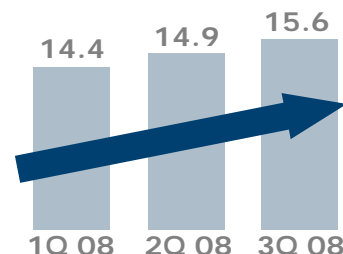
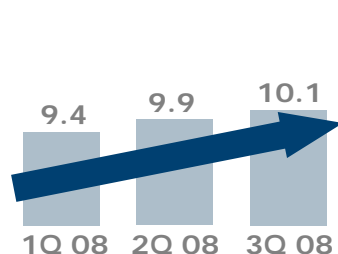
3.2%

2007

Minutes of Use per subscriber



ARPU

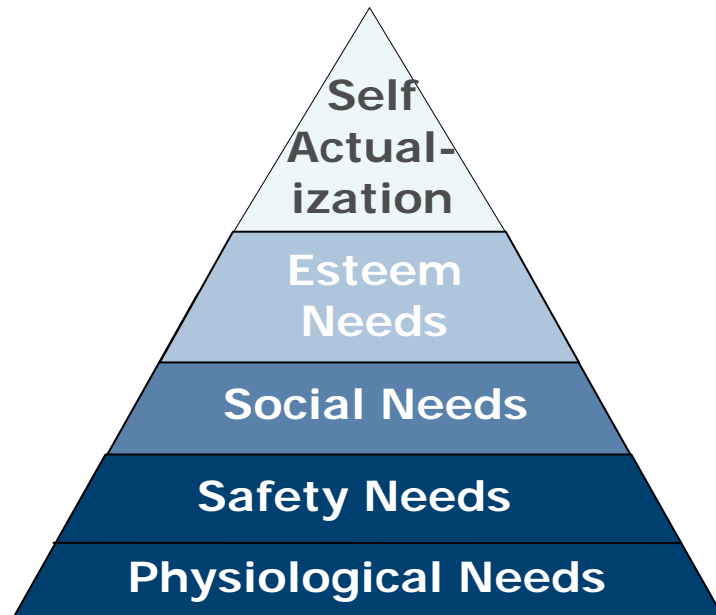


*Source: wiiw, company

Mobile Communication Spending Expected to be Fairly Resilient to Individual Spending Cuts

Maslow's Hierarchy of Needs

Sofia, October 2008



- Communication covers human need for social contact
- Social need closer to basis in the hierarchy of needs
- Spending cuts expected to first effect top layers of hierarchy first especially due to low portion of ARPU of average salary

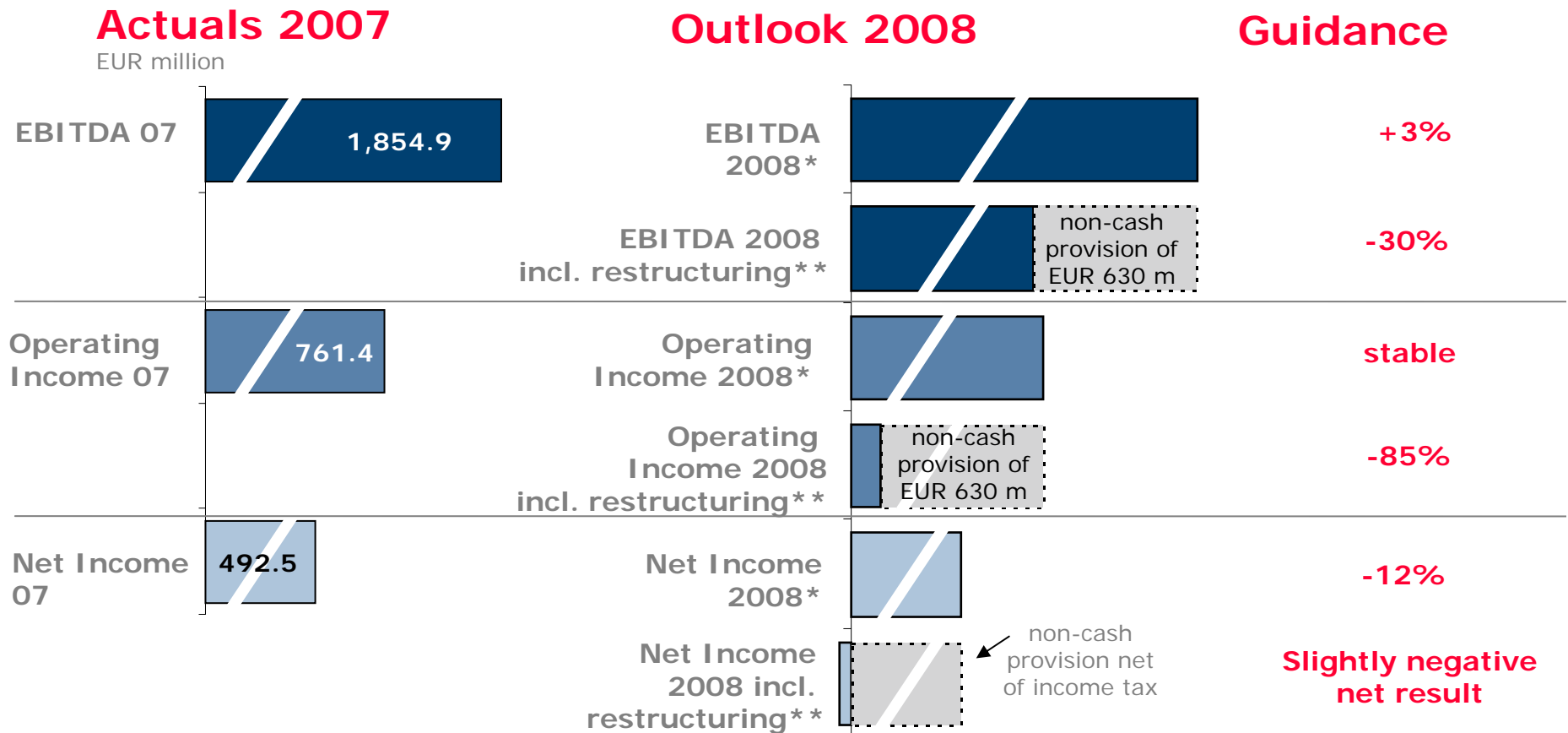
Announced Restructuring Measures Require Non-Cash Provision of approx. EUR 630 mn in 4Q 08

- Shrinking domestic fixed line market and ongoing fixed access line loss make restructuring measures imperative
- Restructuring program consists of non-cash provision for a labour displacement scheme for civil servants, who cannot be laid off and a social plan for employees voluntarily leaving until end of 2009
- Non-cash provision for approx. 1,250 FTE amounts to approx. EUR 630 million and results in estimated 2009E EBITDA savings of EUR 35 million
- Non-cash provision for social plan for approx. 400 FTE amounts to approx. EUR 60 million included in the EUR 630 million non-cash provision
- Restructuring measures will have no impact on planned DPS of 75 Eurocent for 2008 despite impact on reported results in FY 2008

Outlook

Outlook 2008 for Operating Business Reiterated Despite Impact of Non-Cash Provision on Reported Results

Restructuring measure require non-cash provision, but do not impact operating performance of the Telekom Austria Group



* Operating performance excluding impact from non-cash provision for restructuring measures

** Including restructuring measures e.g. non-cash provision of EUR 630 m for future personnel expenses for redundant workforce and for a social plan

Telekom Austria Group Reiterates Outlook 2008 for Operating Business incl. DPS Guidance of 75c

Outlook 2008	Expected Reported Results Including Restructuring Program	Expected Operating Performance reiterated as of Nov 10, 08
Group		
Revenues	5%	5%
EBITDA	-30%	3%
Operating income	-85%	Stable
Net income	Slightly negative net result	-12%
Operating Free Cash Flow	10%	10%
Capital Expenditures	-5%	-5%
Fixed Net		
Revenues	-3%	-3%
EBITDA	Slightly negative EBITDA	-12%
Mobile Communications		
Revenues	10%	10%
EBITDA	10%	10%

Appendix

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. The national regulatory authority resumed the proceedings, which were effected by the courts decision. We anticipate the new decision by the end of Q1/2009.

Next Generation Networks: The Commission has recently published its recommendation on next generation access and launched a public consultation open until November 14, 2008. The recommendation addresses issues of geographical segmentation and access to basic facilities including ducts. It amends the current framework and contradicts partly the terms adopted by the European Parliament has adopted in its first reading for the next legal framework on the subject of investments (e.g.: risk-sharing agreements, proportionality of remedies). On a national level especially access issues remain under discussion.

Regulatory Issues – Key Aspects (2)

Review of the Regulatory Electronic Communication Framework: The European Parliament has adopted in its first reading the proposals that are now subject to agreement of the Council of Telecoms Ministers. The provision to apply functional separation of networks under certain terms as a means 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.

Unbundling of the Local Loop: At present, the tariff for the monthly rental of Telekom Austria's local loop is subject to a national public consultation. In a decision as of end of October 2008 the National Regulatory Authority mandated Telekom Austria to lower its monthly ULL charges from EUR 10.44 to EUR 9.33. Following the KombiPaket offer (Nov.07-Jan.08) 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)

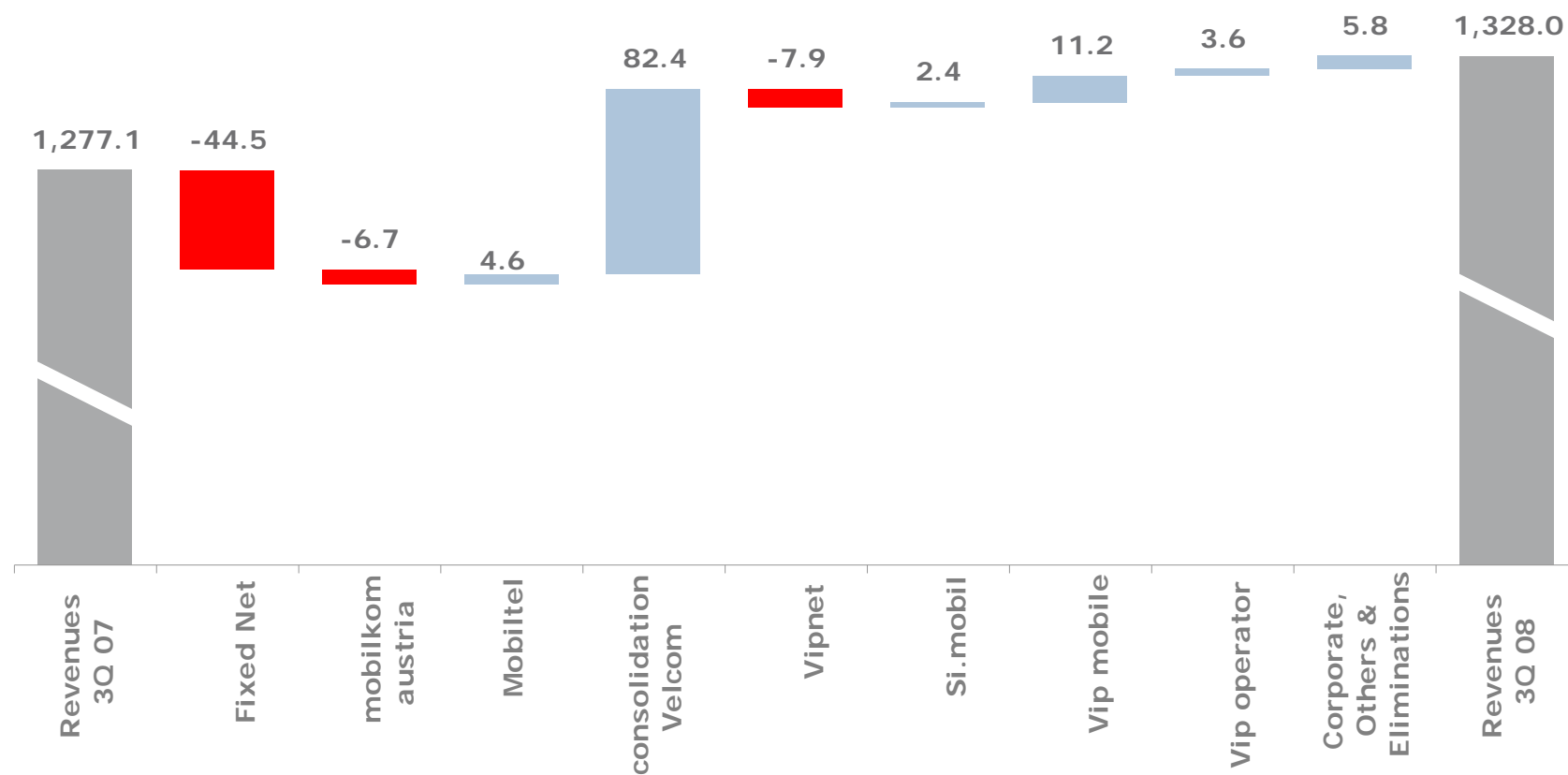
International roaming charges: As of end of September 2008 the EU-Commission filed its draft proposal to the EU Parliament and the Council to extend the existing roaming regulation. The proposal calls for:

- Extension of the voice roaming regulation at both wholesale and retail level until 2013.
- Per-second billing both at wholesale and retail level, except for 30/1 pulsing for outgoing calls at retail level.
- Wholesale and retail price caps for SMS. Wholesale cap at 4 Cents, retail cap at 11 Cents.
- Introduction of transparency measures for data roaming: By July 1, 2010 customers should be allowed to specify a “cut-off limit” for their outstanding data roaming charges.
- Introduction of a wholesale price cap for data roaming services of 1 Euro starting from July 1, 2009.

Development of Revenues 3Q 08 vs. 3Q 07

Revenues

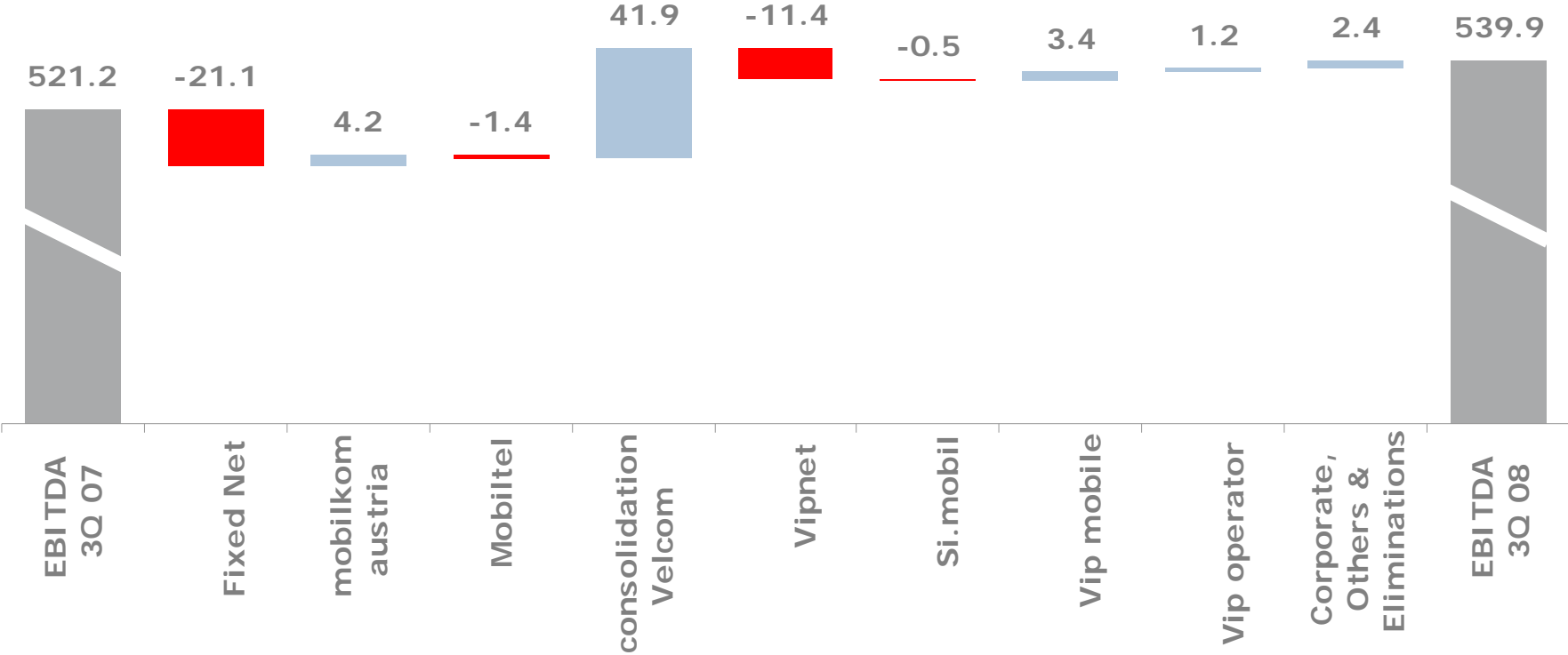
(EUR million)



Development of EBITDA 3Q 08 vs. 3Q 07

EBITDA

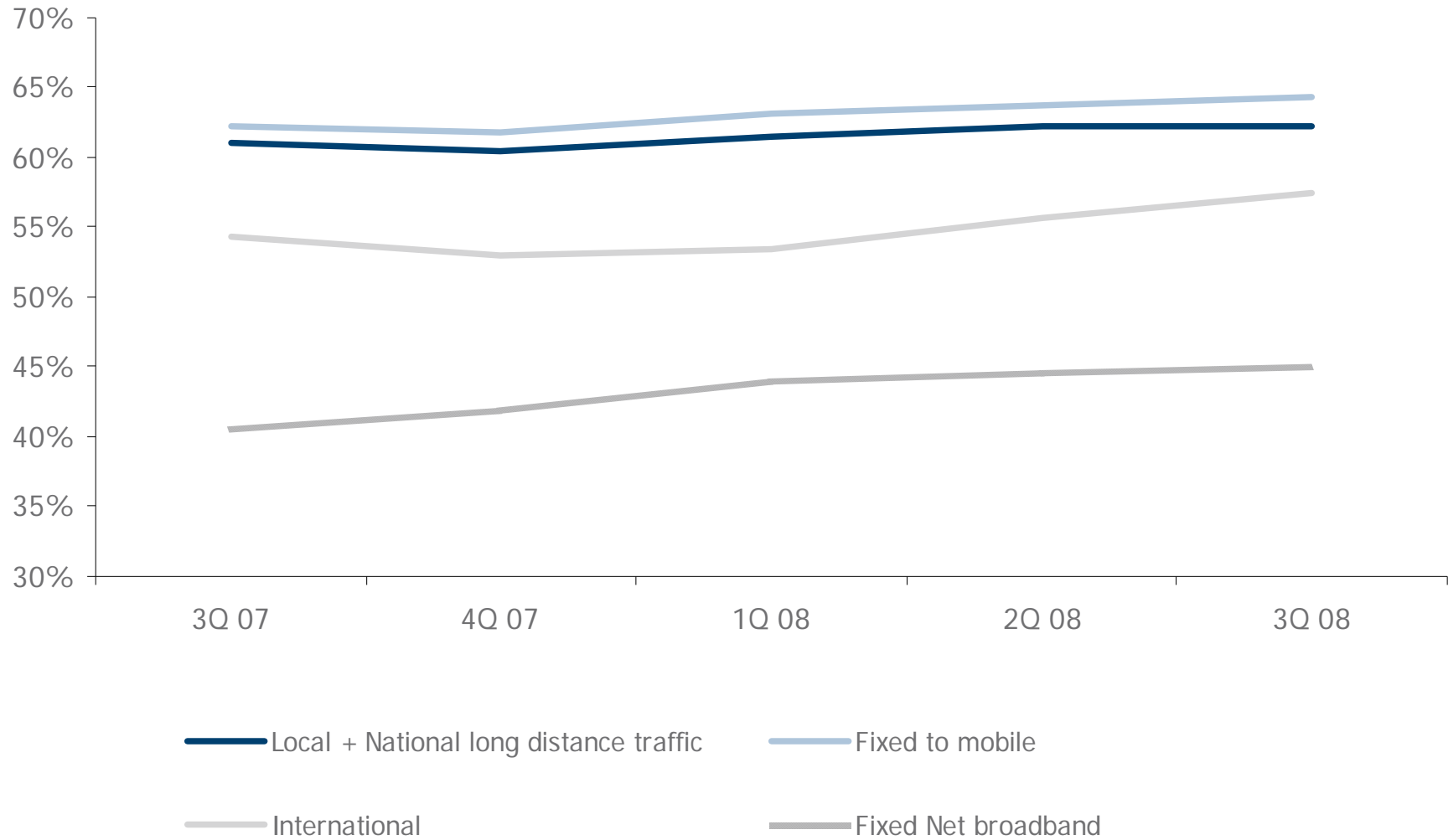
(EUR million)



Fixed Net - Access Lines

(in 000)	3Q 08	3Q 07	% change
PSTN access lines	1,953.4	2,071.4	-5.7%
Basic ISDN access lines	335.7	369.3	-9.1%
Multi ISDN access lines	6.4	6.8	-5.2%
Naked broadband lines	43.7	34.5	26.7%
Total access lines in service	2,339.2	2,482.0	-5.8%
of these broadband access lines	835.3	722.1	15.7%
thereof broadband wholesale lines	68.9	95.4	-27.7%
(in 000)	3Q 08	3Q 07	% change
Total access channels in service	2,860.9	3,047.2	-6.1%
(in 000)	3Q 08	3Q 07	% change
Fixed Net broadband net adds	8.9	-1.6	-
Unbundled lines	297.8	272.8	9.2%

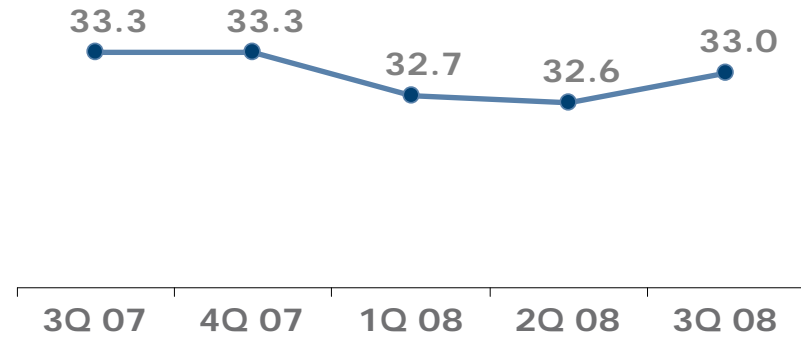
Fixed Net – Voice & Broadband Market Shares



Fixed Net Broadband

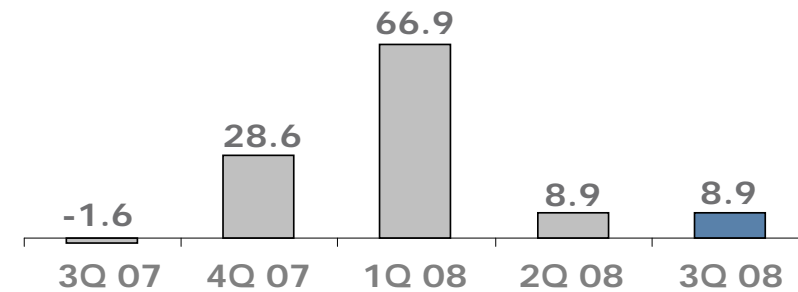
Average Revenues per Access Line

(in EUR)



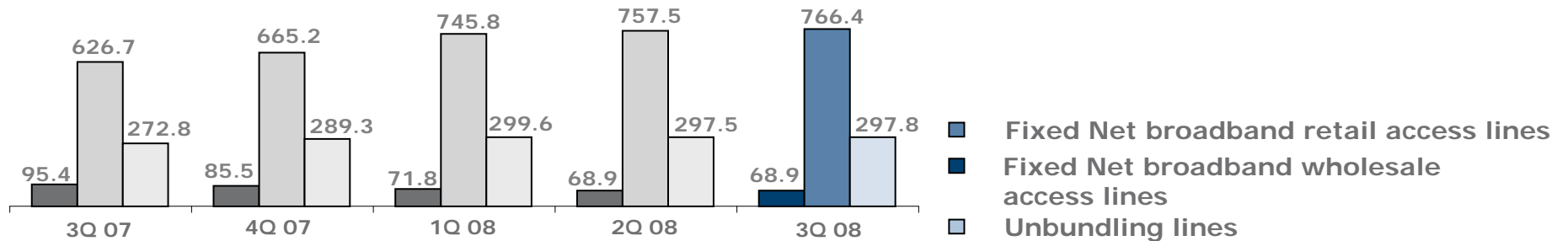
Fixed Net Broadband Net Adds incl. Wholesale

(in 000)



Fixed Broadband Access Lines









(in 000)



Fixed Net - Minutes and Average Tariffs

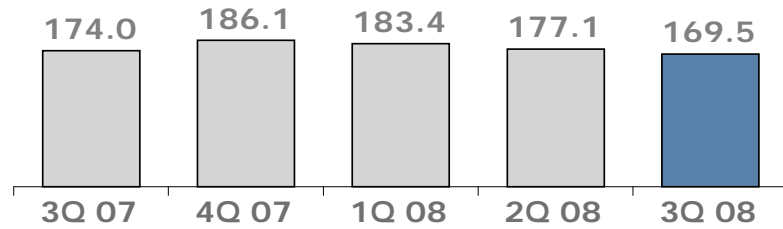
(in million minutes)	3Q 08	3Q 07	% change
National	635	736	-13.7%
Fixed-to-mobile	180	191	-6.1%
International	100	108	-7.9%
Total voice minutes	914	1,036	-11.7%
Internet dial-up	72	167	-56.9%
Total Fixed Net minutes	987	1,203	-18.0%
(Average tariffs in EUR)	3Q 08	3Q 07	% change
National	0.042	0.042	-0.9%
Fixed-to-mobile	0.164	0.167	-1.6%
International	0.173	0.179	-3.1%
Total voice average tariff	0.079	0.079	0.5%
(in million minutes)	3Q 08	3Q 07	% change
National wholesale	1,712	1,873	-8.6%
International wholesale	1,159	891	30.1%
Total wholesale minutes	2,872	2,764	3.9%

Mobile Subscribers

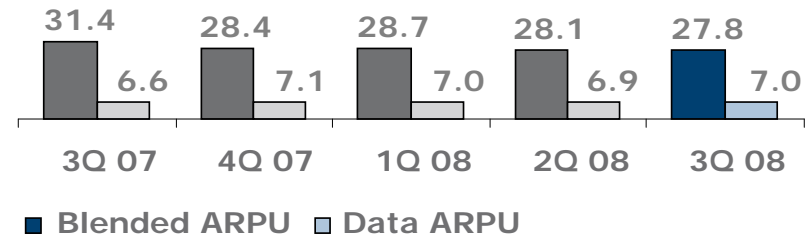
	(in 000)	3Q 08	3Q 07	% change
	Austria	4,355.8	3,853.7	13.0%
	Market share	42.5%	40.3%	
	Bulgaria	5,193.7	4,813.7	7.9%
	Market share	49.9%	50.3%	
	Belarus	3,525.0	-	n.a.
	Market share	44.7%	-	
	Croatia	2,372.0	2,077.0	14.2%
	Market share	42.3%	43.2%	
	Slovenia	552.2	479.9	15.1%
	Market share	27.5%	26.7%	
	Republic of Serbia	752.6	-	n.a.
	Market share	7.9%	-	
	Republic of Macedonia	250.9	-	n.a.
	Market share	11.5%	-	
	Liechtenstein	5.6	5.2	7.7%
	Market share	18.9%	18.0%	
	Mobile Communication	17,007.8	11,229.5	51.5%

Operational Data – mobilkom austria

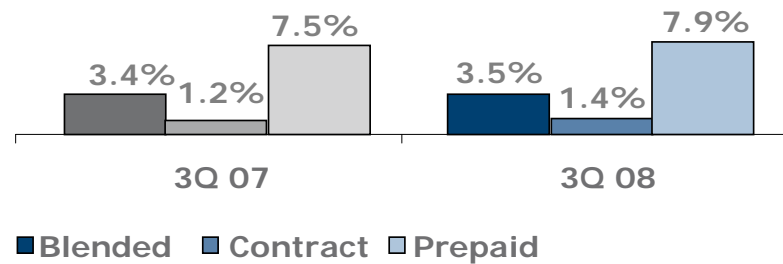
MoU per Subscriber (in minutes)



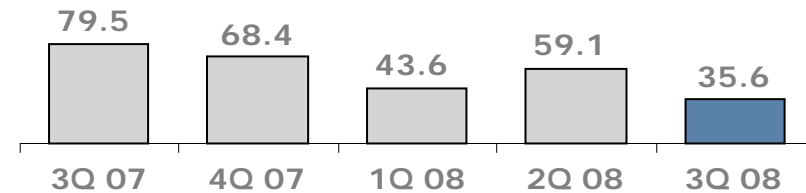
ARPU & Data ARPU (in EUR)



Quarterly Churn



SAC per Gross Add* (in EUR)

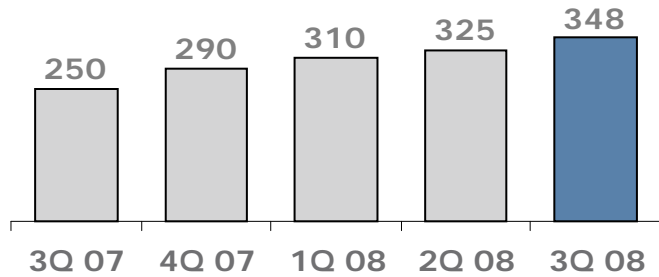


* Subscriber acquisition cost

Mobile Data - mobilkom austria

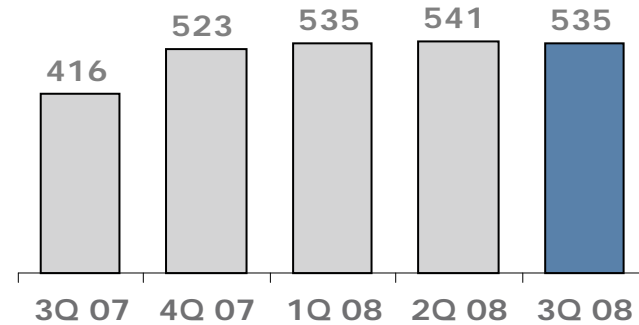
Mobile Broadband Customers

(in 000)



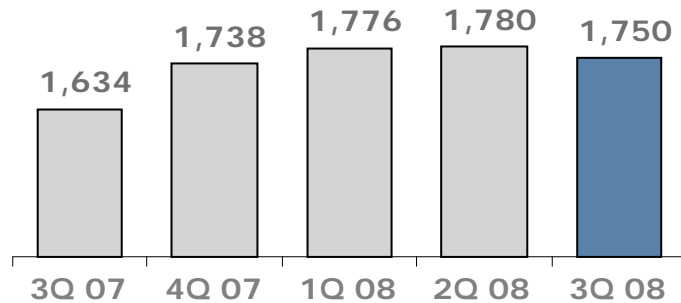
Number of SMS

(in million)

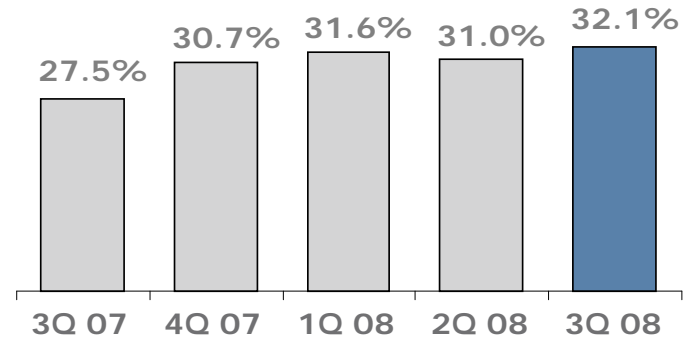


Vodafone Live! Customers

(in 000)



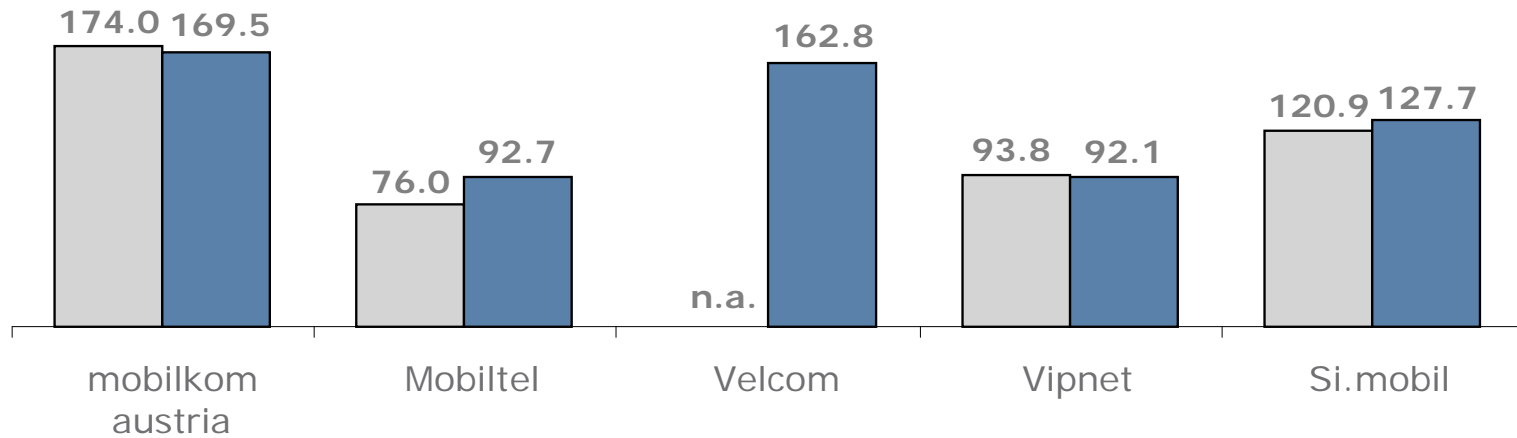
Data in % of Revenues*



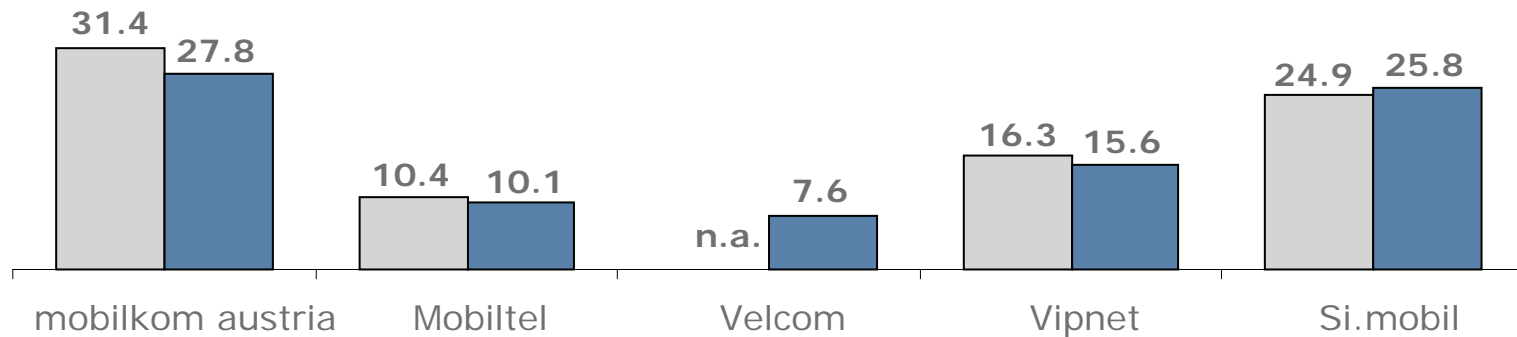
* Traffic related revenues

ARPU & MoU per Subscriber – Mobile Communication

MoU per Subscriber
(in minutes)



ARPU
(in EUR)



Headcount* Development

<u>(average period)</u>	3Q 08	3Q 07	change
Fixed Net	9,371	9,737	-366
Mobile Communciation	8,311	6,444	1,867
Telekom Austria Group	17,682	16,182	1,500
<u>(end of period)</u>	3Q 08	3Q 07	change
Fixed Net	9,337	9,732	-395
Mobile Communciation	8,368	6,495	1,873
Telekom Austria Group	17,705	16,227	1,478

* Full-time-equivalents

Fixed Net - Revenue Breakdown

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Switched voice base traffic	79.2	88.9	-10.9%	242.1	261.2	-7.3%
Switched voice monthly & other voice revenues	110.9	116.9	-5.1%	344.6	359.1	-4.0%
Payphones & VAS	10.7	11.6	-7.8%	31.7	34.3	-7.6%
Wholesale data & IT-solutions	110.8	110.5	0.3%	343.2	321.1	6.9%
Internet access & media	58.7	74.0	-20.7%	180.2	215.2	-16.3%
Wholesale voice & Internet	100.3	107.3	-6.5%	314.9	308.5	2.1%
Other	26.3	32.2	-18.3%	84.0	86.2	-2.6%
Fixed Net revenues	496.9	541.4	-8.2%	1,540.7	1,585.6	-2.8%

Fixed Net – Expense Breakdown

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Material expense	20.1	19.6	2.6%	67.3	54.7	23.0%
Employee costs	125.9	128.9	-2.3%	416.4	401.0	3.8%
Depreciation, amortization and impairment charges	118.6	129.6	-8.5%	378.0	411.2	-8.1%
Interconnection	84.1	103.2	-18.5%	260.0	275.8	-5.7%
Maintenance and repairs	28.4	27.7	2.5%	79.1	75.6	4.6%
Services received	20.7	20.1	3.0%	61.9	47.4	30.6%
Other support services	22.8	20.3	12.3%	78.7	61.7	27.6%
Other	40.7	48.8	-16.6%	141.5	144.0	-1.7%
Fixed Net expenses	461.3	498.2	-7.4%	1,482.9	1,471.4	0.8%

Mobile Communication - Revenue Breakdown

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Traffic revenues	435.6	376.7	15.6%	1,226.8	1,074.6	14.2%
Monthly rental	192.5	154.2	24.8%	561.6	437.2	28.5%
Equipment	70.4	69.8	0.9%	185.6	193.1	-3.9%
Roaming	62.5	86.2	-27.5%	152.5	200.5	-23.9%
Interconnection	130.3	109.8	18.7%	367.5	325.1	13.0%
Other	15.1	13.3	13.5%	43.6	41.3	5.6%
Discounts	-10.7	-4.7	127.7%	-31.1	-32.9	-5.5%
Mobile Communication revenues	895.7	805.3	11.2%	2,506.5	2,238.9	12.0%

Mobile Communication – Expense Breakdown

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Material expense	89.3	88.5	0.9%	244.1	236.9	3.0%
Employee costs	66.2	56.3	17.6%	192.8	170.2	13.3%
Depreciation, amortization and impairment charges	159.7	133.9	19.3%	478.3	384.7	24.3%
Interconnection	105.6	95.0	11.2%	301.9	261.4	15.5%
Repairs	22.6	18.5	22.2%	59.1	51.9	13.9%
Services received	80.4	78.9	1.9%	226.7	225.0	0.8%
Other support services	8.7	8.3	4.8%	26.8	22.3	20.2%
Other	153.0	131.0	16.8%	456.2	368.4	23.8%
Mobile Communication expenses	685.5	610.4	12.3%	1,985.9	1,720.8	15.4%

Revenues by Segment

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Fixed Net revenues	496.9	541.4	-8.2%	1,540.7	1,585.6	-2.8%
Mobile Communication revenues	895.7	805.3	11.2%	2,506.5	2,238.9	12.0%
Corporate, Other & Eliminations	-64.6	-69.6	-7.2%	-183.4	-193.6	-5.3%
Operating revenues Telekom Austria Group	1,328.0	1,277.1	4.0%	3,863.8	3,630.9	6.4%

EBITDA and Operating Income by Segment

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Fixed Net EBITDA	165.7	186.8	-11.3%	478.3	568.8	-15.9%
Mobile Communication EBITDA	378.9	339.0	11.8%	1,045.0	919.6	13.6%
Corporate, Other & Eliminations	-4.7	-4.6	2.2%	-15.7	-24.8	-36.7%
EBITDA Telekom Austria Group	539.9	521.2	3.6%	1,507.6	1,463.6	3.0%

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Fixed Net operating income	47.1	57.3	-17.8%	100.3	157.6	-36.4%
Mobile Communication operating income	219.2	205.0	6.9%	566.7	534.9	5.9%
Corporate, Other & Eliminations	-4.6	-4.5	2.2%	-15.4	-24.5	-37.1%
Operating income Telekom Austria Group	261.7	257.8	1.5%	651.6	668.0	-2.5%

Capital Expenditures by Segment

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Fixed Net tangible	40.8	57.6	-29.2%	141.6	166.1	-14.8%
Mobile Communication tangible	100.3	67.4	48.8%	274.1	250.8	9.3%
Tangible	141.1	125.0	12.9%	415.7	416.9	-0.3%
Fixed Net intangible	7.9	7.3	8.2%	39.6	22.7	74.4%
Mobile Communciation intangible	35.0	25.8	35.7%	79.0	95.2	-17.0%
Intangible	42.9	33.1	29.6%	118.6	117.9	0.6%
Total Capex Telekom Austria Group	184.0	158.1	16.4%	534.3	534.8	-0.1%

(EUR million)	3Q 08	3Q 07	% change	1-9M 08	1-9M 07	% change
Mobile Communication tangible						
mobilkom austria	21.2	17.8	19.1%	78.7	88.2	-10.8%
Mobiltel	30.9	15.5	99.4%	60.5	50.7	19.3%
Velcom	12.1	-	n.a.	23.8	-	n.a.
Vipnet	13.4	17.7	-24.3%	44.9	42.1	6.7%
Si.mobil	3.4	3.0	13.3%	9.0	13.5	-33.3%
Vip mobile	20.9	-	n.a.	56.0	-	n.a.
Vip operator	3.0	-	n.a.	8.1	-	n.a.

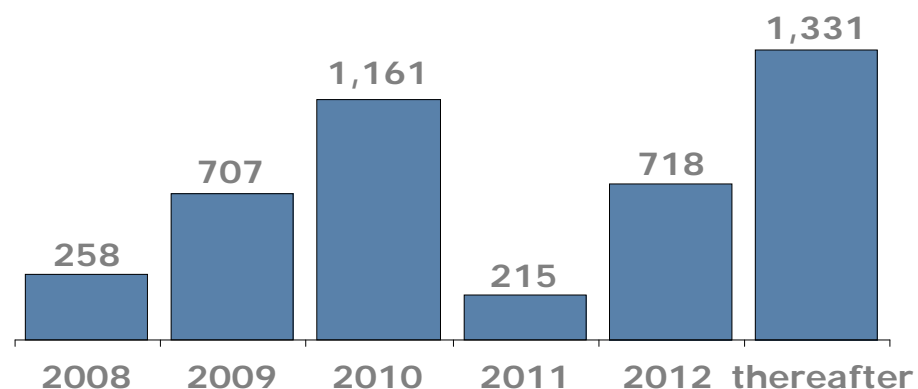
Net Debt - Telekom Austria Group

(EUR million)	Sep 30, 2008	Dec 31, 2007	% change
Long-term debt	3,605.3	3,389.3	6.4%
Short-term debt	784.5	1,236.1	-36.5%
- Short-term portion of capital and cross border lease obligations	-30.3	-8.7	-
+ Capital lease obligations	1.0	1.0	-3.8%
Cash and cash equivalents, short-term and long term investments, financing with related parties	-188.9	-230.4	-18.0%
Derivate financial instruments for hedging purposes	-0.8	19.9	-
Net Debt of Telekom Austria Group	4,170.8	4,407.2	-5.4%
Net Debt/ EBITDA (last 12 months)	2.2x	2.4x	-
EBITDA (last 12 months)	1,898.9	1,854.9	2.4%

Solid Debt Maturity Profile and Sufficient Access to Liquidity for 2008

Debt Maturity Profile as of Sept 30, 2008

(EUR million)



Lines of Credit

- Undrawn committed lines of credit amounting to EUR 1.5 bn
- Average life of 4 years
- Provided by 20 Banks

Ratings:

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

Ratio:

- Net Debt / EBITDA (last 12 months): 2.2x

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 2008 - 2012