

# Telekom Austria Group Results for the Financial Year and 4Q 2009

Vienna, February 24, 2010

# 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
- Merger of Domestic Operations

# Key Developments

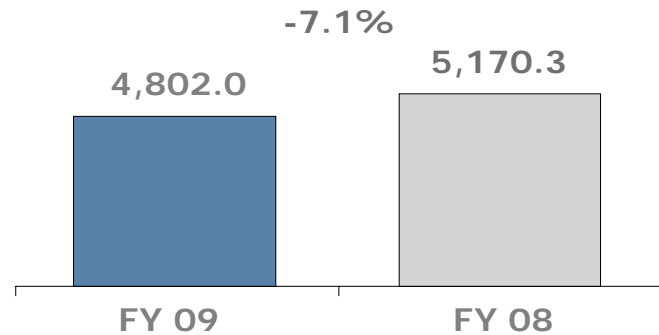
# Telekom Austria Group – Full Year 2009

- Mobile Communication customer base grew by 6.4% to 18.9 million customers despite a difficult economic environment
- Increase in access lines in the Fixed Net segment during 4Q 09 for the first time in more than a decade
- Revenues declined by 7.1% to EUR 4.8 bn driven by lower Fixed Net revenues, FX movements and lower prices in the Mobile Communication segment
- 2009 outlook for operating free cash flow of EUR 1.1 bn achieved as Capex cuts compensates for lower EBITDA on a like-for-like basis
- Successful cost reduction in both segments reduces operating expenses and softens impact of lower revenues on EBITDA
- Based on full year results 2009, Management Board proposes dividend of EUR 0.75
- Merger of domestic operations creates considerable customer advantage and meets increasing demand for convergent products

# Telekom Austria Group - Full Year 2009 Operating Performance

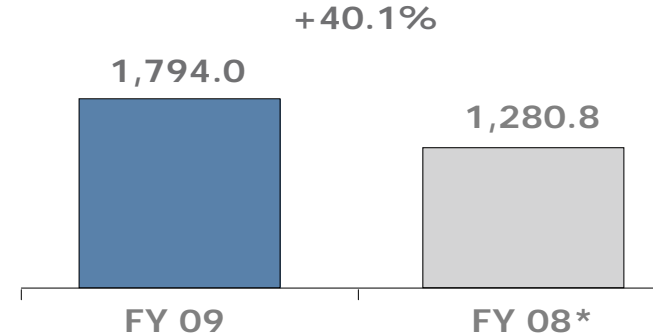
## Revenues

(EUR million)



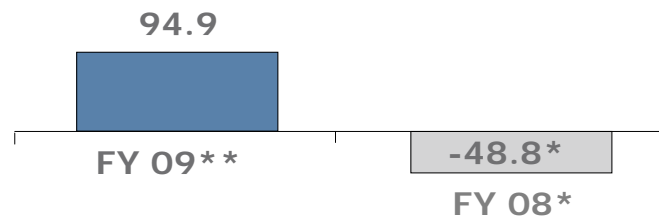
## EBITDA

(EUR million)



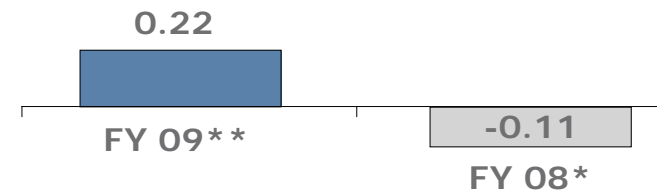
## Net Income/Loss

(EUR million)



## Earnings/Loss per Share

(EUR)



\*EUR 632.1 mn restructuring charge took effect in 4Q 08

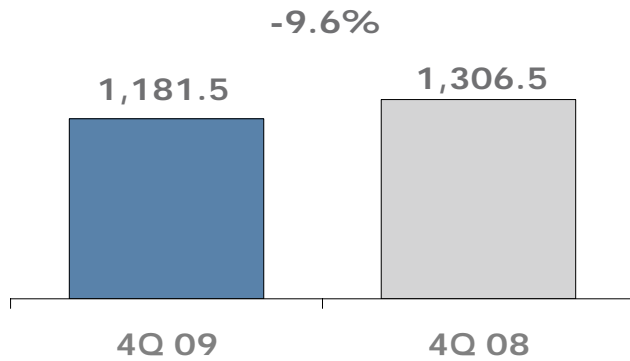
\*\*EUR 352.0 mn impairment charge took effect in 3Q 09

Results for the Financial Year 2009

# Telekom Austria Group - Fourth Quarter 2009 Operating Performance

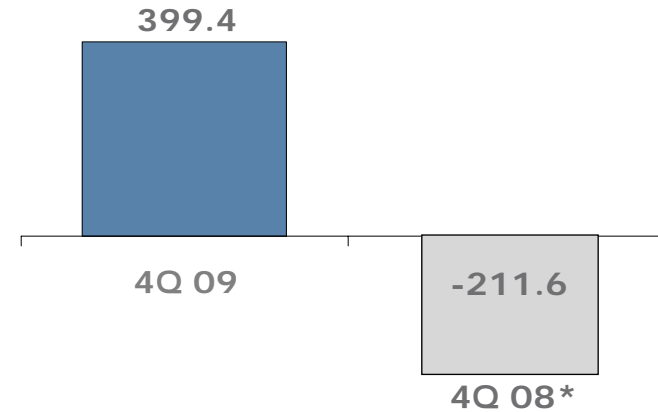
## Revenues

(EUR million)



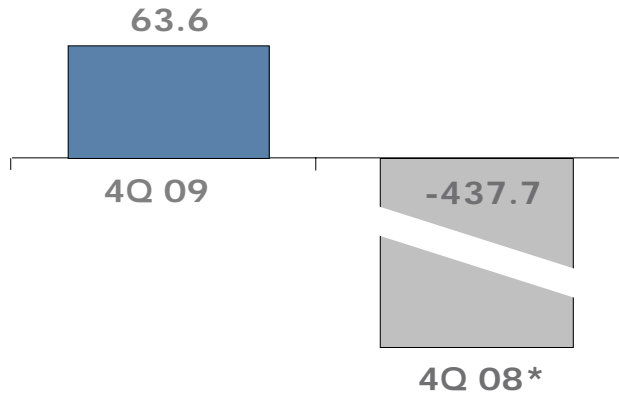
## EBITDA

(EUR million)



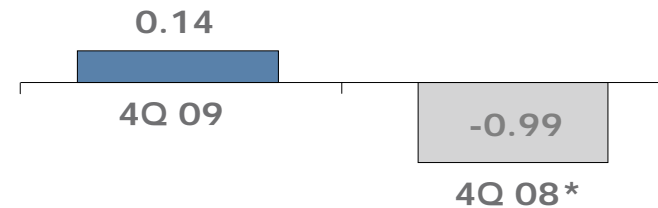
## Net Income/Loss

(EUR million)



## Earnings/Loss per Share

(EUR)



\*EUR 632.1 mn restructuring charge took effect in 4Q 08

Results for the Financial Year 2009

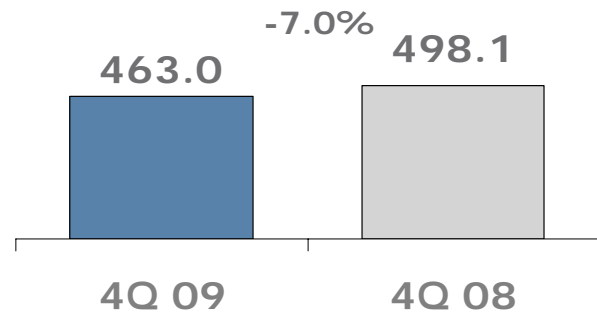
# Fixed Net



# Successful Cost Reduction Softens Impact of Lower Revenues on EBITDA

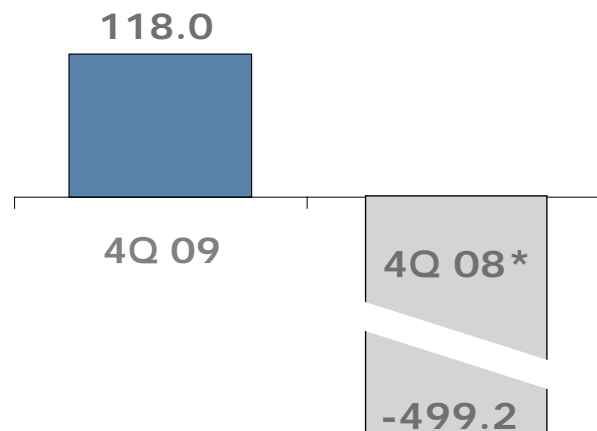
## Revenues

(EUR million)



## EBITDA

(EUR million)



- Fixed Net broadband line subscribers grew by 15.5% and exceeded the 1.0 mn customer mark at the end of December 09
- Revenues declined by 7.0% due to lower voice volumes and the disposal of Fixed Net subsidiaries in the Czech Republic and in Slovakia in 4Q 2008
- Ongoing strict cost management resulted in a decline of operating expenses by EUR 14.8 mn on a like-for-like basis
- EBITDA declined by 11.2% compared to 4Q 08 on a like-for-like basis

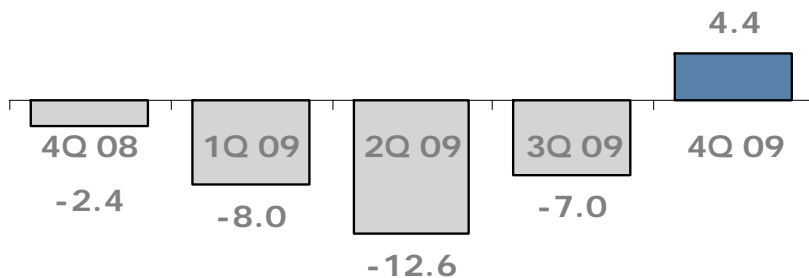
\*EUR 632.1 mn restructuring charge took effect in 4Q 08

Results for the Financial Year 2009

# Access Line Net Adds for the First Time in a Decade in 4Q 09

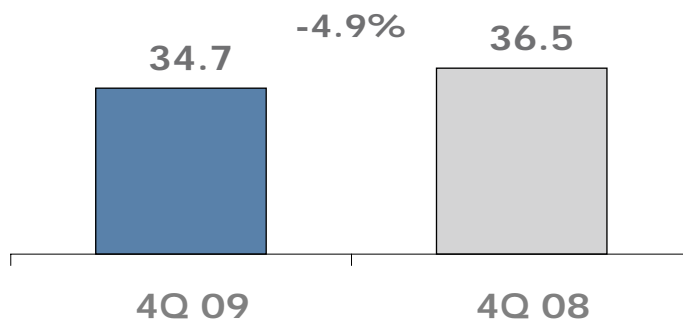
## Line Loss / Gain

(in 000)



## Average Revenues per Access Line

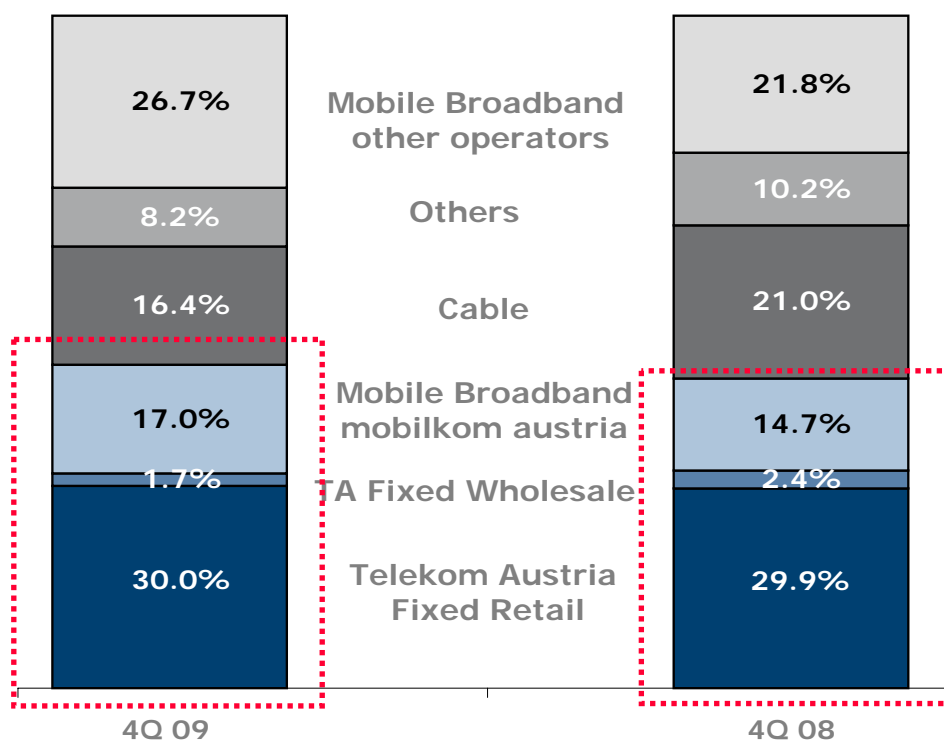
(in EUR)



- Access line net adds in 4Q 09 due to successful marketing of product bundles
- Access line loss decelerated on a year on year basis
- Average revenues per access line declined by 4.9% mainly due to lower voice volumes
- aonTV subscriber base grew by 58.8% to 101,300 customers in 4Q 09
- aonTV is available in 77% of all households in Austria

# Telekom Austria Group Increases Combined Broadband Market Share by 1.7%-Points

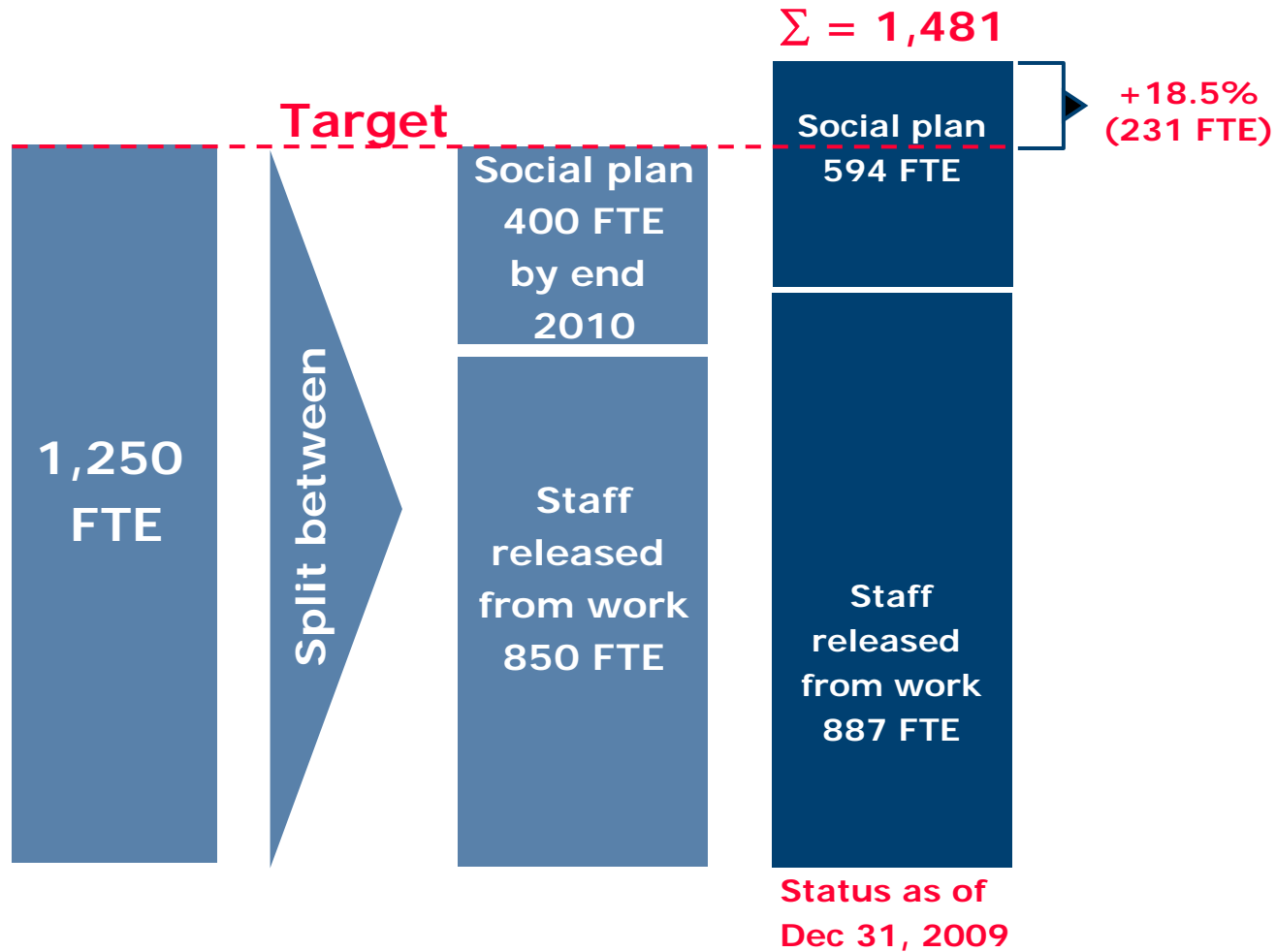
## Broadband Market Shares



 Combined Market Share

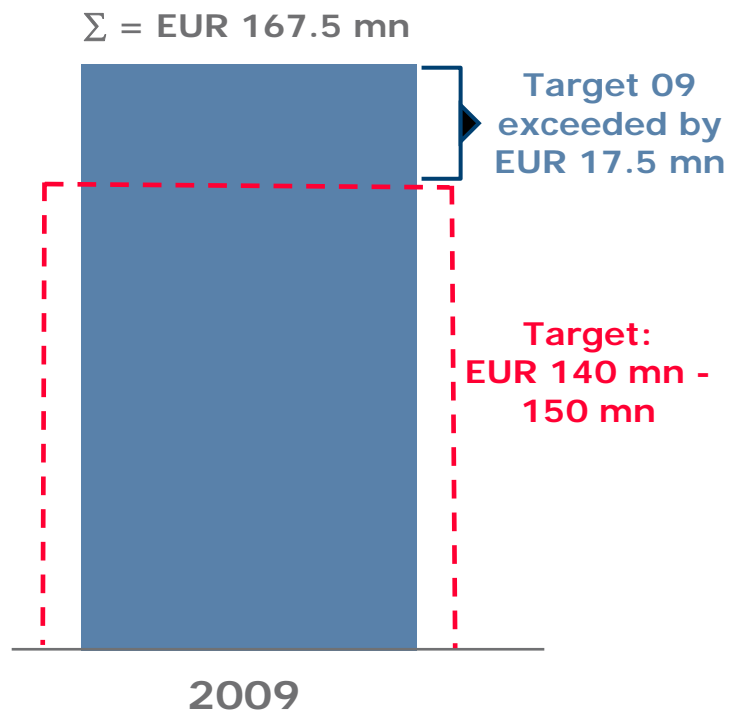
- The market share of Fixed Net retail broadband is stable at 30.0%
- Telekom Austria Group has a total market share of 48.7% in the Austrian broadband market
- Strong competition in the mobile broadband market remains
- Today ADSL covers 98% of all Austrian households

# Original Restructuring Target Exceeded



# Cost Cutting Program exceeded

## Cost savings 2009



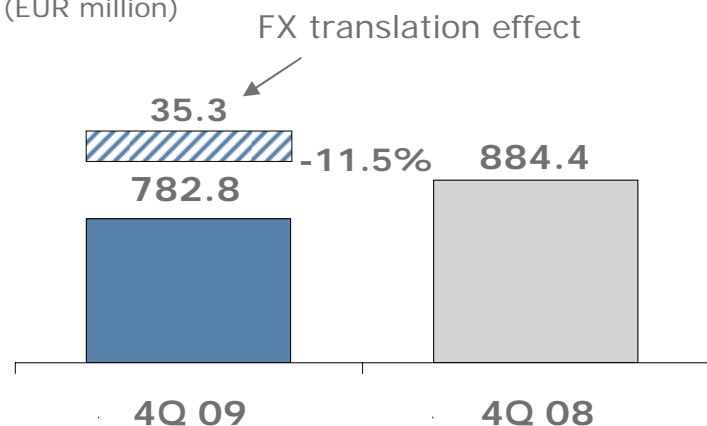
- In 2008, Telekom Austria started a cost cutting program with the intention to save EUR 140 mn to EUR 150.0 mn in 2009
- Cost cutting program was outperformed by EUR 17.5 mn
- Already in 2008 when the program was first started, at total cost saving of EUR 45.5 mn could be achieved
- In total, Telekom Austria saved EUR 213.0 mn in a two-year period

# Mobile Communication

# Mobile Communication: Increasing EBITDA-Margin Due to Cost Savings

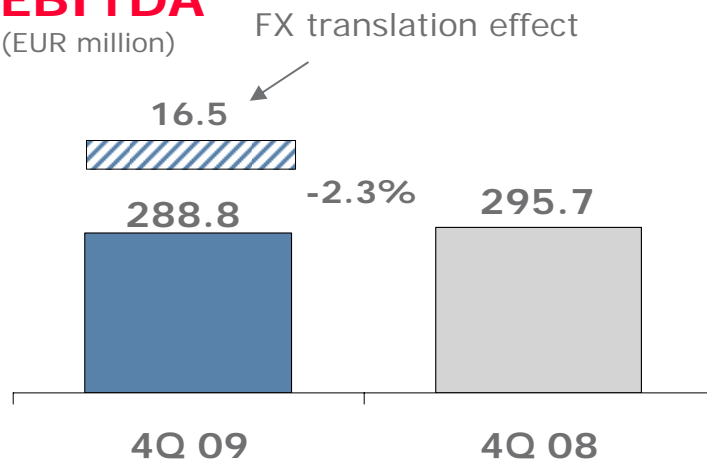
## Revenues

(EUR million)



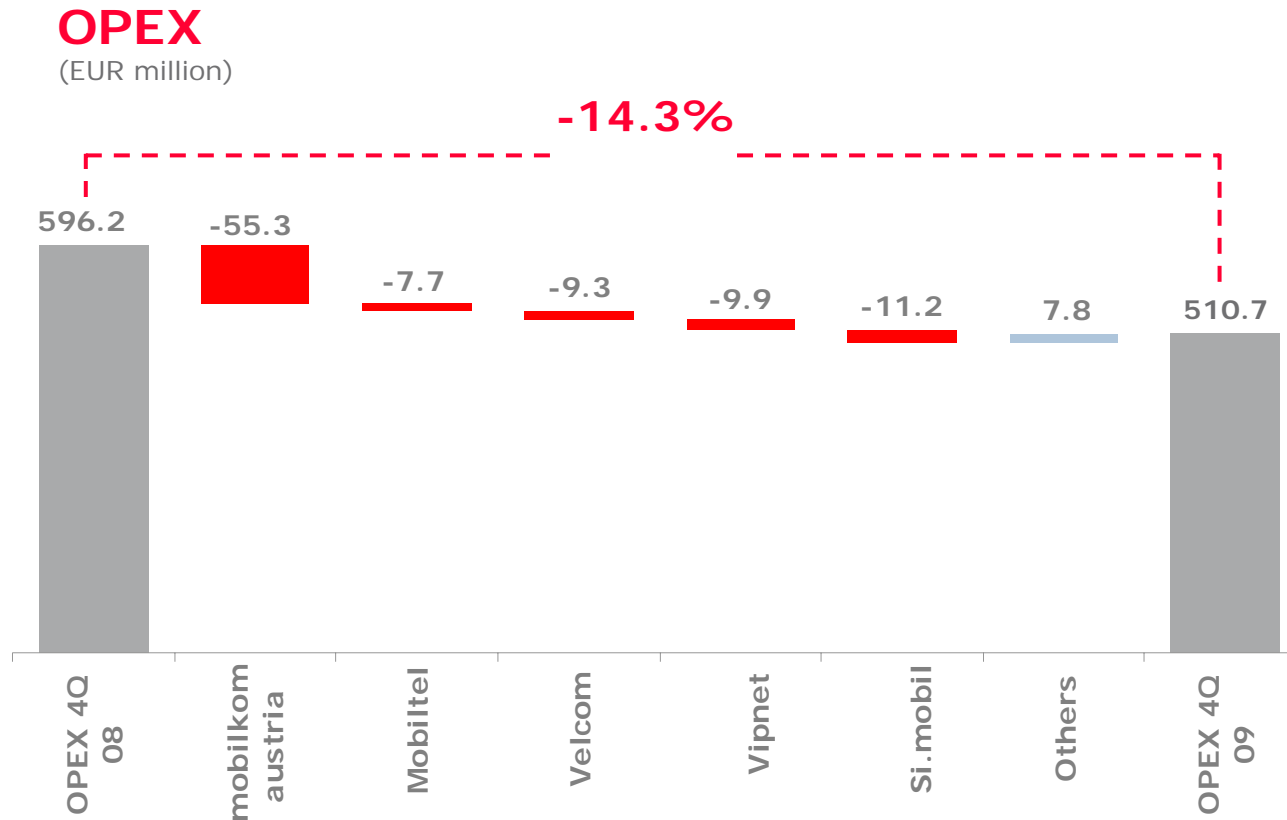
## EBITDA

(EUR million)



- Mobile Communication's subscriber base grew by 6.4% to 18.9 mn customers
- Revenues declined because of lower prices for voice, data and termination as well as lower roaming rates
- Operating expenses decreased by 14.3% due to strict cost management
- EBITDA margin was 36.9% and 3.5 percentage points higher compared to 4Q 08

# Successful Cost Cutting Program Introduced Across all Mobile Communication Operations

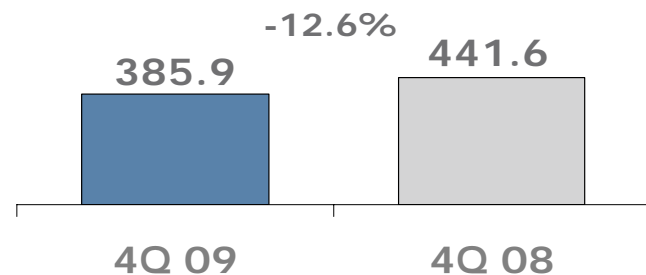




# mobilkom austria Showed EBITDA Growth and Higher EBITDA Margin

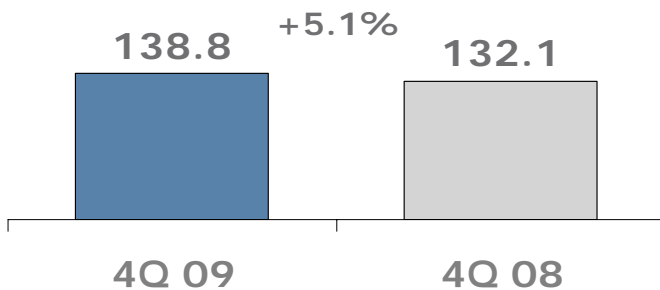
## Revenues

(EUR million)



## EBITDA

(EUR million)

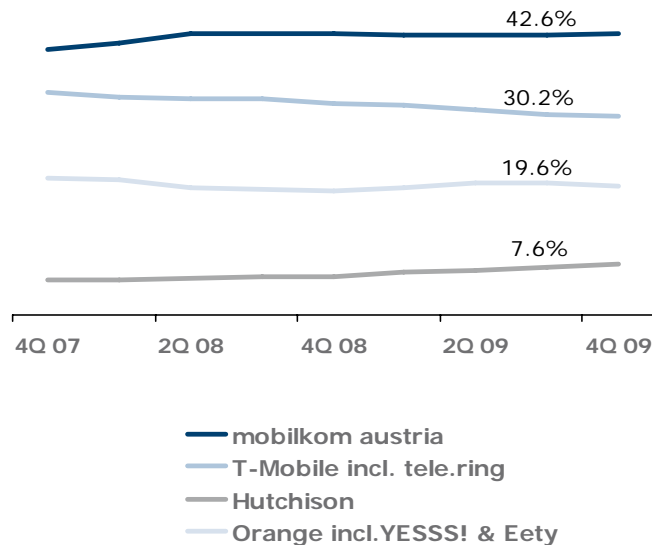


- Challenging and competitive market environment in Austria remains
- mobilkom austria's customer base grew by 7.5% to 4.8 mn subscribers
- Lower roaming and interconnection tariffs impacted revenues
- Operating expenses declined by 17.4% due to successful cost cutting
- EBITDA margin hit 36.0% and EBITDA increased by 5.1%

# mobilkom austria Continues to Grow Mobile Broadband Subscriber Base

## Market Shares

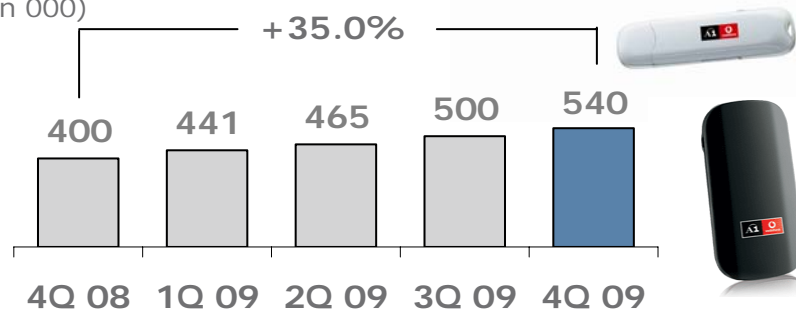
As of Dec 2009



- Leading market position with slightly increased market share from 42.5% to 42.6%
- Mobile broadband subscriber base grew by 35.0% to 540,000
- Growth was due to successful multi-brand strategy and attractive netbook and smartphone offers

## Mobile Broadband Subscribers

(in 000)

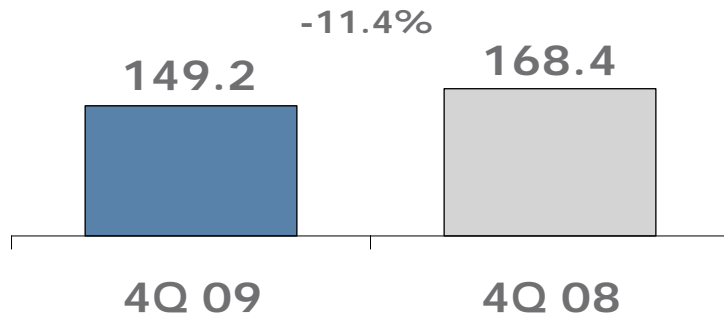


- Data revenues as a percentage of traffic-related revenues rose from 33.9% to 38.9% in 4Q 09

# Bulgaria: Successful Cost Savings Softened Pressure on Revenues

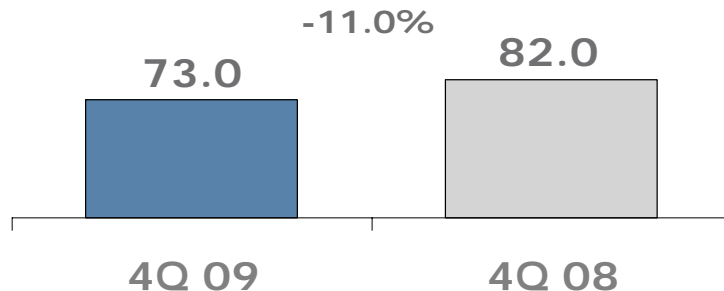
## Revenues

(EUR million)



## EBITDA

(EUR million)

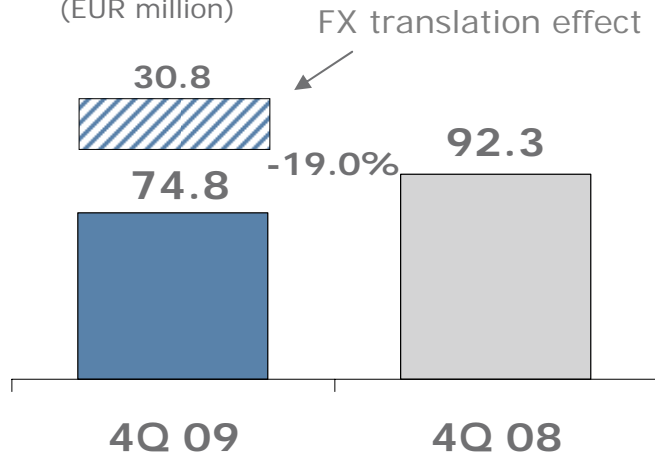


- Mobilitel's customer base remained almost stable at 5.3 mn subscribers
- 4Q 09 revenues were impacted by reduction of MTRs, roaming regulation, competitive environment and economic crisis
- Operating expenses declined by 8.8% and protected EBITDA margin
- EBITDA margin increased slightly to 48.9% in 4Q 09

# Belarus: Strong EBITDA and Revenues Growth on a like-for-like basis

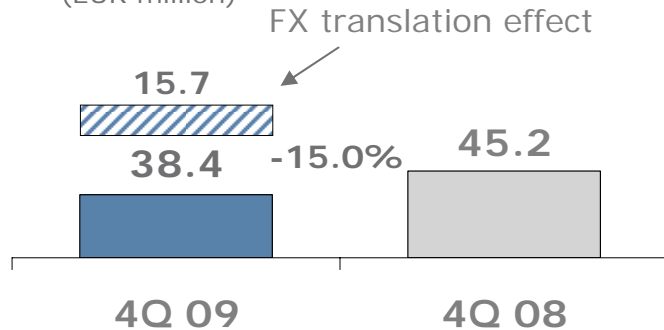
## Revenues

(EUR million)



## EBITDA

(EUR million)

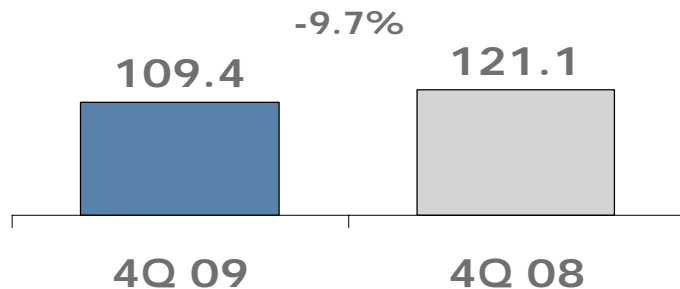


- Velcom's customer base grew by 10.9% to 4.1 mn subscribers
- Market share was slightly lower at 42.7% at the end of 4Q 09
- Entry of an aggressive third market player increased competition
- Revenues increased by 14.5% and EBITDA grew by 19.7% on a like for like basis
- EBITDA margin was 51.3% and 2.3 percentage points higher compared to 4Q 08

# Croatia and Slovenia: Cost Savings protected EBITDA Margin

## Revenues Vipnet

(EUR million)

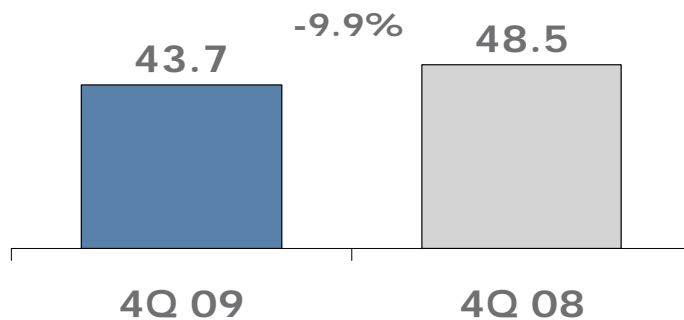


## Vipnet Croatia

- Subscriber base grew by 4.7% to 2.6 mn customers
- EBITDA was EUR 32.6 mn and declined by 6.6%, EBITDA margin rose in spite of 9.7% lower revenues

## Revenues Si.mobil

(EUR million)



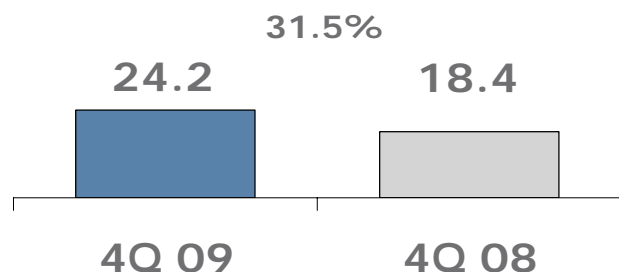
## Si.mobil Slovenia

- Subscriber base grew by 3.3% to 589,400 customers
- Operating expenses fell by 25.4% leading to a 10.3% increase of EBITDA
- EBITDA margin reached 29.3% and was 5.6 percentage points up

# Greenfield Operations Show Strong Growth of Subscriber Base

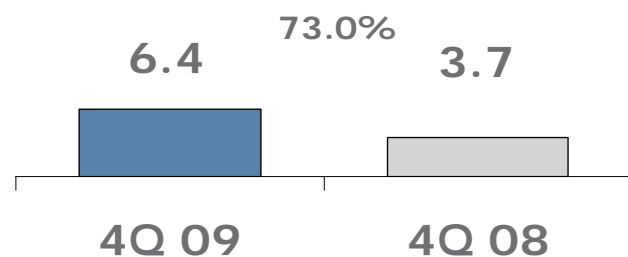
## Revenues Vip mobile

(EUR million)



## Revenues Vip operator

(EUR million)



Results for the Financial Year 2009

## Vip mobile in Serbia

- Market share increased by 2.9 percentage points to 12.0%
- Subscriber base grew by 27.1% to 1.2 mn customers
- Since June 2009 an additional 10.0% tax on mobile revenues is levied

## VIP operator in Macedonia

- Market share increased by 5.2 percentage points to 15.9%
- Subscriber base increased to 303,700 customers
- EBITDA continued to improve

# Financial Overview

# Higher EBITDA Margin Despite Lower Revenues Due to Strict Cost Management

(EUR million)	<b>4Q 09</b>	4Q 08 <sup>*</sup>	% change	FY 2009 <sup>**</sup>	FY 2008 <sup>*</sup>	% change
<b>Revenues</b>	<b>1,181.5</b>	1,306.5	-9.6%	4,802.0	5,170.3	-7.1%
<b>EBITDA</b>	<b>399.4</b>	-211.6	-288.8%	1,794.0	1,280.8	40.1%
<i>EBITDA margin</i>	<i>33.8%</i>	<i>-16.2%</i>		<i>37.4%</i>	<i>24.8%</i>	
Depreciation & amortization	-279.4	-299.3	-6.6%	-1,097.9	-1,155.3	-5.0%
Impairment charges	0.0	-4.8	-100.0%	-352.2	-4.8	7237.5%
<b>Operating income</b>	<b>120.0</b>	<b>-515.7</b>	<b>n.a.</b>	<b>343.9</b>	<b>120.7</b>	<b>184.9%</b>
Financial result	-50.3	-61.3	-17.9%	-237.6	-211.9	12.1%
<b>Income before income taxes</b>	<b>69.7</b>	<b>-577.0</b>	<b>n.a.</b>	<b>106.3</b>	<b>-76.4</b>	<b>-239.1%</b>
Income tax expense	-6.1	139.3	n.a.	-11.4	27.6	n.a.
<b>Net income</b>	<b>63.6</b>	<b>-437.7</b>	<b>-114.5%</b>	<b>94.9</b>	<b>-48.8</b>	<b>-294.5%</b>

\*EUR 632.1 mn restructuring charge took effect in 4Q 08

\*\*EUR 352.0 mn impairment charge took effect in 3Q 09



# Cash Flow Impacted by Seasonal Shift in CAPEX

(EUR million)	<b>4Q 09</b>	4Q 08	% change	FY 2009	FY 2008	% change
Cash Flow from operations before working capital adjustments	354.0	388.6	-8.9%	1,569.8	1,693.7	-7.3%
Change in working capital	68.5	69.5	-1.4%	-184.4	-129.9	42.0%
Ordinary capital expenditures	-291.6	-273.3	6.7%	-711.4	-807.6	-11.9%
<b>Free cash flow</b>	<b>130.9</b>	<b>184.8</b>	<b>-29.2%</b>	<b>674.0</b>	<b>756.2</b>	<b>-10.9%</b>

# Group Capex Rise Due to Fixed Net Shift from H1 09, Decline in Mobile Communication

(EUR million)	<b>4Q 09</b>	4Q 08	% change	FY 2009	FY 2008	% change
Fixed Net	131.9	82.3	60.3%	288.8	263.5	9.6%
Mobile Communication	159.7	193.2	-17.3%	422.6	546.3	-22.6%
Others & elimination	0.0	-2.2	n.a.	0.0	-2.2	n.a.
<b>Total Capex Telekom Austria Group</b>	<b>291.6</b>	<b>273.3</b>	<b>6.7%</b>	<b>711.4</b>	<b>807.6</b>	<b>-11.9%</b>
Other investing activities, net	188.6	50.2	275.8%	218.4	47.3	361.7%
Cash used in investing activities	480.2	323.5	48.4%	929.8	854.9	8.8%

# Deleveraging Continues with Net Debt Decreasing by EUR 378.5 mn

(EUR million)	Dec 31, 09	Dec 31, 08	% change
Long-term assets	6,474.9	7,452.0	-13.1%
Current assets	2,023.8	1,545.4	31.0%
<b>Total assets</b>	<b>8,498.7</b>	<b>8,997.4</b>	<b>-5.5%</b>
Current liabilities	2,679.5	2,220.5	20.7%
Long-term liabilities	4,205.1	4,621.3	-9.0%
Stockholders' equity	1,614.1	2,155.6	-25.1%
<b>Liabilities and stockholders' equity</b>	<b>8,498.7</b>	<b>8,997.4</b>	<b>-5.5%</b>
<b>Net Debt</b>	<b>3,614.8</b>	<b>3,993.3</b>	<b>-9.5%</b>
Net Debt/EBITDA (last 12 months)	2.0x	3.1x	n.a.
<b>Net Debt/EBITDA (last 12 months) excluding restructuring program in 2008</b>	<b>2.0x</b>	<b>2.1x</b>	<b>n.a.</b>

# Outlook

# Outlook on Constant Currency Basis\*

## Telekom Austria Group 2010 on a constant currency basis

Revenues	~ EUR 4.7 bn
EBITDA	~ EUR 1.6 bn
CAPEX	~ EUR 0.8 bn
Operating Free Cash Flow**	~ EUR 0.8 bn
Dividend	DPS of 75 cents minimum

\*Excluding Impact from Merger of Domestic Operations

\*\*Operating Free Cash Flow = EBITDA - Capex

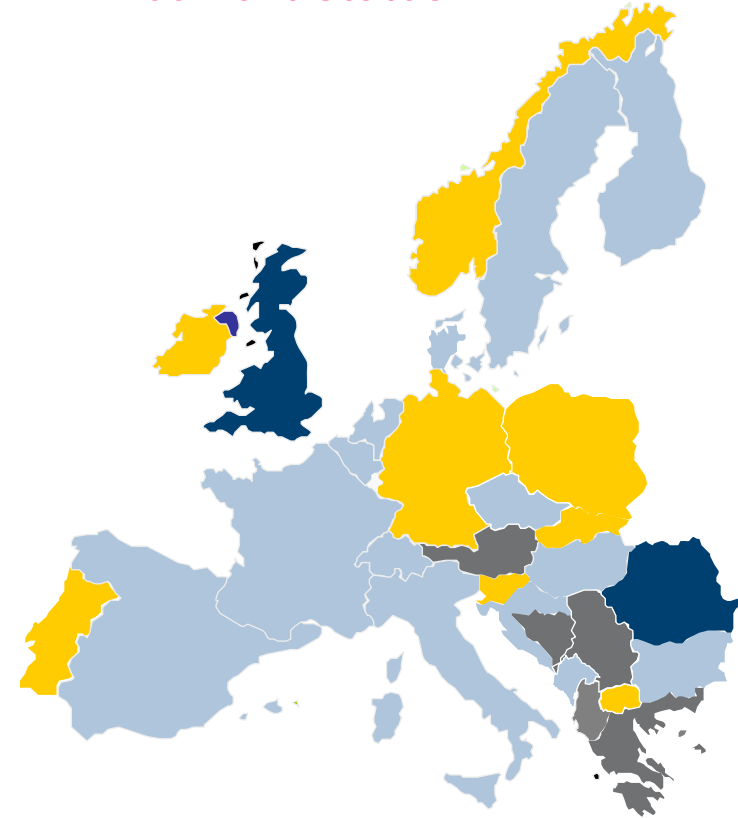
# Merger of Domestic Operations

# Trend Towards Integrated Telecom-Operators in Europe

Status as of 01.01.2006



Current Status

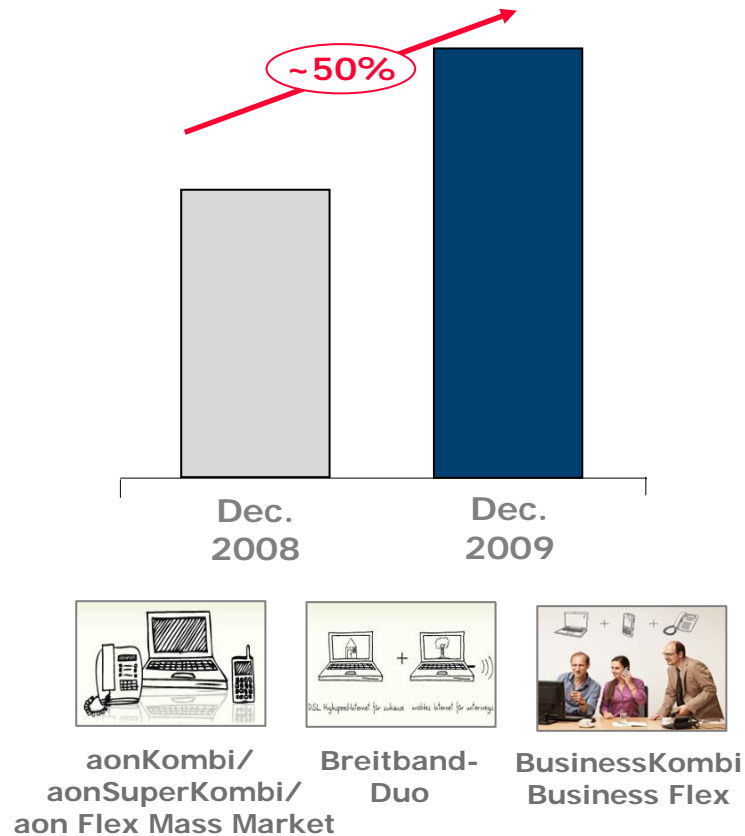


- Fixed Net and Mobile Communication separated
- Integration ongoing<sup>1),2)</sup>
- Fixed Net without Mobile Communication
- Integrated Telcos<sup>1)</sup>

1) TeliaSonera, Magyar Telekom and Telekom Slovenije partially integrated  
 2) Eircom, TP Poland and Makedonski Telekom currently examining integration  
 Status as of February 2009

# Trend Towards Product Bundles Continues

## Strong Growth of Product Bundles\*



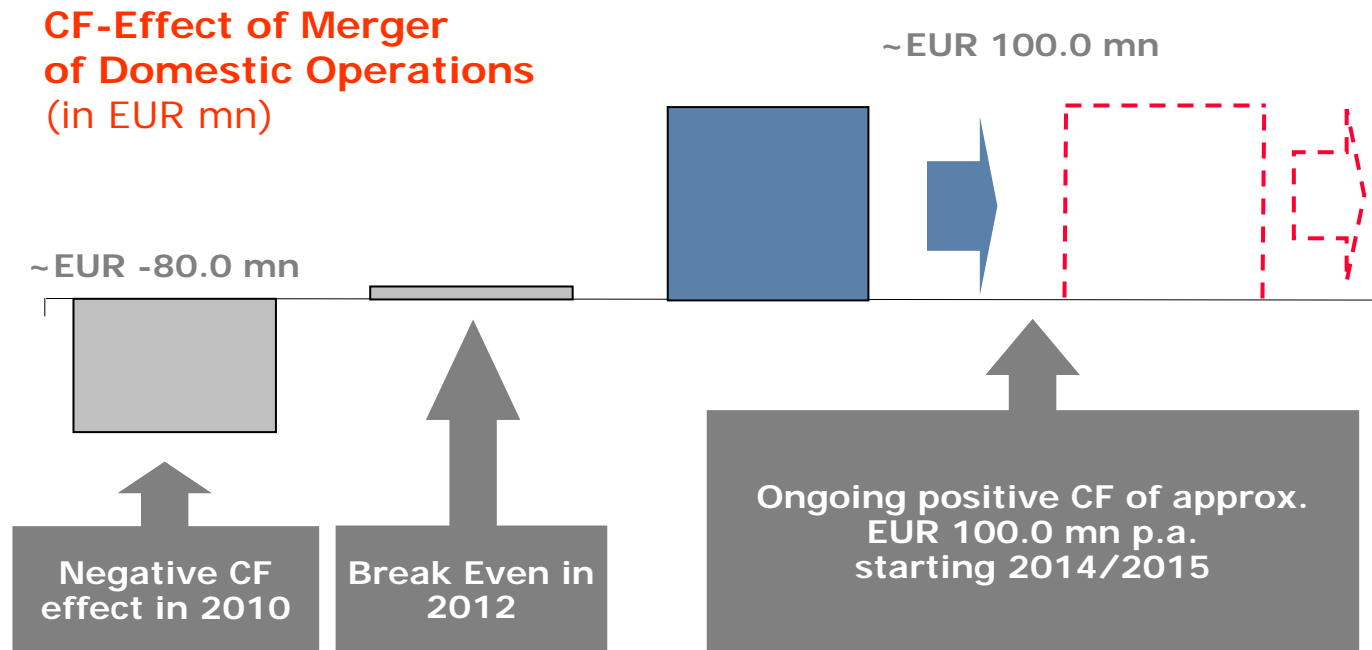
- The success of product bundles highlights the need for a joint market approach of Fixed Net and Mobile Communications
- An integrated company allows innovative and more efficient services for the customer - all products from one trusted provider
- Merger of domestic operations generates additional revenue potential through cross-selling opportunities

\*) Includes: aonKombi, aonSuperKombi, Breitband-Duo, Business Kombi aon Flex Mass Market and Business Flex



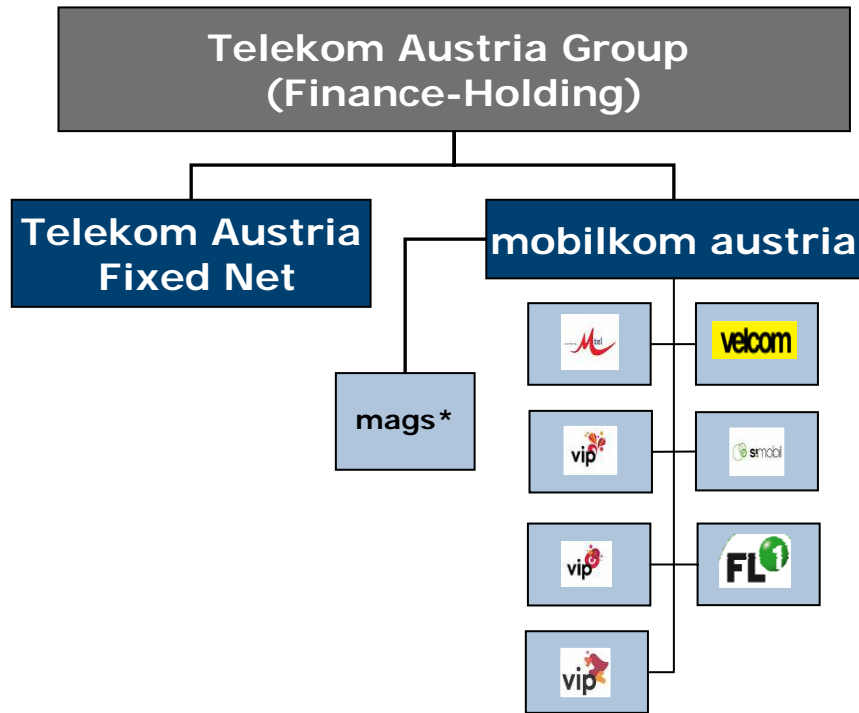
# Positive Effect on Cash Flow in 2012, Payback in 2014/2015

- In 2010 initial costs will affect cash flow by EUR 80.0 mn
- Break even in 2012 expected
- Based on preliminary forecasts, Telekom Austria Group expects this merger to generate an ongoing positive cash flow of approximately EUR 100.0 mn p.a. from 2014/2015 onwards

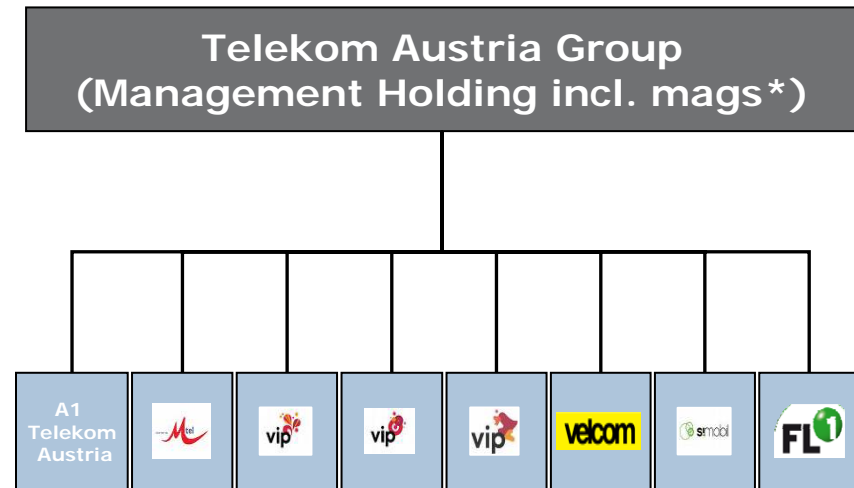


# Efficient Group Structure Through Merger, Shortened Reporting Lines

## Actual Group Structure



## New Group Structure after Merger



- Merger of domestic operations and creation of new group structure will be implemented in 2010

\*mags: mobilkom austria group services GmbH (shared service company)

# Appendix

# Regulatory Issues – Key Aspects (1)

**Next Generation Networks:** The European Commission had launched its 2nd public consultation on the regulatory treatment of next generation access in June 09. Previous guidelines of the former Commission have partly contradicted the terms adopted by the European Parliament for the next legal framework on the subject of investments. Adoption of the recommendation is thus still pending.

**New Regulatory Electronic Communication Framework:** The new regulatory framework has been adopted end of 2010. The new law, which also includes a general political commitment for investments, has to be implemented into national law by 2011.

**Refund of Telco Surveillance Costs:** In Austria all telcom operators are obliged by law to provide facilities to ensure surveillance of telecommunication activities. The Austrian state assures by ordinance to cover part of these investments (surveillance costs) made by the telcom operators. On September 29, 2009 the government approved the final amount for refund to each telecommunications operator in Austria and passed it for payment. Based on that decision Telekom Austria TA AG received a one-time refund of EUR 10.9 million after taxes in Q4/09.

**Amendment to the Austrian Telecommunication Market Ordinance:** At the end of a so called “phase II investigation” the European Commission withdrew its serious doubts about the new market definition of the wholesale broadband access market on December 9th, which was proposed by the regulator. The EC confirmed the special competitive situation in Austria regarding fixed-mobile substitution also for broadband access which will allow a partial deregulation of this market in 2010.

## Regulatory Issues – Key Aspects (2)

**International roaming charges:** on July 1, 2009 the extension of the existing roaming regulation entered into force. The regulation includes:

- Extension of the voice roaming regulation at both wholesale and retail level due to expire in July 2012.
- Per-second billing both at wholesale and retail level, except for an initial charging period of 30 seconds both at retail and wholesale 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 March 1, 2010 customers should be able to specify a “cut-off limit” for their outstanding data roaming charges expressed either in volume or currency
- Introduction of a wholesale gliding path for data roaming services of EUR 1.0 by July 1, 2009, EUR 0.8 by July 1, 2010 and EUR 0.5 by July 1, 2011

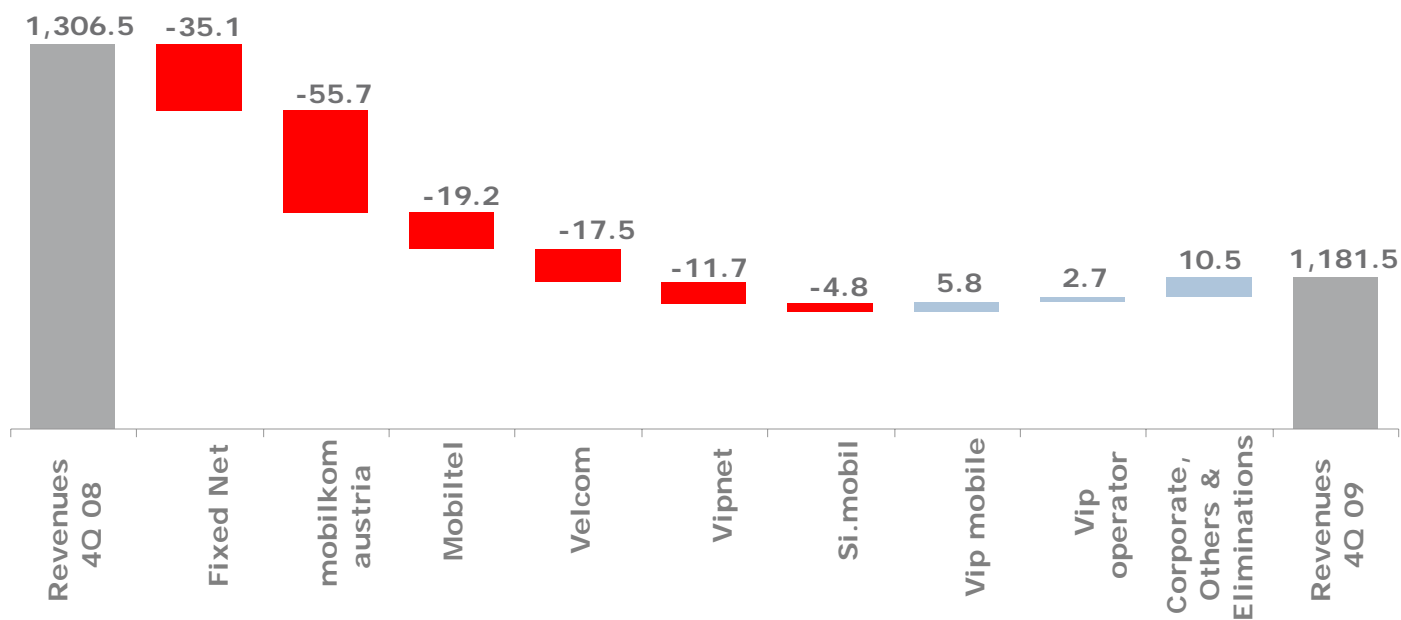
**Sales Tax Croatia:** At the end of July 2009 the Croatian Parliament passed an Act which introduced a monthly tax on mobile operators' services (effective date: August 1, 2009). According to the Act, the mobile operators are obliged to pay a monthly fee of 6% on revenues from SMS, MMS and voice services.

**Sales Tax Republic of Serbia:** As of June 1, 2009, mobile telephony service users have to pay an additional 10% tax in the Republic of Serbia. This tax refers to SMS, MMS, voice services, data transfers (internet traffic) as well as special services and is collected on behalf of the state by all three operators in the territory of the Republic of Serbia.

# Development of Revenues 4Q 09 vs. 4Q 08

## Revenues

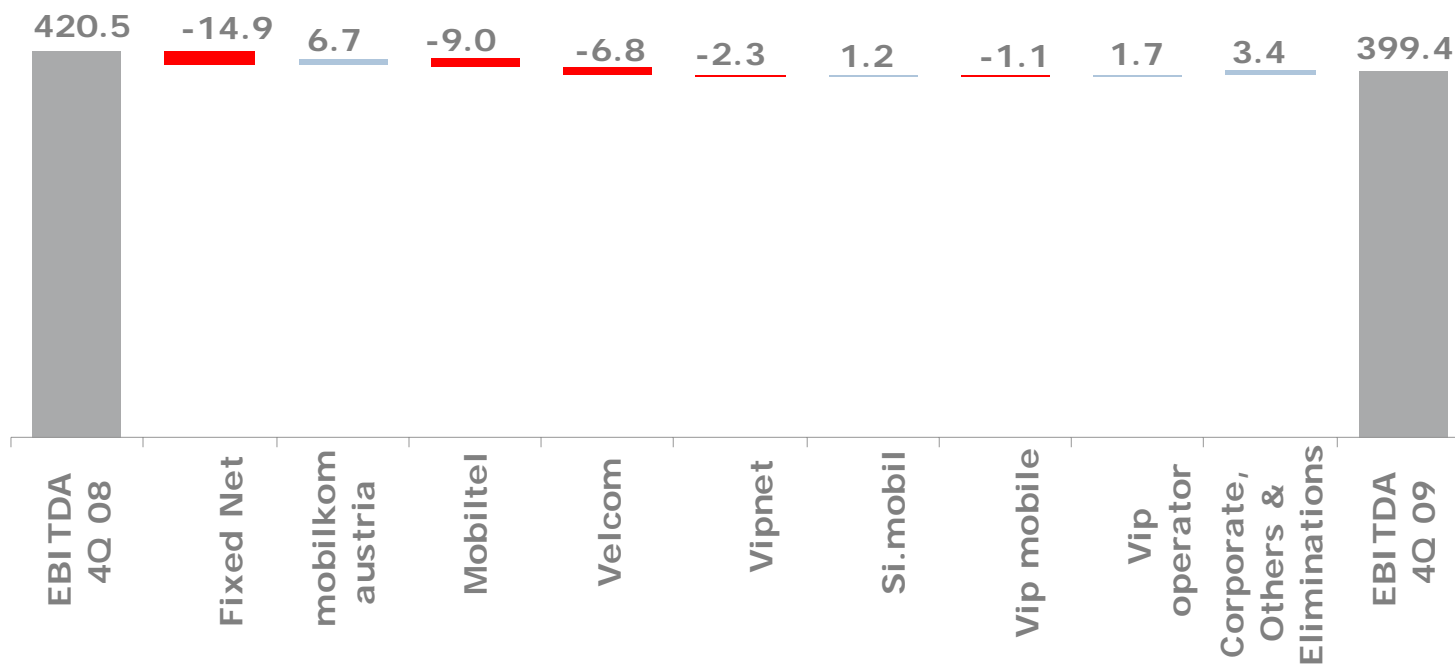
(EUR million)



# Development of EBITDA 4Q 09 vs. 4Q 08\*

## EBITDA

(EUR million)



\*Excluding Impact from EUR 632.1 mn restructuring charge in 4Q 08

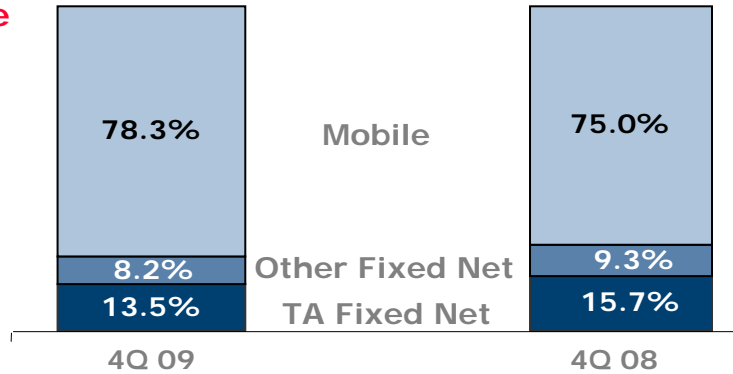
## Fixed Net - Access Lines

(in 000)	4Q 09	4Q 08	% change
Access lines (without broadband lines)	1,290.9	1,451.1	-11.0%
Fixed Net broadband retail lines	967.2	818.9	18.1%
Fixed Net broadband wholesale lines	55.4	66.8	-17.1%
<b>Fixed Net broadband lines</b>	<b>1,022.6</b>	<b>885.7</b>	<b>15.5%</b>
<b>Total access lines</b>	<b>2,313.5</b>	<b>2,336.8</b>	<b>-1.0%</b>
<b>Lines unbundled</b>	<b>286.6</b>	<b>298.9</b>	<b>-4.1%</b>
(in 000)	4Q 09	4Q 08	% change
Fixed Net broadband net adds	40.0	50.4	-20.6%
Broadband penetration	90.5%	77.5%	n.a.

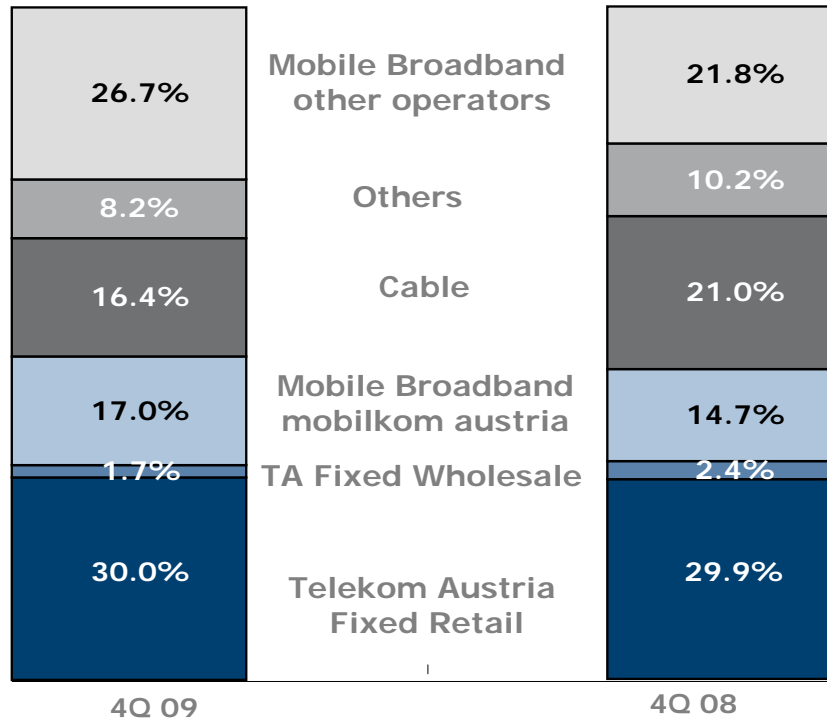


# Fixed Net – Voice & Broadband Market Shares

## Market Share Voice Minutes

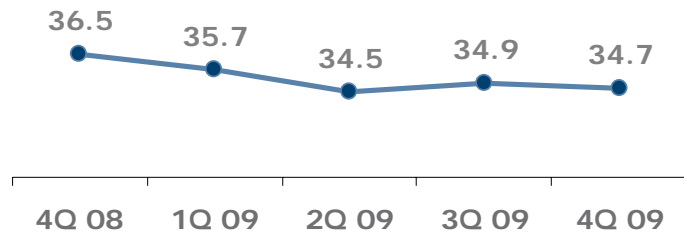


## Market Share Broadband Lines

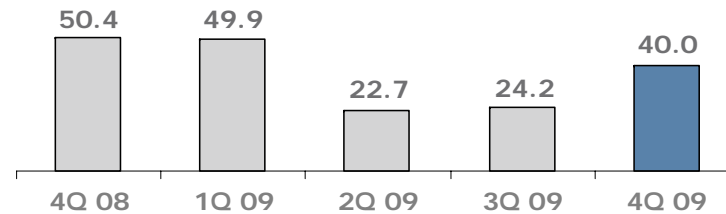


# Fixed Net Key Performance Indicators

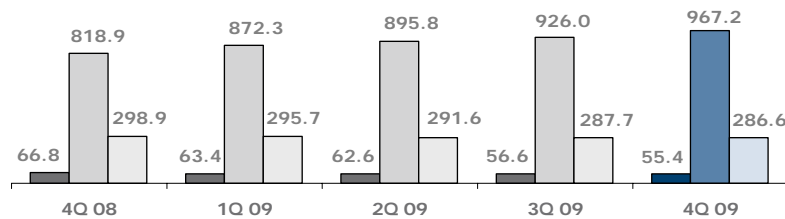
**Average Revenues per Access Line**  
(in EUR)



**Fixed Net Broadband Net Adds incl. Wholesale**  
(in 000)



**Fixed Broadband Access Lines**  
(in 000)






- Fixed Net retail broadband lines
- Fixed Net wholesale broadband wholesale lines
- Unbundled lines

# Fixed Net - Minutes

(in million minutes)	4Q 09	4Q 08	% change
National	571	657	-13.1%
Fixed-to-mobile	168	182	-8.0%
International	82	98	-15.8%
<b>Total voice minutes</b>	<b>821</b>	<b>937</b>	<b>-12.4%</b>
<b>Total Fixed Net minutes</b>	<b>847</b>	<b>1,005</b>	<b>-15.7%</b>
(in million minutes)	4Q 09	4Q 08	% change
National wholesale	1,646	1,783	-7.7%
International wholesale	1,064	1,134	-6.2%
<b>Total wholesale minutes</b>	<b>2,711</b>	<b>2,918</b>	<b>-7.1%</b>

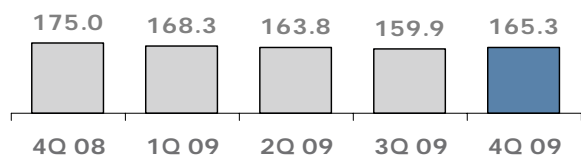
# Mobile Subscribers

	(in 000)	4Q 09	4Q 08	% change
 <b>Austria</b>		<b>4,834.2</b>	<b>4,496.3</b>	<b>7.5%</b>
Market share		42.6%	42.5%	
 <b>Bulgaria</b>		<b>5,352.5</b>	<b>5,396.2</b>	<b>-0.8%</b>
Market share		49.8%	50.0%	
 <b>Belarus</b>		<b>4,102.4</b>	<b>3,697.9</b>	<b>10.9%</b>
Market share		42.7%	44.8%	
 <b>Croatia</b>		<b>2,603.0</b>	<b>2,486.6</b>	<b>4.7%</b>
Market share		42.6%	42.2%	
 <b>Slovenia</b>		<b>589.4</b>	<b>570.6</b>	<b>3.3%</b>
Market share		28.2%	27.7%	
 <b>Republic of Serbia</b>		<b>1,153.9</b>	<b>907.9</b>	<b>27.1%</b>
Market share		12.0%	9.1%	
 <b>Republic of Macedonia</b>		<b>303.7</b>	<b>242.0</b>	<b>25.5%</b>
Market share		15.9%	10.7%	
 <b>Liechtenstein</b>		<b>6.3</b>	<b>5.9</b>	<b>6.8%</b>
Market share		20.1%	19.6%	
<b>Mobile Communication</b>		<b>18,945.4</b>	<b>17,803.4</b>	<b>6.4%</b>

# Operational Data – mobilkom austria

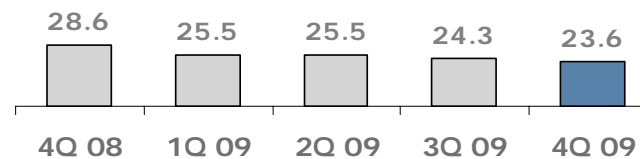
## MoU per Subscriber

(in minutes)

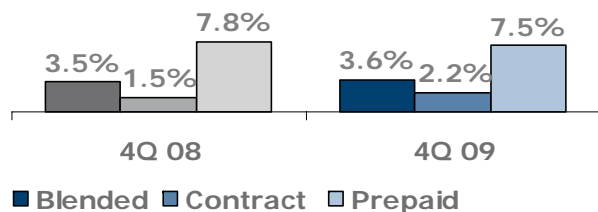


## ARPU

(in EUR)

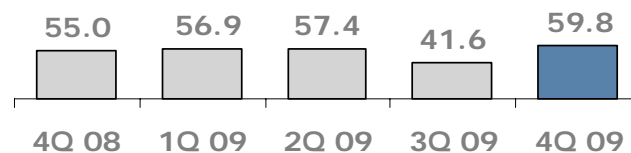


## Quarterly Churn



## SAC per Gross Add

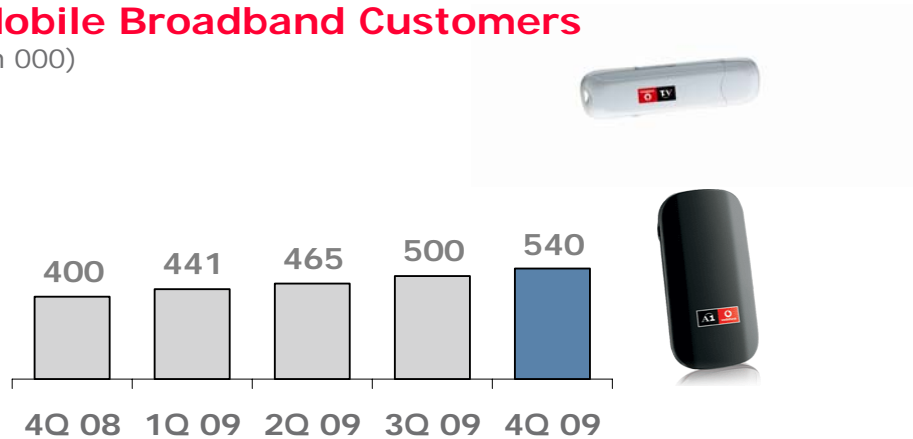
(in EUR)



# Mobile Data - mobilkom austria

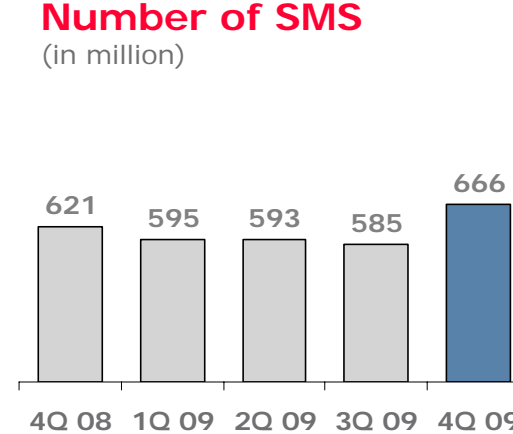
## Mobile Broadband Customers

(in 000)



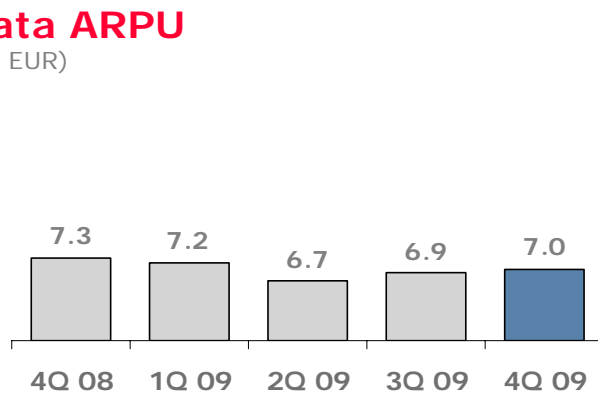
## Number of SMS

(in million)

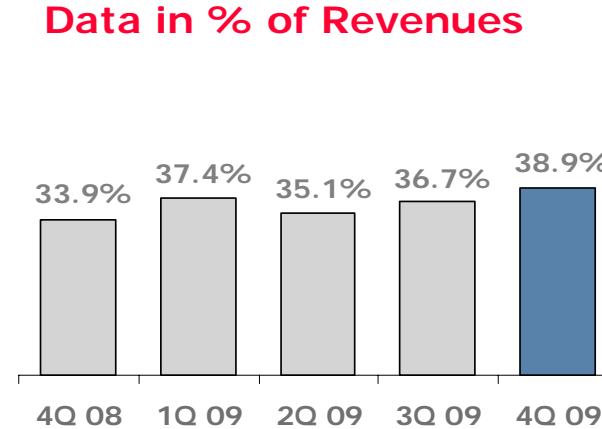


## Data ARPU

(in EUR)



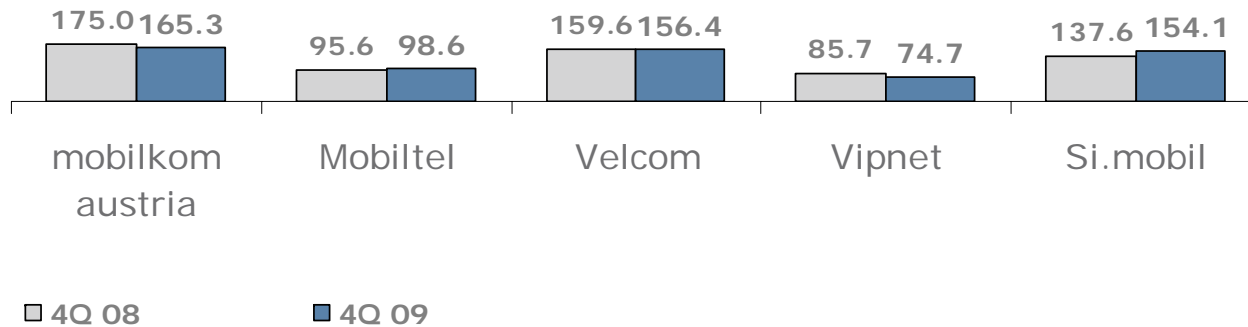
## Data in % of Revenues



# ARPU & MoU per Subscriber for Selected Mobile Communication Operations

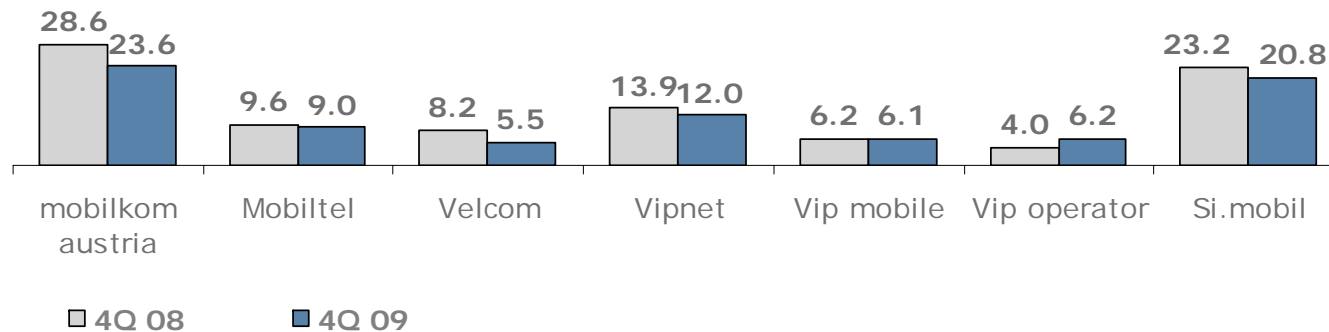
## MoU per Subscriber

(in minutes)



## ARPU

(in EUR)



# Headcount\* Development

(Average period)	4Q 09	4Q 08	change
Fixed Net**	8,006	9,030	-1,024
Mobile Communciation	8,674	8,385	289
<b>Telekom Austria Group</b>	<b>16,680</b>	<b>17,415</b>	<b>-735</b>
(End of period)	4Q 09	4Q 08	change
Fixed Net**	7,893	8,571	-678
Mobile Communciation	8,680	8,383	297
<b>Telekom Austria Group</b>	<b>16,573</b>	<b>16,954</b>	<b>-381</b>

\* Full-time-equivalents

\*\* FTE net of idle workforce



# Revenues by Segment

(EUR million)	<b>4Q 09</b>	<b>4Q 08</b>	<b>% change</b>	<b>FY 09</b>	<b>FY 08</b>	<b>% change</b>
Fixed Net revenues	463.0	498.1	-7.0%	1,860.1	2,038.8	-8.8%
Mobile Communication revenues	782.8	884.4	-11.5%	3,205.5	3,390.9	-5.5%
Corporate, Other & Eliminations	-64.3	-76.0	-15.4%	-263.6	-259.4	1.6%
<b>Revenues Telekom Austria Group</b>	<b>1,181.5</b>	<b>1,306.5</b>	<b>-9.6%</b>	<b>4,802.0</b>	<b>5,170.3</b>	<b>-7.1%</b>

# EBITDA and Operating Income by Segment

(EUR million)	4Q 09	4Q 08*	% change	FY 09**	FY 08*	% change
Fixed Net EBITDA	118.0	-499.2	n.a.	575.7	-20.8	n.a.
Mobile Communication EBITDA	288.8	295.7	-2.3%	1,246.3	1,325.3	-6.0%
Corporate, Other & Eliminations	-7.4	-8.1	-8.6%	-28.0	-23.7	18.1%
<b>EBITDA Telekom Austria Group</b>	<b>399.4</b>	<b>-211.6</b>	<b>n.a.</b>	<b>1,794.0</b>	<b>1,280.8</b>	<b>40.1%</b>

(EUR million)	4Q 09	4Q 08*	% change	FY 09**	FY 08*	% change
Fixed Net operating income	-5.0	-630.7	-99.2%	116.1	-530.3	n.a.
Mobile Communication operating income	132.2	122.7	7.7%	255.1	674.0	-62.2%
Corporate, Other & Eliminations	-7.2	-7.7	-6.5%	-27.3	-23.0	18.7%
<b>Operating income Telekom Austria Group</b>	<b>120.0</b>	<b>-515.7</b>	<b>n.a.</b>	<b>343.9</b>	<b>120.7</b>	<b>184.9%</b>

\*EUR 632.1 mn restructuring charge took effect in 4Q 08

\*\*EUR 352.0 mn impairment charge took effect in 3Q 09

# Fixed Net - Revenue Breakdown

(EUR million)	4Q 09	4Q 08	% change	FY 09	FY 08	% change
Access, Voice and Broadband	240.5	261.3	-8.0%	972.2	1,080.7	-10.0%
Data & ICT-Solutions	102.1	115.0	-11.2%	394.2	439.2	-10.3%
Wholesale Voice & Internet	82.9	90.7	-8.6%	351.2	405.6	-13.4%
Others	37.5	31.1	20.6%	142.5	113.3	25.8%
<b>Fixed Net revenues</b>	<b>463.0</b>	<b>498.1</b>	<b>-7.0%</b>	<b>1,860.1</b>	<b>2,038.8</b>	<b>-8.8%</b>

# Fixed Net – Expense Breakdown

(EUR million)	4Q 09	4Q 08	% change	FY 09	FY 08	% change
Material expense	18.6	19.1	-2.6%	70.2	86.4	-18.8%
Employee costs	148.0	769.7*	-80.8%	528.4	1,186.1	-55.5%
Depreciation, amortization and impairment charges	123.0	131.5	-6.5%	459.6	509.5	-9.8%
Interconnection	69.0	84.4	-18.2%	291.5	344.4	-15.4%
Maintenance and repairs	31.8	28.8	10.4%	101.3	107.9	-6.1%
Services received	34.4	21.6	59.3%	114.1	83.5	36.6%
Other support services	21.8	31.4	-30.6%	81.8	110.1	-25.7%
Other	43.7	59.2	-26.2%	173.7	200.6	-13.4%
<b>Fixed Net expenses</b>	<b>490.3</b>	<b>1,145.7</b>	<b>-57.2%</b>	<b>1,820.6</b>	<b>2,628.5</b>	<b>-30.7%</b>

\*EUR 632.1 mn restructuring charge took effect in 4Q 08

# Mobile Communication - Revenue Breakdown

(EUR million)	<b>4Q 09</b>	4Q 08	% change	FY 09	FY 08	% change
Subscription and Traffic	577.7	625.0	-7.6%	2,329.9	2,413.4	-3.5%
Equipment	60.5	84.2	-28.1%	228.3	269.8	-15.4%
Roaming	22.8	29.6	-23.0%	136.5	182.1	-25.0%
Interconnection	114.0	143.3	-20.4%	480.0	510.8	-6.0%
Other	18.2	17.8	2.2%	70.2	61.4	14.3%
Discounts	-10.4	-15.5	-32.9%	-39.4	-46.6	-15.5%
<b>Mobile Communication revenues</b>	<b>782.8</b>	<b>884.4</b>	<b>-11.5%</b>	<b>3,205.5</b>	<b>3,390.9</b>	<b>-5.5%</b>

# Mobile Communication – Expense Breakdown

(EUR million)	4Q 09	4Q 08	% change	FY 09	FY 08	% change
Material expense	94.3	116.2	-18.8%	347.9	360.3	-3.4%
Employee costs	68.1	74.0	-8.0%	276.5	266.8	3.6%
Depreciation, amortization and impairment charges	156.6	173.0	-9.5%	991.2	651.3	52.2%
Interconnection	93.8	114.5	-18.1%	388.5	416.4	-6.7%
Repairs	22.2	21.3	4.2%	86.8	80.4	8.0%
Services received	62.3	87.0	-28.4%	275.3	313.7	-12.2%
Other support services	10.9	8.1	34.6%	38.3	34.9	9.7%
Other	159.1	175.1	-9.1%	587.0	631.3	-7.0%
<b>Mobile Communication expenses</b>	<b>667.3</b>	<b>769.2</b>	<b>-13.2%</b>	<b>2,991.5</b>	<b>2,755.1</b>	<b>8.6%</b>

# Capital Expenditures by Segment

(EUR million)	4Q 09	4Q 08	% change	FY 09	FY 08	% change
Fixed Net	131.9	82.3	60.3%	288.8	263.5	9.6%
Mobile Communication	159.7	193.2	-17.3%	422.6	546.3	-22.6%
<b>Total Capex Telekom Austria Group</b>	<b>291.6</b>	<b>273.3</b>	<b>6.7%</b>	<b>711.4</b>	<b>807.6</b>	<b>-11.9%</b>
Thereof tangible	207.5	176.2	17.8%	516.7	591.9	-12.7%
Thereof intangible	84.1	99.3	-15.3%	194.7	217.9	-10.6%

(EUR million)	4Q 09	4Q 08	% change	FY 09	FY 08	% change
<b>Mobile Communication Total Capex</b>						
mobilkom austria	52.7	80.8	-34.8%	135.1	185.3	-27.1%
Mobiltel	15.1	8.0	88.8%	74.8	93.5	-20.0%
Velcom	45.4	39.4	15.2%	65.6	65.1	0.8%
Vipnet	14.2	23.5	-39.6%	57.6	73.6	-21.7%
Si.mobil	9.4	12.3	-23.6%	17.0	23.4	-27.4%
Vip mobile	25.7	18.4	39.7%	72.1	92.8	-22.3%
Vip operator	4.0	8.5	-52.9%	8.0	17.1	-53.2%

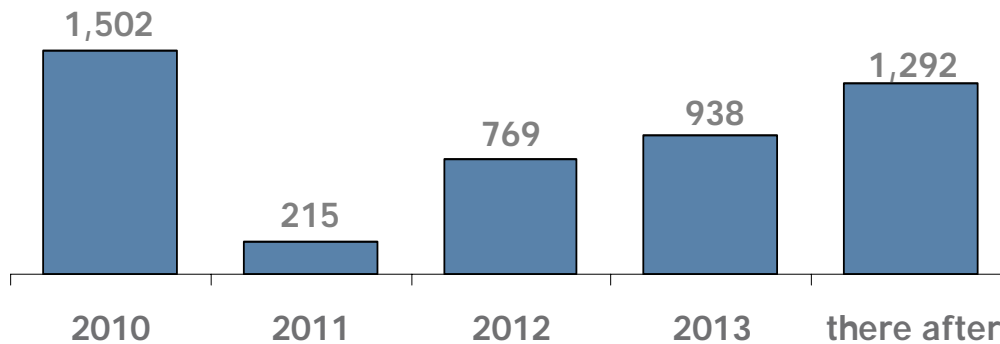
# Net Debt - Telekom Austria Group

(EUR million)	Dez 31, 2009	Dez 31, 2008	% change
Long-term debt	3,234.8	3,599.5	-10.1%
Short-term debt	1,501.6	961.5	56.2%
Cash and cash equivalents, short-term and long term investments, financing with related parties	-1,099.0	-513.1	114.2%
Derivate financial instruments for hedging purposes	-22.5	-54.6	-58.8%
<b>Net Debt of Telekom Austria Group</b>	<b>3,614.8</b>	<b>3,993.3</b>	<b>-9.5%</b>
Net Debt/ EBITDA (last 12 months)	2.0x	3.1x	n.a.
EBITDA (last 12 months)	1,794.0	1,280.8	40.1%
<b>Net Debt/ EBITDA (last 12 months) excluding restructuring measures</b>	<b>2.0x</b>	<b>2.1x</b>	<b>n.a.</b>



# Debt Maturity Profile

(EUR million)



## Ratings:

- Moody's: A3 (*stable*)
- S&P: BBB+ (*Credit watch negative*)

## Lines of Credit

- Undrawn committed lines of credit amounting to EUR 1.1 bn
- Average life of 3 years
- Provided by 20 Banks