

### **Resolution of the Management Board to Cancel Treasury Shares**

Based on the authorization of the Annual General Meeting, the 40 million no-par shares in bearer form that were reacquired by the company representing 8% of the share capital and a nominal share of the share capital of EUR 87,240,000, shall be cancelled completely to the account of the reserve according to Para 225 Sec 5 sentence 2 UGB (Commercial Code) in the amount of EUR 688,489,736.13. These reacquired treasury shares and any rights resulting therefrom shall be cancelled by reducing the shares represented by the changeable global certificate from 500,000,000 shares to 460,000,000 no-par shares in bearer form.

The capital reduction is thereby executed. The share capital of the company thus amounts to EUR 1,003,260,000 and is divided into 460,000,000 shares.

Vienna, March 19, 2007

The Management Board

Telekom Austria AG