

**Buyback Program of Telekom Austria AG
Disclosure in Accordance with Para 4 (2) Para 5 and Para 6 of the Disclosure
Regulation 2002**

The Annual General Meeting modified the existing authorization to buy back shares on May 30, 2007.

The Management Board of Telekom Austria AG decides to exercise the rights under this amended authorization, and to modify the Share Buyback Program of Telekom Austria AG published on August 23, 2006, as follows:

Details on the Share Buyback Program

1. The day of authorization of the resolution by the Annual General Meeting according to Para 65 Sec. Z 8 AktG (Stock Corporation Act) is May 30, 2007.
2. The resolution by the Annual General Meeting was announced via the APA on May 30, 2007 and will be published in the "Amtsblatt der Wiener Zeitung" on June 1, 2007.
3. The Buyback Program is expected to end on November 30, 2008.
4. The Buyback Program concerns ordinary shares of Telekom Austria AG.
5. The intention is to buy back up to a holding of 46 million shares, i.e. up to 10% of the current share capital of Telekom Austria AG.
6. The minimum price to be paid in the buyback is EUR 9 (nine euros) and the maximum price to be paid in the buyback is EUR 30 (thirty euros) per share.
7. The buyback takes place via the stock exchange. The main purpose is the return of capital to the shareholders while simultaneously improving the capital structure. The authorization by the Annual General Meeting extends to the use of repurchased shares (i) to serve stock options to be granted to employees, managers and members of the Management Board / the management of the Company or of an affiliated company, and/or to issue said treasury shares to employees of the Company or one of its affiliated companies, be it with or without consideration (ii) to serve convertible bonds, (iii) as consideration for acquisitions, (iv) to sell own shares over the stock exchange or via a public offer anytime, as well as (v) for 5 (five) years from the date of the resolution to sell own shares in any way permitted by law, also over the counter and by excluding the general purchase opportunity. Furthermore, the Management Board is authorized to decrease the share capital of the Company by up to EUR 100,326,000 by withdrawing up to 46 million treasury registered or bearer shares with no par value without further resolution of the Annual General Meeting, whereby the Supervisory Board is authorized to resolve upon amendments of the Articles of Association resulting from the withdrawal of shares.
8. Within the framework of the fourth tranche of the Stock Option Program (ESOP 2007+), the Company granted 4,047,472 stock options representing the right to acquire up to a maximum number of 4,047,472 shares to employees, managers of the Company or of an affiliated company. 120,000 options each were granted to the members of the Management Board of the company, Boris Nemsic and Rudolf Fischer, which entitle each of them to acquire 120,000 shares. A total of 677,170 stock options were granted

to the Management Boards of affiliated companies, which entitle them to acquire up to a maximum of 677,170 shares¹.

The disclosure of this resolution by the Management Board and the fulfillment of additional disclosure obligations according to Para 6 and 7 of the Disclosure Regulation 2002 will be effected by disclosing details on the Internet website of Telekom Austria AG at www.telekom.at which is publicly accessible.

Vienna, May 31, 2007

The Management Board

Telekom Austria AG

¹ From the stock options issued in 2004, 2005 and 2006 to employees and managers of the Company and of affiliated companies (ESOP 2004+, ESOP 2005+, ESOP 2006+) as of March 31, 2007 4,276,693 stock options can still be exercised. Prior to the beginning of each respective execution period, the Management Board decided to serve the stock options within the scope of ESOP 2004+, ESOP 2005+ and ESOP 2006+ with cash compensation. Therefore, no treasury shares are used to serve the tranches ESOP 2004+, ESOP 2005+ and ESOP 2006+. The Management Board will decide prior to the beginning of the execution period (March 2008) how to serve the tranche ESOP 2007+.