TELEKOM AUSTRIA GROUP

Results for the First Quarter 2009

- Significant slowdown of Fixed Net access line loss continues with just 8,000 lines lost in 1Q 09
- Mobile Communication continues growth trend of its subscriber base with a 13.0% increase to 17.9 million customers
- Revenues decline by 5.0% to EUR 1,197.1 million primarily driven by lower Fixed Net revenues as revenues in Mobile Communication remain flat
- Fixed Net revenues impacted by lower wholesale revenues, declining voice volumes and the disposal of subsidiaries
- EBITDA decreases by 6.4% to EUR 454.8 million due to weaker contribution from Mobile Communication while Fixed Net grows slightly
- EBITDA, Capex and operating Free Cash Flow outlook 2009 fully reiterated, revenues slightly weaker than originally expected
- Dividend per share floor of 75 cent reiterated for 2009–2012

in EUR million	1Q 09	1Q 08	% change
Revenues	1,197.1	1,259.6	-5.0%
EBITDA	454.8	485.7	-6.4%
Operating income	180.1	202.3	-11.0%
Net income	85.3	129.7	-34.2%
Earnings per share (in EUR)	0.19	0.29	-34.2%
Free cash flow per share (in EUR)	0.30	0.33	-9.5%
Capital expenditures	116.0	159.6	-27.3%

in EUR million	March 31, 09	Dec. 31, 08	% change
Net debt	3,877.8	3,993.3	-2.9%
Net debt/EBITDA (12 months) excluding restructuring program	2.1x	2.1x	

All financial figures are based on IFRS; if not stated otherwise, all comparisons are given year-on-year. EBITDA is defined as net income excluding interest, income tax expense, depreciation and amortization, impairment charges, equity in earnings of affiliates, income/loss from investments and foreign exchange differences. This equals operating income before depreciation, amortization and impairment charges.

Group Review

The presentation for the conference call and the key figures of the Telekom Austria Group in excel format („Key Figures 1Q 2009") are available on our website at www.telekomaustria.com

The Annual General Meeting will be held on May 20, 2009. Results for the first half 2009 will be announced on August 19, 2009.

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Vienna, May 13, 2009 - The Telekom Austria Group (VSE: TKA, OTC US: TKAGY) today announced its results for the first quarter ending March 31, 2009.

Summary

In the first quarter of 2009 revenues decreased by 5.0% to EUR 1,197.1 million primarily due to lower revenues in the Fixed Net segment resulting from lower wholesale revenues and voice volume as well as the sale of the Fixed Net subsidiaries in the Czech Republic, in Slovakia and in Poland respectively. While EBITDA decreased by 6.4% to EUR 454.8 million at Group level, the Fixed Net segment showed a slight EBITDA growth. The EBITDA decline reflects primarily the impacts from assets sales in 1Q 08 in Bulgaria, the expiry of the national roaming agreement in Croatia and the negative effect of currency translation mainly due to a devaluation of the Belarusian Ruble. Operating income fell by 11.0% to EUR 180.1 million, with a higher contribution from the Fixed Net segment partly compensating for a lower operating income in the Mobile Communication segment. Net income was EUR 85.3 million in 1Q 09 compared to EUR 129.7 million in 1Q 08.

Total capital expenditures decreased from EUR 159.6 million to EUR 116.0 million driven by a reduction of capital expenditures in both segments. Net debt decreased by 2.9% to EUR 3,877.8 million at the end of March 2009 compared to year-end 2008 due to free cash flow generation. Net debt to EBITDA (last 12 months) excluding the impact of the provision in 4Q 2008 for the restructuring program was 2.1x.

Market Environment

While the sustained migration of Fixed Net customers to the Mobile Communication segment has been the main challenge for several years, mobile broadband continues to make steady inroads into the market for internet access. However, following the introduction of attractive product bundles, line loss decelerated significantly during recent quarters. Against this background the Fixed Net segment continues to focus on the stabilization of cash flows by means of a market-oriented product portfolio and attractive pricing schemes as well as a comprehensive cost-cutting program.

The Mobile Communication segment continued to show subscriber growth both in Austria and in its international markets. Austria is regarded as a highly developed mobile communications market characterized by fierce competition. Bulgaria, Croatia and Slovenia still offer untapped potential in terms of contract customers and innovative data products, however, fierce competition and the economic slowdown in these markets led to price cuts and declining ARPUs.

Velcom in Belarus was impacted by the devaluation of the Belarusian Ruble at the beginning of 2009. The counter-measures adopted to mitigate this negative impact include a tariff increase effective as of mid-February 2009 as well as a rebalancing of costs based on the local currency. A segment-wide risk monitoring system has been put in place to identify risk factors such as currency fluctuations or long-term macro-economic trends and therefore to react in due time. Regulation remains an important external disrupting factor in all markets primarily due to the impact on roaming tariffs and termination charges.

Outlook 2009

Revenues 09E slightly weaker than originally expected

EBITDA, CAPEX & operating Free Cash Flow guidance fully reiterated

DPS floor of 75 cent reiterated

For the year 2009 the Telekom Austria Group anticipates slightly weaker revenues than originally expected due to lower Fixed Net wholesale revenues as well as lower Mobile Communication interconnection and equipment revenues, which will be accompanied by a proportionate reduction in costs. Therefore, EBITDA guidance remains unchanged at about EUR 1.9 billion in 2009. Capital expenditures for the year 2009 are expected to amount to approximately EUR 800 million, which translates into an operating Free Cash Flow (EBITDA less capital expenditures) of around EUR 1.1 billion. The Telekom Austria Group expects to distribute 65% of net income in form of dividends at a minimum floor of 75 cent per share.

	Outlook 09 as of May 13	Outlook 09 reiterated Feb. 25	Outlook 09 published Jan. 29
Telekom Austria Group			
Revenues	Slightly weaker than originally expected	~ EUR 5.1 bn	~ EUR 5.1 bn
EBITDA	~ EUR 1.9 bn	~ EUR 1.9 bn	~ EUR 1.9 bn
Capital expenditures	~ EUR 0.8 bn	~ EUR 0.8 bn	~ EUR 0.8 bn
Operating Free Cash Flow	~ EUR 1.1 bn	~ EUR 1.1 bn	~ EUR 1.1 bn
Dividend	65% of net income, DPS of 75 cent minimum	65% of net income, DPS of 75 cent minimum	65% of net income, DPS of 75 cent minimum

Outlook based on constant currencies

Reporting Changes

FX gains & losses moved from EBITDA to financial result

Starting with Q1 2009 foreign exchange gains and losses are reported as part of the financial result instead of being split between operating and financial income. Comparative figures for 1Q 2008 and year-end 2008 were adjusted accordingly by a total FX gain of EUR 12.9 million and of EUR 14.8 million respectively.

Revenue breakdown in Fixed Net & Mobile Communication condensed to reflect changes in business

The revenue breakdown in both the Fixed Net and Mobile Communication segments has been condensed beginning with 1Q 09 to reflect changes in the product portfolio. This adjustment affects the revenue split but has no further effects on total segment revenues.

Segment revenues remain unchanged

In the Fixed Net segment previously reported revenues from 'Fixed Net Voice Traffic', 'Switched Voice Monthly' and 'Internet Access & Media' as well as some smaller reclassifications in 1Q 08 in the amount of EUR 5.1 million from 'Data & IT Solutions' and EUR 11.3 million from 'Other' revenues have been condensed and included in 'Access, Voice & Broadband' to reflect the marketing of product bundles encompassing access, voice, Internet and IPTV. This revenue position equals average revenues per Fixed Net access line (ARPL) multiplied by the average number of access lines. Starting with 1Q 09 the category 'Other' revenues includes 'Payphones & Value Added Services' as well as 'Other' revenues.

In the Mobile Communication segment 'Traffic and Monthly Rental' revenues were condensed and included in 'Subscription and Traffic' revenues reflecting the trend towards flat rates or packages.

The breakdown of revenues in previous years has been adapted accordingly for comparison purposes. The quarterly revenue breakdown of the previous year based on the new revenue split is available on Telekom Austria's homepage www.telekomaustria.com

Quarterly Analysis

Fixed Net

Note: Detailed data of the Fixed Net segment are shown in the appendix on page 21

Quarterly analysis:
Fixed Net access line loss continued to slow down with 8,000 lines lost in 1Q 09 compared to 32,400 in 1Q 08 due to stronger customer retention measures and new broadband customers as a result of a high number of product bundles sold. The rising number of retail broadband lines drove the number of fixed net broadband lines by 14.4% to 935,700 at the end of March 2009 more than compensating for a decline in wholesale broadband lines.

Access line loss only 8,000 in 1Q 09

Average revenues per fixed net access line declined by 3.5% in 1Q 09 to EUR 35.7 compared to EUR 37.0 in 1Q 08 as the share of the attractively priced product bundles increased.

The number of unbundled lines declined to 295,700 at the end of March 2009 compared to 299,600 at the end of March 2008. Fixed-to-mobile substitution is still the main driver of the decline in voice minutes by 11.2% to 913.0 million minutes in 1Q 09. Fixed Net voice market share of total voice minutes including mobile minutes decreased from 17.8% in 1Q 08 to 16.0% in 1Q 09.

Revenues decline also driven by disposal of subsidiaries

Fixed Net revenues decreased by 10.0% to EUR 469.5 million in 1Q 09 mainly driven by lower revenues from Access, Voice & Broadband and from Wholesale Voice & Internet. 1Q 2008 included cumulative revenues of EUR 10.4 million from eTel Polska as well as eTel Slovensko and Telekom Austria Czech Republic, which were sold in February 2008 and November 2008 respectively.

Access, Voice & Broadband revenues declined by 10.0% to EUR 249.9 million as a higher broadband customer base partly offset lower revenues following the sale of the Fixed Net subsidiaries as well as a lower total customer base and lower voice volumes.

Revenues from Data declined by 5.6% to EUR 97.5 million due to a migration from leased lines to lower priced xDSL based business networks.

Wholesale Voice & Internet revenues declined by 18.7% to EUR 90.0 million mainly driven by lower wholesale voice revenues due to lower international traffic and lower prices. This revenue category included universal services in the amount of EUR 5.6 million.

Other revenues increased by 6.7% to EUR 32.0 million due to higher revenues from interactive TV shows.

EBITDA grows slightly benefiting from cost reduction

Benefiting from the reduction of costs and a one-off gain in the amount of EUR 5.6 million based on universal service revenues, EBITDA increased slightly by 0.6% to EUR 157.8 million in 1Q 09 compared to EUR 156.9 million in 1Q 08. Operating expenses were reduced by 15.0% from EUR 322.5 million to EUR 379.3 million due to lower interconnection costs, the implemented restructuring program as well as the disposal of subsidiaries.

Operating income rose by 50.5% to EUR 45.0 million in 1Q 09 compared to EUR 29.9 million in 1Q 08 driven by significantly lower depreciation and amortization charges.

Fixed Net

in EUR million	1Q 09	1Q 08	% change
Revenues	469.5	521.9	-10.0%
EBITDA	157.8	156.9	0.6%
Operating income	45.0	29.9	50.5%

Mobile Communication

Note: Detailed data of the Mobile Communication segment are shown in the appendix on page 22, 23, 24

Quarterly analysis:

The customer base of the Mobile Communication segment grew by 13.0% to 17.9 million customers as of March 31, 2009 primarily driven by an increase in contract subscribers in all mobile operations.

Reported revenues decline by 0.8%

Organic revenue growth excluding FX is 0.8%

Revenues in the Mobile Communication segment fell slightly by 0.8% to EUR 790.3 million in 1Q 09 primarily due to lower revenues in Croatia following the expiry of the national roaming agreement with a competitor and lower international roaming revenues. The negative foreign currency translation impact on revenues amounted to EUR 12.6 million. In local currencies revenues would have increased by 0.8%.

Reported EBITDA declines by 8.1%

Organic EBITDA decline excluding FX is 6.8%

EBITDA decreased by 8.1% to EUR 306.3 million in 1Q 09 mainly due to a lower contribution from Austria, Bulgaria and Croatia. The losses associated with the launch of operations in the Republic of Serbia and the Republic of Macedonia were reduced from EUR 19.0 million in 1Q 08 to EUR 11.1 million in 1Q 09. The negative impact of foreign currency translation amounted to EUR 4.3 million. In local currencies EBITDA would have decreased by 6.8%.

Operating income declined to EUR 144.1 million in 1Q 09 compared to EUR 176.9 million in 1Q 08 primarily as a result of higher expenses. In local currencies, operating income would have decreased by 18.6%.

mobilkom austria

The subscriber base of mobilkom austria, the leading mobile operator in Austria, grew by 11.7% to 4.6 million subscribers at the end of March 2009 mainly driven by attractive tariff models and additional SIM cards for mobile broadband.

mobilkom austria grows market share to 42.4%

mobilkom austria extended its market leadership growing its market share to 42.4% at the end of 1Q 09 compared to 41.2% at the end of 1Q 08. The mobile penetration rate in Austria rose to 129.1% at the end of March 2009 compared to 119.1% in the previous year due to an increasing number of customers with double SIM cards for both mobile broadband and voice services.

40,900 mobile broadband net adds in Austria in 1Q 09

Average revenues per user (ARPU) decreased by 11.1% to EUR 25.5 as an increase in data usage partly offset lower prices for voice and data. Data ARPU increased by 2.4% to EUR 7.2 due to higher usage. Average minutes of use charged per subscriber decreased by 8.2% to 168.3 minutes in 1Q 09 primarily due to the dilution from mobile broadband. mobilkom austria grew its mobile broadband subscriber base by 42.2% and had 440,900 mobile broadband customers at the end of March 2009 compared to 310,000 mobile broadband customers at the end of March 2008. Data revenues as a percentage of traffic-related revenues rose from 31.6% in 1Q 08 to 37.4% in 1Q 09.

Revenues of mobilkom austria declined by 1.3% to EUR 403.6 million compared to 1Q 08 as a result of lower subscription and traffic revenues following lower prices for voice and data as well as lower roaming revenues. Interconnection revenues increased as higher volumes of voice minutes and SMS offset lower prices.

Subscriber acquisition costs increased from EUR 11.3 million in 1Q 08 to EUR 14.3 million in 1Q 09 due to a more expensive handset portfolio including a higher number of smart phones and

Mobile Communication

in EUR million	1Q 09	1Q 08	% change
Revenues	790.3	796.5	-0.8%
EBITDA	306.3	333.4	-8.1%
Operating income	144.1	176.9	-18.5%

netbooks. Subscriber retention costs increased by 1.6% to EUR 18.7 million.

mobilkom austria's EBITDA decreased by 5.5% to EUR 160.7 million compared to EUR 170.1 million in 1Q 08 as a result of lower revenues and higher subscriber acquisition costs. 1Q 09 operating income decreased by 4.5% to EUR 102.0 million despite stable depreciation and amortization charges.

Mobiltel

Mobiltel, the leading mobile operator in Bulgaria, increased its customer base by 4.4% to 5.3 million customers at the end of March 2009 compared to the end of March 2008. The number of subscribers declined compared to the end of December 2008 due to inactive prepaid customers, which were taken out of the subscriber base. Mobiltel's market share declined from 51.0% to 50.0% at the end of 1Q 09 compared to the end of 1Q 08. The mobile penetration rate in Bulgaria rose from 130.0% in the previous year to 139.0%.

An increase in average minutes of use charged per subscriber by 15.1% partly compensated for lower prices resulting in an ARPU of EUR 8.7 in 1Q 09 compared to EUR 9.4 in 1Q 08.

Revenues of Mobiltel declined from EUR 154.4 million in 1Q 08 to EUR 150.1 million in 1Q 09 due to lower subscription and traffic revenues as a higher contract subscriber base partly offset lower prices as a consequence of fierce competition. A general economic slowdown in Bulgaria also impacted Mobiltel and albeit usage continued to grow, growth shifted to cheaper priced on-net minutes.

1Q 08 EBITDA of Mobiltel inflated by asset sale of 5.5 mn

EBITDA decreased from EUR 92.9 million in 1Q 08 EUR to EUR 76.6 million in 1Q 09 due to a one-off effect in the amount of EUR 5.5 million from an asset sale included in 1Q 08 as well as higher interconnection costs. The latter rose due to rising traffic into other networks partly offset by lower mobile-to-fixed tariffs.

Mobiltel's operating income decreased from EUR 52.9 million in 1Q 08 to EUR 31.6 million in 1Q 09 due to higher operating expenses as well as higher depreciation and amortization charges.

Velcom

At the end of March 2009 Velcom, the second largest mobile operator in Belarus, grew its subscriber base by 16.6% to 3.8 million customers compared to 3.2 million at the end of March 2008. Velcom's market share remained almost stable at 43.8%. The penetration rate in Belarus stood at 88.8% at the end of March 09 compared to 74.8% at the end of March 08.

Average minutes of use charged per subscriber decreased by 1.7% to 145.1 minutes in 1Q 09. ARPU was EUR 6.2 in 1Q 09 compared to EUR 6.5 in the previous year.

Organic revenue growth in Belarus of 27.0%

Revenues increased by 12.9% from EUR 64.5 million in 1Q 08 to EUR 72.8 million in 1Q 09 driven by higher revenues from subscription and traffic due to higher usage and a larger subscriber base. Currency translation differences following the devaluation of the Belarusian Ruble at the beginning of 2009 impacted revenues with an amount of EUR 9.1 million. In local currency, revenue growth was 27.0%.

Organic EBITDA growth of 29.2%

Impact from devaluation in Belarus 9.1 mn on revenues and 4.5 mn on EBITDA

In 1Q 09 EBITDA rose by 15.0% to EUR 36.7 million compared to EUR 31.9 million in 1Q 08 as revenue growth more than offset higher marketing and interconnection costs. In local currency, excluding the impact of the currency translation effect in the amount of EUR 4.5 million, EBITDA increased by 29.2%.

Velcom's operating income in 1Q 09 grew by 37.9% to EUR 18.2 million compared to EUR 13.2 million in 1Q 08 despite higher depreciation and amortization charges. Excluding the impact of the currency translation in the amount of EUR 2.1 million, operating income grew by 53.8%.

Vipnet

Vipnet, the second largest mobile operator in Croatia, increased its subscriber base by 14.0% to 2.5 million customers at the end of March 2009.

At the end of the first quarter 2009 the mobile penetration rate in Croatia was 136.9% compared to 117.0% at the end of 1Q 08. Vipnet's market share declined slightly to 41.4% in 1Q 09 from 42.6% in 1Q 08.

ARPU declined by 16.0% to EUR 12.1 in 1Q 09 compared to EUR 14.4 in 1Q 08 as a higher contract subscriber base partly compensated for a lower voice volume per subscriber and lower prices. Average minutes of use charged per subscriber declined by 4.5% to 83.2 minutes. Excluding SMS data revenues grew by approximately 30% compared to 1Q 08 mainly due to strong broadband subscriber growth and more than doubled download volume.

Expiry of national roaming agreement in 2Q 08 impacts revenues and EBITDA of Vipnet

Revenues of Vipnet declined by 9.5% to EUR 105.4 million in 1Q 09 compared to EUR 116.5 million in 1Q 08 due to lower wholesale roaming revenues mainly as a result of the expiry of the national roaming agreement with a competitor in 2008 as well as lower prices for voice and data leading to lower subscription and traffic revenues.

EBITDA decreased by 22.7% to EUR 32.6 million in 1Q 09 mainly due to lower revenues and higher interconnection costs partly offset by lower other operating expenses.

Operating income of Vipnet decreased by 39.2% to EUR 14.6 million in 1Q 09 compared to the same period of the previous year reflecting lower revenues and slightly higher depreciation and amortization charges due to investments in network quality and coverage.

Si.mobil

Si.mobil, the second largest operator in Slovenia, grew its subscriber base by 13.5% to 582,400 customers at the end of March 2009.

Si.mobil increased its market share from 27.1% to 28.0%. The mobile penetration rate in Slovenia was 102.7% at the end of 1Q 09 compared to 94.6% at the end of 1Q 08.

ARPU decreased by 6.9% to EUR 21.7 primarily driven by lower interconnection asymmetry partly offset by a higher contract subscriber base and an increase in average minutes of use charged per subscriber by 0.7% to 139.6 minutes.

Lower mobile termination rates and reduced asymmetry impact revenues and EBITDA of Si.mobil

Revenues grew by 3.6% to EUR 45.7 million during 1Q 09 mainly as a result of higher subscription and traffic revenues overcompensating for lower roaming revenues due to lower tariffs and for lower interconnection revenues.

EBITDA decreased from EUR 14.7 million in 1Q 08 to EUR 10.3 million in 1Q 09 as a consequence of higher material expenses due to a higher share of multimedia handsets as well as increased marketing and sales costs.

Operating income decreased from EUR 9.8 million in 1Q 08 to EUR 4.6 million in 1Q 09 due to higher operating expenses and depreciation and amortization charges.

Vip mobile

Vip mobile, the third largest mobile operator in the Republic of Serbia, has reached the 1 million subscriber mark at the end of March 2009 only 20 months after the start of its operations. Vip mobile grew its subscriber base by 66.5% to 1.0 million customers at the end of March 2009 from 0.6 million customers at the end of 1Q 08 and had a market share of 10.2% at the end of 1Q 09 compared to 6.7% at the end of 1Q 08.

The penetration rate in the Republic of Serbia stood at 130.8% at the end of 1Q 09 compared to 119.5% at the end of 1Q 08, also reflecting an inflated subscriber number reported by the incumbent.

During 1Q 09 Vip mobile increased revenues by 27.3% to EUR 15.4 million compared to EUR 12.1 million in 1Q 08 as a result of higher subscription and traffic revenues driven by a larger subscriber base and higher usage.

Negative EBITDA in Republic of Serbia almost halved

The negative EBITDA nearly halved to EUR 6.8 million compared to EUR 13.0 million in 1Q 08 and the operating loss was reduced to EUR 21.4 million in 1Q 09 compared to a loss of EUR 23.2 million in 1Q 08.

Vip operator

Vip operator, the third largest mobile operator in the Republic of Macedonia, had 213,000 customers in 1Q 09 compared to 163,300 customers in 1Q 08. The number of subscribers declined compared to the end of December 2008 as a result of inactive customers which were acquired during the launch promotion and were eliminated from the customer base following the expiry of the company's 90 days validity deadline. Vip operator's market share was 9.3% at the end of 1Q 09 compared to 8.1% in 1Q 08. At the end of March 2009 the penetration rate in the Republic of Macedonia was 112.4%.

Operating performance in the Republic of Macedonia improves as revenues more than doubled

Vip operator's revenues more than doubled to EUR 3.9 million in 1Q 09 compared to EUR 1.8 million in 1Q 08 as a result of higher subscription and traffic revenues driven by the strong increase of the subscriber base and usage.

The negative EBITDA of the company declined from EUR 6.0 million in 1Q 08 to EUR 4.3 million in 1Q 09 reflecting a continuing operating improvement.

Operating loss was reduced to EUR 6.0 million in 1Q 09 compared to an operating loss of EUR 6.9 million in 1Q 08.

Consolidated Net Income

In 1Q 09 net interest expenses increased to EUR 59.1 million from EUR 50.8 million during 1Q 08 due to higher interest-bearing liabilities resulting from the EUR 750 million bond placed in January 2009 and the restructuring program, which led to additional non-cash interest expenses .

Effects from foreign currency valuations in the financial result turned from a gain of EUR 12.7 million in 1Q 08 to a loss of EUR 13.0 million in 1Q 09 mainly due to the devaluation of the Ruble in Belarus in January 2009 and more favorable USD-exchange rates in 2008.

Income tax expense decreased from EUR 36.6 million in 1Q 08 to EUR 24.2 million due to a lower taxable income in 1Q 09. The effective tax rate nearly stayed the same at 22.1%.

Net income primarily impacted by lower EBITDA and financial result

Net income amounted to EUR 85.3 million in 1Q 09 after a net income of EUR 129.7 million in 1Q 08. Basic and diluted earnings per share amounted to EUR 0.19 in 1Q 09.

Balance Sheet and Net Debt

The total assets of the Telekom Austria Group increased from EUR 8,997.4 million as of December 31, 2008 to EUR 9,087.8 million as of March 31, 2009.

During the first quarter of 2009 current assets increased by EUR 519.6 million to EUR 2,065.0 million mainly driven by higher cash and cash equivalents and higher short-term investments following the issue of a bond in January 2009. Goodwill declined from EUR 1,958.5 million at the end of December 2008 to EUR 1,829.8 million at the end of March 2009 mainly due to currency translation adjustments following the devaluation of the Belarusian Ruble at the beginning of 2009. Other intangible assets declined from EUR 2,265.6 million to EUR 2,100.3 million at the end of March 2009 mainly as a result of the currency devaluation in Belarus and amortization exceeding additions. Property, plant and equipment declined by 5.3% to EUR 2,818.4 million due to depreciation charges exceeding additions and as a result of the devaluation of the Belarusian Ruble.

Current liabilities decreased from EUR 2,220.5 million at the end of December 2008 to EUR 2,132.8 million at the end of March 2009 mainly due to payments of accounts payable. Non-current liabilities increased from EUR 4,621.3 to EUR 4,985.1 million mainly due to changes in long-term debt following the issue of a bond in the amount of EUR 750 million. This was partly offset by the reclassification of the EUR 500 million EMTN bond to short-term borrowings, as repayment is scheduled for January 2010.

Stockholders' equity decreased from EUR 2,155.6 million as of December 31, 2008 to EUR 1,969.9 million as of March 31, 2009. Stockholders' equity declined mainly due to foreign currency translation adjustments in the amount of EUR 258.5 million following primarily the devaluation of the Ruble in Belarus despite net income generation in the amount of EUR 85.3 million.

Net debt decreases and stands at 2.1x EBITDA

Net debt decreased from EUR 3,993.3 million to EUR 3,877.8 million as of March 31, 2009 as a result of free cash flow generation. Net debt to EBITDA (last 12 months) remained unchanged at 3.1x as of end of March 2009 compared to 3.1x at the end of December 2008 as a result of expenses required for the restructuring program in the Fixed Net segment leading to a lower EBITDA in 2008. Excluding the expenses for the restructuring program, net debt to EBITDA (last 12 months) remained stable at 2.1x.

Cash flow and Net debt

in EUR million	1Q 09	1Q 08	% change
Cash from operations	247.7	305.1	-18.8%
Cash from investing	-209.0	-155.0	34.8%
Cash from financing	392.3	-179.7	-
Effect of exchange rate changes	31.6	10.5	201.9%
Net increase/decrease in cash and cash equivalents	**462.6**	**-19.2**	**n.a.**

in EUR million	March 31, 09	Dec. 31, 08	% change
Net debt	3,877.8	3,993.3	-2.9%
Net debt/EBITDA (12 months) excluding restructuring program	2.1x	2.1x	

Cash Flow and Capital Expenditures

During 1Q 09 cash generated from operations decreased by 18.8% to EUR 247.7 million mainly due to lower results from operations partly compensated by non-cash adjustments as well as higher cash payments to settle provisions and accrued liabilities.

Cash outflow from investing activities increased from EUR 155.0 million in 1Q 08 to EUR 209.0 million in 1Q 09 as lower capital expenditures were more than offset by short-term investments as part of the proceeds from the new bond which were invested until the funds are needed for refinancing.

Capital expenditures declined by 27.3%

During 1Q 09 total capital expenditures decreased by 27.3% to EUR 116.0 million. Capital expenditures for tangible assets decreased by 33.7% to EUR 81.0 million and capital expenditures for intangible assets declined by 6.4% to EUR 35.0 million.

In the Fixed Net segment capital expenditures decreased by 50.8% to EUR 33.5 million during 1Q 09, mainly due to a postponement of investments into the access and core net infrastructure.

In the Mobile Communication segment capital expenditures decreased by 9.8% to EUR 82.5 million in 1Q 09 as lower capital expenditures in Austria and Croatia offset higher capital expenditures in the access infrastructure in Bulgaria.

Cash flow from financing activities increased from a net outflow of EUR 179.7 million in 1Q 08 to a net inflow of EUR 392.3 million in 1Q 09 mainly due to the placement of the EUR 750.0 million bond in January 2009 partly offset by higher repayments on long-term debt.

Capital expenditures

in EUR million	**1Q 09**	**1Q 08**	**% change**
Fixed Net	33.5	68.1	-50.8%
Mobile Communication	82.5	91.5	-9.8%
Others and Eliminations	0.0	0.0	n.a.
Total capital expenditures	**116.0**	**159.6**	**-27.3%**
Thereof tangible	81.0	122.2	-33.7%
Thereof intangible	35.0	37.4	-6.4%

Additional Information & Selected Notes

Selected Explanatory Notes to the Consolidated Interim Financial Statements (unaudited)

Basis of Presentation

The consolidated interim financial statements, in the opinion of management, include all adjustments necessary for a fair presentation in accordance with International Financial Reporting Standards (IFRS).

These financial results in accordance with IAS 34 "Interim Financial Reporting" are unaudited and should be read in connection with the Company's annual consolidated financial statements according to IFRS for the year ended December 31, 2008. The consolidated results for the interim periods are not necessarily indicative of results for the full year.

No major related party transactions, commitments and guarantees occurred since December 31, 2008.

The preparation of the interim financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

The Company has applied the same accounting policies and methods of computation in the interim financial statements as in the annual financial statements as of and for the year ended December 31, 2008 except for IFRIC 12- Service Concession Arrangements, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 16 - Hedges of a Net Investment in a Foreign Operation and IAS 32 and IAS 1 - Puttable Financial instruments and Obligations arising on Liquidation, which became effective during 2008 and as of January 1, 2009.

The Company has adopted these standards and interpretations as of January 1, 2009. IFRIC 13 addresses the accounting of customer loyalty programs that are operated either by the manufacturer or service provider or by a third party. The award credit granted is accounted for as a separate component of the sales transaction and recognized as deferred revenue until it is either redeemed by the customer or forfeited. The adoption of IFRIC 13 led to a reclassification of approximately EUR 20.9 million from provisions and accrued liabilities to deferred income. Comparative figures were adjusted accordingly. The effect on net income was immaterial. The effects of the other new standards and interpretations, if any, on the consolidated financial statements were insignificant.

Compared to other economic sectors the telecommunications industry is in general less cyclical. Within the telecommunication sector the seasonality of the Company's Fixed Net and Mobile Communications segment shows the same pattern as with other European incumbents, having lower margins in the year-end quarter due to Christmas promotions, equipment provided to customers and increases in sales commissions. However, in the Mobile Communications segment customer and visitor roaming revenues are above average in the third quarter due to the summer vacation season. In Austria visitor roaming is also above average in the first quarter due to winter sports tourism.

Business Combinations

In March 2009, the Company acquired a 25.029% interest in Marx Media Vienna GmbH for an aggregate purchase price, which was paid in cash, of EUR 3.2 million in the Fixed Net segment.

In February 2009 the Company sold the stake of 37.47% in Infotech Holding GmbH for a sales price, which was paid in cash, of EUR 7.0 million. The investment was reported as asset held for sale as of December 31, 2008 in the Fixed Net segment.

In January 2009, the Company agreed to acquire 100% of CRI Beteiligungs GmbH for an aggregate purchase price of approximately EUR 10.5 million in the Fixed Net segment. CRI holds 76% in Cable Runner GmbH, a technology company running glass fibers in sewage circuits. As it is still uncertain whether the competition authorities will initiate a proceeding, the acquired net assets have not been consolidated yet.

Foreign Exchange Differences

Starting with Q1 2009 all foreign exchange gains and losses are shown in the financial result, whereas until 2008 only foreign exchange differences relating to financing activities were reported therein. Foreign exchange differences relating to other activities were reported in operating income or operating expenses. The new presentation provides a more reliable and relevant view on the operating result. Comparative figures for 2008 were adjusted accordingly.

Non-current liabilities, Short-Term Borrowings

An amount of EUR 449.9 million of long-term debt was repaid in the three months period ended March 31, 2009. On January 29, 2009, the Company issued a bond on the Eurobond market with a volume of EUR 750.0 million, a maturity of 7 years, a disagio and issue costs of EUR 8.0 million and a coupon of 6.375%.

Long-term debt increased mainly due to the issuance of the bond which was partly compensated by the shift of a bond under the EMTN program to short-term borrowings.

In the first quarter 2009 eleven transactions of Cross Border Lease were early terminated. As a result the Company realized an expense of EUR 7.1 million and income from the realization of the deferred unamortized balance on the sale of the tax benefit allocated to these transactions amounting to EUR 8.2 million. Thus, the Company recognized interest income amounting to EUR 1.1 million. As a result of the early termination, contingent liabilities decreased to EUR 259.0 million.

Income Taxes

The effective tax rate for the three months period ended March 31, 2009 and 2008 was 22.1% and 22.0% respectively. In the three months period ended March 31, 2009, the effective tax rate was less than the Austrian statutory tax rate of 25% mainly due to tax incentives.

Net deferred tax liabilities of EUR 44.7 million as of December 31, 2008 decreased to EUR 28.3 million mainly due to foreign exchange differences and the amortization and depreciation of fair value adjustments of assets acquired in business combinations.

Stock Based Compensation

In the first quarter 2009 the Company launched the sixth tranche (or "ESOP 2009+") of the stock option program 2004.

For the three month periods ended March 31, 2009 and 2008 the Company recorded an expense of EUR 0.6 million and a benefit of EUR 10.1 million, respectively, excluding related payroll taxes and social contributions. The benefit in Q1 2008 is mainly due to the decline of the Telekom Austria share price at March 31, 2008 compared to December 31, 2007.

Compensation expense is measured based on the fair value of the options at each reporting date and recognized over the service period on a straight-line basis. The fair value estimation is based on a binomial option pricing model by applying the parameters summarized in table "ESOP Parameters".

ESOP Parameters	March 31, 09	Dec. 31, 08
Expected average dividend per share (in Euro)	0.75 - 0.87	0.75 - 0.94
Expected volatility	55%	55%
Risk-free interest rate range	1.636% - 2.862%	2.750% - 3.354%
Stock price (in Euro)	11.40	10.30
Fair value per option second tranche (in Euro)	0.26	0.47
Fair value per option third tranche (in Euro)	0.46	0.44
Fair value per option fourth tranche (in Euro)	0.71	0.62
Fair value per option fifth tranche (in Euro)	0.87	0.75
Fair value per option sixth tranche (in Euro)	1.21	-

Foreign currency translation adjustment

The foreign currency translation adjustment mainly results from the consolidation of Velcom in Belarus and Vip mobile in Serbia. The main driver was the devaluation of the Belarusian Ruble which resulted in an adjustment amounting to EUR 226.8 million in Q1 2009.

Segment Reporting

There are no differences from the last annual financial statements in the basis of segmentation or in the basis of measurement of segment profit.

In 2009, the Company reduced estimated useful lives of certain technical and office equipment due to the rapid development of technological environment in the relevant areas. The change in estimate resulted in an increase of depreciation by EUR 0.9 million in the Mobile Communication segment.

Risks & Uncertainties

The Telekom Austria Group faces various risks and uncertainties that could affect its results. These risks include, but are not limited to, a further reduction of prices for mobile communication services in Austria and elsewhere and an acceleration of fixed-to-mobile substitution resulting in further access line loss and a decline in fixed net minutes.

The Telekom Austria Group is also subject to risks related to the planned reduction of the number of employees in the Fixed Net segment. Furthermore, the Telekom Austria Group is subject to intensive regulation.

Through its expansion into the Eastern and South-Eastern European region, the company operates in markets that have been experiencing political and economic change. This circumstance has affected and may continue to affect the activities of enterprises operating in this environment. Consequently, operations in the Eastern and South-Eastern European region involve uncertainties, including foreign exchange and tax uncertainties that typically do not exist in other markets.

In recent years, the growth of Telekom Austria Group's business was marked by an expansion in various markets in Eastern and South-Eastern Europe. However, further growth will be affected by a number of factors over which Telekom Austria Group has no influence. Further organic growth also depends on the growth of the respective economies and individual telecommunication markets the Telekom Austria Group operates in.

Personnel

The total number of employees of the Telekom Austria Group declined by 885 to 16,789 employees at the end of March 2009 compared to the same period of the previous year.

Fixed Net workforce declines by 1,267 employees

334 employees left with a social plan

The workforce in the Fixed Net segment decreased by 1,267 to 8,265 full-time equivalents. 258 full-time equivalents were reduced due to the sale of eTel Slovensko and Telekom Austria Czech Republic. The remaining amount is related primarily to the restructuring program. Within this framework 398 employees have accepted a social plan. Thereof 334 employees left the company as of March 2009.

The number of employees of the Mobile Communication segment increased by 382 to 8,524 employees mainly as a result of a larger workforce in the operations of Belarus and the Republic of Serbia.

Other Events

Devaluation in Belarus by 21%

The National Bank of the Republic of Belarus decided that as of January 2, 2009 the Belarusian Ruble was pegged to a basket of the US Dollar, the Euro and the Russian Ruble. From December 31, 2008 until the end of March 2009 the Belarusian Ruble weakened against the Euro by roughly 21%. Measures have been prepared to mitigate the impact of this currency devaluation on the Group's results.

Based on the approval by the Supervisory Board, an additional tranche of stock options was granted to eligible employees of Telekom Austria on January 14, 2009.

On January 21, 2009 the Telekom Austria Group announced that its subsidiary, Telekom Finanzmanagement GmbH, had successfully placed a benchmark bond with a volume of EUR 750 million. The bullet bond has a maturity of 7 years and bears a coupon of 6.375% p.a.

The Telekom Austria Group was informed that the shareholding of Capital Research and Management Company as of January 28, 2009 was 23,750,887 shares or 5.16% of the outstanding shares. Under Austrian law a company is required to announce if the stake of a shareholder exceeds or falls below a specific level (e.g. 5%).

On March 2, 2009 Boris Nemsic announced his resignation as Chief Executive Officer of the Telekom Austria Group and Chief Executive Officer of mobilkom austria AG as of March 31, 2009 and his intention to take on the position of Chief Executive Officer of VimpelCom in Russia.

Hannes Ametsreiter appointed new CEO

On March 5, 2009 Hannes Ametsreiter was appointed by the Supervisory Board as the successor of Boris Nemsic as Chief Executive Officer and Chairman of the Board of the Telekom Austria Group and Chief Executive Officer of mobilkom austria AG as of April 1, 2009. Hannes Ametsreiter also remains Head of the Fixed Net segment. Together with Hans Tschuden, who is Vice Chairman of the Management Board and Chief Financial Officer, he will lead the Telekom Austria Group.

In the first quarter 2009 eleven transactions of Cross Border Lease were early terminated. As a result the Company realized an expense of EUR 7.1 million and income from the realization of the deferred unamortized balance on the sale of the tax benefit allocated to these transactions amounting to EUR 8.2 million. Thus, the Company recognized interest income amounting to EUR 1.1 million. As a result of the early termination, contingent liabilities decreased to EUR 259.0 million.

Subsequent Events

In April 2009, a further transaction of Cross Border Lease was terminated earlier than originally planned. As a result, the company had to pay EUR 0.6 million, but released the deferred unamortized balance on the sale of the tax benefit allocated to this transaction in the same amount. As a result of the early termination, contingent liabilities decreased by EUR 23.5 million.

The Telekom Austria Group was informed in April 2009 that the shareholding of UBS AG, Zurich was 29,559,356 shares or 6.43% of the outstanding shares as of March 27, 2009 and the shareholding of Capital Research and Management Company was 46,059,136 shares or 10.01% of the outstanding shares as of April 7, 2009.

Mobile termination rates in Austria retroactively lowered

The regulator has decided to lower termination rates compared to the previous schedule published in 2007. The termination rates of the Austrian mobile communication operators will be reduced retroactively to a uniform termination rate of 5.72 cents as of July 1, 2008, equivalent to the level charged by mobilkom austria since January 1, 2008. In addition, the uniform termination rate of all Austrian mobile communication operators will be reduced retroactively from 5.72 cents to 4.50 cents as of January 1, 2009.

Draft for new gliding path for mobile termination rates in Austria starting on July 1, 2009 published

Furthermore, the Austrian Regulatory Authority published a draft for a new gliding path designed to reduce the uniform termination rate to 2.01 cents by January 1, 2011 for all mobile communication operators. The draft published foresees a cut of 0.62 cents from 4.50 cents on July 1, 2009 and further reductions of an equivalent amount every six months.

On April 30, 2009 the Company acquired 25.1% interest in DSA BeteiligungsGmbH for an aggregate purchase price of 1 Euro in the fixed net segment. Additionally the Company has signed an option-agreement for EUR 0.5 million to acquire additional 25% interest. DSA holds 100% in Data Systems Austria AG & Co KG, an Austrian integrated business-software solutions, hardware and infrastructure provider.

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statements of Operations

in EUR million, except per share information	1Q 09 unaudited	1Q 08 unaudited
Operating revenues	1,197.1	1,259.6
Other operating income	13.3	21.1
Operating expenses		
Materials	-98.9	-100.5
Employee expenses, including benefits and taxes	-205.0	-204.4
Depreciation and amortization	-274.7	-283.4
Other operating expenses	-451.7	-490.1
Operating income	**180.1**	**202.3**
Financial result		
Interest income	10.9	6.6
Interest expense	-70.0	-57.4
Foreign exchange differences	-13.0	12.7
Result from financial assets	1.2	1.8
Equity in earnings of affiliates	0.3	0.3
Income before income taxes	**109.5**	**166.3**
Income taxes	-24.2	-36.6
Net income	**85.3**	**129.7**
Attributable to:		
Owners of the parent	85.3	129.6
Non-controlling interests	0.0	0.1
Basic and fully diluted earnings per share	**0.19**	**0.29**
Weighted-average number of ordinary shares outstanding	**442,398,222**	**442,211,742**

Condensed Statement of Comprehensive Income

in EUR million	1Q 09 unaudited	1Q 08 unaudited
Net income	**85.3**	**129.7**
Unrealized result on securities available-for-sale	0.5	-0.5
Income tax (expense) benefit	-0.1	0.1
Realized result on securities available-for-sale	0.0	-0.1
Unrealized result on hedging activities	-13.9	0.0
Income tax (expense) benefit	0.9	0.0
Foreign currency translation adjustment	-258.5	-99.1
Other comprehensive income	-271.1	-99.5
Total comprehensive income	**-185.8**	**30.1**
Attributable to:		
Owners of the parent	-185.8	30.1
Non-controlling interests	0.0	0.0

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Balance Sheets

in EUR million	March 31, 09 unaudited	Dec. 31, 08 audited
ASSETS		
Current assets		
Cash and cash equivalents	847.4	384.8
Short - term investments	166.6	86.0
Accounts receivable - trade, net of allowances	674.0	724.3
Receivables due from related parties	2.6	3.2
Inventories	121.6	128.5
Prepaid expenses	141.2	112.6
Income taxes receivable	34.0	32.9
Non - current assets held for sale	0.0	6.3
Other current assets	77.6	66.8
Total current assets	**2,065.0**	**1,545.4**
Non - current assets		
Investments in associates	7.7	4.2
Financial assets long - term	49.0	43.0
Goodwill	1,829.8	1,958.5
Other intangible assets, net	2,100.3	2,265.6
Property, plant and equipment, net	2,818.4	2,976.0
Other non - current assets	90.5	61.3
Deferred tax assets	127.1	143.4
Total non - current assets	**7,022.8**	**7,452.0**
TOTAL ASSETS	**9,087.8**	**8,997.4**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short - term borrowings	-989.3	-961.5
Accounts payable - trade	-470.0	-589.2
Provisions and accrued liabilities	-230.3	-228.4
Payables to related parties	-7.1	-13.7
Income taxes payable	-15.5	-20.2
Other current liabilities	-254.5	-232.4
Deferred income	-166.1	-175.1
Total current liabilities	**-2,132.8**	**-2,220.5**
Non-current liabilities		
Long - term debt	-3,289.2	-2,917.4
Lease obligations and Cross Border Lease	-21.4	-29.7
Employee benefit obligation	-117.5	-117.4
Provisions long - term	-689.4	-691.4
Deferred tax liabilities	-155.4	-188.1
Other non - current liabilities and deferred income	-712.2	-677.3
Total non - current liabilities	**-4,985.1**	**-4,621.3**
Stockholders' equity		
Common stock	-1,003.3	-1,003.3
Treasury shares	330.8	330.8
Additional paid - in capital	-547.3	-547.3
Retained earnings	-1,090.6	-1,005.2
Revaluation reserve	26.0	13.4
Translation adjustments	314.6	56.1
Equity attributable to equity holders of the parent	**-1,969.8**	**-2,155.5**
Non - controlling interests	-0.1	-0.1
Total stockholders' equity	**-1,969.9**	**-2,155.6**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**-9,087.8**	**-8,997.4**

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statements of Cash Flows

in EUR million	1Q 09 unaudited	1Q 08 unaudited
Cash flow from operating activities		
Net Income	85.3	129.7
Adjustments to reconcile net income to operating cash flow		
Depreciation, amortization and impairment charges	274.7	283.4
Employee benefit obligation - non-cash	0.3	2.4
Allowance for doubtful accounts	10.3	10.2
Change in deferred taxes	-16.6	11.3
Equity in earnings of affiliates - non-cash	-0.3	-0.3
Stock compensation	0.6	-10.1
Asset retirement obligation - accretion expense	1.8	1.2
Provision for restructuring - accretion expense	9.0	0.0
Result on sale of investments	-1.0	-1.8
Result on disposal / retirement of equipment	0.6	-5.0
Other	17.2	-0.7
	381.9	420.4
Changes in assets/liabilities, net of business combinations		
Accounts receivable - trade	29.5	19.1
Receivables due from related parties	0.7	0.8
Inventories	6.9	-0.3
Prepaid expenses and other assets	-32.1	-30.3
Accounts payable - trade	-96.1	-84.4
Employee benefit obligation	-0.2	-0.5
Provisions and accrued liabilities	-9.1	10.1
Payables due to related parties	-6.6	-12.3
Other liabilities and deferred income	-27.2	-17.4
	-134.2	-115.3
Cash flow from operating activities	**247.7**	**305.1**
Cash flow from investing activities		
Capital expenditures, including interest capitalized	-116.0	-159.6
Acquisitions of subsidiaries, net of cash acquired	-3.2	-2.0
Sale of subsidiary, net of cash	7.0	1.4
Proceeds from sale of equipment	0.8	6.9
Purchase of investments	-101.0	-3.1
Proceeds from sale of investments	3.4	1.4
Cash flow from investing activities	**-209.0**	**-155.0**
Cash flow from financing activities		
Proceeds from issuance of long term debt	750.0	0.0
Principal payments on long-term debt	-449.9	-327.3
Changes in short-term borrowings	92.2	147.6
Cash flow from financing activities	**392.3**	**-179.7**
Effect of exchange rate changes	**31.6**	**10.5**
Change in cash and cash equivalents	**462.6**	**-19.2**
Cash and cash equivalents at beginning of period	384.8	209.1
Cash and cash equivalents at end of period	847.4	189.9

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statement of Changes in Stockholders´ Equity

in EUR million (unaudited)	Common stock Par Value	Treasury shares	Additional paid-in capital	Retained earnings	Revaluation reserve	Translation adjustment	Total	Non-controlling interest	Total stockholders' equity
Balance at January 1, 09	**1,003.3**	**-330.8**	**547.3**	**1,005.2**	**-13.4**	**-56.1**	**2,155.5**	**0.1**	**2,155.6**
Total comprehensive income				85.3	-12.6	-258.5	-185.8	0.0	-185.8
Balance at March 31, 09	**1,003.3**	**-330.8**	**547.3**	**1,090.6**	**-26.0**	**-314.6**	**1,969.8**	**0.1**	**1,969.9**

in EUR million (unaudited)	Common stock Par Value	Treasury shares	Additional paid-in capital	Retained earnings	Revaluation reserve	Translation adjustment	Total	Non-controlling interest	Total stockholders' equity
Balance at January 1, 08	**1,003.3**	**-334.4**	**548.9**	**1,385.7**	**0.1**	**-38.3**	**2,565.3**	**0.0**	**2,565.3**
Total comprehensive income				129.7	-0.5	-99.1	30.1	0.1	30.2
Balance at March 31, 08	**1,003.3**	**-334.4**	**548.9**	**1,515.4**	**-0.4**	**-137.4**	**2,595.4**	**0.1**	**2,595.5**

	March 31, 09	Dec. 31, 08	March 31, 08
Number of shares of common stock	460,000,000	460,000,000	460,000,000
Number of treasury shares	17,601,778	17,601,778	17,788,258
Average purchase price of treasury shares	18.80	18.80	18.80

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Segment Reporting

in EUR million (unaudited)	Fixed Net	Mobile Communication	Corporate & Other	Eliminations	Consolidated
			1-3M 09		
External revenues	428.8	768.3	0.0	0.0	1,197.1
Intersegmental revenues	40.7	22.0	0.0	-62.7	0.0
Total revenues	**469.5**	**790.3**	**0.0**	**-62.7**	**1,197.1**
Other operating income	10.8	8.4	1.9	-7.8	13.3
Segment expenses	-322.5	-492.4	-8.5	67.8	-755.6
EBITDA	**157.8**	**306.3**	**-6.6**	**-2.7**	**454.8**
Depreciation and amortization	-112.8	-162.2	0.0	0.3	-274.7
Operating income	**45.0**	**144.1**	**-6.6**	**-2.4**	**180.1**
Financial result					-70.6
Income before income taxes					**109.5**
Segment assets	2,433.1	6,992.9	7,755.5	-8,093.7	9,087.8
Segment liabilities	-1,353.9	-4,984.0	-5,711.9	4,931.9	-7,117.9

in EUR million (unaudited)	Fixed Net	Mobile Communication	Corporate & Other	Eliminations	Consolidated
			1-3M 08		
External revenues	482.1	777.5	0.0	0.0	1,259.6
Intersegmental revenues	39.8	19.0	0.0	-58.8	0.0
Total revenues	**521.9**	**796.5**	**0.0**	**-58.8**	**1,259.6**
Other operating income	14.3	12.3	2.9	-8.4	21.1
Segment expenses	-379.3	-475.4	-7.5	67.2	-795.0
EBITDA	**156.9**	**333.4**	**-4.6**	**0.0**	**485.7**
Depreciation and amortization	-127.0	-156.5	0.0	0.1	-283.4
Operating income	**29.9**	**176.9**	**-4.6**	**0.1**	**202.3**
Financial result					-36.0
Income before income taxes					**166.3**
Segment assets	2,592.7	7,508.8	6,786.5	-8,153.6	8,734.4
Segment liabilities	-1,092.4	-5,183.6	-4,728.6	4,865.6	-6,139.0

Net Debt*

in EUR million	March 31, 09 unaudited	Dec. 31, 08 audited
Long-term debt	4,000.2	3,599.5
Short-term borrowings	989.3	961.5
Cash and cash equivalents, short-term and long-term investments, financing with related parties	-1,051.8	-513.1
Derivative financial instruments for hedging purposes	-59.9	-54.6
Net debt	**3,877.8**	**3,993.3**
Net debt/EBITDA (last 12 months)	**3.1x**	**3.1x**
Net debt/EBITDA (last 12 months) excl. restructuring program	**2.1x**	**2.1x**

* Cross border lease and finance lease obligations are included in long-term debt and short-term borrowings. Deposits for cross border lease are included in short-term and long-term investments. The purchase price obligation related to the acquisition of SBT is included in long-term debt.

Results by Segments

in EUR millions (unaudited) Revenues	1Q 09	1Q 08	% change
Fixed Net	469.5	521.9	-10.0%
Mobile Communication	790.3	796.5	-0.8%
Corporate, Other & Eliminations	-62.7	-58.8	6.6%
Revenues	**1,197.1**	**1,259.6**	**-5.0%**
EBITDA			
Fixed Net	157.8	156.9	0.6%
Mobile Communication	306.3	333.4	-8.1%
Corporate, Other & Eliminations	-9.3	-4.6	102.2%
EBITDA	**454.8**	**485.7**	**-6.4%**
Operating income			
Fixed Net	45.0	29.9	50.5%
Mobile Communication	144.1	176.9	-18.5%
Corporate, Other & Eliminations	-9.0	-4.5	100.0%
Operating income	**180.1**	**202.3**	**-11.0%**

Capital Expenditures

in EUR million (unaudited)	1Q 09	1Q 08	% change
Fixed Net	33.5	68.1	-50.8%
Mobile Communication	82.5	91.5	-9.8%
Total capital expenditures	**116.0**	**159.6**	**-27.3%**
Thereof tangible	81.0	122.2	-33.7%
Thereof intangible	35.0	37.4	-6.4%

Personnel

	End of period			Average of period		
Personnel (full-time equivalent)	**March 31, 09**	**March 31, 08**	**change**	**1Q 09**	**1Q 08**	**change**
Fixed Net*	8,265	9,532	-1,267	8,333	9,553	-1,220
Mobile Communication	8,524	8,142	382	8,490	8,094	396
Telekom Austria Group	16,789	17,674	-885	16,823	17,647	-824

* Net of idle workforce

Key Data Fixed Net

Lines (in '000)	1Q 09	1Q 08	% change
Access lines (without broadband lines)	1,393.1	1,584.4	-12.1%
Fixed Net broadband retail lines	872.3	745.8	17.0%
Fixed Net broadband wholesale lines	63.4	71.8	-11.7%
Fixed Net broadband lines	**935.7**	**817.6**	**14.4%**
Total access lines	**2,328.8**	**2,402.0**	**-3.0%**
Lines unbundled	295.7	299.6	-1.3%

Other Operationals	1Q 09	1Q 08	% change
Average revenues per access line (ARPL)	35.7	37.0	-3.5%
Total voice minutes	913	1,028	-11.2%

Fixed Net revenues in EUR million (unaudited)	1Q 09	1Q 08	% change
Access, Voice and Broadband	249.9	277.8	-10.0%
Data	97.5	103.3	-5.6%
Wholesale Voice & Internet	90.0	110.8	-18.7%
Others	32.0	30.0	6.7%
Fixed Net revenues	**469.5**	**521.9**	**-10.0%**

Austrian Telecommunications Market

Broadband Market Shares	1Q 09	1Q 08	% change
Telekom Austria Fixed Net Retail	30.0%	31.3%	-
Telekom Austria Fixed Net Wholesale	2.2%	3.0%	-
Mobile broadband mobilkom austria	15.2%	12.5%	-
Mobile broadband other operators	23.0%	16.6%	-
Cable	20.1%	24.9%	-
Unbundled lines	9.5%	11.7%	-
Broadband penetration - Total market	82.1%	67.6%	-

Voice Market Shares	1Q 09	1Q 08	% change
Fixed Net Telekom Austria	16.0%	17.8%	-
Fixed Net Others	9.1%	10.8%	-
Mobile	74.9%	71.4%	-

Key Data Mobile Communication

Mobile Communication in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	790.3	796.5	-0.8%
EBITDA	306.3	333.4	-8.1%
Operating income	144.1	176.9	-18.5%
Data as a portion of traffic-related revenues	29.8%	25.8%	-

	1Q 09	1Q 08	% change
Subscribers ('000)	17,930.1	15,866.2	13.0%

mobilkom austria* in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	403.6	409.0	-1.3%
EBITDA	160.7	170.1	-5.5%
Operating income	102.0	106.8	-4.5%
Monthly ARPU (EUR)	25.5	28.7	-11.1%
Data as a portion of traffic-related revenues	37.4%	31.6%	-
Subscriber acquisition cost (SAC)	14.3	11.3	26.5%
Subscriber retention cost (SRC)	18.7	18.4	1.6%
Churn (3 months)	3.9%	4.0%	-
Monthly MOU charged/ø subscriber	168.3	183.4	-8.2%

	1Q 09	1Q 08	% change
Subscribers ('000)	4,581.7	4,100.9	11.7%
Contract share	70.5%	67.7%	-
Market share	42.4%	41.2%	-
Market penetration	129.1%	119.1%	-

Mobiltel, Bulgaria, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	150.1	154.4	-2.8%
EBITDA	76.6	92.9	-17.5%
Operating income	31.6	52.9	-40.3%
Monthly ARPU (EUR)	8.7	9.4	-7.4%
Data as a portion of traffic-related revenues	14.6%	12.1%	-

	1Q 09	1Q 08	% change
Subscribers ('000)	5,279.1	5,058.5	4.4%
Contract share	54.1%	45.1%	-
Market share	50.0%	51.0%	-
Market penetration	139.0%	130.0%	-

* The reported operating income represents the contribution of the subsidiaries to the consolidated operating income of operations of the Telekom Austria Group including amortization of fair value adjustments resulting from past business combinations and therefore may deviate from the results of the single financial statements.

Key Data Mobile Communication

Velcom*, Belarus, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	72.8	64.5	12.9%
EBITDA	36.7	31.9	15.0%
Operating income	18.2	13.2	37.9%
Monthly ARPU (EUR)	6.2	6.5	4.6%

	1Q 09	1Q 08	% change
Subscribers ('000)	3,762.9	3,227.1	16.6%
Market share	43.8%	43.9%	-
Market penetration	88.8%	74.8%	-

Vipnet*, Croatia, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	105.4	116.5	-9.5%
EBITDA	32.6	42.2	-22.7%
Operating income	14.6	24.0	-39.2%
Monthly ARPU (EUR)	12.1	14.4	-16.0%
Data as a portion of traffic-related revenues	31.4%	28.7%	-

	1Q 09	1Q 08	% change
Subscribers ('000)	2,503.3	2,196.2	14.0%
Contract share	23.6%	21.1%	-
Market share	41.4%	42.6%	-
Market penetration	136.9%	117.0%	-

Si.mobil*, Slovenia, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	45.7	44.1	3.6%
EBITDA	10.3	14.7	-29.9%
Operating income	4.6	9.8	-53.1%
Monthly ARPU (EUR)	21.7	23.3	-6.9%
Data as a portion of traffic-related revenues	21.3%	22.1%	-

	1Q 09	1Q 08	% change
Subscribers ('000)	582.4	513.1	13.5%
Contract share	67.3%	63.4%	-
Market share	28.0%	27.1%	-
Market penetration	102.7%	94.6%	-

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Key Data Mobile Communication

Vip mobile, Republic of Serbia, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	15.4	12.1	27.3%
EBITDA	-6.8	-13.0	-47.7%
Operating income	-21.4	-23.2	-7.8%
Monthly ARPU (EUR)	4.7	5.9	-19.7%

	1Q 09	1Q 08	% change
Subscribers ('000)	1,001.7	601.7	66.5%
Market share	10.2%	6.7%	-
Market penetration	130.8%	119.5%	-

Vip operator, Republic of Macedonia, in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	3.9	1.8	116.7%
EBITDA	-4.3	-6.0	-28.3%
Operating income	-6.0	-6.9	-13.0%
Monthly ARPU (EUR)	4.7	3.1	51.6%

	1Q 09	1Q 08	% change
Subscribers ('000)	213.0	163.3	30.4%
Market share	9.3%	8.1%	-
Market penetration	112.4%	99.0%	-

mobilkom liechtenstein in EUR million (unaudited)	1Q 09	1Q 08	% change
Revenues	5.6	4.6	21.7%
EBITDA	0.8	1.1	-27.3%
Operating income	0.6	0.9	-33.3%

	1Q 09	1Q 08	% change
Subscribers ('000)	6.0	5.4	11.1%