

Telekom Austria AG

ISIN AT0000720008

Announcement of the Dividend

The Annual General Meeting, which was held on May 23, 2006, resolved to **distribute a dividend of 55 cents** per entitled share for the business year 2005.

The dividend will be distributed after deduction of 25% withholding tax (Kapitalertragsteuer), where applicable, as of May 30, 2006 on the basis of the balance of deposits on May 24, 2006 via crediting at the custodian banks.

Appointed paying agent is Bank Austria Creditanstalt AG.

The ex-dividend 2005 trade at the Vienna Stock Exchange will start as of May 26, 2006.

Vienna, May 2006

The Management Board