

## Resolution Proposals for the Annual General Meeting

**Telekom Austria Aktiengesellschaft**  
**Company no. 144477t, Commercial Court Vienna**  
**ISIN AT 0000720008**

### **Resolution Proposals by the Management Board and the Supervisory Board in Accordance with Para 108 Stock Corporation Act**

**Agenda Item 1:** Presentation of the adopted financial statements and the management report as well as the consolidated financial statements including the consolidated management report and the corporate governance report, the proposal for utilization of the net profit and the Supervisory Board report on the fiscal year 2010.

Information: The aforementioned documents are available on the Internet at [www.telekomaustria.com/ir/annual-reports.php](http://www.telekomaustria.com/ir/annual-reports.php).

A resolution on this agenda item is not required.

**Agenda Item 2:** Resolution on the utilization of the net profit shown in the financial statements for the fiscal year 2010.

The Management Board and the Supervisory Board of Telekom Austria AG propose to use the profit of the fiscal year 2010 of Telekom Austria AG in the amount of Euro 332,000,000 as follows:

Distribution of a dividend of Euro 0.75 per eligible no par value share.

The rest and the amount that is allotted to non-eligible treasury shares will be carried forward onto new account.

Information: Ex-dividend day on which the dividend will be deducted from the stock price will be May 23, 2011, and the dividend is due as of May 26, 2011 (payment date).

**Agenda Item 3:** Resolution on the discharge of the members of the Management Board for the fiscal year 2010.

The Management Board and the Supervisory Board of Telekom Austria AG propose to grant discharge to the members of the Management Board for the fiscal year 2010.

**Agenda Item 4:** Resolution on the discharge of the members of the Supervisory Board for the fiscal year 2010.

The Management Board and the Supervisory Board of Telekom Austria AG propose to grant discharge to the members of the Supervisory Board for the fiscal year 2010.

**Agenda Item 5:** Resolution on the compensation for the members of the Supervisory Board for the fiscal year 2010.

The Management Board and the Supervisory Board of Telekom Austria AG propose to determine the remuneration for the elected members of the Supervisory Board for the fiscal year 2010 as follows:

- for the chairman Euro 30,000
- for the deputy chairman Euro 22,500
- for every further member of the Supervisory Board Euro 15,000
- the attendance fee for each member of the Supervisory Board per meeting shall amount to Euro 300 until further notice.

**Agenda Item 6:** Election of the auditors of the financial statements and of the consolidated financial statements for the fiscal year 2011.

The Supervisory Board of Telekom Austria AG proposes to elect KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, as auditor and group auditor for the fiscal year 2011.

**Agenda Item 7:** Election of members of the Supervisory Board.

In accordance with Para 8 Sec 1 and 4 of the Articles of Association of Telekom Austria AG, the Supervisory Board consists of up to ten members elected by the Annual General Meeting.

Immediately after the last Annual General Meeting on May 27, 2010 the Supervisory Board consisted of eight elected members as well as four employee representatives designated by the corporate employee representation (Central Works Council) in accordance with Para 110 (1) Austrian Labour Constitution Act.

Mr. Peter Michaelis and Mr. Rainer Wieltsch have announced to resign as members of the Supervisory Board effective from the end of the Annual General Meeting of Telekom Austria AG on May 19, 2011.

There are thus two members to elect to again achieve the number of eight elected members.

The Supervisory Board of Telekom Austria AG resolved according to R-Rule 42 of the Austrian Corporate Governance Codex to authorize the nominating committee to prepare a proposal for the members being elected and also to submit the resolution proposal of the Supervisory Board to the Annual General Meeting.

The nominating committee proposed to elect Mr. Markus Beyrer, born August 19, 1965, and Mr. Franz Geiger, born May 21, 1950, as members of the Supervisory Board of Telekom Austria AG until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2012.

The Annual General Meeting will vote separately on each vacant position (two positions). A ranking of the individuals proposed for the respective position is reserved.

Mr. Beyrer and Mr. Geiger made a declaration pursuant to Para 87 (2) Austrian Stock Corporation Act, which are available on the website of the company together with the Curriculum Vitae.

**Agenda Item 8:** Management report on share buy-back effected, number of treasury shares held and use of treasury shares.

Information: A resolution on this agenda item is not required. The report can be viewed under [www.telekomaustria.com/agm](http://www.telekomaustria.com/agm).

**Agenda Item 9:** Resolution on the prolongation of Authorization of the Management Board to share buy-back and the Authorization of Use in this regard.

The Management Board and the Supervisory Board of Telekom Austria AG propose the following resolution:

“The authorization resolved by the Annual General Meeting on May 20, 2009 as item 7 of the agenda with regard to share buyback and use treasury shares is hereby revoked.

The Management Board is authorized to buy back treasury registered or bearer shares in an amount up to 5 percent of the share capital during a period of 18 months following the day of this resolution for a minimum price of EUR 1 and a maximum price of EUR 30 per share.

Furthermore the Management Board is authorized to

- a) issue treasury shares to, be it with or without consideration to employees, managers and members of the Management Board/management of the company and its affiliated companies, and/or to use treasury shares to serve stock options granted to such persons;
- b) use treasury shares – also abroad – as consideration for the acquisition of enterprises, businesses or parts thereof, or shares of one or more companies;
- c) decrease the share capital of the company according to Para 65 Sec 1 No. 8 last sentence in connection with Para 192 of the Stock Corporation Act by up to Euro 48,309,150 by withdrawing up to 22,150,000 million treasury registered or bearer shares with no par value without further resolution by the Annual General Meeting;
- d) sell treasury shares in accordance with Para 65 Sec 1b of the Stock Corporation Act (i) any time via the stock exchange or by public offer; (ii) for a period of 5 years from the day of this resolution in any way permitted by law, also other than via the stock exchange, whereby the Management Board is entitled to exclude the general purchase opportunity.

Information: The report on this item can be viewed under [www.telekomaustria.com/agm](http://www.telekomaustria.com/agm).