

# Capital Market Day Telekom Austria Group

Vienna, January 29, 2009

# Cautionary Statement

“This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Forward-looking information involves risks and uncertainties that could significantly affect expected results.”

# New Management for the Fixed Net Segment

- Hannes Ametsreiter appointed as member of the management board of Telekom Austria Group effective as of January 1, 2009
- Chief Executive Officer of the Fixed Net segment
- Hannes Ametsreiter remains Chief Marketing Officer of mobilkom austria



- Dual function as board member of the Fixed Net and the domestic mobile subsidiary guarantees optimal coordination and limits cannibalization
- Unique and customer-driven approach to Austrian communications market to maximize market opportunities

# Hannes Ametsreiter – CEO of Fixed Net

- Hannes Ametsreiter, born in 1967, earned a PhD from the University of Salzburg and participated in the MBA program of the Pepperdine University, USA
- He started his career at Procter & Gamble and joined mobilkom austria in 1996
- He held several management positions in marketing before he became Chief Marketing Officer of mobilkom austria in 2001
- From 2005 to 2006 he was Chief Marketing Officer of Mobiltel Bulgaria in addition to his CMO function at mobilkom austria
- Since 2007 Hannes Ametsreiter has acted as Chief Marketing Officer of Telekom Austria Fixed Net and mobilkom austria
- Since 2009 he has been Chief Executive Officer of Telekom Austria Fixed Net and he also continues to perform his function as Chief Marketing Officer of mobilkom austria
- In 2008 he was nominated “European CMO of the Year 2008”



# Overview of Telekom Austria Group

# Telekom Austria Group Offers a Sound Domestic Base and Eastern European Growth Potential

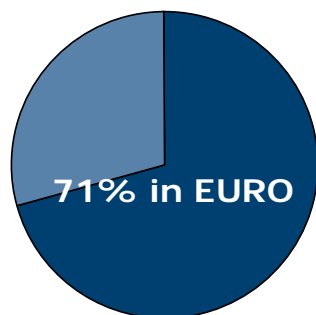


## Since April 2007

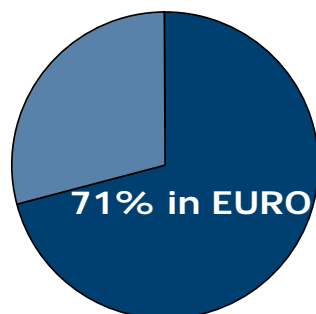
- Acquisition of Velcom
- Start up of Vip operator
- Start up of Vip mobile
- Sale of Czech Online
- Sale of etel's operations in Hungary, Slovakia and Poland

# More than 2/3 of Operating Free Cash Flow\* are Generated in Euro

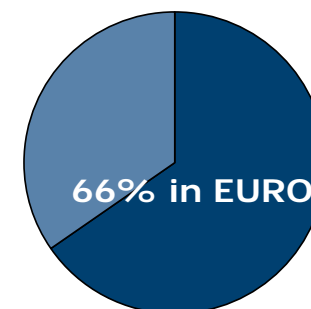
**EBITDA 2006**



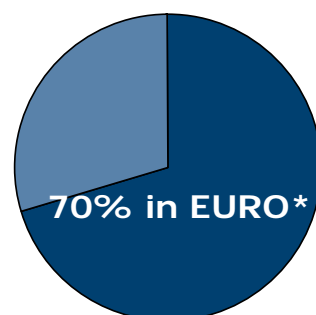
**EBITDA 2007**



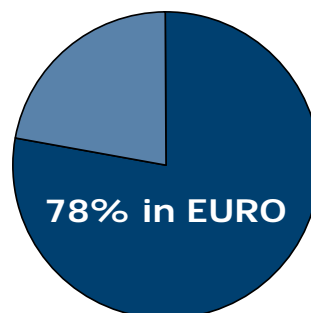
**EBITDA 1-9 2008**



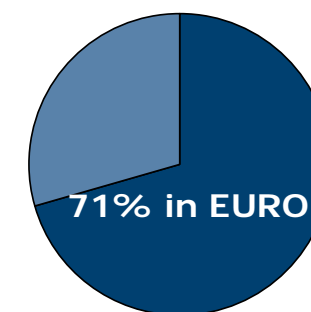
**Operating Free Cash Flow\* 2006\*\***



**Operating Free Cash Flow\* 2007**



**Operating Free Cash Flow\* 1-9 2008**

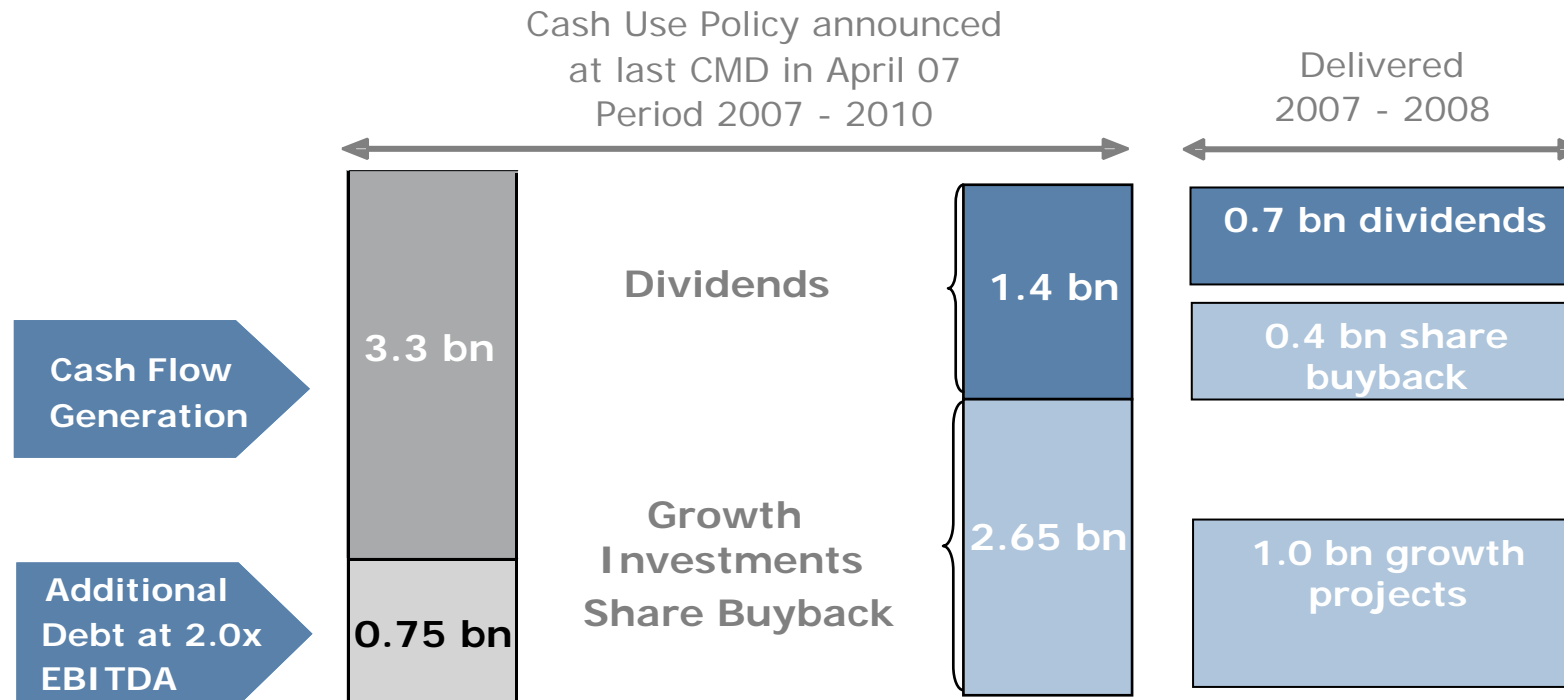


\* Free Cash Flow = EBITDA - Capex; intercompany & eliminations were not considered

\*\* Excluding the license for the Republic of Serbia in the amount of EUR 320 million

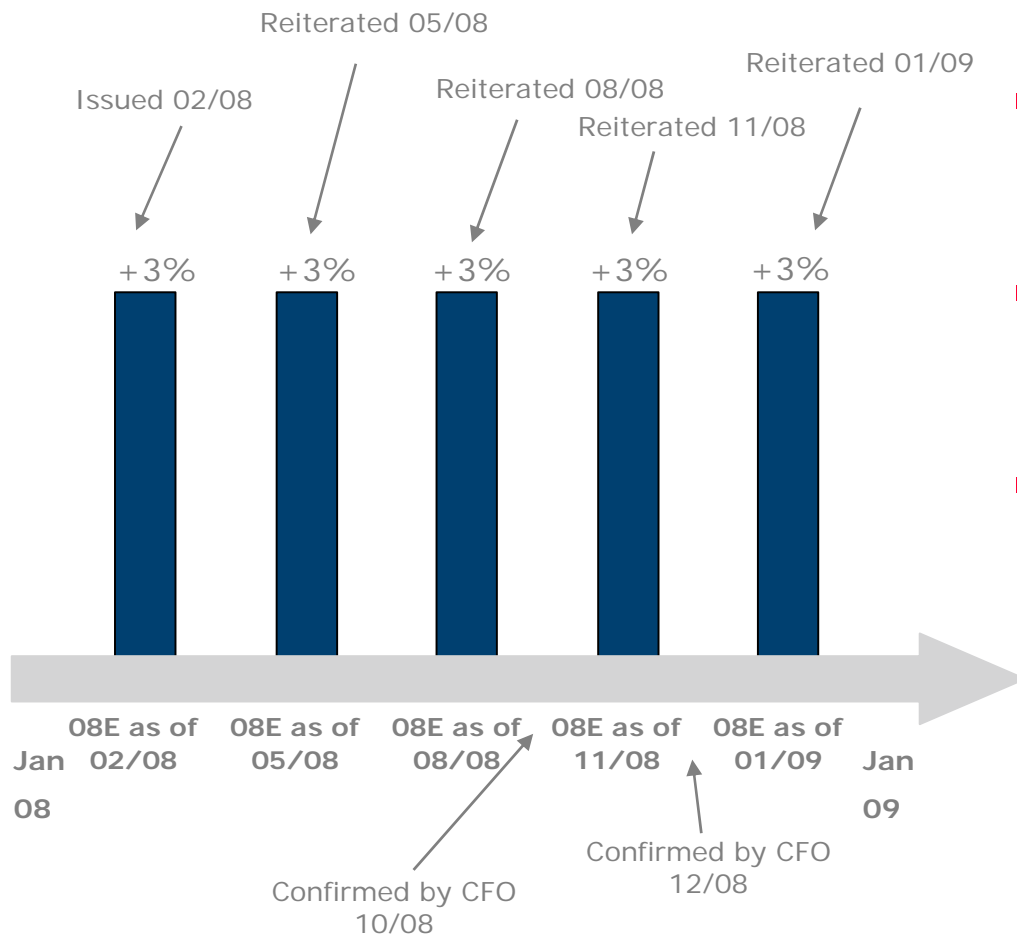
# Capital Allocation in 2007 and 2008 in Line with the Cash Use Policy Announced in April 2007

- Total shareholder remuneration of EUR 1.1 billion
- Cash used for growth investments of EUR 1.0 billion



# Continuous Reiteration of 2008 Outlook

## EBITDA 2008 Outlook\*



- 2008E EBITDA growth of 3% issued in Feb. 2008
- Reiterated in May, August and November 2008
- Confirmed in December 2008 and as of today

\* Operating performance, excluding impact of restructuring provision of EUR 630 mn