

Telekom Austria Group

UniCredit International Investors Conference

Kitzbühel, January 26, 2010

Cautionary Statement

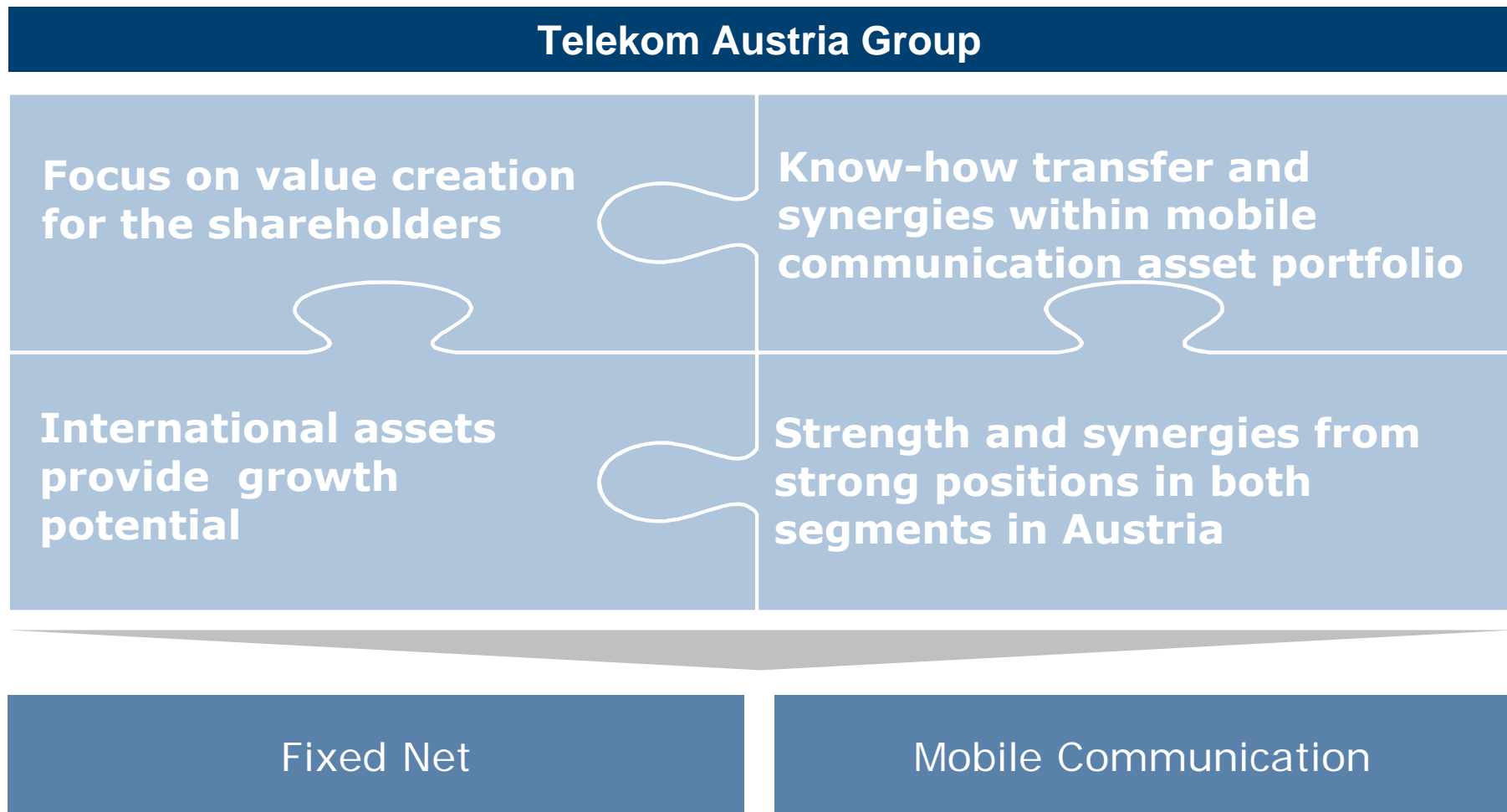
“This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Forward-looking information involves risks and uncertainties that could significantly affect expected results.”

Overview of Telekom Austria Group

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



Telekom Austria Group Strategy Focuses on Value Creation for its Shareholders



Telekom Austria Group Strategy Incorporates Market Driven Approach for Both Segments

Telekom Austria Group

Fixed Net

Leverage strong market position to develop new business areas

Develop broadband and product bundles to protect customer base

Utilization of infrastructure to exploit economies of scale

Investment in broadband infrastructure

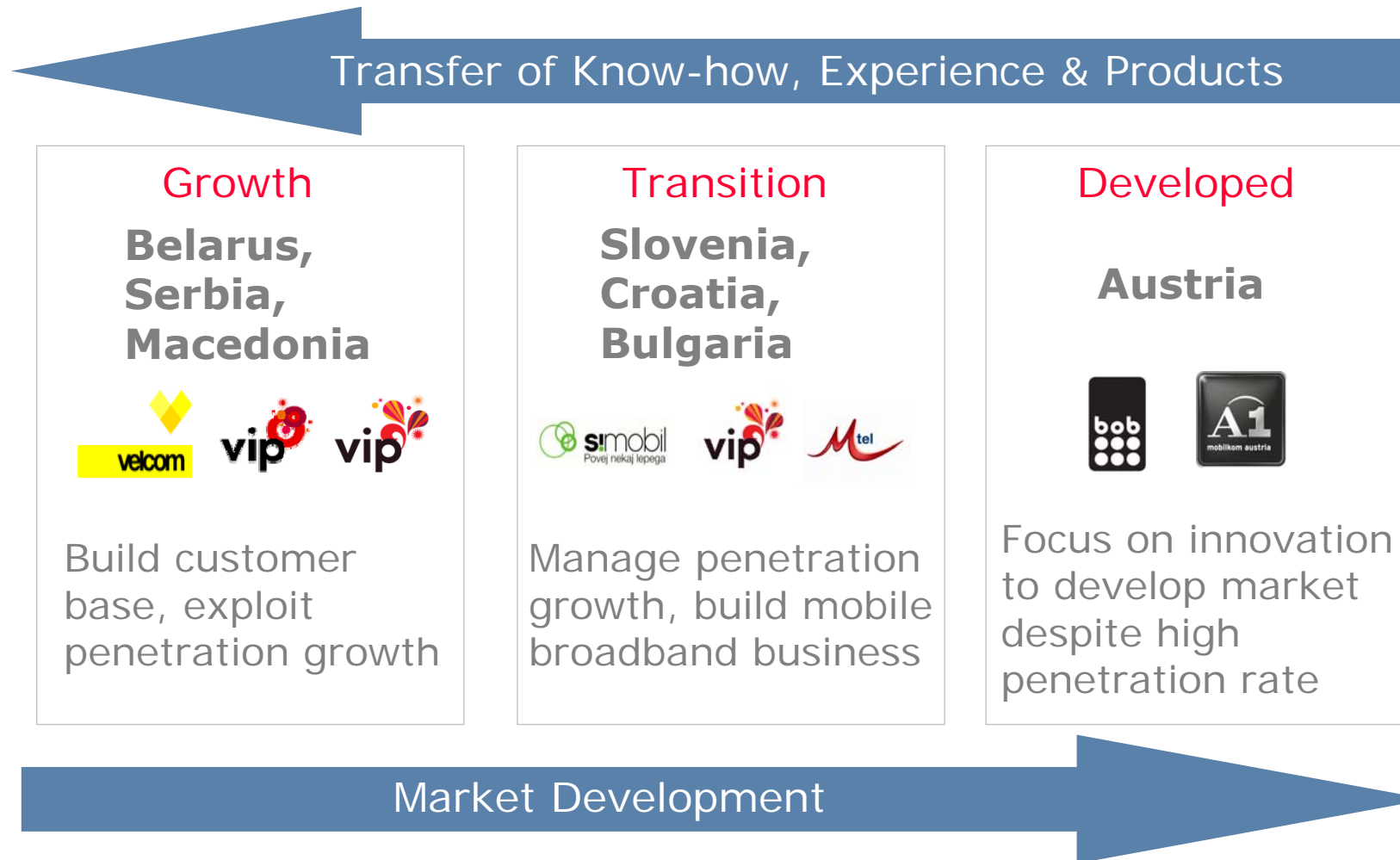
Mobile Communication

Value-accretive expansion in East and South-East Europe

New products create growth potential in developed markets

Increase efficiency through shared services and combined purchasing

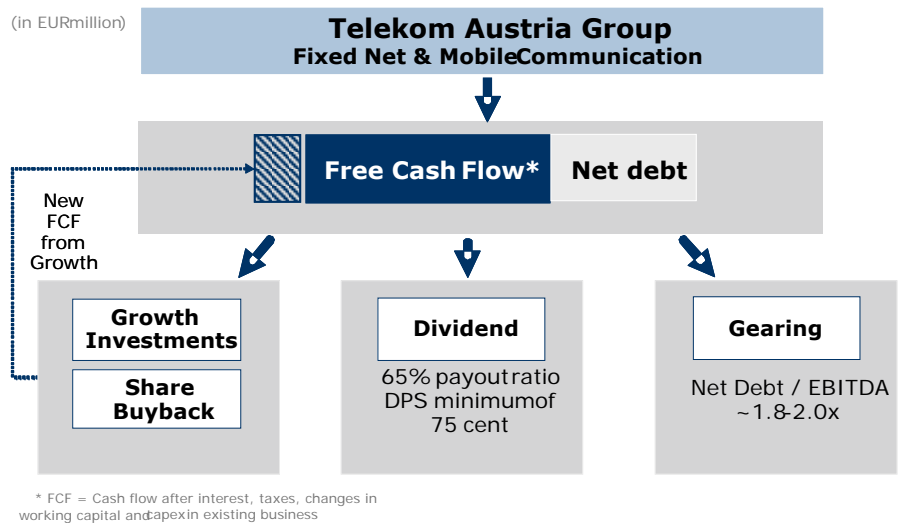
Mobile Communication Portfolio Consists of Operations in Various Stages



Capital Allocation Announced at Capital Market Day Underpins Focus on Value Creation

Capital Allocation Policy

Priority on stable Dividend



- | | |
|----|--|
| 1. | Stable Dividend Policy |
| 2. | Share buyback Profitable growth projects
Return above cost of capital and better than share buyback |

Keep Solid Investment Grade Rating

Growth Projects

Assessment for strategic fit and profitability, benchmarked against share buyback

Share Buyback

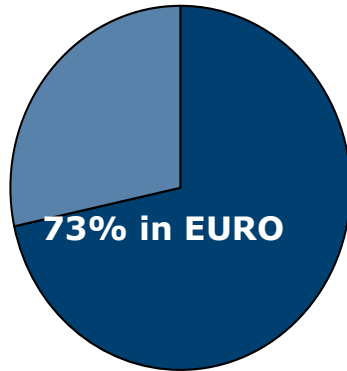
Subject to stable business and currency conditions

Liquidity

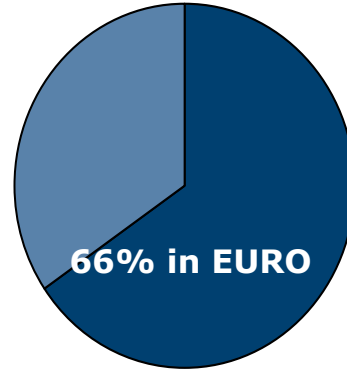
Secured financing as precondition for acquisitions and share buyback

About 2/3 of EBITDA are Generated in Euro

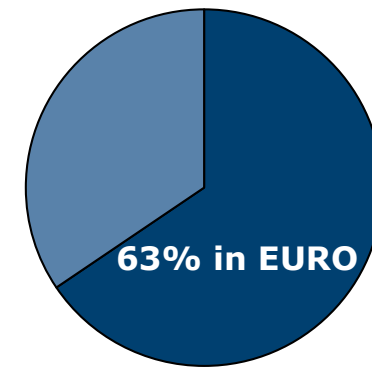
EBITDA 2007



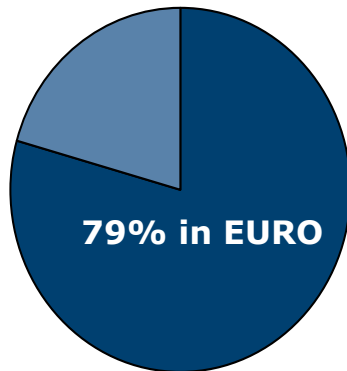
EBITDA 2008



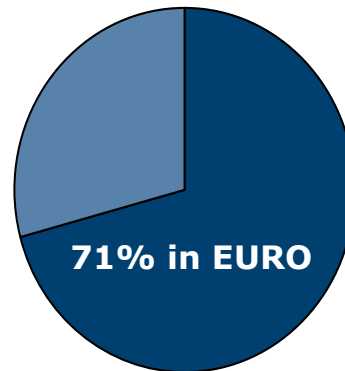
EBITDA 3Q 2009



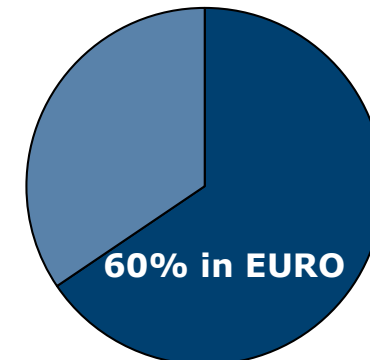
Operating Free Cash Flow* 2007



Operating Free Cash Flow* 2008



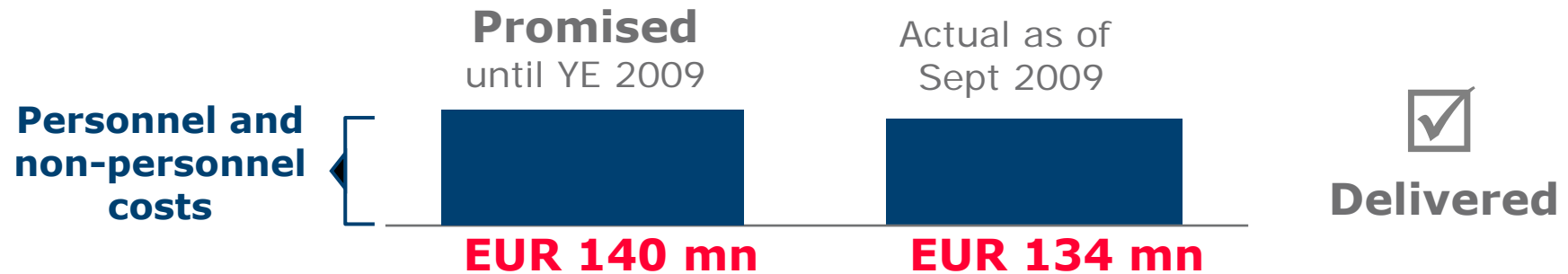
Operating Free Cash Flow* 3Q 2009



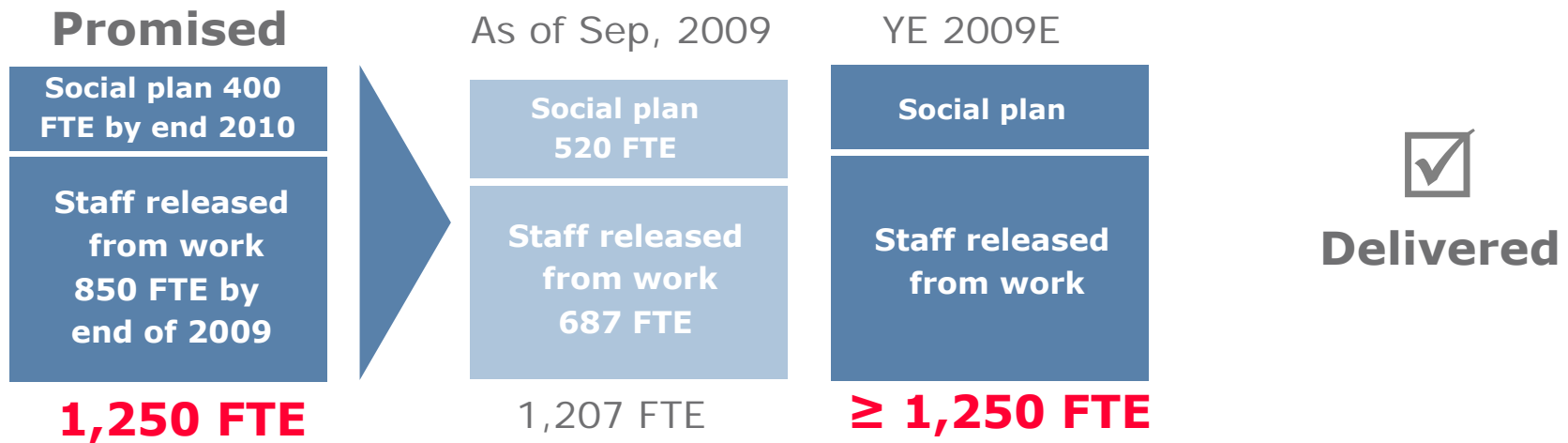
* Op. Free Cash Flow = EBITDA - Capex; intercompany & eliminations were not considered

Fixed Net Focuses on Improving Operational Efficiency to Curb EBITDA Decline

On track to achieve cost saving target until end of 2009



Successful personnel restructuring started in 4Q 2008



Results for 3Q 09

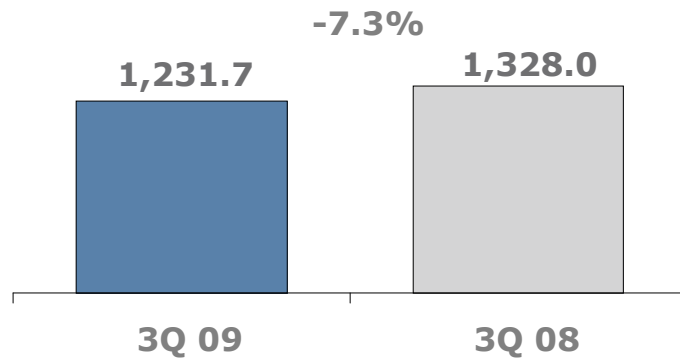
Telekom Austria Group – Third Quarter 2009

- Fixed Net operating trends improve further in 3Q 09 driven by a reduction in access lines of just 7,000 lines
- Mobile communication subscriber base grows by 1.5 mn to 18.5 mn customers
- Revenues decline by 7.3% to EUR 1.2 bn and EBITDA by 9.0% to EUR 489.8 mn mainly due to the combined impact from FX translation, reduced roaming revenues and lower termination rates
- Operating income and net income reflect EUR 352 mn of impairment charges for the operations in Belarus and in the Republic of Serbia
- Outlook for operating free cash flow of 1.1 bn for 2009 on actual currency basis and 75 cents DPS floor for 2009-2012 reiterated
- Management expects difficult environment to prevail also in 2010

Cost Reduction Mitigates Impact of Lower Revenues

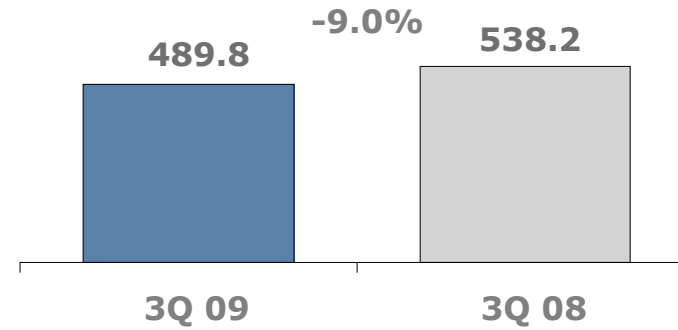
Revenues

(EUR million)



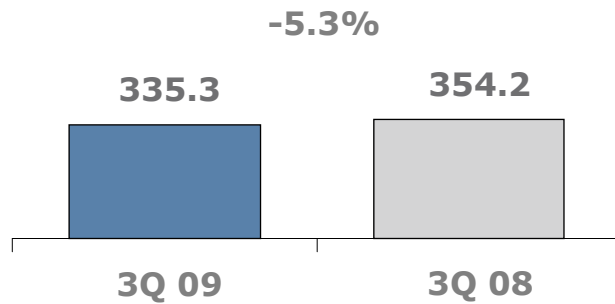
EBITDA

(EUR million)



Operating Free Cash Flow*

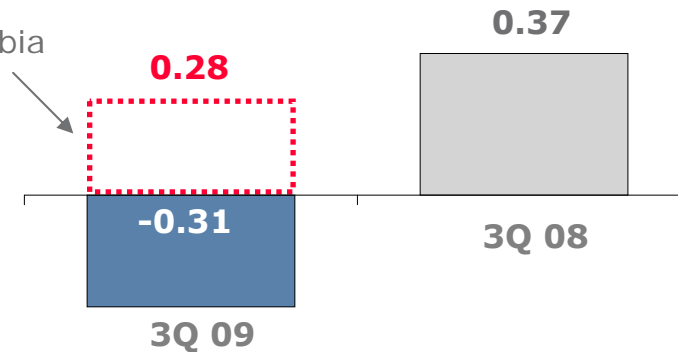
(EUR million)



Earnings per Share

(EUR)

Impairment charges for Belarus and Republic of Serbia



*Operating Free cash flow = EBITDA - Capex

Results for the Third Quarter 2009

Outlook

Outlook Shifted from Constant to Actual Currency Basis, Op. FCF of EUR 1.1 bn Reiterated

Telekom Austria Group 2009

Actual Currency Basis		As announced on August 19, 2009 on constant currency basis
Revenues	~ EUR 4.8 bn	slightly lower than EUR 5.1 bn
EBITDA	~ EUR 1.8 bn	~ EUR 1.9 bn
CAPEX	~ EUR 0.7 bn	~ EUR 0.8 bn
Op. FCF*	~ EUR 1.1 bn	~ EUR 1.1 bn
Dividend	DPS of 75 cents min	DPS of 75 cents min

*Operating Free Cash Flow = EBITDA - Capex

Outlook 2010 Based on Constant Currency, 75 Cents DPS Floor for 2009-2012 Reiterated

Telekom Austria Group 2010

Constant Currency Basis

Revenues	~ EUR 4.7 bn
EBITDA	~ EUR 1.6 bn
CAPEX	up to EUR 800 mn
Op. FCF*	~ EUR 800 mn
Dividend	DPS of 75 cents min

*Operating Free Cash Flow = EBITDA - Capex

**Thank you
for your attention!**