

Telekom Austria Group Raises EBITDA Growth Prospects for 2007-2010 Despite Roaming Regulation (Ad hoc Release)

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Vienna, July 9, 2007: The Telekom Austria Group (VSE: TKA, OTC US: TKAGY) today raised its long-term EBITDA growth prospects for the period 2007 to 2010 and disclosed the expected impact of the recently introduced roaming regulation on its 2007 EBITDA. Despite the introduction of a comprehensive regulation for international roaming traffic by the European Commission, the company expects to compensate the effects of regulation through the forecasted increase in roaming usage, better than anticipated performance of its international mobile business and cost savings.

Therefore, the Telekom Austria Group expects EBITDA to grow on average by approximately 1.7 to 2.2% per annum (CAGR) during the period 2007 to 2010.

For the year 2007 the Telekom Austria Group anticipates to partly offset the impact from the roaming regulation through a variety of marketing and cost saving measures. Thus, the impact from roaming regulation on 2007 EBITDA is expected to be reduced to approximately Euro 20 million.

Boris Nemsic, CEO of the Telekom Austria Group said: "The recently introduced regulation represents a burden for the Telekom Austria Group. However, we are confident to be able to limit its impact through marketing initiatives stimulating usage, strict cost control and additional contributions from our international mobile operations."

CAGR 2007-2010	Revised Outlook	Previous Outlook
Revenue	1%-1.5%	1%-1.5%
EBITDA	1.7%-2.2%	1.5%-2.0%
Net Income	>10%	>10%

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