



EANS-Adhoc: Vienna, August 18, 2010 - Today, Telekom Austria Group (VSE: TKA, OTC US: TKAGY) announced its results for the first half 2010 and the second quarter ending June 30, 2010.

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Results for the first half 2010

- Continued challenging operating environment driven by fierce competition, regulatory induced pressure and macro-economic headwinds
- Stabilization of Fixed Net line losses to 6,000 in 2Q 2010 vs. 12,600 in 2Q 2009
- Further Mobile Communication subscriber growth of 5.9% to 19.2 mn customers
- Slow-down of Group revenue decline to -3.9% due to lower revenue reduction in the Fixed Net and the Mobile Communication segments
- Group EBITDA declines by 8.3% due to higher revenue related Fixed Net expenses and lower mobile revenues, cushioned by cost reductions
- Free cash flow generation remains strong with EUR 365.2 mn
- Including impact from merger of domestic operations the management expects revenues of approx. EUR 4.7 bn and an EBITDA of EUR 1.60 to 1.65 bn for FY 2010
- DPS floor of EUR 0.75 reiterated

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in EUR million 2Q 10 2Q 09 % change 1H 10 1H 09 % change
Revenues 1,168.7 1,191.7 -1.9% 2,294.7 2,388.8 -3.9%
EBITDA 403.8 450.0 -10.3% 829.7 904.8 -8.3%
Operating income 134.2 170.2 -21.2% 300.5 350.3 -14.2%
Net income 68.7 82.3 -16.5% 159.9 167.6 -4.6%
Earnings per share
(in EUR) 0.16 0.19 -16.4% 0.36 0.38 -4.6%
Free cash flow per share
(in EUR) 0.45 0.45 0.8% 0.83 0.75 10.8%
Capital
expenditures 160.1 149.3 7.2% 296.5 265.3 11.8%

in EUR million Jun. 30, 2010 Dec. 31, 2009 % change
Net debt 3,590.3 3,614.8 -0.7%
Net debt/EBITDA (12 months) 2.1x 2.0x

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The full report and further information is available on our website at www.telekomaustria.com/ir/current-results.php

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