TELEKOM AUSTRIA GROUP

Results for the First Nine Months 2009

- Further improvement of Fixed Net operating trends with only a 1.3% access lines loss compared to end of September 2008
- Mobile Communication base grows by 8.6% year-on-year to 18.5 million customers despite a difficult economic environment
- Revenues decline of 6.3% to EUR 3,620.5 million primarily driven by lower Fixed Net and roaming revenues as well as FX currency translation
- Strict cost management reduces operating expenses by 4.9% and limits EBITDA decline to EUR 1,394.6 million
- Net income reflects impairment charges of EUR 352.0 million related to investments in Belarus and in the Republic of Serbia
- 2009 outlook for operating free cash flow of EUR 1.1 billion reiterated, Capex cuts compensating lower EBITDA due to FX, roaming, declining prices and impact from weaker economies
- Management expects difficult market environment to prevail also in 2010
- Dividend per share floor of 75 cents per share reiterated for 2009–2012

in EUR million	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	1,231.7	1,328.0	-7.3%	3,620.5	3,863.8	-6.3%
EBITDA	489.8	538.2	-9.0%	1,394.6	1,492.4	-6.6%
Operating income	-126.4	260.0	n.a	223.9	636.4	-64.8%
Net income	-136.3	162.9	n.a	31.3	388.9	-92.0%
Earnings per share (in EUR)	-0.31	0.37	n.a	0.07	0.88	-91.9%
Free cash flow per share (in EUR)	0.48	0.56	-14.5%	1.23	1.29	-5.0%
Capital expenditures	154.5	184.0	-16.0%	419.8	534.3	-21.4%

in EUR million	Sept. 30, 09	Dec. 31, 08	% change
Net debt	3,781.5	3,993.3	-5.3%
Net debt/EBITDA (12 months) excluding restructuring program	2.1x	2.1x	

All financial figures are based on IFRS; if not stated otherwise, all comparisons are given year-on-year. EBITDA is defined as net income excluding interest, income tax expense, depreciation and amortization, impairment charges, equity in earnings of affiliates, income/loss from investments and foreign exchange differences. This equals operating income before depreciation, amortization and impairment charges.

Group Review

The presentation for the conference call and the key figures of the Telekom Austria Group in excel format („Key Figures 3Q 2009") are available on our website at www.telekomaustria.com

Results for the financial year 2009 will be announced on February 24, 2010

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Vienna, November 12, 2009 - Telekom Austria Group (VSE: TKA, OTC US: TKAGY) today announced its results for the first nine months 2009 and the third quarter ending September 30, 2009.

Summary

Year-to-date comparison:

During the first nine months of 2009 revenues decreased by 6.3% to EUR 3,620.5 million primarily driven by lower Fixed Net revenues as a result of a decline in voice volumes. The sale of the Fixed Net subsidiaries in the Czech Republic, in Slovakia and in Poland also contributed EUR 29.8 million to this decrease. Strict cost management reduced operating expenses by 4.9% and limited the decline in EBITDA to 6.6% or EUR 1,394.6 million due to lower contributions from both business segments.

A decline in operating income of EUR 412.5 million to EUR 223.9 million and the drop in net income of EUR 357.6 million to EUR 31.3 million reflect primarily impairment charges totalling EUR 352.0 million resulting from the goodwill from the acquisition of Velcom in Belarus and for the license of Vip mobile in the Republic of Serbia.

Fixed net revenues decline reflects leakage of minutes

Operating income before impairments fell by 9.5% to EUR 575.9 million as a higher contribution from the Fixed Net segment partly offset a lower operating income from the Mobile Communication segment. Excluding the impairments net income was EUR 290.3 million during the first nine months of 2009.

Cost control limits EBITDA decline

Operating income and net income impacted by impairment charges of EUR 352 million

Capital expenditures decreased by 21.4% to EUR 419.8 million mainly driven by a reduction of capital expenditures in the Mobile Communication segment. Free cash flow declined by 5.0% in line with the development of free cash flow per share which decreased to EUR 1.23. Deleveraging continued with net debt decreasing by 5.3% to EUR 3,781.5 million at the end of September 2009 compared to year-end 2008. Excluding the impact of the provision for the restructuring program in 4Q 2008, net debt to EBITDA (last 12 months) was 2.1x.

Quarterly comparison:

In 3Q 09 revenues declined by 7.3% to EUR 1,231.7 million as a result of lower contributions from both segments. Reductions in operating expenses by 3.3% as well as a one-off refund received in the Fixed Net in the amount of EUR 10.2 million mitigated the impact of lower revenues and resulted in an EBITDA of EUR 489.8 million in 3Q 09 compared to EUR 538.2 million in 3Q 08.

Operating income in 3Q 09 fell by EUR 386.4 million to an operating loss of EUR 126.4 million and net income declined by EUR 299.2 million to a net loss of EUR 136.3 million compared to the same period of the previous year. These decreases are due to impairment charges of EUR 352.0 million related to the goodwill for the acquisition in Velcom in Belarus and the license of Vip mobile in the Republic of Serbia. Excluding the impairment charges operating income declined by 13.2% to EUR 225.6 million due to a lower contribution from the Mobile Communication segment, the operating income in the Fixed Net segment grew by 11.2% as a result of lower depreciation and amortization charges. Excluding impairment charges net income was EUR 122.7 million in 3Q 09 compared to EUR 162.9 million in 3Q 08.

Operating free cash flow amounts to EUR 213.5 million

As a result of a restrictive investment policy capital expenditures decreased by 16.0% from EUR 184.0 million to EUR 154.5 million as lower capital expenditures in the Mobile Communication segment partly offsetting an increase in the Fixed Net. The reduction of capital expenditures partly compensated for a lower result from operations resulting in a decline in free cash flow by 14.4% to EUR 213.5 million. Free cash flow per share was EUR 0.48 in 3Q 09.

Market Environment

While the sustained migration of Fixed Net voice customers to the Mobile Communication segment has been the main challenge for several years, mobile broadband continues to make steady inroads into the market for internet access. However, following the introduction of attractive product bundles, line loss decelerated significantly during recent quarters while the decline of minutes from the Fixed net continues to lead to a loss of revenues. Against this background the Fixed Net segment continues to focus on the protection of cash flows by means of a market-oriented product portfolio and attractive pricing schemes as well as a comprehensive cost-cutting program.

The Mobile Communication segment continued to show subscriber growth both in Austria and in its international markets. Austria is regarded as a highly developed mobile communications market characterized by fierce competition and persistent price pressure. The international operations of the Telekom Austria Group still offer untapped potential in terms of contract customers and innovative data products but due to the economic downturn the growth initially expected has not materialized. Furthermore fierce competition and the current difficult climate in these markets led to price cuts and declining average revenues per user (ARPU).

Regulation remains an important external factor affecting the conditions in nearly all markets primarily impacting roaming tariffs and termination charges. On July 1, 2009, the second round of roaming regulation took effect mandating a significant reduction of roaming prices. Furthermore lower usage due to the current economic environment also impacts roaming revenues.

Velcom in Belarus continues to be impacted by an ongoing devaluation of the Belarusian Ruble. Since the beginning of the year the Belarusian Ruble has devaluated by 31% against the Euro. The counter-measures adopted to mitigate the negative impact include a tariff increase effective as of mid-February 2009 as well as rebalancing of costs based on the local currency.

The Management does not expect a near term recovery of the macro-economic environment in Eastern and South-Eastern Europe and consequently expects the difficult market environment to prevail also in 2010.

Outlook for Operating Free Cash Flow Reiterated, Shift from Constant Currency to Actual Currency Basis

Outlook shifted from constant to actual currency basis

Operating free cash flow of EUR 1.1 billion reiterated

DPS minimum of 75 cents confirmed

Including the impact from declining currencies in Telekom Austria Group's foreign operations, the management expects full-year figures for 2009 on actual currency basis to reach a level of EUR 4.8 billion in revenues and EUR 1.8 billion in EBITDA compared to previously expected revenues slightly weaker than EUR 5.1 billion and an EBITDA of about EUR 1.9 billion on constant currency basis. In order to offset the impact of a decline in EBITDA on the free cash flow, capital expenditures might decrease to a level of up to EUR 700 million. Therefore, the Telekom Austria Group remains committed to an operating free cash flow (EBITDA less capital expenditures) for 2009 of EUR 1.1 billion on actual currency basis and a distribution of 65% of net income in form of dividends at a minimum floor of 75 cents per share.

The main reasons for the weaker outlook include foreign exchange losses, lower roaming revenues, declining prices and the impact from weaker economies in Telekom Austria Group's main foreign operations. The management expects the difficult market environment to prevail also in 2010.

	Outlook 09 as of Nov. 12	Outlook 09 as of May 13 and August 19	Outlook 09 as of Jan. 29 and Feb. 25
Telekom Austria Group	**Actual currency basis**	Constant currency basis*	Constant currency basis*
Revenues	~ EUR 4.8 bn	Slightly weaker than	~ EUR 5.1 bn
EBITDA	~ EUR 1.8 bn	~ EUR 1.9 bn	~ EUR 1.9 bn
Capital expenditures	~ EUR 0.7 bn	~ EUR 0.8 bn	~ EUR 0.8 bn
Operating Free Cash Flow	**~ EUR 1.1 bn**	~ EUR 1.1 bn	~ EUR 1.1 bn
Dividend	**65% of net income, DPS of 75 cent minimum**	65% of net income, DPS of 75 cent minimum	65% of net income, DPS of 75 cent minimum

* as announced on the Capital Market Day in January 2009

Reporting Changes

FX gains & losses moved from EBITDA to financial result

Starting from 1Q 2009 foreign exchange gains and losses are reported as part of the financial result instead of being split between operating and financial income. Comparative figures for 3Q 2008 and the first nine months of 2008 were adjusted accordingly by a total FX gain of EUR 1.7 million and of EUR 15.2 million respectively.

Revenue breakdown in Fixed Net & Mobile Communication condensed to reflect changes in business

The revenue breakdown in both segments, Fixed Net and Mobile Communication, has been condensed beginning with 1Q 09 to reflect changes in the product portfolio. This adjustment affects the revenue split but has no further effects on total segment revenues.

Segment revenues remain unchanged

In the Fixed Net segment previously reported revenues from 'Fixed Net Voice Traffic', 'Switched Voice Monthly' and 'Internet Access & Media' as well as some smaller reclassifications in 3Q 08 in the amount of EUR 5.7 million from 'Data & IT Solutions' and EUR 10.8 million from 'Other' revenues were condensed and included in 'Access, Voice & Broadband' to reflect the marketing of product bundles encompassing access line, voice telephony, Internet and IPTV. This revenue position equals average revenues per Fixed Net access line (ARPL) multiplied by the average number of access lines. Starting with 1Q 09 the category 'Other revenues' also includes 'Payphones & Value Added Services' as well as 'Other revenues'. In the Mobile Communication segment 'Traffic and Monthly Rental' revenues were condensed and included in 'Subscription and Traffic' revenues reflecting the trend towards flat rates or packages.

Revenue breakdown in previous years has been adapted accordingly for comparison purposes. The quarterly revenue breakdown of the previous year based on the new revenue split is available on Telekom Austria's website www.telekomaustria.com

Year-to-Date Comparison

Fixed Net segment

Note: Detailed data of the Fixed Net segment are shown in the appendix on page 26

Lower revenues from Access, Voice & Broadband primarily as a result of lower voice volumes led to a decline of Fixed Net revenues by 9.3% to EUR 1,397.1 million in the first nine months of 2009. The first nine months of 2008 included cumulative revenues of EUR 29.8 million from eTel Polska as well as eTel Slovensko and Telekom Austria Czech Republic, which were sold in February 2008 and November 2008 respectively.

Reduction of operating expenses by 10.1%, increasing profitability

One-off reimbursement from the government of EUR 10.2 million

A reduction of operating expenses by 10.1% as well as a one-off reimbursement from the government of EUR 10.2 million for investments into telecommunication surveillance equipment partly offset lower revenues and limited the decline of EBITDA by 4.3% or EUR 457.7 million during the first nine months of 2009. The reduction of operating expenses mainly reflects lower interconnection costs, the restructuring program implemented as well as the disposal of subsidiaries in 2008. Lower expenses resulted in an improvement of the EBITDA margin from 31.1% to 32.8%.

Operating income grew by 20.6% to EUR 121.1 million due to a reduction in depreciation and amortization charges.

Fixed Net

in EUR million	1-9M 09	1-9M 08	% change
Revenues	1,397.1	1,540.7	-9.3%
EBITDA	457.7	478.4	-4.3%
Operating income	121.1	100.4	20.6%

Mobile Communication segment

Note: Detailed data of the Mobile Communication segment are shown in the appendix on pages 27, 28 & 29

Revenue decline primarily driven by weaker FX rates

Revenues in the Mobile Communication segment decreased by 3.3% to EUR 2,422.7 million in the first nine months of 2009 mainly due to foreign currency translation. Revenues were also impacted by lower international roaming revenues, the expiry of the national roaming agreement in Croatia as well as lower prices for voice and data. Foreign currency translation effects had a negative impact on revenues in the amount of EUR 55.5 million. On a local currency basis revenues decreased slightly by 1.1%.

Higher EBITDA contribution from new operations partly offset weakness of established operations

A higher EBITDA contribution from Belarus and the reduction of losses associated with the launch of operations in the Republic of Serbia and the Republic of Macedonia partly offset a lower EBITDA contribution from Austria, Bulgaria, Croatia and Slovenia and resulted in a decline in EBITDA by 7.0% to EUR 957.5 million in the first nine months of 2009. Foreign currency translation effects negatively impacted EBITDA by EUR 17.8 million. On a local currency basis EBITDA declined by 5.3%.

As a result of impairment charges in the amount of EUR 352.0 million related to the impairments of the goodwill in Belarus and the license in the Republic of Serbia, operating income declined from EUR 551.3 million to EUR 122.9 million during the first nine months of 2009. Excluding the impairment and on a local currency basis, operating income was EUR 474.7million.

Mobile Communication in EUR million	**1-9M 09**	**1-9M 08**	**% change**
Revenues	2,422.7	2,506.5	-3.3%
EBITDA	957.5	1,029.6	-7.0%
Operating income	122.9	551.3	-77.7%

Consolidated Net Income

During the first nine months of 2009 net interest expenses increased from EUR 153.1 million to EUR 169.5 million compared to the same period of the previous year due to the accretion of the restructuring provision, which led to additional non-cash interest expenses in the amount of EUR 26.9 million.

Foreign exchange differences in the financial result turned from a gain of EUR 15.4 million in the first nine months of 2008 to a loss of EUR 14.2 million in the first nine months of 2009 mainly due to the devaluation of the Belarusian Ruble and the Dinar in the Republic of Serbia since January 2009.

The impairments relating to operations in Belarus and in the Republic of Serbia led to a tax benefit and consequently to an income tax expense of EUR 5.3 million in the first nine months of 2009 compared to EUR 117.7 million in the same period of 2008. The effective tax rate in the first nine months of 2009 was 14.5% compared to 22.3% in the first nine months of 2008.

Net income impacted by impairments and related tax benefit

Net income in the first nine months of 2009 amounted to EUR 31.3 million compared to a net income of EUR 388.9 million in the first nine months of 2008 primarily due to the impairments of the goodwill in Belarus and the licence in the Republic of Serbia which partly offset the related tax benefit from these impairments.

Basic and diluted earnings per share amounted to EUR 0.07 in the first nine months of 2009 compared to EUR 0.88 in the same period of 2008. Excluding the impairments and the related tax benefit basic and diluted earnings per share in the first nine months of 2009 was EUR 0.66.

Balance Sheet and Net Debt

Total assets of the Telekom Austria Group declined from EUR 8,997.4 million as of December 31, 2008 to EUR 8,572.0 million as of September 30, 2009.

During the first nine months of 2009 current assets increased by 33.1% to EUR 2,056.7 million mainly due to higher cash and cash equivalents following the issue of the EUR 750 million bond in January 2009.

Goodwill decreased by 23.5% to EUR 1,498.0 million mainly due to the impairment of the goodwill in Belarus as well as currency translation adjustments primarily attributable to the devaluation of the Belarusian Ruble in 2009. Other intangible assets declined from EUR 2,265.6 million to EUR 1,915.3 million at the end of September 2009 as a result of the currency devaluation in Belarus, the impairment of the license in the Republic of Serbia and amortization exceeding additions. Property, plant and equipment declined by 9.6% to EUR 2,690.8 million due to depreciation charges exceeding additions and as a result of the devaluation of the Belarusian Ruble.

Current liabilities decreased from EUR 2,220.5 million at the end of December 2008 to EUR 2,144.1 million at the end of September 2009 as lower accounts payable offset higher short-term borrowings and other current liabilities. Non-current liabilities increased by 5.2% to EUR 4,860.6 million mainly due to higher long-term debt as a result of the bond issuance in January 2009, which was partly offset by the shift of a bond to short-term borrowings.

Stockholders' equity decreased from EUR 2,155.5 million as of December 31, 2008 to EUR 1,567.3 million as of September 30, 2009 due to the payment of dividends in the amount of EUR 331.8 million as well as higher currency translation adjustments following the devaluation of the Ruble in Belarus as along with impairments in Belarus and in the Republic of Serbia in the amount of EUR 352.0 million.

Net debt stable at 2.1x EBITDA despite dividend distribution

Net debt decreased by 5.3% to EUR 3,781.5 million as of September 30, 2009 as cash flow generation offset the payment of dividends and capital expenditures. Net debt to EBITDA (last 12 months) was 3.2x at the end of September 2009 compared to 3.1x at the end of December 2008 as a result of a lower EBITDA. Excluding the restructuring program net debt to EBITDA (last 12 months) remained stable at 2.1x.

Cash Flow and Capital Expenditures

Cash generated from operations decreased by EUR 142.8 million to EUR 962.9 million in the first nine months of 2009 mainly following lower results from operations and payments for provisions.

Cash outflows for investing activities decreased to EUR 449.6 million in the first nine months of 2009 compared to EUR 531.4 million in the first nine months of 2008 mainly due to lower capital expenditures.

Cash from financing activities recorded a net inflow of EUR 5.7 million in the first nine months of 2009 compared to a net outflow of EUR 619.0 million during the same period of the previous year as a consequence of the repayments of short-term borrowings in 2008.

Cash flow and net debt

in EUR million	1-9M 09	1-9M 08	% change
Cash generated from operations	962.9	1,105.7	-12.9%
Cash used in investing activities	-449.6	-531.4	-15.4%
Cash used in financing activities	5.7	-619.0	n.a.
Effect of exchange rate changes	43.1	0.9	n.a.
Net increase/decrease in cash and cash equivalents	**562.1**	**-43.9**	**n.a.**

in EUR million	Sept. 30, 09	Dec. 31, 08	% change
Net debt	3,781.5	3,993.3	-5.3%
Net debt/EBITDA (12 months) excluding restructuring program	2.1x	2.1x	

Postponements and restrictive investment policy supported reduction in Capex

Total capital expenditures decreased by 21.4% to EUR 419.8 million in the first nine months of 2009 mainly due to lower capital expenditures in the Mobile Communication segment. Capital expenditures for tangible assets declined by 25.6% to EUR 309.2 million, while capital expenditures for intangible assets decreased by 6.7% to EUR 110.6 million.

Capital expenditures

in EUR million	1-9M 09	1-9M 08	% change
Fixed Net	156.9	181.2	-13.4%
Mobile Communication	262.9	353.1	-25.5%
Total capital expenditures	**419.8**	**534.3**	**-21.4%**
Thereof tangible	309.2	415.7	-25.6%
Thereof intangible	110.6	118.6	-6.7%

In the Fixed Net segment capital expenditures decreased by 13.4% to EUR 156.9 million during the first nine months of 2009 due to postponements of investments in access and core infrastructure as well as a restrictive investment policy.

In the Mobile Communication segment capital expenditures decreased by 25.5% to EUR 262.9 million in the first nine months of 2009 as a result of lower investments in all mobile operations.

Quarterly Comparison

Fixed Net

Note: Detailed data of the Fixed Net segment are shown in the appendix on page 26

Access line loss cut by 3/4

Retail broadband subscriber base grows by 20.8%

ARPL declines slowed to 4.4% versus 8.0% in 2Q 09

Operating trends of the Fixed Net segment further improved during 3Q 09. The slowdown of fixed net access line loss continued for the 7th consecutive quarter, which allowed for a reduction in line loss by 74.7% to 7,000 lines in 3Q 09 compared to 27,700 in 3Q 08 due to stronger customer retention and strong uptake of product bundles. The rising number of retail broadband lines further accelerated the growth of total fixed net broadband lines by 17.6% to 982,600 at the end of September 2009 and more than compensated for a decline in wholesale broadband lines. Average revenues per fixed net access line (ARPL) declined by 4.4% in 3Q 09 to EUR 34.9 compared to EUR 36.5 in 3Q 08 marking a significant improvement over the 8.0% decrease in 2Q 09 compared to 2Q 08. The ARPL decline was mainly caused by lower voice volumes. The number of unbundled lines dropped to 287,700 at the end of September 2009 compared to 297,800 at the end of September 2008 reflecting strong competition from the mobile sector. Fixed-to-mobile substitution was still the main driver for the decline in voice minutes by 11.8% to 806.7 million minutes in 3Q 09. Fixed Net voice market share of total voice minutes including mobile minutes decreased from 16.5% in 3Q 08 to 14.4% in 3Q 09.

Fixed Net revenues decline slowed to 5.3% versus 12.5% in 2Q 09

The decline in Fixed Net revenues improved to 5.3% to EUR 470.7 million in 3Q 09 after a reduction of 12.5% in 2Q 09. The decline was mainly driven by a lower voice volume and a lower number of access lines resulting in lower revenues from Access, Voice & Broadband. 3Q 2008 included cumulative revenues of EUR 10.0 million from eTel Slovensko and Telekom Austria Czech Republic, both of which were sold in November 2008. Furthermore lower revenues from Data and Wholesale Voice & Internet contributed to the decrease in revenues.

Access, Voice & Broadband revenues declined by 9.0% to EUR 241.3 million as a higher broadband customer base partly offset a lower total access line base and lower voice volumes.

Revenues from Data declined by 6.9% to EUR 97.8 million mainly due to corporate customers' migration from leased lines to lower priced xDSL-based business networks and lower business customers' investments in information and communication technology projects, compared to the same period of the previous year.

Wholesale Voice & Internet revenues declined by 8.6% to EUR 91.7 million mainly driven by lower wholesale voice revenues due to lower international traffic and lower prices. The reduction in unbundled lines as well as lower unbundling tariffs also contributed to this decline.

Other revenues increased significantly by 51.9% to EUR 39.8 million due to higher revenues from voting services for interactive TV-shows.

Strict cost management result in stable opex

Operating income grew by 11.2%

Strict cost management offset higher material expenses mainly attributable to promotions of product bundles including a notebook resulting in 1.2% lower operating expenses. The decline in operating expenses as well as the one-off reimbursement from the government of EUR 10.2 million mitigated the impact of lower revenues and resulted in a decline in EBITDA of 4.9% to EUR 157.9 million in 3Q 09. Operating income rose by 11.2% to EUR 52.7 million in 3Q 09 compared to EUR 47.4 million in 3Q 08 driven by significantly lower depreciation and amortization charges.

Fixed Net

in EUR million	3Q 09	3Q 08	% change
Revenues	470.7	496.9	-5.3%
EBITDA	157.9	166.0	-4.9%
Operating income	52.7	47.4	11.2%

Mobile Communication

Note: Detailed data of the Mobile Communication segment are shown in the appendix on pages 27, 28 & 29

A rising number of contract subscribers in all mobile operations drove the growth of the customer base in the Mobile Communication segment by 1.5 million to 18.5 million customers as of September 30, 2009.

Subscriber base grows by 1.5 mn to 18.5 mn

Revenues primarily hit by FX and lower roaming

FX accounting for 50% of revenue decline

Revenues in the Mobile Communication segment fell by 7.1% to EUR 831.8 million in 3Q 09 primarily driven by foreign currency translation, lower international roaming and interconnection revenues, the expiry of the national roaming agreement in Croatia as well as lower prices for voice and data. Foreign currency translation impacted revenues negatively by EUR 27.5 million. On a local currency basis, revenues decreased by 4.1%.

Operating expenses decrease by 4.7%

While operating expenses decreased by 4.7%, Mobile Communication EBITDA declined by 10.4% to EUR 337.5 million in 3Q 09 mainly due to lower contributions from Austria, Bulgaria and Croatia. The losses associated with the launch of operations in the Republic of Serbia and the Republic of Macedonia were halved from EUR 13.5 million in 3Q 08 to EUR 6.8 million in 3Q 09. The negative impact from foreign currency translation amounted to EUR 8.6 million. On a local currency basis, EBITDA declined by 8.1%.

Due to the impairment charges for the goodwill from the acquisition of Velcom in Belarus and for the license of Vip mobile in the Republic of Serbia operating income decreased from EUR 217.1 million in 3Q 08 to an operating loss of EUR 173.6 million in 3Q 09. Excluding the impairment charges operating income was EUR 178.4 million. On a local currency basis and excluding the impairment charges, operating income decreased by 17.7%.

Mobile Communication

in EUR million	3Q 09	3Q 08	% change
Revenues	831.8	895.7	-7.1%
EBITDA	337.5	376.8	-10.4%
Operating income	-173.6	217.1	n.a

mobilkom austria

Strong contract subscriber growth in Austria

mobilkom austria, the leading mobile operator in Austria, increased its customer base by 8.3% to 4.7 million subscribers at the end of September 2009. This growth was primarily driven by the no-frills brand bob and aonMobil as well as additional SIM cards for mobile broadband.

Market share remains stable

mobilkom austria maintained its market leadership with a stable market share of 42.4% at the end of 3Q 09 compared to 42.5% at the end of 3Q 08. The mobile penetration rate in Austria rose to 133.0% at the end of September 2009 compared to 122.5% in the previous year due to an increasing number of customers with double SIM cards for both mobile broadband and voice services.

Rising number of mobile broadband net adds

ARPU decreased by 12.6% to EUR 24.3 as an increase in data usage partly offset lower prices for voice and data as a result of fierce competition, roaming regulation and lower interconnection rates. Average minutes of use charged per subscriber decreased by 5.7% to 159.9 minutes in 3Q 09. mobilkom austria grew its mobile broadband subscriber base by 43.9% and had 500,000 mobile broadband customers at the end of September 2009 compared to 347,500 mobile broadband customers at the end of September 2008. The number of mobile broadband net adds grew to 35,250 in 3Q 09 compared to 22.500 in 3Q 08. Data revenues as a percentage of traffic-related revenues rose from 32.1% in 3Q 08 to 36.7% in 3Q 09.

Price reduction for voice, data, roaming & interconnection

mobilkom austria' revenues declined by 6.4% to EUR 393.1 million compared to 3Q 08 due to lower prices for voice, data, roaming and interconnection services. Roaming revenues were impacted by tariff cuts mandated by the European Union for retail-active tariffs, wholesale and retail-passive prices by 7% and 14% respectively as of July 1, 2009. Mobile termination rates were reduced to 4 cents as of July 1, 2009 compared to 5.72 cents in the previous year. This reduction led to lower interconnection revenues, which were partly offset by higher usage.

Subscriber acquisition costs increased from EUR 9.0 million in 3Q 08 to EUR 10.9 million in 3Q 09 driven by more expensive handsets. Similarly, subscriber retention costs increased by 19.5% to EUR 22.7 million due to a higher number of replacements as well as higher costs for high quality handsets.

mobilkom austria's EBITDA decreased by 12.6% to EUR 139.1 million in 3Q 09 compared to 3Q 08, as it was impacted by lower revenues while operating expenses were cut by 2.0%. Operating income decreased by 19.4% to EUR 81.2 million.

Mobiltel

Market share of Mobiltel remains stable as quality of subscriber base improves

Mobiltel, the leading mobile operator in Bulgaria, increased its customer base by 0.9% to 5.2 million customers at the end of September 2009 compared to the end of September 2008. Mobiltel's market share remained almost stable at 49.7% at the end of 3Q 09 compared to the end of 3Q 08. The mobile penetration rate in Bulgaria rose from 136.8% in the previous year to 139.4% at the end of 3Q 09.

MOU per subscriber grows by 5.9%

Average minutes of use charged per subscriber increased by 5.9% to 98.2 minutes in 3Q 09 whereas usage per contract subscriber declined. Lower contract usage together with lower prices as a consequence of fierce competition led to a decline in ARPU to EUR 9.1 in 3Q 09 compared to EUR 10.1 in 3Q 08.

Mobiltel's revenues declined from EUR 179.0 million in 3Q 08 to EUR 157.7 million in 3Q 09 mainly due to lower subscription and traffic revenues as well as lower revenues for roaming and interconnection following regulation. The economic downturn in Bulgaria impacted Mobiltel's business and private customer segments. A reduction of mobile termination rates to EUR 11.8 cents in 3Q 09 compared to EUR 16.4 cents in the previous year led to lower interconnection revenues.

Strong cost control reduces operating expenses by 12.0%

EBITDA margin increases from 55.9% to 56.8%

Operating expenses were reduced by 12.0% resulting in a higher profitability and mitigated the EBITDA decline from EUR 100.0 million in 3Q 08 to EUR 89.6 million in 3Q 09. EBITDA margin increased from 55.9% in 3Q 08 to 56.8% in 3Q 09.

Mobiltel's operating income decreased from EUR 56.4 million in 3Q 08 to EUR 44.8 million in 3Q 09 as lower expenses partly offset lower revenues.

Velcom

Double digit subscriber growth of 12.9% in Belarus

At the end of September 2009 Velcom, the second largest mobile operator in Belarus, grew its subscriber base by 12.9% to 4.0 million customers compared to 3.5 million at the end of September 2008. Velcom's market share declined from 44.7% at the end of September 2008 to 43.5% at the end of September 2009. The penetration rate in Belarus rose from 81.3% to 94.4% at the end of September 09.

Average minutes of use charged per subscriber decreased by 2.6% to 158.5 minutes in 3Q 09 compared to 3Q 08. ARPU amounted to EUR 6.2 in 3Q 09 compared to EUR 7.6 in the previous year. On a local currency basis, ARPU increased by 2.6% due to price increases.

Organic revenue growth in Belarus of 18.2%

Revenues fell by 6.4% from EUR 82.4 million in 3Q 08 to EUR 77.1 million in 3Q 09 due to currency translation adjustments of EUR 20.3 million following the devaluation of the Belarusian Ruble in 2009, which offset the entire growth. On a local currency basis, revenue growth was 18.2% mainly due to a larger subscriber base.

Organic EBITDA growth excluding FX translation of 10.6%

In 3Q 09 EBITDA declined by 12.8% to EUR 36.0 million compared to EUR 41.3 million in 3Q 08 due to currency translation effects. On a local currency basis, EBITDA increased 10.6% due to higher revenues.

The impairment related to the goodwill of Velcom in the amount of EUR 290.0 million led to an operating loss of EUR 271.3 million in 3Q 09. Excluding the impact of both the impairment and the currency translation in the amount of EUR 5.0 million, operating income grew by 7.3%.

Vipnet

Subscriber base in Croatia grows by 9.9%

Vipnet, the second largest mobile operator in Croatia, increased its subscriber base by 9.9% to 2.6 million customers at the end of September 2009.

Market share increases to 42.9%

At the end of the third quarter 2009 the mobile penetration rate in Croatia was 137.8% compared to 127.1% at the end of 3Q 08. Vipnet's market share increased to 42.9% in 3Q 09 from 42.3% in 3Q 08.

ARPU declined by 19.2% to EUR 12.6 in 3Q 09 compared to EUR 15.6 in 3Q 08 as a higher contract subscriber base partly compensated for lower prices and mobile termination rates as well as a lower usage per subscriber. Average minutes of use charged per subscriber declined by 12.6% to 80.5 minutes.

Revenues reflect price reductions as well as cuts in roaming and interconnection tariffs

Vipnet's revenues declined by 9.5% to EUR 142.8 million in 3Q 09 compared to EUR 157.8 million in 3Q 08 due to price reductions for voice, data, roaming and termination as well as lower usage while roaming traffic increased. Weaker foreign currency translation impacted revenues negatively by EUR 2.7 million.

Cost control demonstrated by 8.0% reduction of operating expenses

Operating expenses were cut by 8.0% and partly compensated for lower revenues which led to a 11.3% lower EBITDA of EUR 65.0 million in 3Q 09. As of August 1, 2009 a 6% tax on revenues from mobile services was introduced. Currency translation impacted EBITDA by EUR 1.2 million. Weaker FX rates, the burden from the tax on mobile services and the impact from lower roaming rates also account for the decline in EBITDA.

Operating income of Vipnet decreased by 13.9% to EUR 48.2 million in 3Q 09 compared to the same period of the previous year, reflecting lower revenues.

Si.mobil

Si.mobil, the second largest operator in Slovenia, increased its subscriber base by 5.1% to 580,300 customers at the end of September 2009 driven by a growth in contract subscribers of 11.6%.

Si.mobil increased its market share from 27.5% to 27.9% due to successful marketing activities. The mobile penetration rate in Slovenia was 102.4% at the end of 3Q 09 compared to 100.1% at the end of 3Q 08.

Higher usage and higher contract subscriber base partly compensate for lower prices & interconnection rates

ARPU decreased by 10.9% to EUR 23.0 primarily driven by lower termination rates and lower prices partly offset by a higher contract subscriber base and an increase in average minutes of use charged per subscriber, which rose by 9.5% to 139.8 minutes.

Lower and symmetric mobile termination rates impacted both revenues and EBITDA of Si.mobil

Revenues decreased by 4.0% to EUR 48.5 million during 3Q 09 mainly due to lower interconnection revenues resulting from the symmetry of termination rates with the incumbent introduced in April 2009 and lower equipment revenues.

EBITDA decreased from EUR 17.0 million in 3Q 08 to EUR 13.7 million in 3Q 09 due to lower revenues partly offset by a reduction in operating expenses by 4.2%.

Operating income decreased from EUR 11.6 million in 3Q 08 to EUR 7.9 million in 3Q 09 due to lower revenues as well as higher depreciation and amortization charges.

Vip mobile

Subscriber base in the Republic of Serbia grows by 42.2% and market share hits 11.5%

Vip mobile, the third largest mobile operator in the Republic of Serbia, grew its subscriber base by 42.2% to 1.1 million customers at the end of September 2009 from 0.8 million customers at the end of September 2008 and had a market share of 11.5% at the end of 3Q 09 compared to 7.9% at the end of 3Q 08.

The penetration rate in the Republic of Serbia stood at 124.6% at the end of 3Q 09 compared to 127.3% at the end of 3Q 08, reflecting the cancellation of inactive customers from the incumbent's subscriber base.

10% tax on mobile revenues introduced

Since June 2009 mobile operators in the Republic of Serbia have to collect an additional 10% tax on mobile revenues making mobile communication services more expensive, posing a considerable hurdle for the growth of the market.

Revenue growth of 43.7% despite weaker FX

During 3Q 09 Vip mobile increased its revenues by 43.7% to EUR 22.7 million compared to EUR 15.8 million in 3Q 08, as a result of higher subscription and traffic revenues driven by a larger subscriber base as well as higher usage. Organic growth, excluding the negative impact from weaker foreign currency translation in the amount of EUR 4.6 million, was 73.1%.

Further improvement of EBITDA loss in Republic of Serbia by 57.1%

The negative EBITDA improved by 57.1% to EUR 3.9 million compared to EUR 9.1 million in 3Q 08. The operating loss was EUR 80.6 million in 3Q 09 compared to a loss of EUR 23.5 million in 3Q 08. The increase in operating loss was the result of the impairment for the license in the amount of EUR 62.0 million. Excluding the impairment, the operating loss improved to EUR 18.6 million in 3Q 09.

Vip operator

Vip operator, the third largest mobile operator in the Republic of Macedonia, had 265,500 customers in 3Q 09 compared to 250,900 customers in 3Q 08. Vip operator's market share was 12.9% at the end of 3Q 09 compared to 11.5% in 3Q 08. At the end of September 2009 the penetration rate in the Republic of Macedonia was 100.5% compared to 107.5% at the end of September 2008. The cancellation of inactive subscribers from the customer base by one of the competitor led to the decline in penetration.

Operating performance in the Republic of Macedonia improves as revenues nearly doubled

Vip operator's revenues nearly doubled to EUR 6.2 million in 3Q 09 compared to EUR 3.9 million in 3Q 08 as a result of higher subscription and traffic revenues driven by the increase of customer base and usage.

The negative EBITDA of the company improved from EUR 4.4 million in 3Q 08 to EUR 2.9 million in 3Q 09 reflecting a continuing enhancement of the operating performance.

Operating loss was reduced to EUR 4.7 million in 3Q 09 compared to an operating loss of EUR 5.6 million in 3Q 08.

Consolidated Net Income

In 3Q 09 net interest expenses increased to EUR 54.2 million from EUR 51.0 million in 3Q 08 due to the restructuring program, which led to additional non-cash interest expenses of EUR 8.9 million.

Effects from foreign exchange differences on the financial result in 3Q 09 were immaterial.

The income tax expense of EUR 47.9 million in 3Q 08 turned to an income tax benefit of EUR 44.8 million in 3Q 09 due to a tax benefit resulting from the impairments related to investments in Belarus and in the Republic of Serbia.

Net income reflects impairment charges including a tax benefit

Primarily due to these impairment charges related to the goodwill for the acquisition of Velcom in Belarus and to the license in the Republic of Serbia a net loss of EUR 136.3 million was incurred in 3Q 09 after a net income of EUR 162.9 million in 3Q 08. Excluding the impairments, net income decreased by 23.4% to EUR 122.7 million. On the same basis, basic and diluted earnings per share amounted to EUR 0.28 in 3Q 09.

Cash Flow and Capital Expenditures

During 3Q 09 cash generated from operations decreased by 15.1% to EUR 368.0 million mainly due to lower results from operations, payments for provisions and an increase in accounts receivables in 2009.

Cash outflow from investing activities decreased from EUR 185.4 million in 3Q 08 to EUR 96.9 million in 3Q 09 mainly due to lower capital expenditures.

Cash outflow from financing activities decreased from EUR 269.9 million in 3Q 08 to EUR 22.8 million in 3Q 09 following the repayment of short-term borrowings in 3Q 08.

Cash Flow

in EUR million	3Q 09	3Q 08	% change
Cash from operations	368.0	433.5	-15.1%
Cash from investing	-96.9	-185.4	-47.7%
Cash from financing	-22.8	-269.9	-91.6%
Effect of exchange rate changes	2.3	-8.3	n.a
Net increase/decrease in cash and cash equivalents	**250.6**	**-30.2**	**n.a.**

Reduction of capital expenditures by 16.0% to support free cash flow

During 3Q 09 total capital expenditures were reduced by 16.0% to EUR 154.5 million. Capital expenditures for tangible assets decreased by 21.2% to EUR 111.2 million and capital expenditures for intangible assets remained almost stable at EUR 43.3 million.

In the Fixed Net segment capital expenditures increased by 38.6% to EUR 67.5 million during 3Q 09, mainly due to investments into the access and core net infrastructure, which were postponed in the first half of 2009.

In the Mobile Communication segment capital expenditures decreased by 35.7% to EUR 87.0 million in 3Q 09.

Capital expenditures

in EUR million	3Q 09	3Q 08	% change
Fixed Net	67.5	48.7	38.6%
Mobile Communication	87.0	135.3	-35.7%
Total capital expenditures	**154.5**	**184.0**	**-16.0%**
Thereof tangible	111.2	141.1	-21.2%
Thereof intangible	43.3	42.9	0.9%

Additional Information & Selected Notes

Selected Explanatory Notes to the Consolidated Interim Financial Statements (unaudited)

Basis of Presentation

The consolidated interim financial statements, in the opinion of management, include all adjustments necessary for a fair presentation in accordance with International Financial Reporting Standards (IFRS).

These financial results in accordance with IAS 34 "Interim Financial Reporting" are unaudited and should be read in connection with the Telekom Austria Group's annual consolidated financial statements according to IFRS for the year ended December 31, 2008. The consolidated results for the interim periods are not necessarily indicative of results for the full year.

No major related party transactions, commitments and guarantees occurred since December 31, 2008.

The preparation of the interim financial statements in conformity with IFRS requires the Telekom Austria Group to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

The Telekom Austria Group has applied the same accounting policies and methods of computation in the interim financial statements as in the annual financial statements as of and for the year ended December 31, 2008 except for IFRIC 12- Service Concession Arrangements, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 16 - Hedges of a Net Investment in a Foreign Operation and IAS 32 and IAS 1 - Puttable Financial instruments and Obligations arising on Liquidation, which became effective during 2008 and as of January 1, 2009.

The Telekom Austria Group has adopted these Standards/Interpretations as of January 1, 2009. IFRIC 13 addresses the accounting of customer loyalty programs that are operated either by the manufacturer or service provider or by a third party. The award credit granted is accounted for as a separate component of the sales transaction and recognized as deferred revenue until it is either redeemed by the customer or forfeited. The adoption of IFRIC 13 led to a reclassification of approximately EUR 20.9 million from provisions and accrued liabilities to deferred income. Comparative figures were adjusted accordingly. The effect on net income was immaterial. The effects of the other new Standards/Interpretations, if any, on the consolidated financial statements were insignificant.

Compared to other economic sectors the telecommunications industry is in general less cyclical. Within the telecommunication sector the seasonality of the Telekom Austria Group's Fixed Net and Mobile Communication segment shows the same pattern as other European incumbents, having lower margins in the year-end quarter due to Christmas promotions, equipment provided to customers and increases in sales commissions. However, in the Mobile Communication segment customer and visitor roaming revenues are above average in the third quarter due to the summer vacation season. In Austria visitor roaming is also above average in the first quarter due to winter sports tourism.

Business Combinations and Investments

In March 2009, the Telekom Austria Group acquired 25.029% stake in Marx Media Vienna GmbH in the Fixed Net segment for an aggregate purchase price of EUR 3.2 million, which was paid in cash.

In February 2009 the Telekom Austria Group sold the stake of 37.47% in Infotech Holding GmbH for a sales price of EUR 7.0 million, which was paid in cash. The investment had been reported as asset held for sale in the Fixed Net segment as of December 31, 2008.

Since June 1, 2009 the Telekom Austria Group controls 100% of CRI Beteiligungs GmbH. The aggregate purchase price amounted to EUR 10.6 million. CRI Beteiligungs GmbH was acquired in the Fixed Net segment. CRI Beteiligungs GmbH holds 76% in Cable Runner Austria GmbH, a technology company running optical fiber cable in sewage circuits. The company was merged into Telekom Austria TA AG, which did not have any effect on the consolidated financial statements.

Acquisition of CRI **in EUR million (unaudited)**	Fair values on acquisition	Fair value adjustments	Carrying amounts before the combination
Property, plant and equipment	21.2	0.0	21.2
Intangible assets	2.8	1.6	1.2
Other non-current assets	0.6	0.0	0.6
Deferred tax assets	6.5	6.4	0.1
Trade and other receivables	4.3	0.0	4.3
Cash and cash equivalents	1.1	0.0	1.1
Loans and borrowings	-3.2	0.0	-3.2
Trade and other payables	-16.1	0.0	-16.1
Net identifiable assets and liabilities	**17.2**	**8.0**	**9.2**
Non-controlling interests	-2.9		
Badwill on acquisition	-3.7		
Total purchase price	**10.6**		
Cash acquired	-1.1		
Net cash outflow	9.5		

The table above summarises the assets acquired and liabilities assumed at the date of acquisition as well as the carrying amounts according to IFRS as determined prior to the acquisition. Fair values were determined based on the provisional purchase price allocation to assets and liabilities.

Since the effect of the acquired entity prior to the acquisition on the consolidated financial statements of the Telekom Austria Group is not considered significant, no pro forma information is presented.

On April 30, 2009 the Telekom Austria Group acquired 25.1% interest in DSA BeteiligungsGmbH in the Fixed Net segment. Acquisition cost amounted to EUR 0.4 million. Additionally the Telekom Austria Group signed an option-agreement for EUR 0.5 million to acquire additional 25% interest. In July 2009 the 25.1% interest in DSA BeteiligungsGmbH was sold and the option was cancelled. The sale had no material effect on the consolidated financial statements.

Foreign Exchange Differences

Starting 1Q 2009 all foreign exchange gains and losses are shown within the financial result, whereas until 2008 only foreign exchange differences relating to financing activities were reported therein. Foreign exchange differences relating to other activities were reported in operating expenses or other operating income. The new presentation provides a more reliable and relevant view on the operating result. Comparative figures for 2008 were adjusted accordingly.

Impairment Charges

The negative effects of the financial crisis on the Belarusian economy have led to a material devaluation of the Belarusian Ruble of 31% since December 31, 2008, resulting in lower expected cash flow generation and lower growth assumptions and consequently in a reduction in value-in-use. Key assumptions applied in the respective value-in-use calculation for Velcom are discount rates after tax (WACC) of 18.9% declining to 10.7% for the terminal value (pre-tax 24.9% declining to 14.0%). Therefore an impairment charge in the amount of EUR 290.0 million for the goodwill from the acquisition of Velcom in Belarus was recorded.

Additionally an impairment charge for the license of Vip mobile in the Republic of Serbia in the amount of EUR 62.0 million was recorded as a result of lower than expected growth due to the economic downturn.

Non-current liabilities, Short-Term Borrowings

An amount of EUR 449.9 million of long-term debt was repaid in the nine months period ended September 30, 2009. On January 29, 2009, the Telekom Austria Group issued a bond on the Eurobond market with a face value of EUR 750.0 million, a maturity of 7 years, disagio and issue costs of EUR 8.0 million and a coupon of 6.375%.

Long-term debt increased mainly due to the issuance of the bond which was partly compensated by the shift of a bond under the EMTN program to short-term borrowings.

In the nine months period ended September 30, 2009 further 12 transactions of Cross Border Lease were early terminated. As a result the Telekom Austria Group realized an expense of EUR 7.6 million and income from the realization of the deferred unamortized balance on the sale of the tax benefit allocated to these transactions amounting to EUR 8.8 million. Thus the Telekom Austria Group recognized the net amount of EUR 1.2 million in interest income. As a result of the early termination, contingent liabilities decreased to EUR 74.1 million.

In the third quarter the USD deposit in the amount of USD 85.0 million serving as securitization of guarantees required in connection with the downgrade of AIG's rating in 2008 was repaid leading to a cash inflow of EUR 66.0 million. In order to avoid any foreign exchange rate risk a EUR 100.0 million deposit serving as collateral maturing in December 2011 was opened in July 2009.

Income Taxes

The effective tax rate for the nine months period ended September 30, 2009 and 2008 was 14.5% and 22.3%, respectively. In the nine months period ended September 30, 2009, the effective tax rate was lower than the Austrian statutory tax rate of 25% mainly due to the impairments of investments in subsidiaries resulting in tax losses.

Net deferred tax liabilities of EUR 44.7 million as of December 31, 2008 changed to net deferred tax assets of EUR 79.2 million mainly due to the recognition of deferred tax assets related to the impairments in connection with investments in subsidiaries, the release of the deferred tax liability resulting from the write down of treasury shares for tax purposes in 2008 and foreign exchange differences.

Foreign currency translation adjustment

The foreign currency translation adjustment mainly results from the consolidation of Velcom in Belarus and Vip mobile in Serbia. The main driver was the devaluation of the Belarusian Ruble which resulted in an adjustment amounting to EUR 304.3 million in the nine months period ended September 30, 2009.

Retirement of Stock

On August 24, 2009 the Telekom Austria AG retired 17 million treasury shares at an average price of Euro 18.80, in total amounting to EUR 319.5 million and resulting in a reduction of retained earnings. The retired shares accounted for 3.7% of total common stock. The retirement resulted in a reduction of common stock in the amount of EUR 37.1 million to EUR 966.2 million, and a corresponding increase in additional paid-in capital of EUR 37.1 million to EUR 584.4 million. The number of shares issued was reduced to 443 million. Additionally, the corresponding deferred tax liability resulting from the write down of the treasury shares for tax purposes in 2008 was released, resulting in an increase of retained earnings of EUR 33.5 million.

Stock Based Compensation

In the first quarter 2009 the Telekom Austria Group launched the sixth tranche ESOP 2009+ of the stock option plan 2004.

For the nine months period ended September 30, 2009 and 2008 the Telekom Austria Group recorded an expense of EUR 1.8 million and a benefit of EUR 9.1 million, respectively, excluding related payroll taxes and social contributions. The benefit in the nine months period ended September 30, 2008 is mainly due to the decline of the Telekom Austria share price at September 30, 2008 compared to December 31, 2007.

Compensation expense is measured based on the fair value of the options at each reporting date and recognized over the service period on a straight-line basis. The fair value estimation is based on a binomial option pricing model by applying the parameters summarized in the following table.

ESOP Parameters	Sept. 30, 09	Dec. 31, 08
Expected average dividend per share (in Euro)	0.75 - 0.84	0.75 - 0.94
Expected volatility	53%	55%
Risk - free interest rate range	0.533% - 2.892%	2.750% - 3.354%
Stock price (in Euro)	12.32	10.30
Fair value per option second tranche (in Euro)	-	0.47
Fair value per option third tranche (in Euro)	0.32	0.44
Fair value per option fourth tranche (in Euro)	0.79	0.62
Fair value per option fifth tranche (in Euro)	1.02	0.75
Fair value per option sixth tranche (in Euro)	1.49	-

Risks & Uncertainties

The Telekom Austria Group faces various risks and uncertainties that could affect its results. These risks include, but are not limited to, a further reduction of prices for mobile communication services in Austria and elsewhere and an acceleration of fixed-to-mobile substitution resulting in further access line loss and a decline in fixed net minutes.

The Telekom Austria Group is also subject to risks related to the planned reduction of the number of employees in the Fixed Net segment. Furthermore, the Telekom Austria Group is subject to intensive regulation.

Through its expansion into the Eastern and South-Eastern European region, the company operates in markets that have been experiencing political and economic change. This circumstance has affected and may continue to affect the activities of enterprises operating in this environment. Consequently, operations in the Eastern and South-Eastern European region involve uncertainties, including foreign exchange and tax uncertainties that typically do not exist in other markets.

In recent years, the growth of Telekom Austria Group's business was marked by an expansion in various markets in Eastern and South-Eastern Europe. However, further growth will be affected by a number of factors, over which Telekom Austria Group has no influence. Further organic growth also depends on the growth of the respective economies and individual telecommunication markets the Telekom Austria Group operates in.

Impacts of the economic downturn on Telekom Austria Group's results cannot be fully ruled out. In the Mobile Communication segment there are uncertainties with regard to lower roaming revenues as a result of a decrease in travelling. Moreover, customer usage behaviour might change as a result of the economic crisis impacting the financial result of the Telekom Austria Group.

Personnel

The total number of employees of the Telekom Austria Group declined by 903 to 16,802 employees at the end of September 2009 compared to the same period of the previous year.

Fixed Net workforce declines by 1,208 employees

520 employees left with a social plan

The workforce in the Fixed Net segment decreased by 1,208 to 8,129 full-time equivalents. The decrease is mainly related to the restructuring program. Within this framework 520 employees have accepted a social plan and left the company as of September 30, 2009. Furthermore a reduction of 241 full-time equivalents is attributable to the sale of eTel Slovensko and Telekom Austria Czech Republic.

The number of employees of the Mobile Communication segment increased by 305 to 8,673 employees mainly as a result of a larger workforce in the operations of Belarus and the Republic of Serbia.

Other Events

As of end of July 2009 the Croatian Parliament passed an act which introduces a tax on selected revenues of mobile operators effective as of August 1, 2009. According to this act, the mobile operators are obliged to pay a tax fee of 6% on revenues from SMS, MMS and voice services.

The Telekom Austria Group was informed in August 2009 that the shareholding of UBS AG, Zurich, amounted to 22,768,737 shares or 4.95% of the outstanding shares as of August 14, 2009.

Subsequent Events

No major subsequent events took place.

Disclaimer: This document contains forward-looking statements that involve risks and uncertainties. These forward-looking statements are usually accompanied by words such as "believe," "intend," "anticipate," "plan," "expect" and similar expressions. Actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. These factors include, but are not limited to, the following:

- the level of demand for telecommunications services or equipment, particularly with regard to access lines, traffic, bandwidth and new products;
- competitive forces in liberalized markets, including pricing pressures, technological developments, alternative routing developments and new access technologies, and our ability to retain market share in the face of competition from existing and new market entrants;
- the effects of our tariff reduction or other marketing initiatives;
- the regulatory developments and changes, including the levels of tariffs, the terms of interconnection, unbundling of access lines and international settlement arrangements;
- our ability to achieve cost savings and realize productivity improvements;
- the success of new business, operating and financial initiatives, many of which involve start-up costs, and new systems and applications, particularly with regard to the integration of service offerings;
- our ability to secure the licenses we need to offer new services and the cost of these licenses and related network infrastructure build-outs;
- the progress of our domestic and international investments, joint ventures and alliances
- the impact of our new business strategies and transformation program;
- the availability, terms and deployment of capital and the impact of regulatory and competitive developments on capital expenditure;
- the outcome of litigation in which we are involved;
- the level of demand in the market for our shares which can affect our business strategies;
- changes in the law including regulatory, civil servants and social security law, including pensions and tax law; and general economic conditions, government and regulatory policies, and business conditions in the markets we serve.

Through its expansion into the Eastern and South-eastern European region, the company operates in markets that have been experiencing political and economic change. This circumstance has affected, and may continue to affect, the activities of enterprises operating in this environment. Consequently, operations in the Eastern and South-eastern European region involve uncertainties, including tax uncertainties and risks related to foreign exchange rates that typically do not exist in other markets.

Due to rounding differences deviations in subtotals and totals may occur.

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statements of Operations

in EUR million, except per share information	3Q 09 unaudited	3Q 08 unaudited	1-9 M 09 unaudited	1-9 M 08 unaudited
Operating revenues	1,231.7	1,328.0	3,620.5	3,863.8
Other operating income	26.2	13.3	59.5	57.4
Operating expenses				
Materials	-102.1	-104.4	-290.3	-299.2
Employee expenses, including benefits and taxes	-183.7	-192.5	-589.5	-610.5
Depreciation and amortization	-264.2	-278.2	-818.5	-856.0
Impairment charges	-352.0	0.0	-352.2	0.0
Other operating expenses	-482.3	-506.2	-1,405.6	-1,519.1
Operating income	**-126.4**	**260.0**	**223.9**	**636.4**
Financial result				
Interest income	5.8	6.8	22.8	18.2
Interest expense	-60.0	-57.8	-192.3	-171.3
Foreign exchange differences	-0.1	1.9	-14.2	15.4
Result from financial assets	-0.5	0.1	-4.1	2.0
Equity in earnings of affiliates	0.1	-0.2	0.5	-0.1
Income before income taxes	**-181.1**	**210.8**	**36.6**	**500.6**
Income taxes	44.8	-47.9	-5.3	-111.7
Net income (loss)	-136.3	**162.9**	**31.3**	**388.9**
Attributable to:				
Owners of the parent	-136.2	162.9	31.5	388.8
Non-controlling interests	-0.1	0.0	-0.2	0.1
Basic and fully diluted earnings/loss per share	**-0.31**	**0.37**	**0.07**	**0.88**
Weighted-average number of ordinary shares outstanding	**442,398,222**	**442,211,742**	**442,398,222**	**442,211,742**

Condensed Consolidated Statements of Comprehensive Income

in EUR million	3Q 09 unaudited	3Q 08 unaudited	1-9 M 09 unaudited	1-9 M 08 unaudited
Net income	**-136.3**	**162.9**	**31.3**	**388.9**
Unrealized result on securities available-for-sale	0.5	-0.3	1.4	-1.0
Income tax (expense) benefit	-0.1	0.1	-0.3	0.3
Realized result on securities available-for-sale	0.0	-0.1	-0.1	-0.1
Unrealized result on hedging activities	1.9	-6.4	-9.0	-5.2
Income tax (expense) benefit	0.1	0.1	0.9	0.1
Foreign currency translation adjustment	-10.7	144.9	-317.1	77.7
Other comprehensive income (loss)	**-8.3**	**138.3**	**-324.2**	**71.8**
Total comprehensive income (loss)	**-144.6**	**301.2**	**-292.9**	**460.7**
Attributable to:				
Owners of the parent	-144.5	301.3	-292.7	460.7
Non-controlling interests	-0.1	0.0	-0.2	0.1

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statements of Financial Position

in EUR million	Sept. 30, 09 unaudited	Dec. 31, 08 audited
ASSETS		
Current assets		
Cash and cash equivalents	946.9	384.8
Short-term investments	11.1	86.0
Accounts receivable - trade, net of allowances	706.6	724.3
Receivables due from related parties	3.0	3.2
Inventories	123.8	128.5
Prepaid expenses	127.7	112.6
Income taxes receivable	36.8	32.9
Non-current assets held for sale	3.8	6.3
Other current assets	97.1	66.8
Total current assets	**2,056.8**	**1,545.4**
Non-current assets		
Investments in associates	7.9	4.2
Financial assets long-term	138.9	43.0
Goodwill	1,498.0	1,958.5
Other intangible assets, net	1,915.3	2,265.6
Property, plant and equipment, net	2,690.8	2,976.0
Other non-current assets	35.2	61.3
Deferred tax assets	229.1	143.4
Total non-current assets	**6,515.2**	**7,452.0**
TOTAL ASSETS	**8,572.0**	**8,997.4**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	-1,019.4	-961.5
Accounts payable - trade	-461.2	-589.2
Provisions and accrued liabilities	-216.7	-228.4
Payables to related parties	-7.7	-13.7
Income taxes payable	-21.6	-20.2
Other current liabilities	-269.3	-232.4
Deferred income	-148.2	-175.1
Total current liabilities	**-2,144.1**	**-2,220.5**
Non-current liabilities		
Long-term debt	-3,214.5	-2,917.4
Lease obligations and Cross Border Lease	-20.3	-29.7
Employee benefit obligation	-119.0	-117.4
Provisions long-term	-688.9	-691.4
Deferred tax liabilities	-149.9	-188.1
Other non-current liabilities and deferred income	-668.0	-677.3
Total non-current liabilities	**-4,860.6**	**-4,621.3**
Stockholders' equity		
Common stock	-966.2	-1,003.3
Treasury shares	11.3	330.8
Additional paid-in capital	-584.4	-547.3
Retained earnings	-419.0	-1,005.2
Revaluation reserve	20.6	13.4
Translation adjustments	373.2	56.1
Equity attributable to equity holders of the parent	**-1,564.5**	**-2,155.5**
Non-controlling interests	-2.8	-0.1
Total stockholders' equity	**-1,567.3**	**-2,155.6**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**-8,572.0**	**-8,997.4**

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statements of Cash Flows

in EUR million	3Q 09 unaudited	3Q 08 unaudited	1-9 M 09 unaudited	1-9 M 08 unaudited
Cash flow from operating activities				
Net Income (loss)	-136.3	162.9	31.3	388.9
Adjustments to reconcile net income to operating cash flow				
Depreciation, amortization and impairment charges	616.2	278.2	1,170.7	856.0
Write-offs from and appreciation to investments	0.0	-0.1	0.0	0.0
Employee benefit obligation - non-cash	4.3	2.5	6.4	7.1
Allowance for doubtful accounts	17.7	13.9	40.9	33.2
Change in deferred taxes	-70.0	21.5	-84.2	36.8
Equity in earnings of affiliates - non-cash	-0.1	0.3	-0.5	0.1
Stock compensation	1.2	-2.2	1.8	-9.1
Asset retirement obligation - accretion expense	1.9	1.7	5.5	4.3
Provision for restructuring - accretion expense	8.9	0.0	26.9	0.0
Result on sale of investments	0.0	-0.1	-1.1	-1.8
Result on disposal / retirement of equipment	-0.4	0.4	-0.4	-9.9
Other	-0.4	-0.6	18.5	-0.5
	443.0	478.3	1,215.8	1,305.1
Changes in assets/liabilities, net of business combinations				
Accounts receivable - trade	-49.4	-33.2	-32.1	-62.0
Receivables due from related parties	0.1	0.7	0.6	0.7
Inventories	-5.1	-7.7	5.2	-4.1
Prepaid expenses and other assets	-1.5	9.0	-29.8	-19.2
Accounts payable - trade	6.1	-25.8	-106.7	-117.3
Employee benefit obligation	-4.8	-3.3	-5.2	-4.1
Provisions and accrued liabilities	-15.2	-9.1	-46.9	-11.2
Payables due to related parties	-1.2	-3.0	-6.1	-9.1
Other liabilities and deferred income	-4.0	27.5	-31.9	26.9
	-75.0	-44.8	-252.9	-199.4
Cash flow from operating activities	**368.0**	**433.5**	**962.9**	**1,105.7**
Cash flow from investing activities				
Capital expenditures, including interest capitalized	-154.5	-184.0	-419.8	-534.3
Acquisitions of subsidiaries, net of cash acquired	0.0	-4.9	-12.7	-14.2
Sale of subsidiary, net of cash	0.0	0.0	7.7	1.4
Proceeds from sale of equipment	3.4	-0.0	6.0	16.8
Purchase of investments	-101.7	0.3	-193.5	-5.9
Proceeds from sale of investments	155.9	3.2	162.7	4.9
Cash flow from investing activities	**-96.9**	**-185.4**	**-449.6**	**-531.4**
Cash flow from financing activities				
Proceeds from issuance of long term debt	0.0	495.0	750.0	632.5
Principal payments on long-term debt	0.0	0.0	-449.9	-327.3
Changes in short-term borrowings	-22.8	-764.9	37.4	-592.6
Dividends paid	0.0	0.0	-331.8	-331.7
Cash flow from financing activities	**-22.8**	**-269.9**	**5.7**	**-619.0**
Effect of exchange rate changes	**2.3**	**-8.3**	**43.1**	**0.9**
Change in cash and cash equivalents	**250.6**	**-30.2**	**562.1**	**-43.9**
Cash and cash equivalents at beginning of period	696.3	195.4	384.8	209.1
Cash and cash equivalents at end of period	946.9	165.2	946.9	165.2

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Consolidated Statement of Changes in Stockholders´ Equity

in EUR million (unaudited)	Common stock Par Value	Treasury shares	Additional paid-in capital	Retained earnings	Revaluation reserve	Translation adjustment	Total	Non-controlling interest	Total stockholders' equity
Balance at January 1, 09	**1,003.3**	**-330.8**	**547.3**	**1,005.2**	**-13.4**	**-56.1**	**2,155.5**	**0.1**	**2,155.6**
Total comprehensive income (loss)				31.5	-7.1	-317.1	-292.7	-0.2	-292.9
Distribution of dividends				-331.8			-331.8		-331.8
Addition from acquisition								2.9	2.9
Retirement of treasury shares	-37.1	319.5	37.1	-286.0			33.5		33.5
Balance at Sept. 30, 09	**966.2**	**-11.3**	**584.4**	**419.0**	**-20.6**	**-373.2**	**1,564.5**	**2.8**	**1,567.3**

in EUR million (unaudited)	Common stock Par Value	Treasury shares	Additional paid-in capital	Retained earnings	Revaluation reserve	Translation adjustment	Total	Non-controlling interest	Total stockholders' equity
Balance at January 1, 08	**1,003.3**	**-334.4**	**548.9**	**1,385.7**	**0.1**	**-38.3**	**2,565.3**		**2,565.3**
Total comprehensive income (loss)				388.8	-5.8	77.7	460.7	0.1	460.8
Distribution of dividends				-331.7			-331.7		-331.7
Balance at Sept. 30, 08	**1,003.3**	**-334.4**	**548.9**	**1,442.9**	**-5.7**	**39.4**	**2,694.3**	**0.1**	**2,694.4**

	Sept. 30, 09	**Dec. 31, 08**	**Sept. 30, 08**
Number of shares of common stock	443,000,000	460,000,000	460,000,000
Number of treasury shares	601,778	17,601,778	17,788,258
Average purchase price of treasury shares	18.80	18.80	18.80

Condensed Consolidated Financial Statements Telekom Austria Group

Condensed Segment Reporting

in EUR million (unaudited)	Fixed Net	Mobile Communication	Corporate & Other	Eliminations	Consolidated
1-9 M 09					
External revenues	1,273.5	2,347.0	0.0	0.0	3,620.5
Intersegmental revenues	123.6	75.7	0.0	-199.3	0.0
Total revenues	**1,397.1**	**2,422.7**	**0.0**	**-199.3**	**3,620.5**
Other operating income	54.4	24.5	5.1	-24.6	59.4
Segment expenses	-993.8	-1,489.7	-22.9	221.1	-2,285.3
EBITDA	**457.7**	**957.5**	**-17.8**	**-2.8**	**1,394.6**
Impairment charges	-0.2	-352.0	-	-	-352.2
EBITDA (incl. Impairment charges)	**457.5**	**605.5**	**-17.8**	**-2.8**	**1,042.4**
Depreciation and amortization	-336.4	-482.6	0.0	0.5	-818.5
Operating income	**121.1**	**122.9**	**-17.8**	**-2.3**	**223.9**
Financial result					-187.3
Income before income taxes					**36.6**
Segment assets	2,319.2	6,531.7	7,301.4	-7,580.3	8,572.0
Segment liabilities	-1,188.9	-4,701.6	-5,637.0	4,522.7	-7,004.8

in EUR million (unaudited)	Fixed Net	Mobile Communication	Corporate & Other	Eliminations	Consolidated
1-9 M 08					
External revenues	1,419.2	2,444.6	0.0	0.0	3,863.8
Intersegmental revenues	121.5	61.9	0.0	-183.4	0.0
Total revenues	**1,540.7**	**2,506.5**	**0.0**	**-183.4**	**3,863.8**
Other operating income	42.6	30.7	5.0	-20.9	57.4
Segment expenses	-1,104.9	-1,507.6	-20.8	204.5	-2,428.8
EBITDA	**478.4**	**1,029.6**	**-15.8**	**0.2**	**1,492.4**
Depreciation and amortization	-378.0	-478.3	0.0	0.3	-856.0
Operating income	**100.4**	**551.3**	**-15.8**	**0.5**	**636.4**
Financial result					-135.8
Income before income taxes					**500.6**
Segment assets	2,445.1	7,753.1	6,659.7	-8,087.9	8,770.0
Segment liabilities	-897.0	-4,990.2	-4,934.0	4,745.6	-6,075.6

Net Debt*

in EUR million	Sept. 30, 09 unaudited	Dec. 31, 08 audited
Long-term debt	3,868.3	3,599.5
Short-term borrowings	1,019.4	961.5
Cash and cash equivalents, short-term and long-term investments, financing with related parties	-1,096.2	-513.1
Derivative financial instruments for hedging purposes	-10.0	-54.6
Net debt	**3,781.5**	**3,993.3**
Net debt/EBITDA (last 12 months)	**3.2x**	**3.1x**
Net debt/EBITDA (last 12 months) excl. restructuring program	**2.1x**	**2.1x**

* Cross border lease and finance lease obligations are included in long-term debt and short-term borrowings. Deposits for cross border lease are included in short-term and long-term investments. The purchase price obligation related to the acquisition of SBT is included in long-term debt.

Results by Segments

in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9 M 09	1-9 M 08	% change
Revenues						
Fixed Net	470.7	496.9	-5.3%	1,397.1	1,540.7	-9.3%
Mobile Communication	831.8	895.7	-7.1%	2,422.7	2,506.5	-3.3%
Corporate, Other & Eliminations	-70.8	-64.6	9.6%	-199.3	-183.4	8.7%
Revenues	**1,231.7**	**1,328.0**	**-7.3%**	**3,620.5**	**3,863.8**	**-6.3%**
EBITDA						
Fixed Net	157.9	166.0	-4.9%	457.7	478.4	-4.3%
Mobile Communication	337.5	376.8	-10.4%	957.5	1,029.6	-7.0%
Corporate, Other & Eliminations	-5.6	-4.6	21.7%	-20.6	-15.6	32.1%
EBITDA	**489.8**	**538.2**	**-9.0%**	**1,394.6**	**1,492.4**	**-6.6%**
Operating income						
Fixed Net	52.7	47.4	11.2%	121.1	100.4	20.6%
Mobile Communication	-173.6	217.1	-180.0%	122.9	551.3	-77.7%
Corporate, Other & Eliminations	-5.5	-4.5	22.2%	-20.1	-15.3	31.4%
Operating income	**-126.4**	**260.0**	**-148.6%**	**223.9**	**636.4**	**-64.8%**

Capital Expenditures by Segments

in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9 M 09	1-9 M 08	% change
Fixed Net	67.5	48.7	38.6%	156.9	181.2	-13.4%
Mobile Communication	87.0	135.3	-35.7%	262.9	353.1	-25.5%
Total capital expenditures	**154.5**	**184.0**	**-16.0%**	**419.8**	**534.3**	**-21.4%**
Thereof tangible	111.2	141.1	-21.2%	309.2	415.7	-25.6%
Thereof intangible	43.3	42.9	0.9%	110.6	118.6	-6.7%

Personnel

	End of period			Average of period		
Personnel (full-time equivalent)	**Sept. 30, 09**	**Sept. 30, 08**	**change**	**3Q 09**	**3Q 08**	**change**
Fixed Net	8,129	9,337	-1,208	8,146	9,371	-1,225
Mobile Communication	8,673	8,368	305	8,660	8,311	349
Telekom Austria Group	16,802	17,705	-903	16,807	17,682	-875

Key Data Fixed Net

Lines (in '000)	3Q 09	3Q 08	% change
Access lines (without broadband lines)	**1,326.6**	**1,503.9**	**-11.8%**
Fixed Net broadband retail lines	926.0	766.4	20.8%
Fixed Net broadband wholesale lines	56.6	68.9	-17.9%
Fixed Net broadband lines	**982.6**	**835.3**	**17.6%**
Total access lines	**2,309.2**	**2,339.2**	**-1.3%**
Lines unbundled	287.7	297.8	-3.4%

Other Operationals	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Average revenues per access line (ARPL)	34.9	36.5	-4.4%	35.0	37.0	-5.4%
Total voice minutes	807	914	-11.8%	2,559	2,903	-11.8%

Fixed Net revenues in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Access, Voice and Broadband	241.3	265.3	-9.0%	731.7	819.4	-10.7%
Data	97.8	105.1	-6.9%	292.0	324.2	-9.9%
Wholesale Voice & Internet	91.7	100.3	-8.6%	268.3	314.9	-14.8%
Others	39.8	26.2	51.9%	105.0	82.2	27.7%
Fixed Net revenues	**470.7**	**496.9**	**-5.3%**	**1,397.1**	**1,540.7**	**-9.3%**

Austrian Telecommunications Market

Broadband Market Shares	3Q 09	3Q 08	% change
Telekom Austria Fixed Net Retail	30.1%	29.7%	-
Telekom Austria Fixed Net Wholesale	1.8%	2.7%	-
Mobile broadband mobilkom austria	16.2%	13.7%	-
Mobile broadband other operators	25.6%	20.4%	-
Cable	17.6%	22.7%	-
Unbundled lines	8.7%	10.8%	-
Broadband penetration - Total market	86.8%	72.5%	-

Voice Market Shares	3Q 09	3Q 08	% change
Fixed Net Telekom Austria	14.4%	16.5%	-
Fixed Net Others	8.1%	9.5%	-
Mobile	77.5%	74.0%	-

Key Data Mobile Communication

Mobile Communication in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	831.8	895.7	-7.1%	2,422.7	2,506.5	-3.3%
EBITDA	337.5	376.8	-10.4%	957.5	1,029.6	-7.0%
Operating income	-173.6	217.1	n.a.	122.9	551.3	-77.7%
Data as a portion of traffic-related revenues	34.2%	25.4%	-	30.4%	25.2%	-

	3Q 09	3Q 08	% change
Subscribers ('000)	18,471.8	17,007.8	8.6%

mobilkom austria* in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	393.1	420.0	-6.4%	1,188.5	1,226.4	-3.1%
EBITDA	139.1	159.2	-12.6%	446.9	468.8	-4.7%
Operating income	81.2	100.8	-19.4%	272.5	284.0	-4.0%
Monthly ARPU (EUR)	24.3	27.8	-12.6%	25.1	28.2	-11.0%
Data as a portion of traffic-related revenues	36.7%	32.1%	-	36.4%	31.6%	-
Subscriber acquisition cost (SAC)	10.9	9.0	21.1%	36.6	32.6	12.3%
Subscriber retention cost (SRC)	22.7	19.0	19.5%	61.8	53.8	14.9%
Churn (3 months)	3.7%	3.5%	-	11.0%	10.8%	-
Monthly MOU charged/ø subscriber	159.9	169.5	-5.7%	164.0	176.5	-7.1%

	3Q 09	3Q 08	% change
Subscribers ('000)	4,719.4	4,355.8	8.3%
Contract share	71.9%	68.5%	-
Market share	42.4%	42.5%	-
Market penetration	133.0%	122.5%	-

Mobiltel, Bulgaria, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	157.7	179.0	-11.9%	465.5	499.0	-6.7%
EBITDA	89.6	100.0	-10.4%	254.1	288.9	-12.0%
Operating income	44.8	56.4	-20.6%	119.2	161.2	-26.1%
Monthly ARPU (EUR)	9.1	10.1	-9.9%	9.1	9.8	-7.1%
Data as a portion of traffic-related revenues	16.2%	10.5%	-	14.9%	11.2%	-

	3Q 09	3Q 08	% change
Subscribers ('000)	5,242.9	5,193.7	0.9%
Contract share	57.1%	49.8%	-
Market share	49.7%	49.9%	-
Market penetration	139.4%	136.8%	-

* The reported operating income represents the contribution of the subsidiaries to the consolidated operating income of operations of the Telekom Austria Group including amortization of fair value adjustments resulting from past business combinations and therefore may deviate from the results of the single financial statements.

Key Data Mobile Communication

Velcom*, Belarus, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	77.1	82.4	-6.4%	225.5	218.0	3.4%
EBITDA	36.0	41.3	-12.8%	111.5	108.2	3.0%
Operating income	-271.3	22.1	n.a.	-232.3	52.2	n.a.
Monthly ARPU (EUR)	6.2	7.6	-4.0%	6.3	7.0	-10.0%

	3Q 09	3Q 08	% change
Subscribers ('000)	3,981.3	3,525.0	12.9%
Market share	43.5%	44.7%	-
Market penetration	94.4%	81.3%	-

Vipnet*, Croatia, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	142.8	157.8	-9.5%	367.5	402.5	-8.7%
EBITDA	65.0	73.3	-11.3%	138.2	164.9	-16.2%
Operating income	48.2	56.0	-13.9%	85.5	111.1	-23.0%
Monthly ARPU (EUR)	12.6	15.6	-19.2%	12.3	15.0	-18.0%
Data as a portion of traffic-related revenues	31.2%	30.8%	-	30.9%	28.9%	-

	3Q 09	3Q 08	% change
Subscribers ('000)	2,606.1	2,372.0	9.9%
Contract share	23.8%	22.1%	-
Market share	42.9%	42.3%	-
Market penetration	137.8%	127.1%	-

Si.mobil*, Slovenia, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	48.5	50.5	-4.0%	136.6	141.0	-3.1%
EBITDA	13.7	17.0	-19.4%	35.4	47.2	-25.0%
Operating income	7.9	11.6	-31.9%	18.3	31.5	-41.9%
Monthly ARPU (EUR)	23.0	25.8	-10.9%	22.0	24.3	-9.5%
Data as a portion of traffic-related revenues	23.1%	19.8%	-	21.7%	20.3%	-

	3Q 09	3Q 08	% change
Subscribers ('000)	580.3	552.2	5.1%
Contract share	68.6%	64.7%	-
Market share	27.9%	27.5%	-
Market penetration	102.4%	100.1%	-

* The reported operating income represents the contribution of the subsidiaries to the consolidated operating income of operations of the Telekom Austria Group including amortization of fair value adjustments resulting from past business combinations and therefore may deviate from the results of the single financial statements.

Key Data Mobile Communication

Vip mobile, Republic of Serbia, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	22.7	15.8	43.7%	56.5	40.6	39.2%
EBITDA	-3.9	-9.1	-57.1%	-18.1	-31.7	-42.9%
Operating income	-80.6	-23.5	243.0%	-124.8	-68.5	82.2%
Monthly ARPU (EUR)	5.9	6.0	-1.7%	5.3	5.7	-7.2%

	3Q 09	3Q 08	% change
Subscribers ('000)	1,070.1	752.6	42.2%
Market share	11.5%	7.9%	-
Market penetration	124.6%	127.3%	-

Vip operator, Republic of Macedonia, in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	6.2	3.9	59.0%	15.3	8.2	86.6%
EBITDA	-2.9	-4.4	-34.1%	-11.2	-15.6	-28.2%
Operating income	-4.7	-5.6	-16.1%	-16.4	-18.6	-11.8%
Monthly ARPU (EUR)	6.8	4.3	58.1%	6.0	3.7	62.2%

	3Q 09	3Q 08	% change
Subscribers ('000)	265.5	250.9	5.8%
Market share	12.9%	11.5%	-
Market penetration	100.5%	107.5%	-

mobilkom liechtenstein in EUR million (unaudited)	3Q 09	3Q 08	% change	1-9M 09	1-9M 08	% change
Revenues	3.3	5.3	-37.7%	13.5	15.6	-13.5%
EBITDA	0.9	0.8	12.5%	2.7	2.7	0.0%
Operating income	0.7	0.7	0.0%	2.1	2.2	-4.5%

	3Q 09	3Q 08	% change
Subscribers ('000)	6.2	5.6	10.7%