



Roadshow Presentation First Half and Second Quarter 2015 Results



Cautionary statement

'This presentation contains forward-looking statements. These forward-looking statements are usually accompanied by words such as 'believe', 'intend', 'anticipate', 'plan', 'expect' and similar expressions. Actual events 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. Neither Telekom Austria Group nor any other person accepts any liability for any such forward-looking statements. Telekom Austria Group will not update these forward-looking statements, whether due to changed factual circumstances, changes in assumptions or expectations. This presentation does not constitute a recommendation or invitation to purchase or sell securities of Telekom Austria Group.'



Telekom Austria Group Key Facts

16,240

Employees as of year-end 2014

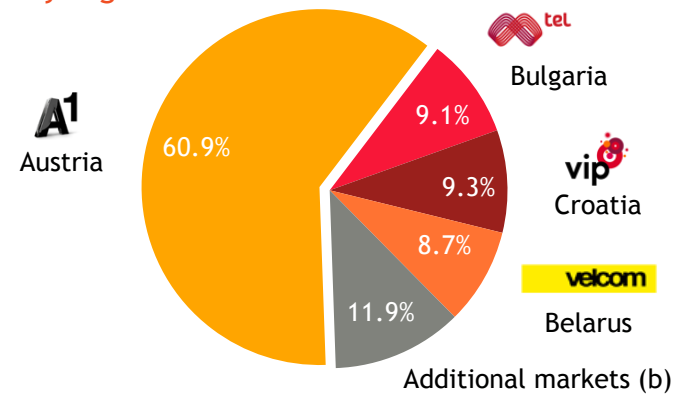
23M

Customers in seven countries

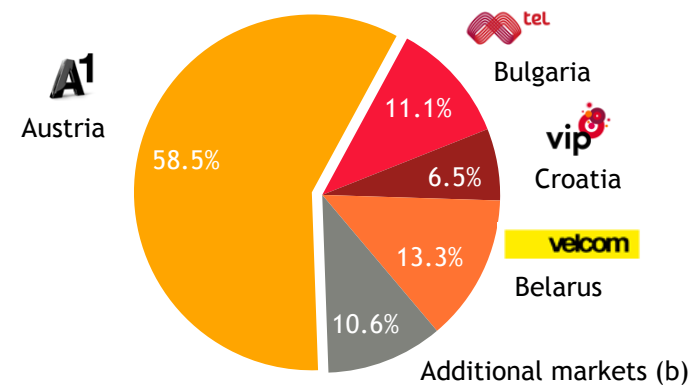
4.02BN

Revenues as of year-end 2014

Revenue by segment^(a)




EBITDA comparable by segment^(a)



Notes: (a) For Full Year 2014. Breakdown does not show corporate, others and eliminations.
 (b) Includes Slovenia, Republic of Macedonia and Republic of Serbia.

The leading regional communications player providing convergent telecommunication services

as of 30 June 2015
(in '000, in %)

Austria 

Mobile:

- > Market share: 40.1% (Q2 2014: 41.5%)
- > Subscriber base: 5,369 (Q2 2014: 5,510)

Fixed Line:

- > Access Lines: 2,282 (Q2 2014: 2,275)

Croatia 

Mobile:

- > Market share: 36.5% (Q2 2014: 36.7%)
- > Subscriber base: 1,756 (Q2 2014: 1,829)

Fixed Line:

- > Access Lines: 238 (Q2 2014: 208)

Republic of Serbia 

Mobile:

- > Market share: 22.4% (Q2 2014: 22.0%)
- > Subscriber base: 2,103 (Q2 2014: 2,037)

Slovenia 

Mobile:

- > Market share: 29.5% (Q2 2014: 29.8%)
- > Subscriber base: 690 (Q2 2014: 680)



Belarus 

Mobile:

- > Market share: 42.4% (Q2 2014: 42.5%)
- > Subscriber base: 4,912 (Q2 2014: 4,940)

Bulgaria* 

Mobile:

- > Market share: 39.0% (Q2 2014: 38.1%)
- > Subscriber base: 4,305 (Q2 2014: 4,108)

Fixed Line:

- > Access Lines: 183 (Q2 2014: 153)

Republic of Macedonia 

Mobile:

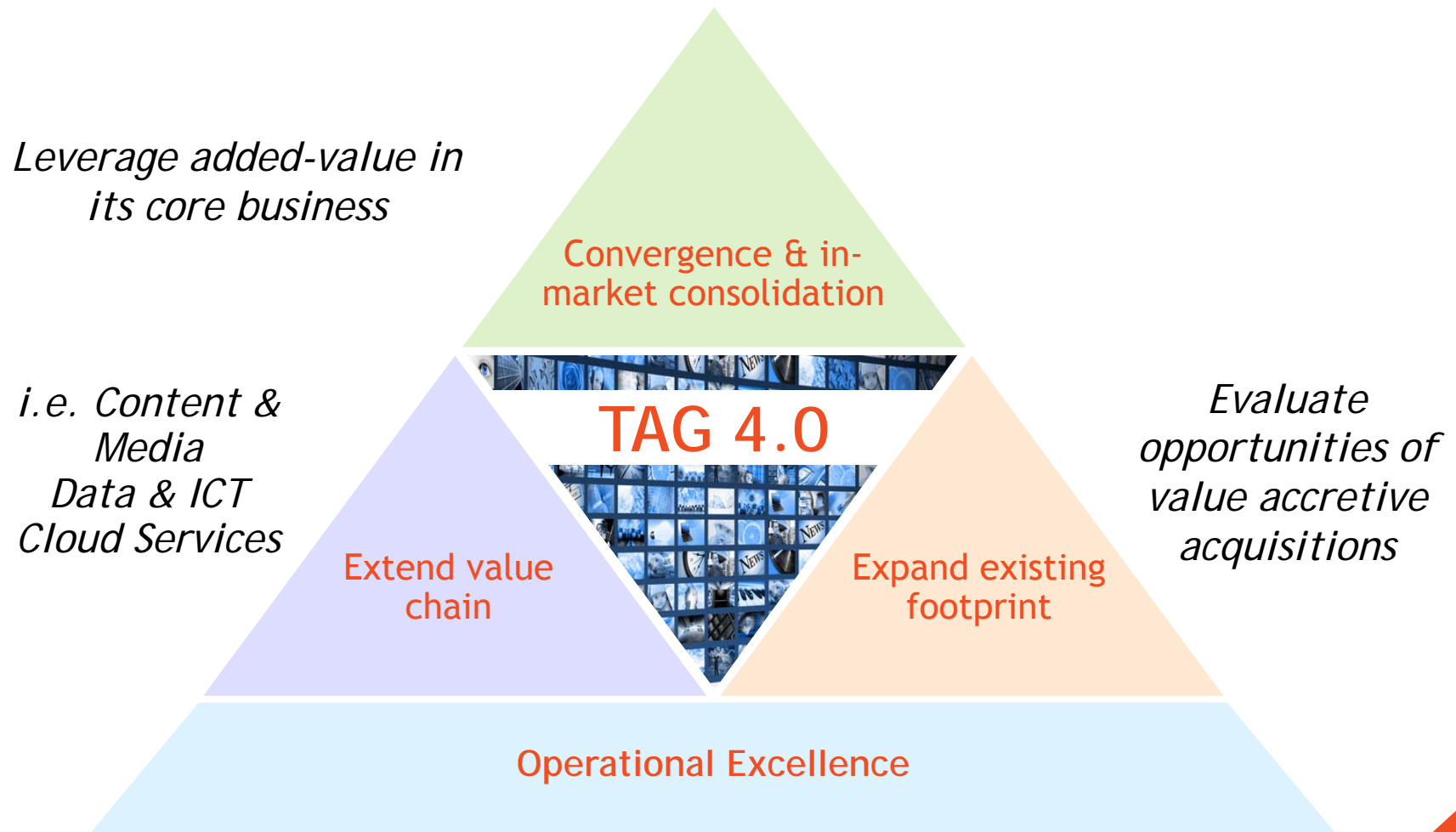
- > Market share: 28.4% (Q2 2014: 28.2%)
- > Subscriber base: 608 (Q2 2014: 620)

Fixed Line:

- > Access Lines: 87 (Q2 2014: na)



Telekom Austria Group Strategy - Overview



Cash-use policy - Focus remains on maintaining Baa2/BBB ratings

Conservative financial strategy is the framework for investments

- > Ratings Baa2 from Moody's and BBB from Standard & Poor's strengthen financial flexibility

A

Fibre rollout in Austria

- > Investments of EUR 400 mn in 2015-2018
- > Target: Bandwidths of 30 Mbps for more than 70% of the population

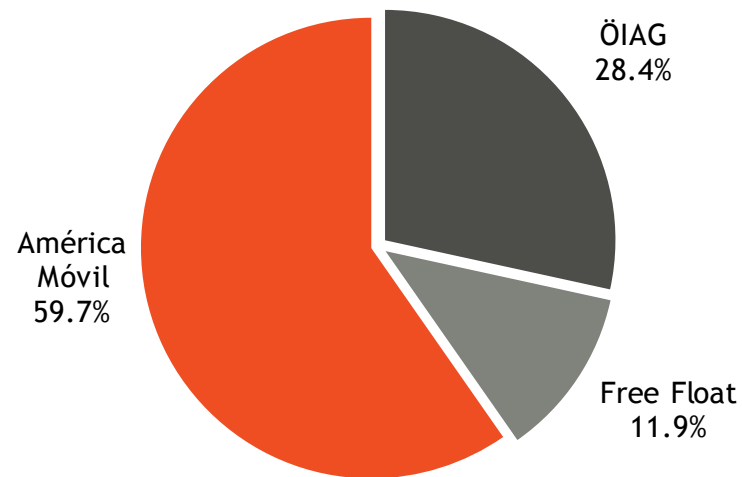
B

Flexibility for M&A activity

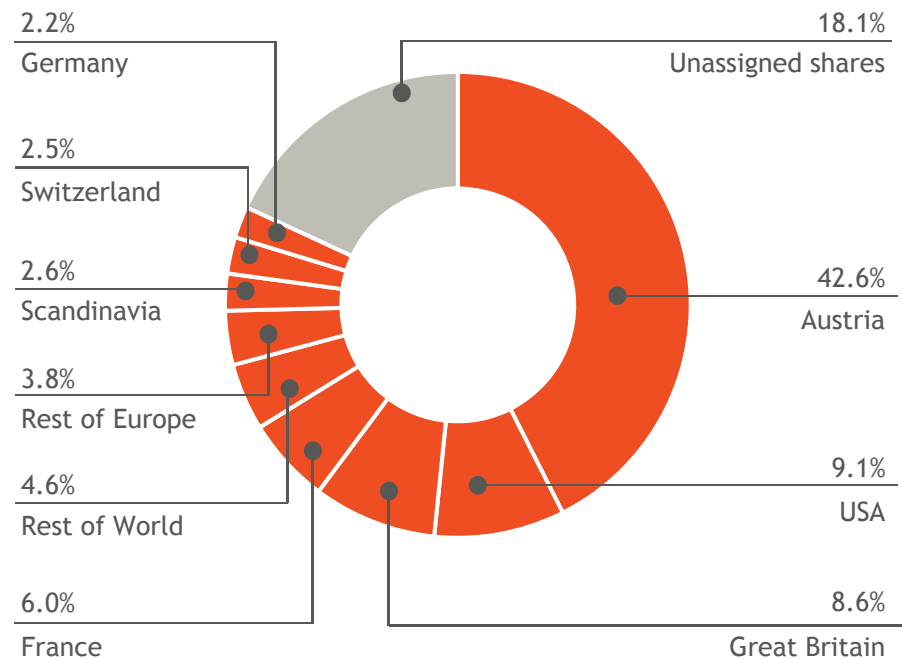
- > In-market consolidation and convergence
- > Expansion of the existing footprint

Shareholder structure as of 31 December 2014

Two strong core shareholders






Free float by nationality




Operational and financial highlights for the first half and second quarter 2015

H1 2015: Austria resilient to new entrants but CEE remains challenging

Clean Group revenues*	+0.4%	
Clean EBITDA comparable**	+2.4%	
Net profit	EUR 171.4 mn	

Mobile Austria

Increase in data package volumes 

Subsidies 

Improving subscriber trends 

Fixed line Austria

Tariff adjustments to base 

Churn in line with expectations 

* Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014 and negative FX effects of EUR 36.3 mn

** Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014, positive extraordinary effect of EUR 20.0 mn in other operating income in Slovenia in Q1 2015 and negative FX effects of EUR 17.9 mn

H1 2015: Austria resilient to new entrants but CEE remains challenging (ctd.)

Regulation

New roaming glidepath

New net neutrality proposal

Convergence

Approval of Amis acquisition expected for Q3 2015

Consolidation

Merger of Vip Operator and ONE approved in Republic of Macedonia

Full Year 2015 Group Outlook

Revenues: Approx. flat



Capex*: EUR 700-750 mn



Dividend**: EUR 0.05 / share



* Does not include investments for spectrum and acquisitions

** Intended proposal for the AGM 2016

Key financial developments in the first half and second quarter 2015

Q2 2015: Revenue and EBITDA comparable growth (both clean)

(in EUR million)	Q2 2015	Q2 2014	% change
Revenues	982.8	963.0	2.1%
EBITDA comparable*	326.8	299.4	9.1%
<i>EBITDA comparable margin*</i>	<i>33.3%</i>	<i>31.1%</i>	
Restructuring	-5.3	0.9	n.m.
Impairment	0.0	-340.6	n.a.
Depreciation & amortisation	-200.5	-220.4	n.m.
Operating income	121.0	-260.6	n.m.
Financial result	-36.4	-44.1	n.m.
Income before income taxes	84.7	-304.7	n.m.
Income tax gain/expense	-6.1	-0.4	n.m.
Net income / Net loss	78.6	-305.1	n.m.

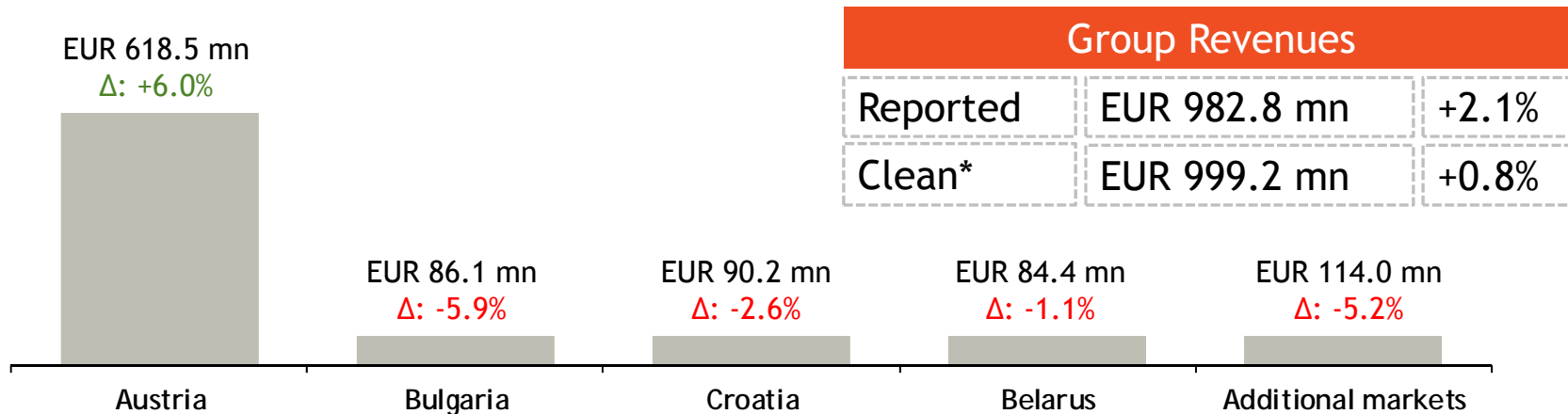
- > Clean Group revenues^{**}: Growth of +0.8% yoy
 - > EUR 7.9 mn negative FX effect
 - EUR 28.2 mn negative extraordinary effects in Austria in Q2 2014
- > Clean EBITDA comparable^{***}: + 2.2% due to growth in Austria and Belarus
- > EUR 78.6 mn net profit vs. net loss in previous years due to EUR 340.6 mn impairment in Bulgarian segment in Q2 2014

* Excluding effects from restructuring and impairment tests

** Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014 and negative FX effects of EUR 16.4 mn

*** Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014 and negative FX effects of EUR 7.9 mn

Revenues: Positive trend in Austria offsets CEE headwinds in Q2 2015



Group Revenues		
Reported	EUR 982.8 mn	+2.1%
Clean*	EUR 999.2 mn	+0.8%

Segment Austria

- > 1.1% clean revenue growth excl. EUR 28.2 mn negative extraordinary effect in Q2 2014
- > 37.0% higher equipment revenues due to lower SRCs
- > Improvement of mobile subscriber trends: -2.5% yoy in 2Q 2015 vs. -4.8% yoy in Q1 2015
- > Lower churn in res. contract, gross adds in prepaid up
- > ARPU rel. revenues** fell due to IC, roaming and subs
- > Fixed line: Churn following price increase in line with expectations; service revenues stable incl. Data & ICT

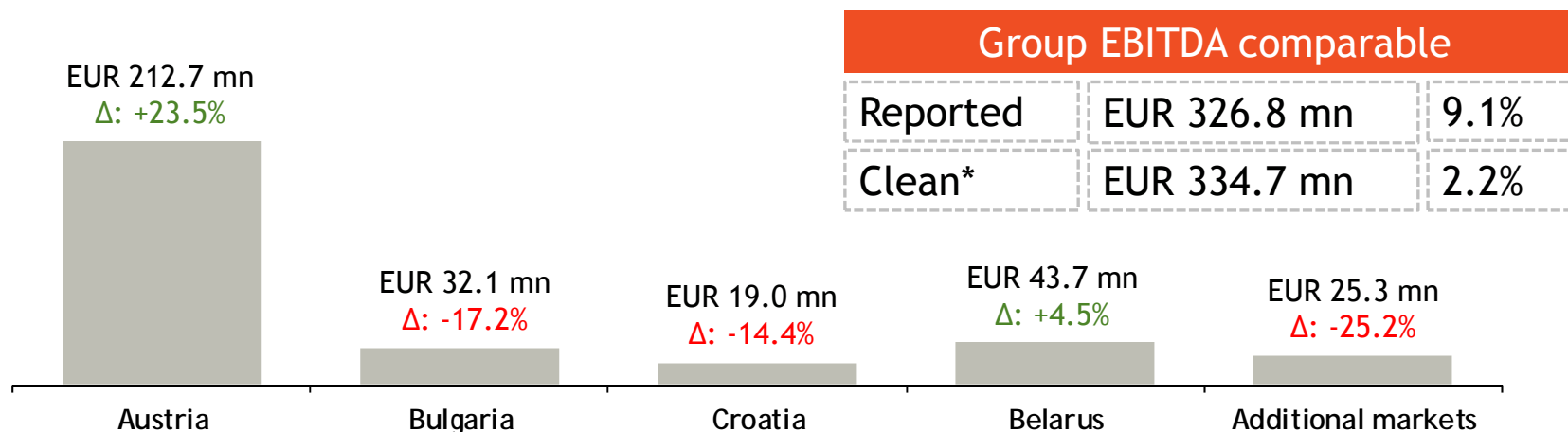
International Segments

- > Bulgaria: Higher wholesale revenues only partly mitigate negative pricing trends in business segments
- > Croatia: Fixed service revenue growth (strong access line trends) could not offset negative effects of MTR cuts and lower equipment revenues due to lower quantities of handsets sold
- > Belarus: Local currency growth of 21.6% but EUR 14.5 mn FX translation effects
- > Additional Markets: Competition and handset accounting hurt Slovenia and Serbia respectively; blizoo benefits Macedonia

* Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014 and negative FX effects of EUR 16.4 mn

** As of Q1 2015 the calculation of ARPU excludes value-added services

Group EBITDA comparable grows 2.2% on a clean basis*



Group EBITDA comparable		
Reported	EUR 326.8 mn	9.1%
Clean*	EUR 334.7 mn	2.2%

Segment Austria

- > 6.1% clean EBITDA comparable growth (excl. EUR 28.2 mn negative extraordinary effects in Q2 2014)
- > Operating cost cuts help offset impact from higher gross adds and higher personnel costs
- > Handset subsidy levels approx. tripled (in line with market)
- > SRCs 11.7% lower versus Q2 2014, but 53.1% higher versus Q1 2015

International Segments

- > Bulgaria: Higher roaming expenses and higher IC costs from popularity of tariffs incl. free national minutes
- > Croatia: Tripled frequency fees from June 2014 burden margins
- > Belarus: OPEX increased 17.7% in local currency due to higher maintenance and repair as well material expenses; EUR 7.5 mn negative FX effects
- > 2.9% OPEX growth due to Serbia (roaming) and Macedonia (blizoo); reduction in Slovenia (lower IC costs)

* Excluding negative extraordinary effects of EUR 28.2 mn in Austria in Q2 2014 and negative FX effects of EUR 7.9 mn

Strong increase in Free Cash Flow due to lower working capital needs and lower CAPEX

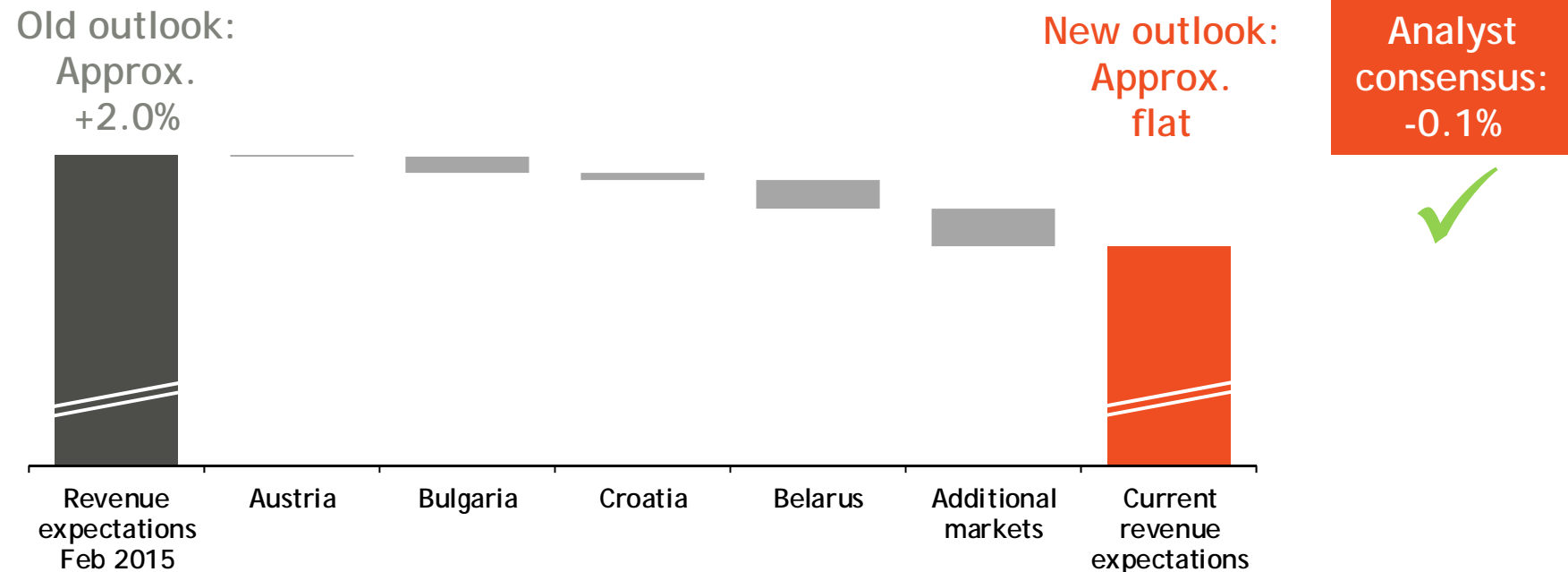
(in EUR million)	Q2 2015	Q1 2014	% change	1-6 M 2015	1-6 M 2014	% change
Gross cash flow	297.3	303.4	-2.0%	600.9	587.4	2.3%
Change in working capital	-35.0	-78.8	n.m.	-66.5	-213.9	n.m.
Cashflow from operating activities	262.3	224.5	16.8%	534.5	373.4	43.1%
Ordinary capital expenditures	-152.8	-229.5	n.m.	-273.9	-329.0	n.m.
Proceeds from sale of equipment	1.3	1.7	-21.7%	3.4	4.0	-14.8%
Free cash flow	110.8	-3.4	n.m.	264.0	48.5	n.m.

Year-to-date analysis

- > Gross cash flow rises year-on-year due to EUR 20 mn cash-relevant one-off effect in Slovenia in Q1 2015
- > In H1 2015 working capital needs remained limited and were predominantly driven by restructuring payments for civil servants in Austria as well as a reduction in accounts payable
- > CAPEX declined year-on-year due to spectrum acquisitions in Bulgaria and Slovenia in H1 2014

Focus points

Revenue outlook adjusted mainly due to FX and worse-than-expected momentum in CEE



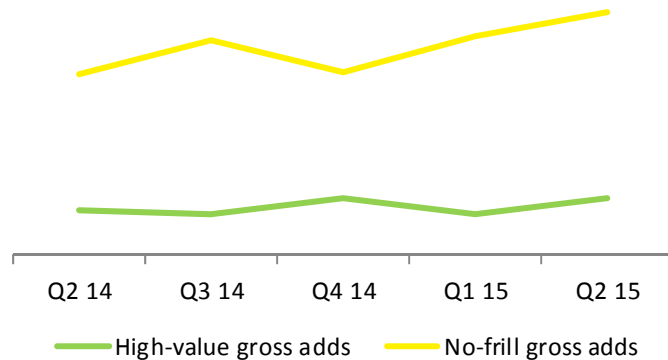
- > Increased competitive challenges in Austrian mobile market, but counter measures keep downside to a minimum
- > Ban in price increases prohibits offsetting of BYR devaluation (-5.9% in Q2 2015 and -15.3% in H1 2015)
- > Lack of visible macroeconomic improvements in CEE burdens demand and intensifies effects of continued price pressure

Austria: Price pressure in no-frills segment as a result of new MVNOs, counter measures in place

- > MVNO launches:
 - > UPC in Dec 2014
 - > HoT in Jan 2015
 - > Mass response (Spusu) in June 2015

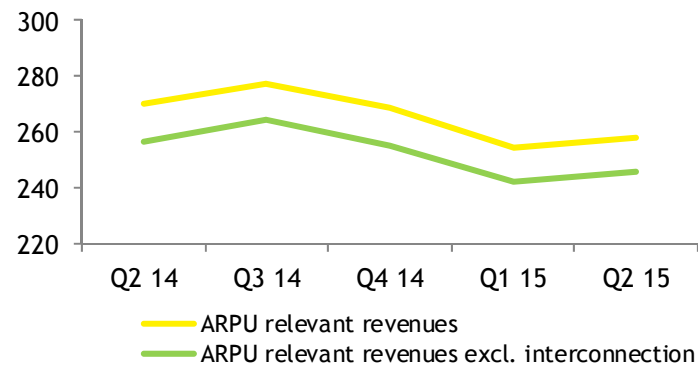
- > Counter measures implemented:
 - > Tariff adjustments in no-frills segments
 - > More content (e.g. data allowance)
 - > Higher subsidies for acquisition in premium segments

Gross add development



Mobile service revenues

(in EUR million)



European institutions agree on new regulation for roaming and net neutrality

Roaming:

- > Zero retail roaming as of 15 June 2017; wholesale review by 30/06/2016
- > Transition period from 30 April 2016 to 14 June 2017 during which wholesale roaming caps can be charged in addition to domestic rates
- > Fair use policies intended to prevent abusive or anomalous usage (not yet defined)

Net neutrality:

- > Providers of internet access shall treat all traffic equally
- > Specialised services may be offered in addition to internet access services
- > Reasonable traffic management measures are allowed

New glidepath

RETAIL (in EURc)	July 2014	30 April 2016	15 July 2017
Data (per MB)	20	domestic tariff + 5*	domestic tariff
Voice-calls made (per minute)	19	domestic tariff + 5*	domestic tariff
Voice-calls received (per minute)	5	weighted average MTR*	domestic tariff
SMS (per SMS)	6	domestic tariff + 2*	domestic tariff

WHOLESALE (in EURc)	July 2014	30 April 2016	15 July 2017
Data (per MB)	5	5	?**
Voice (per minute)	5	5	?**
SMS (per SMS)	2	2	?**

Important steps taken to achieve convergence in Slovenia and consolidation in Rep. of Macedonia



Pending

Amisco NV	Amis Slovenia FY 2014	Amis Croatia FY 2014
Business	Fixed-line reseller	Fixed-line reseller & own fibre network
Customers	63,000	23,000
Revenues	Approx. EUR 41 mn (of which ca. 80% from Slovenia)	

- > 100% acquisition of Amisco NV
- > Si.mobil in Slovenia to become convergent and strengthening of Vipnet in Croatia
- > Closing expected for Q3 2015
- > Subject to merger control clearance



Approved ✓

ONE	FY 2014
Market share	25.4%* (No. 3)
Customers	715,000
Revenues	EUR 75.7 mn
EBITDA	EUR 10.6 mn

- > 55% Telekom Austria Group (sole control), 45% Telekom Slovenije Group
- > Call and put options for the exit of Telekom Slovenije Group within 3 years
- > Commitments include MVNO access offered to interested parties

Outlook for the full year 2015

Telekom Austria Group adjusts revenue outlook for the full year 2015

	16 July 2015	22 April 2015
Revenues	Approx. flat	Approx. +2.0%
CAPEX*	EUR 700-750 mn	EUR 700-750 mn
Proposed dividend**	EUR 0.05	EUR 0.05

On a constant currency basis with the exception of Belarus; assumed BYR devaluation of 25%

* Does not include investments for spectrum and acquisitions.

** Intended proposal for the AGM 2016



Appendix 1

Telekom Austria Group - Revenue breakdown

Revenue Split - Segment Austria (in EUR million)	Q2 2015	Q2 2014	% change
Monthly fee and traffic	450.2	413.6	8.8%
Data and ICT solutions	54.2	45.7	18.6%
Wholesale (incl. Roaming)	34.2	48.1	-29.0%
Interconnection	44.7	47.3	-5.5%
Equipment	27.8	20.3	37.0%
Other revenues	7.5	8.4	-11.5%
Total revenues - Segment Austria	618.5	583.5	6.0%

Revenue Split - International Operations (in EUR million)	Q2 2015	Q2 2014	% change
Monthly fee and traffic	275.4	290.4	-5.1%
Data and ICT solutions	0.4	0.5	-12.5%
Wholesale (incl. Roaming)	12.5	4.7	164.9%
Interconnection	35.3	39.9	-11.7%
Equipment	47.1	51.6	-8.8%
Other revenues	3.2	1.7	93.6%
Total revenues - int. Operations	373.9	388.8	-3.8%

Telekom Austria Group - Expense breakdown

Operating Expense - Segment Austria (in EUR million)	Q2 2015	Q2 2014	% change
Material expense	60.2	55.8	7.9%
Employee costs	172.4	167.5	2.9%
Interconnection	42.2	44.4	-5.2%
Maintenance and repairs	23.6	26.0	-9.0%
Services received	22.7	29.3	-22.6%
Other support services	30.3	31.3	-3.0%
Other	77.1	80.4	-4.1%
Total OPEX - Segment Austria	428.4	434.6	-1.4%

Operating Expense - International Operations (in EUR million)	Q2 2015	Q2 2014	% change
Material expense	53.4	57.2	-6.6%
Employee costs	35.8	35.8	-0.2%
Interconnection	36.0	42.3	-14.9%
Maintenance and repairs	15.1	15.0	0.9%
Services received	23.9	16.5	45.1%
Other support services	6.1	5.7	6.9%
Other	89.0	86.1	3.4%
Total OPEX - int. Operations	259.3	258.6	0.3%

Telekom Austria Group - Headcount development

Austria	8,683	8,854	-1.9%
International	7,295	7,034	3.7%
Telekom Austria Group*	16,158	16,062	0.6%
<hr/>			
FTE (End of period)	Q2 2015	Q2 2014	% change
Austria	8,655	8,837	-2.1%
International	7,246	7,035	3.0%
Telekom Austria Group*	16,080	16,044	0.2%

* Including corporates

Results for the first half and second quarter 2015

Telekom Austria Group - Capital expenditures split

Capital Expenditures (in EUR million)	Q2 2015	Q2 2014	% change
Segment Austria	97.6	79.9	22.2%
Segment Bulgaria	15.6	41.2	-62.2%
Segment Croatia	12.3	18.4	-33.2%
Segment Belarus	10.6	7.3	44.3%
Segment Additional Markets	16.8	82.8	-79.7%
<i>Slovenia</i>	5.0	70.6	-92.9%
<i>Republic of Serbia</i>	8.8	10.6	-17.7%
<i>Republic of Macedonia</i>	3.1	1.4	112.9%
<i>Eliminations additional markets</i>	0.0	0.0	n.a.
Corporate, Others & Elimination	0.0	0.0	n.a.
Total capital expenditures	152.8	229.5	-33.4%
Thereof tangible	126.8	106.3	19.3%
Thereof intangible	26.1	123.3	-78.9%

Telekom Austria Group - Net debt

Net debt* (in EUR million)	30 June 2015	31 December 2014	% change
Long-term debt	2,635.1	3,385.0	-22.2%
Short-term borrowings**	1,058.6	340.8	210.6%
Cash and cash equivalents and short-term investments	-1,185.7	-1,032.5	n.m.
Net Debt of Telekom Austria Group	2,508.0	2,693.3	-6.9%

EUR 600 mn non-call 5 years hybrid bond qualified as 100% equity under IFRS

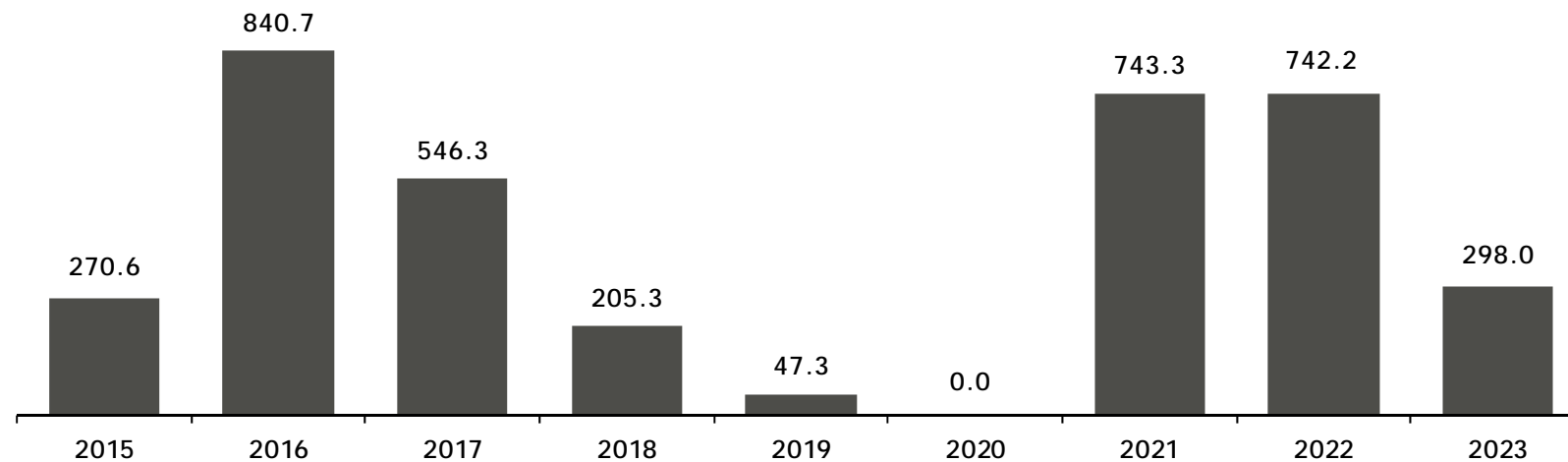
* As of 31 December 2014 long-term financial investments, instalment sales receivables and financial leasing are no longer included in the calculation of net debt; comparative figures have been restated accordingly

** As of 30 June 2015 a deferred consideration for the acquisitions of the cable operators in Macedonia in the amount of EUR 0.4 million is included in short-term borrowings.

Telekom Austria Group - Debt maturity profile

Debt Maturity Profile (Including accrued interest)*

(in EUR million)



- > EUR 3,693.7 mn of short- and long-term borrowings as of 30 June 2015**
- > Average cost of debt of approximately 4.28%
- > Cash and cash equivalents and short-term investments of EUR 1,185.7 mn
- > Average term to maturity of 4.02 years

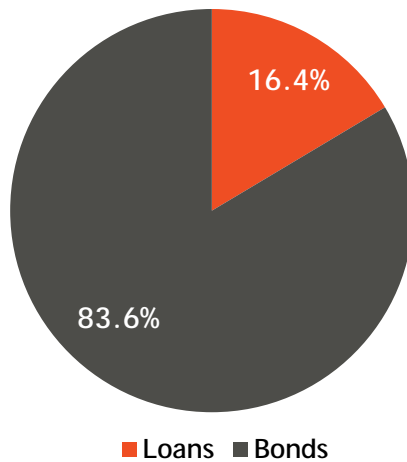
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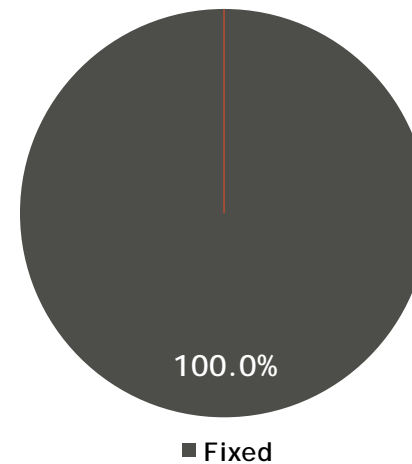


Telekom Austria Group - Debt profile

Overview debt instruments



Fixed-floating mix



Lines of credit

- > Undrawn committed credit lines amounting to EUR 1,000 mn
- > Average term to maturity of approx. 4.4 years

Ratings

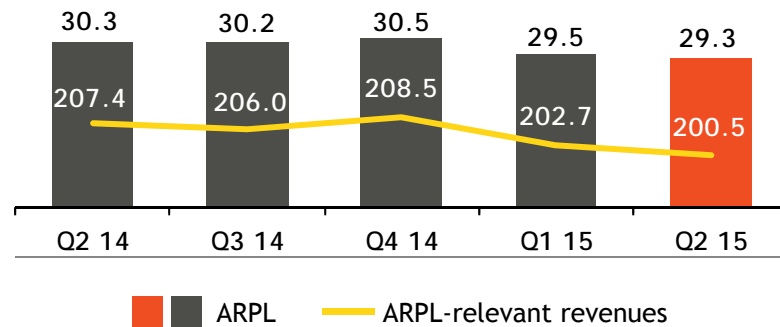
- > S&P: BBB (outlook stable)
- > Moody's: Baa2 (outlook stable)



Segment Austria - Fixed-line key performance indicators

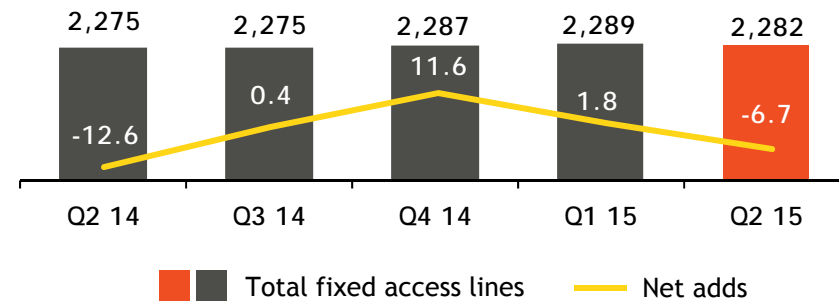
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



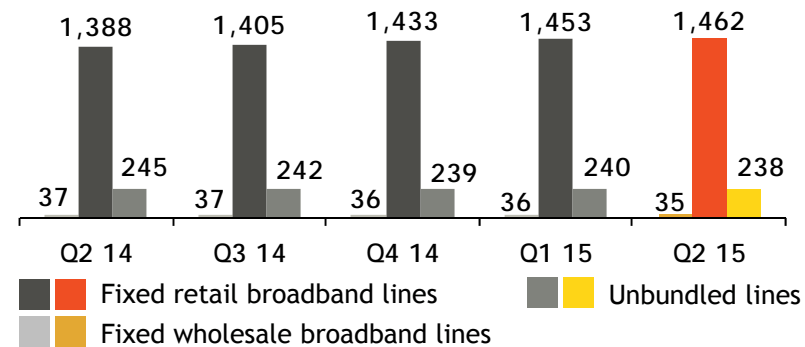
Total fixed access lines & net adds

(in '000)



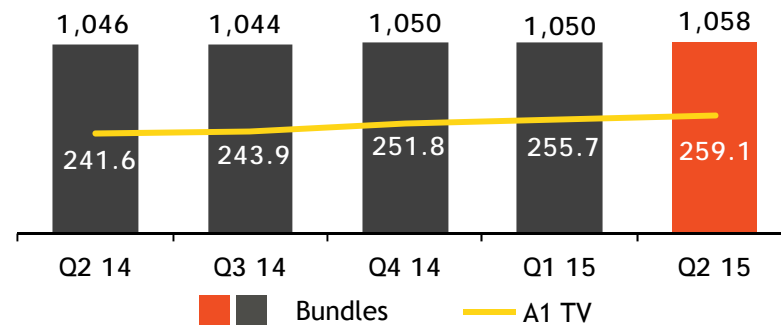
Fixed broadband access lines

(in '000)



Bundle subscriber growth

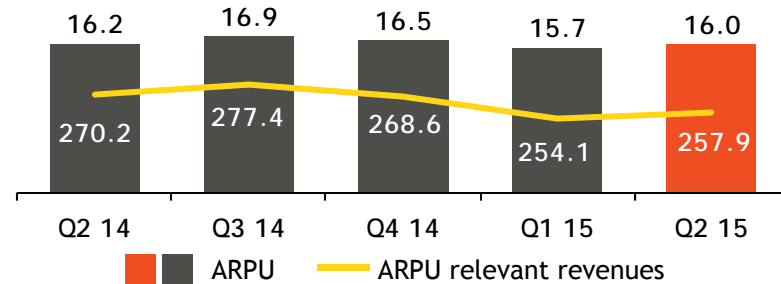
(in '000)



Segment Austria - Mobile key performance indicators

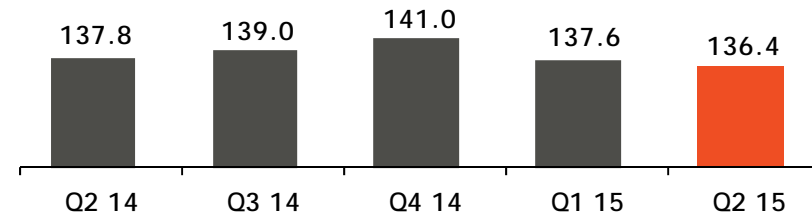
ARPU & ARPU-relevant revenues*

(in EUR)



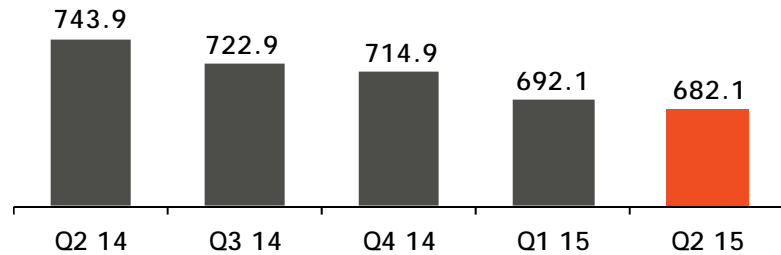
MoU per subscriber**

(in min)



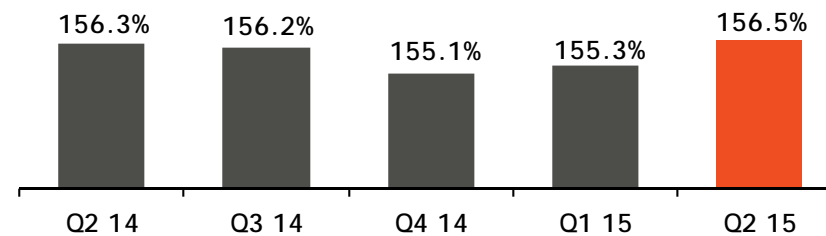
Mobile broadband customers

(in '000)



Mobile penetration

(in %)



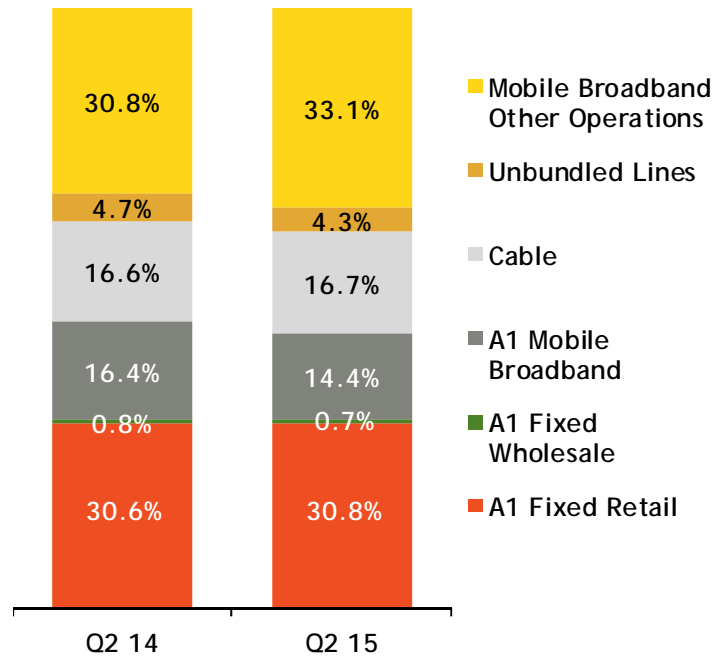
* As of Q1 2015 ARPU relevant revenues excluding mobile value added services (immaterial).

** As of Q1 2015 the calculation methodology of MOU has changed. To ensure comparability, historical numbers for the year 2014 have been restated accordingly.

Segment Austria - Broadband market split

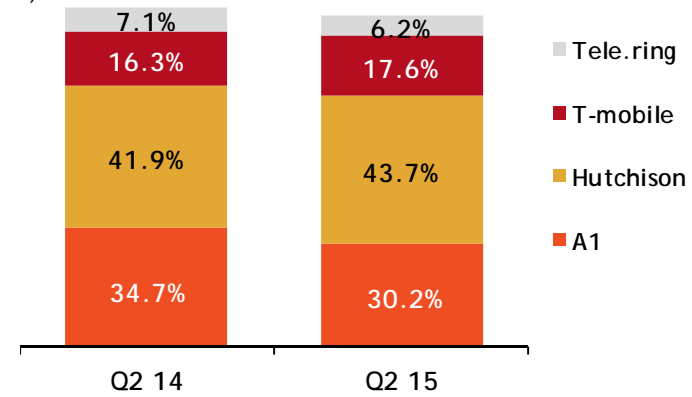
Market share total broadband

(in %)



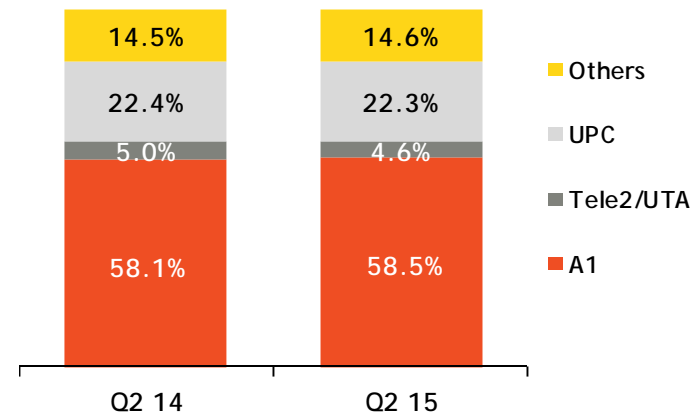
Market share mobile broadband

(in %)



Market share fixed-line broadband

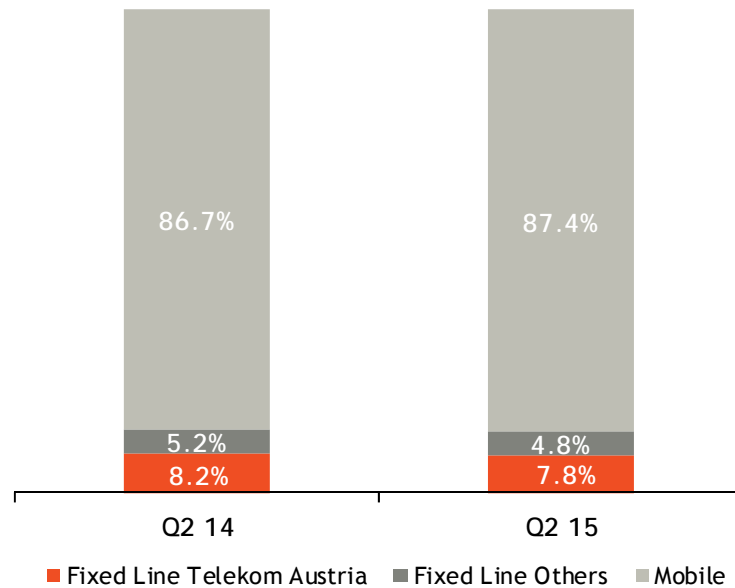
(in %)



Segment Austria - Voice market split

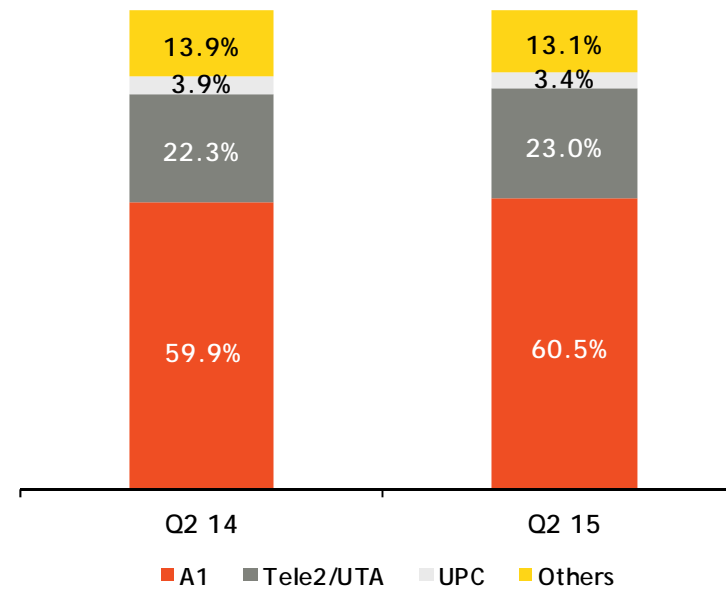
Market share total minutes

(in %)



Market share fixed-line minutes

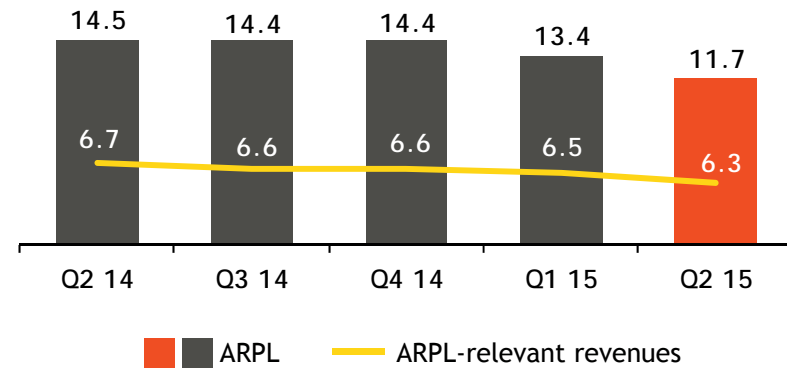
(in %)



Segment Bulgaria - Fixed-line key performance indicators

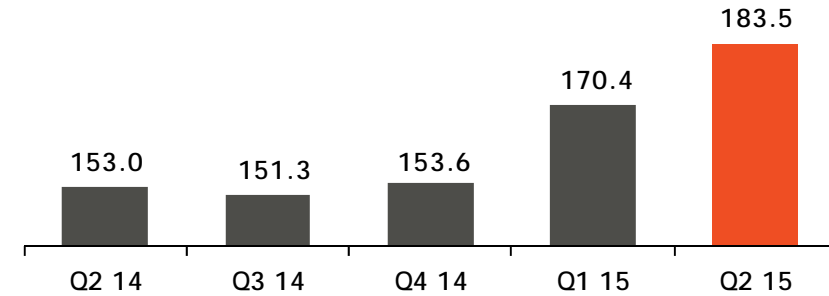
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



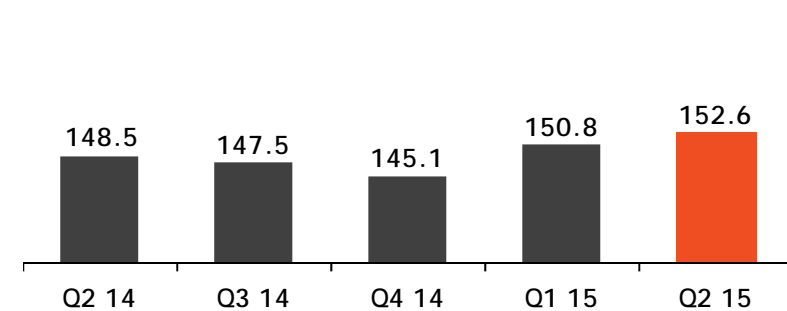
Total fixed access lines

(in '000)



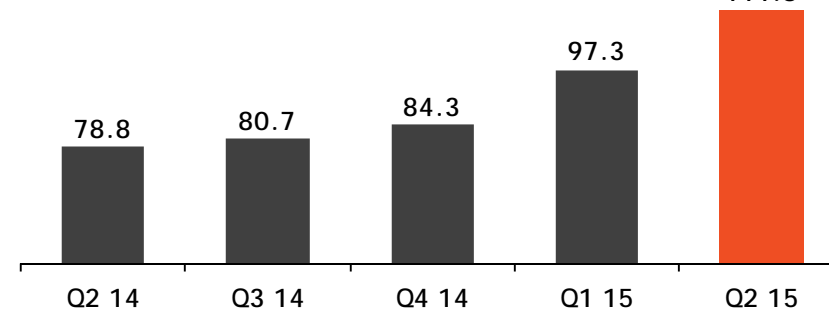
Fixed broadband retail access lines

(in '000)



TV subscribers

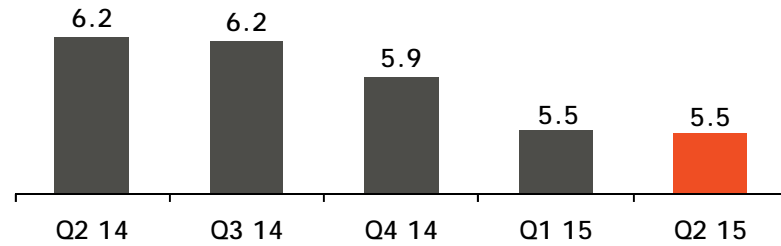
(in '000)



Segment Bulgaria - Mobile key performance indicators

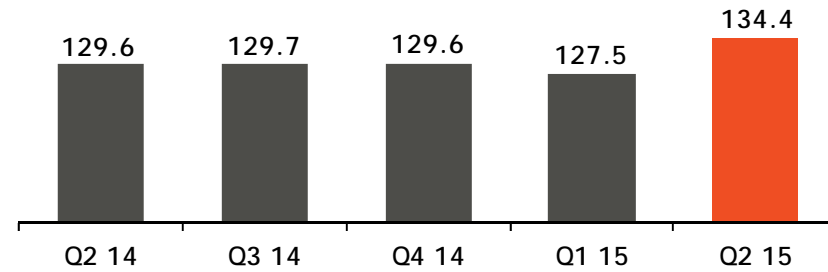
ARPU

(in EUR)



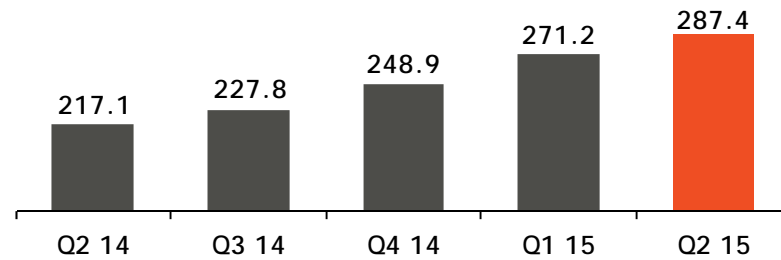
MoU per subscriber

(in min)



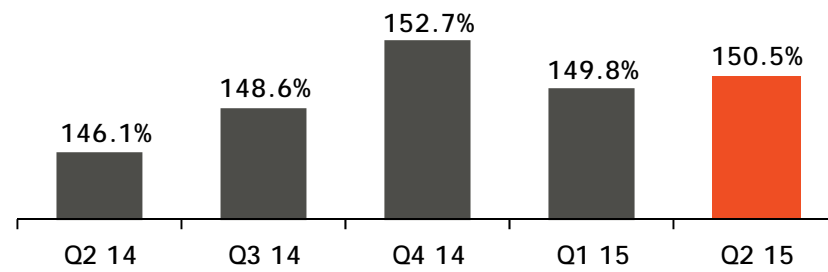
Mobile broadband customers

(in '000)



Mobile penetration

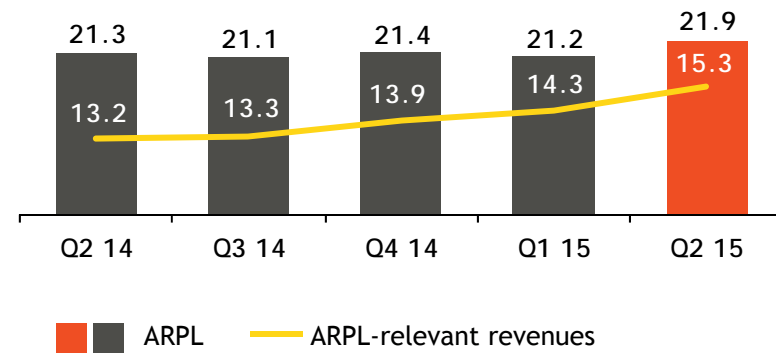
(in %)



Segment Croatia - Fixed-line key performance indicators

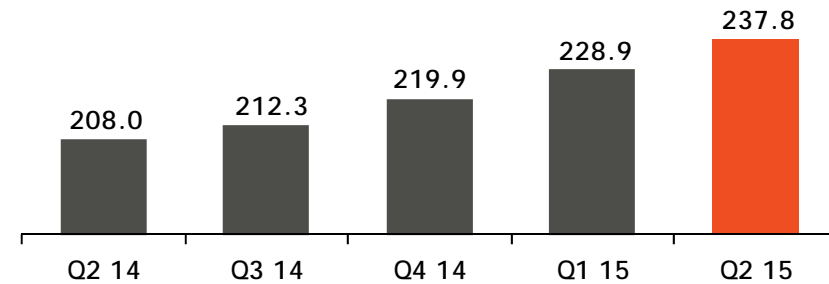
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



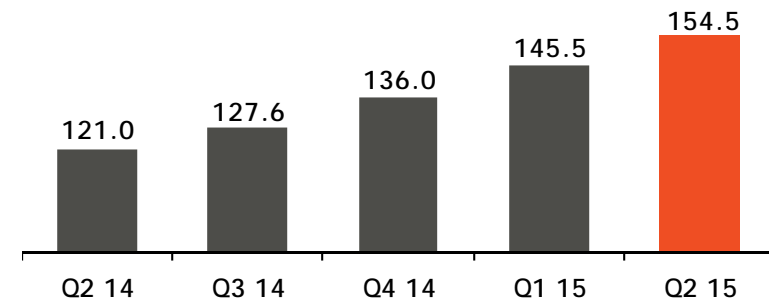
Total fixed access lines

(in '000)



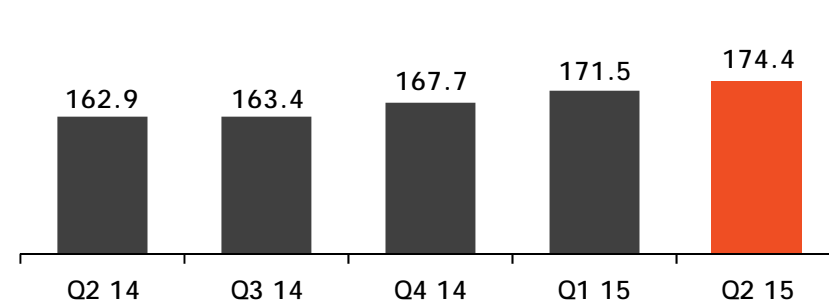
Fixed broadband retail access lines

(in '000)



TV subscribers

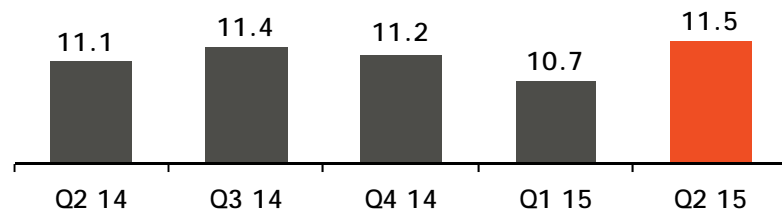
(in '000)



Segment Croatia - Mobile key performance indicators

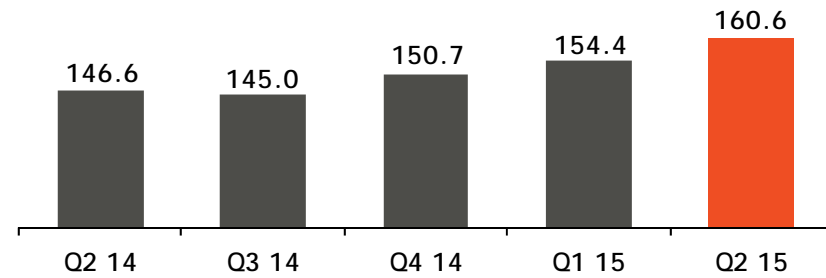
ARPU

(in EUR)



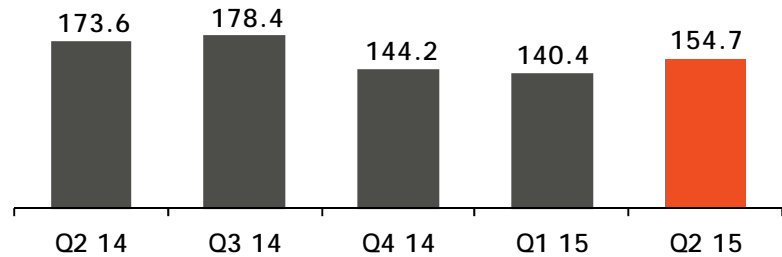
MoU per subscriber

(in min)



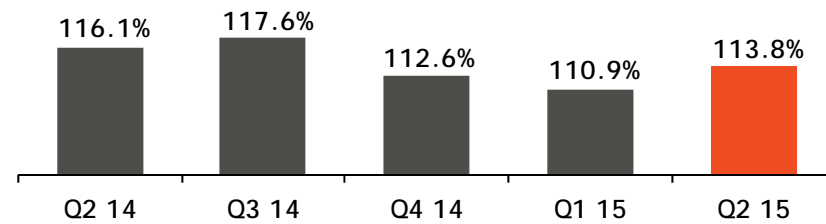
Mobile broadband customers

(in '000)



Mobile penetration

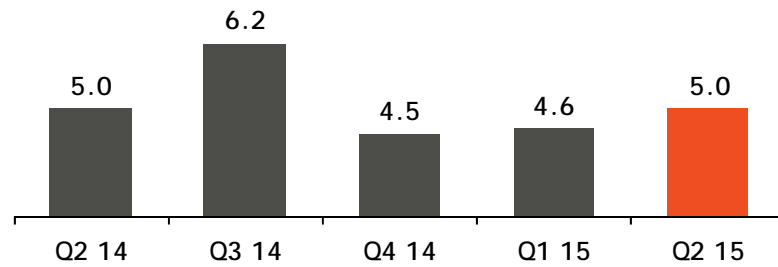
(in %)



Segment Belarus - Mobile key performance indicators

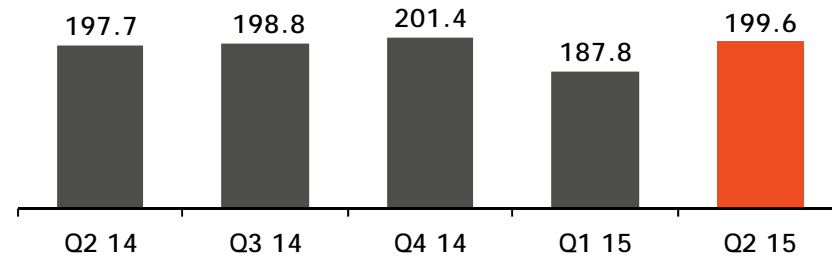
ARPU

(in EUR)



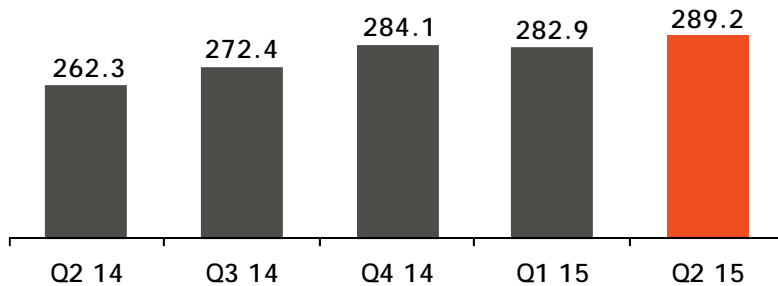
MoU per subscriber*

(in min)



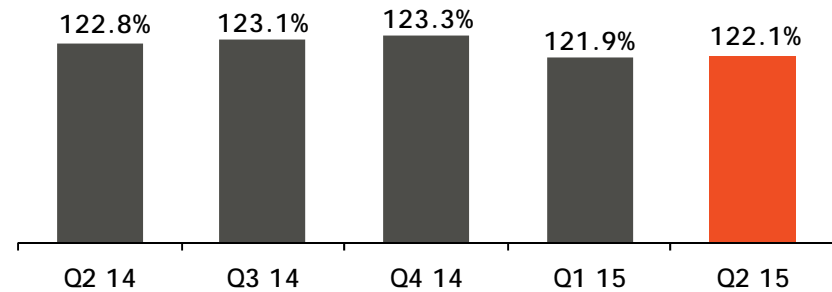
Mobile broadband customers

(in '000)



Mobile penetration

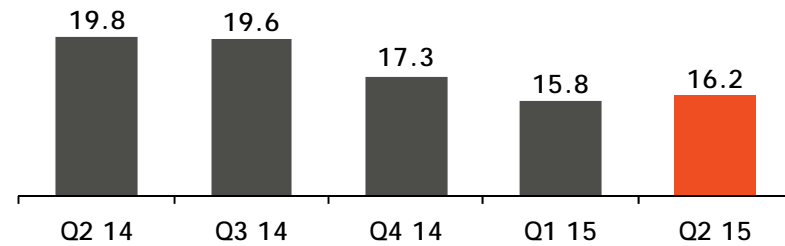
(in %)



Segment Additional Markets - Mobile key performance indicators

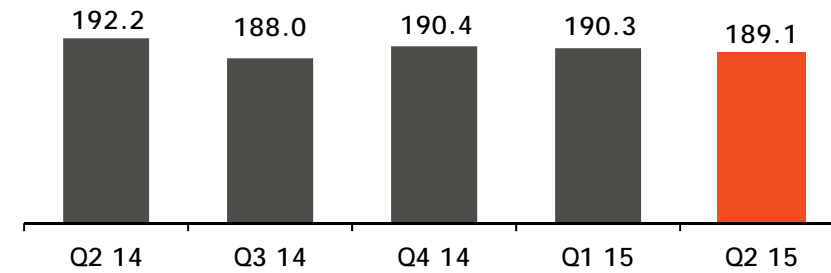
Slovenia - ARPU

(in EUR)



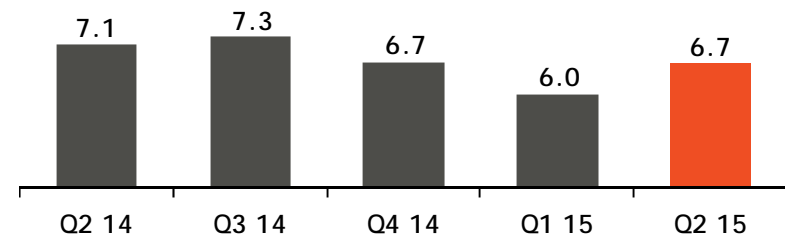
Slovenia - MoU per subscriber

(in min)



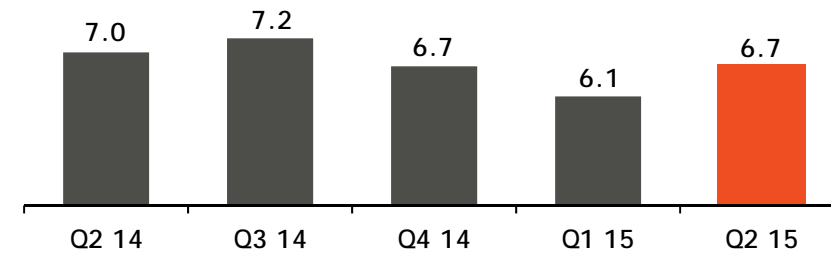
Republic of Serbia - ARPU

(in EUR)



Republic of Macedonia - ARPU

(in EUR)



Appendix 2 – Regulatory topics

Glide Path of Mobile Termination Rates

EU Pressure on National Regulatory Authorities to Further Decrease Rates

	Jan 2014	Jul 2014	Sep 2014	Jan 2015	Jul 2015
Austria (EUR)	0.008049	0.008049	0.008049	0.008049	0.008049
Bulgaria (BGN)	0.02	0.02	0.02	0.019	0.019
Croatia (HRK)	0.1282*	0.1282*	0.1282*	0.063*	0.063*
Belarus (BYR)	180/90**	180/90**	180/90**	180/90**	180/90**
Slovenia (EUR)	0.0324	0.0324	0.0114	0.0114	0.0114
Serbia (RSD)	3.95	3.95	3.95	3.43	3.43
Macedonia (MKD)	1.20	1.20	0.90	0.90	0.90

* National MTRs stated. International MTRs differ

** Belarus values: peak times/off-peak times - the medium weighted MTR value amounts to BYR 150 per minute

EU roaming price regulation

RETAIL (in EURc)	Before	July 2012	July 2013	July 2014	30 April 2016	15 July 2017
Data (per MB)	none	70	45	20	domestic tariff + 5*	domestic tariff
Voice-calls made (per minute)	35	29	24	19	domestic tariff + 5*	domestic tariff
Voice-calls received (per minute)	11	8	7	5	weighted average MTR*	domestic tariff
SMS (per SMS)	11	9	8	6	domestic tariff + 2*	domestic tariff
WHOLESALE (in EURc)	Before	July 2012	July 2013	July 2014	30 April 2016	15 July 2017
Data (per MB)	50	25	15	5	5	?**
Voice (per minute)	18	14	10	5	5	?**
SMS (per SMS)	4	3	2	2	2	?**

* Sum of the domestic retail price and any surcharge applied for regulated roaming calls made, regulated roaming SMS messages sent or regulated data roaming services shall not exceed EUR 0,19 per minute, EUR 0,06 per SMS message and EUR 0,20 per megabyte used. Any surcharge applied for calls received shall not exceed the weighted average of maximum mobile termination rates across the Union.

** Upon entry into force of the new Regulation, the Commission shall initiate a review of the wholesale roaming market with a view to assessing measures necessary to enable abolition of retail roaming surcharges.

Upcoming spectrum tenders / prolongations / assignments

	Planned/Expected	Comments
Austria	2019 (2100 MHz)	-
Bulgaria	2015 (1800 MHz)	2600 MHz band planned to be free from 1 st Sept. 2015; allocation procedure currently undecided
Croatia	2015 (1800 MHz) 2016-2017 (2100 MHz) 2017-2018 (2600 MHz)	2100 MHz: dependent on LTE roll out dynamics and traffic development (on request of at least one operator) as well as fulfilment of 2015 plan (spectrum acquisition for 1800 MHz) 2600 MHz: dependent on traffic development
Belarus	2015 (2100 MHz)	2100 MHz: 4th block countrywide LTE license only awarded to B-cloud, allocation to other operators not expected before 2016
Slovenia	2017	NRA announced preparation of a new tender for public spectrum auction of 'leftovers' 700 MHz, 1400 MHz, 1800 MHz, 2100MHz, 2300 MHz, 3500 MHz and 3700 MHz
Republic of Serbia	2015 (800 MHz) 2016 (900 MHz)	Public debate related Draft Bylaw on technical and market conditions for issuing permits for using radio-frequency spectrum on 800 MHz is expected in July/Aug 2015.
Republic of Macedonia	2016-2017 (900 MHz & 1800 MHz)	900 MHz (2x10) & 1800 MHz (2x10): Prolongations (Vip operator licenses in these spectrum valid until 22.03.2017). Potential consolidation and change of spectrum holdings in case of acquisition of One.

Appendix 3 – Personnel restructuring in Austria

Quarterly overview - Restructuring charges and provision vs. FTE

Overview restructuring charges

(in EUR million)

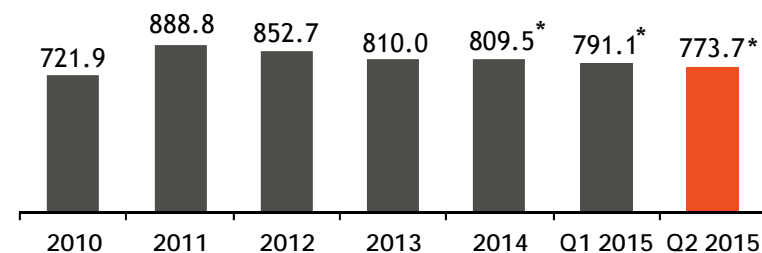
	2010	2011	2012	2013	2014	Q1 2015	Q2 2015
FTE effect	76.9	274.3	49.9	149.0	86.4*	4.5	17.4
Servicekom	0.0	-40.6	-76.7	-103.8	-39.4	-0.6	-12.1
Interest rate adjustments	47.2	0.0	61.4	0.0	42.6	0.0	0.0
Total	124.1	233.7	34.7	45.2	89.6	3.9	5.3

FTEs addressed

	2010	2011	2012	2013	2014	Q1 2015	Q2 2015
Transfer to government	158	106	44	22	52	10	18
Social plans	28	685	94	409	199	7	49
Staff released from work	27	0	0	0	0	0	0
Total	213	791	138	431	251	17	67

Overview restructuring provision**

(in EUR million)



Provisioned FTEs

	2010	2011	2012	2013	2014	Q1 2015	Q2 2015
Transfer to government	158	264	308	330	242	195	207
Social plans	299	922	1,030	1,315	1,460	1,460	1,512
Staff released from work	763	649	510	410	350	345	314
Total	1,220	1,835	1,848	2,055	2,052	2,000	2,033

* Including EUR 15.0 mn due to the judgment of the European Court of Justice from November 11, 2014 regarding the remuneration and legal rights of civil servants ('Vorrückungstichtag')

** Including liabilities for transfer of civil servants to government bodies since 2010

Overview - Cash flow impact of restructuring

Overview cash flow impact*

(in EUR million)

	Total cash-flow impact
2010	57.9
2011	93.4
2012	104.0
2013	108.0
2014	107.1
<i>Q1 2015</i>	<i>25.2</i>
<i>Q2 2015</i>	<i>25.6</i>

- > Total cash flow impact comprises old and new programmes
- > Cash flow impact for Q2 2015 of EUR 25.6 mn
- > Total expected cash flow impact for 2015 of approximately EUR 100 - 110 mn

* Historical numbers have been restated since 2011 to fully reflect all payments from the transfer of civil servants to government bodies.



Appendix 4 – Corporate sustainability

Alignment with core business and materiality analysis define sustainability strategy

Products Providing Responsible Products



Develop Products in a Future-Oriented and Responsible Way

- Powerful Network Infrastructure
- Highest Data Protection and Safety Standards
- Products with Added Value

Environment Living Green



Manage Resources in an Efficient and Sustainable Way

- Energy-Efficient Infrastructures
- Increased Use of Renewable Energy
- Active Climate Protection Through CO₂ Reduction



Employees Empowering People



Systematically Promote Employees' Skills and Utilising Them

- Sound Education and Trainings
- Promotion of Internal Career Paths
- Increase the Proportion of Female Employees – Including Management Posts

Society Creating Equal Opportunities



Creating Equal Opportunities in the Digital Society

- Focused Trainings on Media Literacy
- Increase the Safe Use of Digital Media
- Social Cooperations Based on Local Needs

22 Firm and Measurable Targets



Reporting Follows the Global Reporting Initiative Guidelines



ISO 14001
ISO 50001
ISO 27001



Key figures

Selected Group-wide KPIs

Environment: Living Green	2014
Total CO ₂ Emissions (Scope 1+2 in tonnes)	170,842
Energy efficiency index (in Mwh/terabyte)	0.8
Paper consumption (in tonnes)	1,771
Collected old mobile phones (in pcs)	17,880
E-billing share (in %)	64
Employees: Empowering People	2014
Share of femal employees (in %)	38
Share of femal executives (in %)	29
Internally hired positions	133
Society: Creating Equal Opportunities	2014
Participants in trainings on media literacy*	20,814
Local educational projects	over 30

* Since the beginning of the initiative

Results for the first half and second quarter 2015

Ratings



› Classification: B
(93 points out of 100)



› Classification: C+



Indices



Memberships

