



Roadshow Presentation

Results for the first quarter 2017

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

4.21 BN

Revenues as of year-end 2016

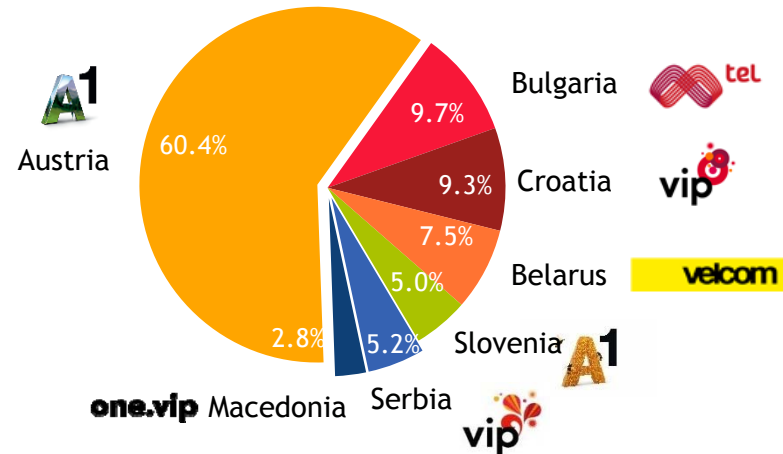
24M

Customers in seven countries

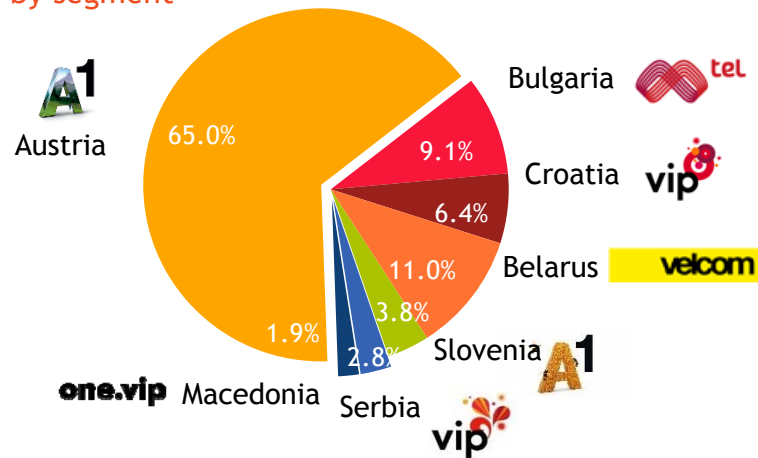
1.35 BN

EBITDA as of year-end 2016

Revenue by segment^(a)



EBITDA by segment^(a)



Notes: (a) For Full Year 2016. Breakdown does not show corporate, others and eliminations.

Key financial data

(in EUR million)	2016	2015	% change
Total Revenues	4,211.5	4,125.3	2.1%
of which generated abroad (in %)	39.6	38.1	-
EBITDA	1,354.3	1,368.7	-1.1%
of which generated abroad (in %)	34.9	37.0	-
EBITDA margin (in %)	32.2	33.2	-
Operating income	486.7	571.7	-14.9%
Net result	413.2	392.8	5.2%
Free cash flow	232.0	352.2	-34.1%
Net cash flow from operating activities	1,195.5	1,228.4	-2.7%
Capital expenditures	764.1	784.5	-2.6%
Net debt	2,339.4	2,483.0	-5.8%
Equity	2,770.7	2,426.0	14.2%
Equity ratio (in %)	34.9	29.2	-
Net debt to EBITDA	1.7x	1.8x	-
Return on Invested Capital - ROIC (in %)	9.9	9.7	-
Return on Equity - ROE (in %)	15.9	16.9	-



The leading regional communications player providing convergent telecommunication services

as of 31 March 2017 (in '000)

Austria*

Mobile market position #1

Mobile subscriber:

> 5,399 (Q1 2016: 5,447)

Fixed access lines:

> 2,187 (Q1 2016: 2,231)



Slovenia**

Mobile market position #2

Mobile subscriber:

> 717 (Q1 2016: 718)

Fixed access lines:

> 71 (Q1 2016: 69)



Belarus

Mobile market position #2

Mobile subscriber:

> 4,882 (Q1 2016: 4,920)

Fixed access lines:

> 174 (Q1 2016: n.a.)



Croatia

Mobile market position #2

Mobile subscriber:

> 1,706 (Q1 2016: 1,714)

Fixed access lines:

> 305 (Q1 2016: 270)



Republic of Serbia

Mobile market position #3

Mobile subscriber:

> 2,156 (Q1 2016: 2,073)



Bulgaria

Mobile market position: #1

Mobile subscriber:

> 4,090 (Q1 2016: 4,125)

Fixed access lines:

> 537 (Q1 2016: 540)



Republic of Macedonia

Mobile market position #1

Mobile subscriber:

> 1,106 (Q1 2016: 1,146)

Fixed access lines:

> 143 (Q1 2016: 143)



* Machine-to-Machine (M2M) is no longer reported in the Austrian segment and is shown in 'Corporate & other, eliminations'. Comparative figures have been adjusted accordingly.

** A1 has been introduced as a new brand in Slovenia after the end of the reporting period.

Strategy overview

Excel in the Core Business	Expansion of Products & Services	Growth via M&A
<ul style="list-style-type: none">• Improved sales execution with increased cross-/ upselling• Continuous optimisation of customer service• Infrastructure leadership	<ul style="list-style-type: none">• Enlargement of IT solutions for corporate customers• Wholesale services & international sales• Product solutions for the entire household	<ul style="list-style-type: none">• Consolidation of existing markets• Continuation of convergence strategy• Expansion into new markets

Increase cost and investment efficiency



Equity story

- Utilisation of solid position in Austria to benefit from rising demand for bandwidth and new technologies

Focus on high-value customers and convergence | Growth potential through increased cross-and upselling, e.g. via A1 hybrid modem | Growth in Internet of Things (IoT) and cloud-based ICT solutions for enterprises | Accelerated LTE and fibre rollout reinforces infrastructure leadership | Continuous efficiency improvement in terms of costs and investments

- Exploit growth potential in CEE

Anticipated growth on the back of medium-term economic recovery | Consistent implementation of convergence strategy | Utilisation of ongoing strong demand for fixed-line products | M&A strengthening existing markets: convergence in Belarus; growth of fixed-line business segment in Croatia | Efficiency improvement i. a. through regional clusters

- Strong balance sheet structure

Leverage ratio corresponds to rating targets and is confirmed by Moody's (Baa2) and Standard & Poor's (BBB) | Extensive financial flexibility for investments and M&A

- Sustainable dividend policy

Dividend level of EURc 20 with the potential to grow on a sustainable basis in line with the operational and financial performance

Growth + Improved efficiency

Appropriate level of dividend +
Total shareholder return

Cash-use policy: Strengthening of the financial position, fibre roll-out and growth projects

Conservative financial strategy define investment framework

- > Ratings Baa2 from Moody's and BBB from Standard & Poor's strengthen financial flexibility
- > Sustainable dividend policy in line with operational and financial performance

Fibre roll-out in Austria

- > Investments of EUR 400 mn in 2015-2018
- > Target: Bandwidths of 30 Mbps for over 70% of households

Flexibility for M&A activities

1. Market consolidation
2. Convergence
3. Expansion of the existing footprint



Telekom Austria share price performance

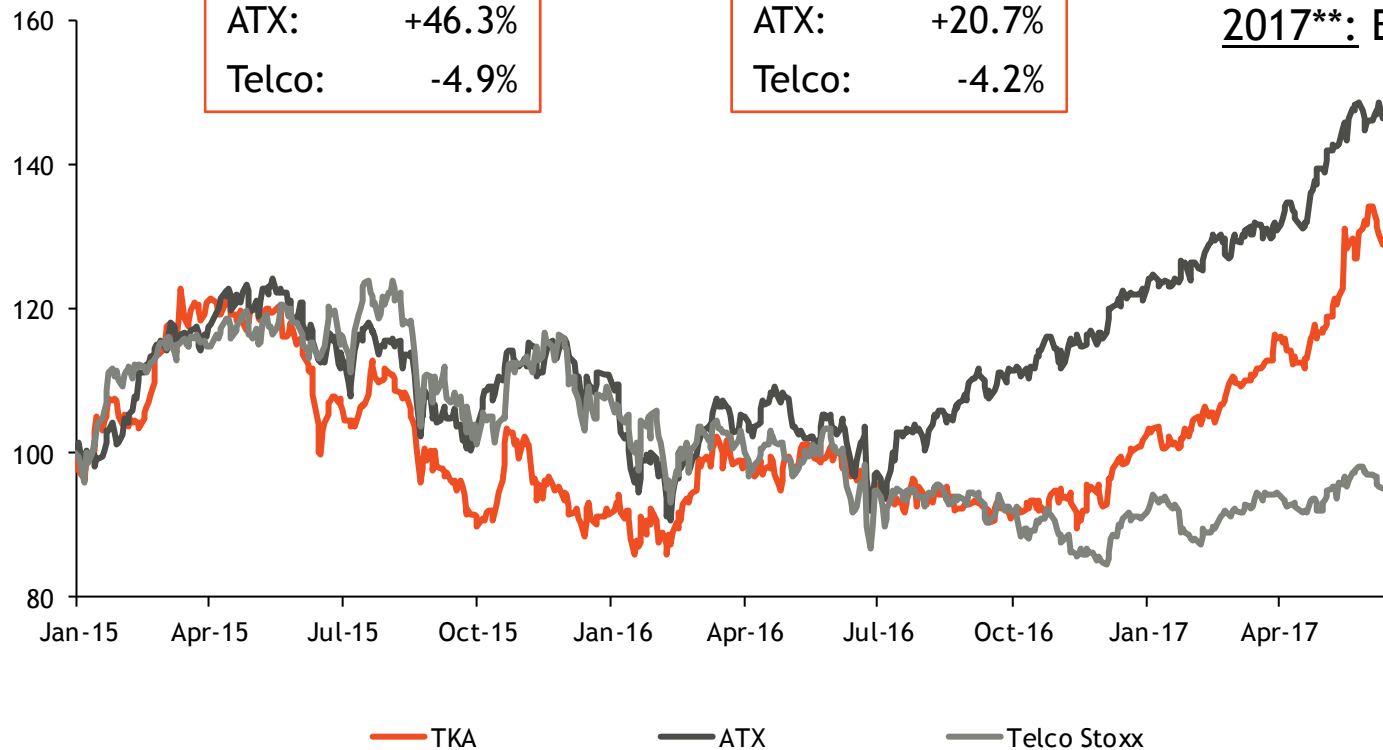
Performance 2015 - now*:

TKA:	+29.0%
ATX:	+46.3%
Telco:	-4.9%

Performance YTD*:

TKA:	+26.9%
ATX:	+20.7%
Telco:	-4.2%

Dividend for the financial year 2017**: EURc 20



(indexed from 1 January 2015)

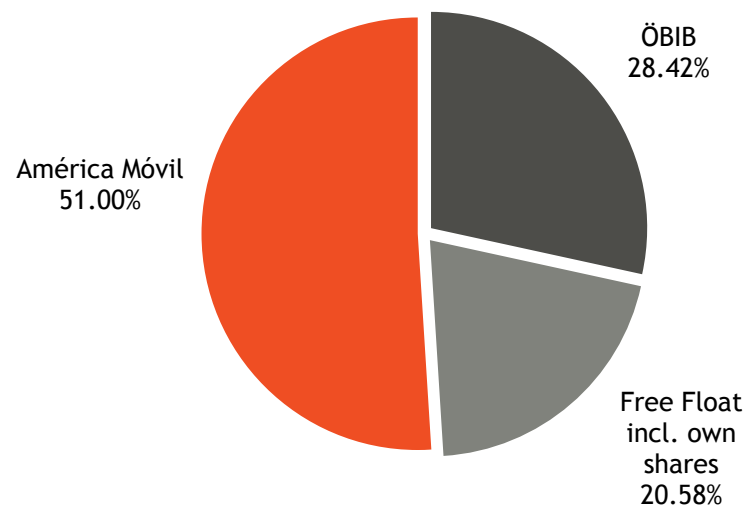
* As of 12.06.2017

** Intended proposal to the Annual General Meeting 2018

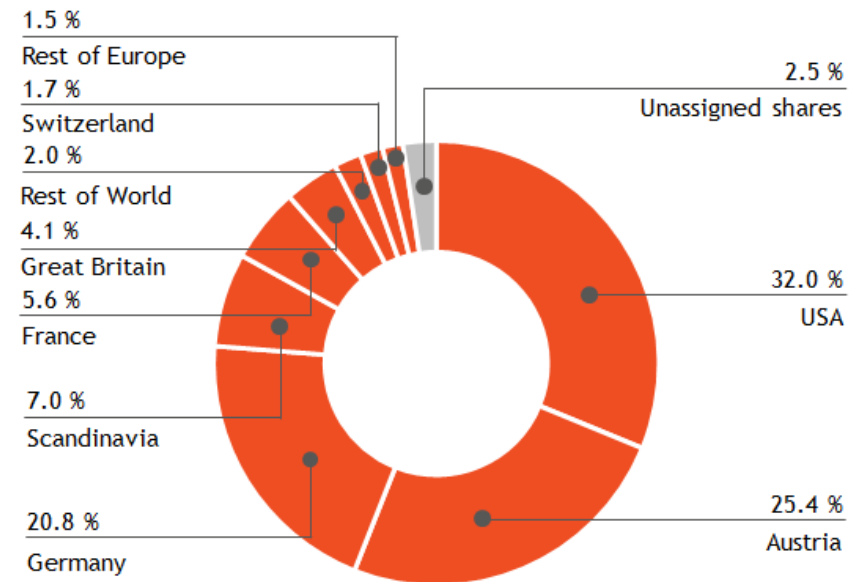


Shareholder structure as of 31 December 2016

Two strong core shareholders



Freefloat by nationality



Key financial highlights Q1 2017

Q1 2017: Better service revenue trends cushion impact from roaming and higher equipment costs

Group (in EUR million)	Reported Q1 2017	Proforma Q1 2016	% change
Total revenues	1,058.9	1,017.5	4.1%
EBITDA	339.5	337.4	0.6%
CAPEX	180.0	136.0	32.3%

- > Group total revenues rose by 4.1% y-o-y on a proforma basis and grew by 1.5% y-o-y excluding one-off and FX effects* due to the strong performance in Belarus and growth in Bulgaria, Croatia and Slovenia
- > Revenue growth was mostly a consequence of improved service revenue trends, but also higher equipment revenues; negative roaming impact in line with expectations
- > Proforma Group EBITDA rose by 0.6%; excl. one-offs and FX effects EBITDA declined by 3.2%* due to roaming and higher revenue-related costs like cost of equipment
- > Outlook 2017 unchanged

*Adjusted values exclude one-off & FX effects

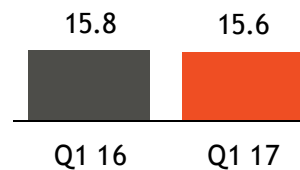
- Revenues: positive EUR 10.6 mn one-off effect in Q1 17 in fixed-line and other revenues in Austria; positive EUR 3.6 mn one-off effect in Q1 17 in other operating income in Austria;
- EBITDA: positive EUR 7.0 mn one-off effect in Q1 16 in cost of equipment in Austria; positive EUR 14.2 mn total in revenues in Q1 17 in Austria (see above)
- Positive FX effects in Q1 2017: EUR 11.9 mn and EUR 5.5 mn in revenues and EBITDA

Austria: Almost stable service revenues on adjusted basis despite roaming regulation impact

ARPU

(in EUR)

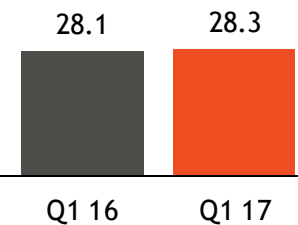
Δ: -1.6%



ARPL

(in EUR)

Δ: +0.9%

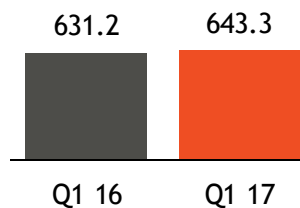


Total revenues

(in EUR mn)

Δ: +1.9%

Adjusted*: -0.3%

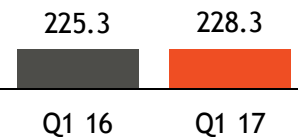


EBITDA

(in EUR mn)

Δ: +1.3%

Adjusted*: -1.9%



Operational data

- > 0.9% decline in subscriber base driven by decrease in prepaid customers
- > Excl. roaming, higher operative ARPU due to increased high-value and MBB revenues
- > Increase in ARPL as strong demand for higher bandwidth and TV products offsets voice decline
- > RGUs decrease by 1.5% driven by voice

Financial performance

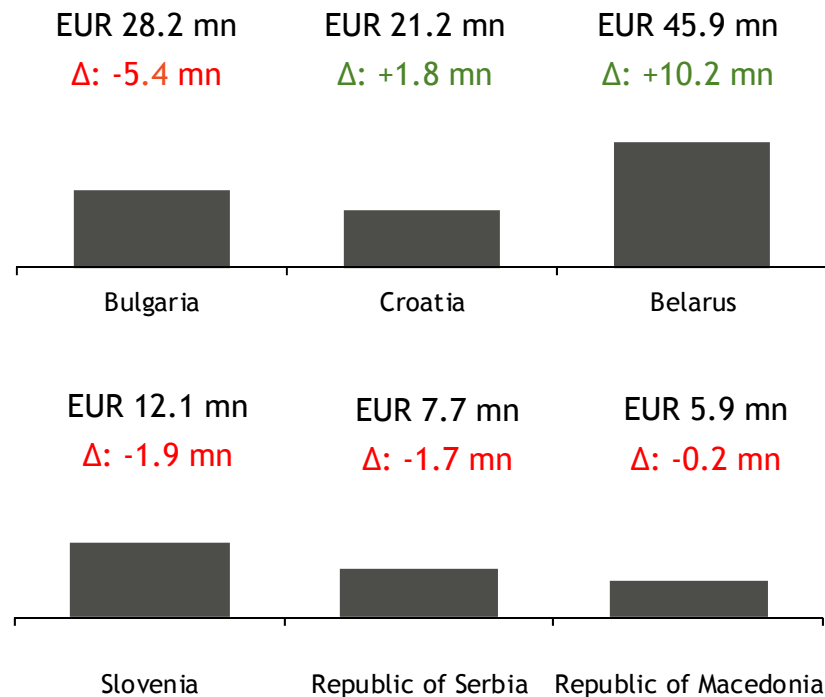
- > Stable wireless service revenues (excl. roaming) as increase in high-value and MBB revenues offset prepaid losses; lower equipment revenues
- > Fixed-line and other revenues (excl. one-off) rose due to upselling and interconnection revenues
- > Lower equipment costs (excl. one-off) and cost cutting in administration and maintenance almost offset increase in interconnection expenses

* Adjusted values exclude one-offs mentioned on Slide 4: Positive EUR 10.6 mn in fixed-line and other revenues; positive EUR 3.6 mn one-off effect in Q1 17 in other operating income; positive EUR 7.0 mn in cost of equipment in Q1 2016

CEE: Strong EBITDA performance in Belarus and Croatia offset losses in other CEE markets

EBITDA

(proforma, in EUR mn)



Highlights CEE

Bulgaria:

- > 6.7% growth in revenues benefits from higher equipment and ongoing improving trends in service revenues
- > Higher OPEX driven by increased revenue-related costs, especially cost of equipment

Croatia:

- > Solid service revenue growth continues; higher equipment revenues due to more handsets sold
- > Higher OPEX due to increase in cost of equipment as well as costs related to fixed-line RGU growth
- > Consolidation of fixed-line provider Metronet as of 1 February 2017 strengthens business segment

Belarus:

- > Strong operational performance due to inflation-linked price increases and strong demand for data
- > Results benefit from positive FX impact

Other segments:

- > MTR cuts in Rep. of Serbia and Rep. of Macedonia, higher costs in Rep. of Serbia due to repositioning

Higher free cash flow due to less CAPEX paid and interest paid

(in EUR million)	Q1 2017	Q1 2016	% change
Net cash flow from operating activities	261.9	307.1	-14.7%
Capital expenditures paid	-208.9	-245.2	-14.8%
Proceeds from sale of plant, property and equipment	8.5	4.7	80.7%
Interest paid	-23.9	-73.5	-67.4%
Free Cash Flow	37.5	-6.9	n.m.

- > Free cash flow year-on-year development driven by
 - + lower CAPEX paid due to high payments from previous periods in Q1 2016
 - + lower interest paid due to the repayment of a EUR 750 mn bond in Q1 2016
 - change in working capital needs mainly due to different quarterly dynamics in payables
- > Change in working capital needs in Q1 2017 driven by
 - > EUR 26.8 mn payments for restructuring
 - > EUR 16.7 mn increase in prepaid expenses mainly due to payments for site rentals
 - > EUR 15.3 mn lower accounts payable and accrued liabilities mainly due to the payment for handsets
 - > EUR 10.6 mn higher inventories, as stocks at YE 2016 were comparably low



Focus points

Austria: Customer-oriented fixed-line propositions serve growing demand for bandwidth

- > Pricing independent from technology
- > Standard product: Unlimited data, 40 Mbps for EUR 32.90/month
- > Up to 150 Mbps download speed
- > Target: Upselling and migrating customers to fixed-line products

Priorities



1. Fixed-line: Own, exclusive line



2. Hybrid: Increase in speed and coverage



3. Cube: Full flexibility

Fixed-line offers strengthened via catch-up TV

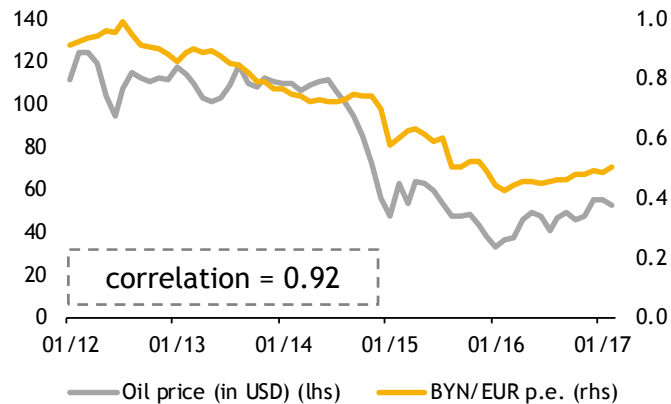
- > Included in A1 TV
- > 7 days replay
- > Launch: 18 January 2017



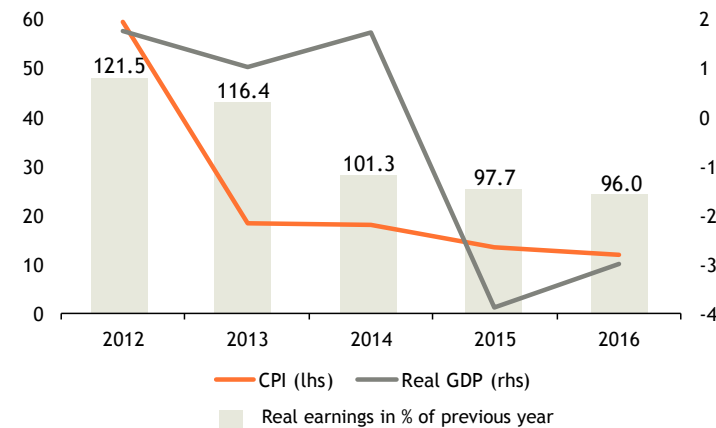
+6% yoy TV RGUs

Belarus: First signs of macroeconomic improvement but headwinds remain

Oil price and FX development



CPI, real GDP and earnings development (%-change)



- > Purchasing power still negatively affected by real earnings decline in line with GDP
- > Nevertheless, slowdown in GDP decline expected (IMF 2017e: -0.8%; 2016: -3.0%)
- > Inflation remains comparably low at 6.4% in Q1 2017
- > Stabilisation in BYN/EUR: Strong correlation of currency and oil price development
- > Significant debt repayment burden remains a downside risk for FX
- > Slight change of TAG expectation on BYN/EUR: 10% devaluation (before 10-15%)

Sources: Reuters (Oil price), National Bank of Republic of Belarus, NBRB (EUR/BYN), Belstat (Real earnings and CPI), IMF (Real GDP)

Continuous network evolution to improve customer experience in a CAPEX- and cost-efficient way

What	256 QAM*	Triple Carrier Aggregation	4x4 MiMo*
How	Software upgrade	Spectrum aggregation	Hardware and software upgrade
Why	150 → 200 Mbps Increase spectral efficiency -> more throughput with same frequency resources	300 → 450 Mbps Capacity increase on highly loaded areas	200 → 400 Mbps Increase spectral efficiency -> more throughput with same frequency resources
Where	All markets, except for Belarus	Live in Austria, trials in Slovenia	Austria
When	Tests and planned implementation in 2017	First base stations live	First trials in 2017; rollout in 2018

Next steps: NB-IoT*, Wireless local loop, Massive MiMo, 5G

* 256 QAM: Quadrature amplitude modulation; MiMo: Multiple input Multiple output; NB-IoT: Narrowband-Internet-of-Things

Outlook for the full year 2017

Telekom Austria Group outlook for the full year 2017 unchanged

	24 April 2017	Consensus 2017
Total revenues	approx. +1%	EUR 4,232 mn
CAPEX	approx. EUR 725 mn	EUR 748 mn
Proposed dividend	EUR 0.20 / share	-

- > Outlook based on reported figures and constant currencies except for Belarus (assumed devaluation of 10%)
- > CAPEX: does not include investments in spectrum or acquisitions
- > Dividend: intended proposal to the Annual General Meeting 2018 for the financial year 2017



Appendix 1

Telekom Austria Group - Profit and Loss

(in EUR million)	Q1 2017	Q1 2016	% change
Service Revenues	956.1	913.5	4.7%
Equipment Revenues	102.8	95.9	7.2%
Total Revenues	1,058.9	1,009.4	4.9%
Cost of Service	-341.1	-326.0	n.m.
Cost of Equipment	-127.7	-104.0	n.m.
Selling, General & Administrative Expenses	-247.7	-241.7	n.m.
Others	-2.8	-3.2	n.m.
Total Costs and Expenses	-719.4	-675.0	n.m.
EBITDA	339.5	334.4	1.5%
<i>% of Total Revenues</i>	<i>32.1%</i>	<i>33.1%</i>	
Depreciation and Amortisation	-213.1	-217.2	n.m.
Impairment and Reversal of Impairment	0.0	0.0	n.a.
EBIT	126.4	117.2	7.9%
<i>% of Total Revenues</i>	<i>11.9%</i>	<i>11.6%</i>	
EBT (Earnings Before Income Taxes)	105.5	90.6	16.4%
Net Result	96.4	81.0	19.0%

Telekom Austria Group - Total revenues & costs and expenses per segment

Total Revenues (in EUR million)	Q1 2017	Q1 2016	% change
Austria*	643.3	631.2	1.9%
Bulgaria	103.5	97.0	6.7%
Croatia	98.4	88.4	11.2%
Belarus	92.9	68.9	34.8%
Slovenia	52.9	51.7	2.3%
Republic of Serbia	51.0	52.3	-2.6%
Republic of Macedonia	27.3	29.1	-6.2%
Corporate & other, eliminations*	-10.3	-9.3	n.m.
Total Revenues	1,058.9	1,009.4	4.9%

Costs and Expenses (in EUR million)	Q1 2017	Q1 2016	% change
Austria*	415.0	405.9	2.2%
Bulgaria	75.3	63.4	18.7%
Croatia	77.2	71.0	8.8%
Belarus	47.0	34.3	37.0%
Slovenia	40.8	37.7	8.1%
Republic of Serbia	43.3	42.9	0.9%
Republic of Macedonia	21.4	23.0	-7.0%
Corporate & other, eliminations*	-0.5	-3.1	n.m.
Total Operating Expenses	719.4	675.0	6.6%

* Machine-to-Machine (M2M) is no longer reported in the Austrian segment and is shown in 'Corporate & other, eliminations'. Comparative figures have been adjusted accordingly.

Telekom Austria Group - Headcount development

FTE (Average Period)	Q1 2017	Q1 2016	% change
Austria	8,314	8,499	-2.2%
International	9,811	8,908	10.1%
Corporate	242	212	14.3%
Telekom Austria Group	18,367	17,619	4.2%

FTE (End of Period)	Q1 2017	Q1 2016	% change
Austria	8,322	8,482	-1.9%
International	10,045	8,917	12.7%
Corporate	246	214	14.5%
Telekom Austria Group	18,613	17,614	5.7%

Telekom Austria Group - Capital expenditure split

Capital Expenditures (in EUR million)	Q1 2017	Q1 2016	% change
Austria*	118.5	79.7	48.7%
Bulgaria	14.7	13.3	10.3%
Croatia	17.0	14.5	17.3%
Belarus	4.1	13.5	-69.9%
Slovenia	21.7	3.6	n.m.
Republic of Serbia	6.5	3.7	76.2%
Republic of Macedonia	1.5	6.4	-76.2%
Corporate & other, eliminations*	-3.9	-0.2	n.m.
Total Capital Expenditures	180.0	134.5	33.8%
thereof Tangible	138.4	112.1	23.4%
thereof Intangible	41.6	22.4	86.0%

* Machine-to-Machine (M2M) is no longer reported in the Austrian segment and is shown in 'Corporate & other, eliminations'. Comparative figures have been adjusted accordingly.

Telekom Austria Group - Net debt

Net Debt* (in EUR million)	31 March 2017	31 December 2016	% change
Long-term Debt	2,304.9	2,303.5	0.1%
Short-term Borrowings	166.1	500.1	-66.8%
Cash and Cash Equivalents and Short-term Investments	-61.1	-464.2	n.m.
Net Debt of Telekom Austria Group	2,409.8	2,339.4	3.0%

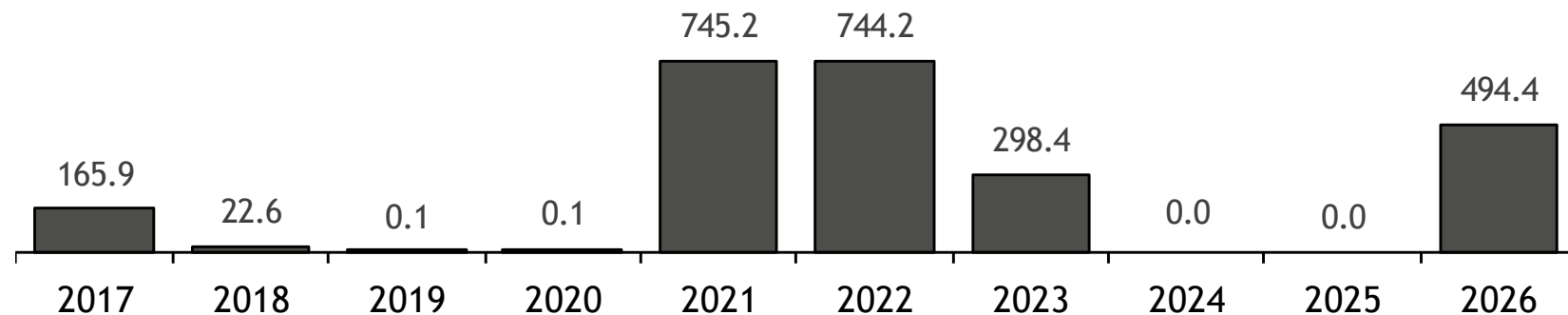
EUR 600 mn non-call (1 February 2018) 5 years hybrid bond qualified as 100% equity under IFRS

* Accrued interest and purchase price liabilities from business combinations are no longer included in net debt; comparative figures have been adjusted accordingly.

Telekom Austria Group - Debt maturity profile

Debt maturity profile*

(in EUR million)



- > EUR 2,471.0** mn short-and long-term borrowings as of 31 March 2017
- > Average cost of debt of approximately 2.90%
- > Cash and cash equivalents and short-term investments of EUR 61.1 mn
- > Average term to maturity of 5.65 years

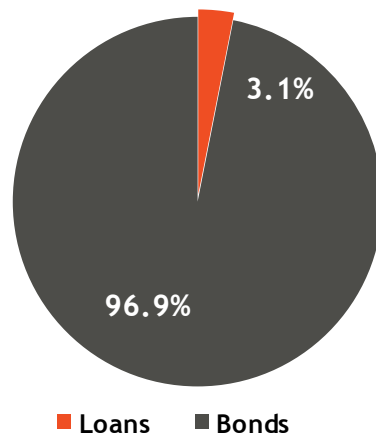
* EUR 600 mn non-call 5 years hybrid bond qualified as 100% equity under IFRS

** As of 31 March 2016 accrued interest and purchase price liabilities from business combinations are no longer included

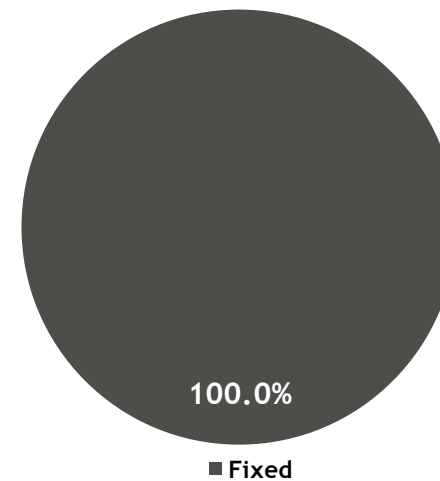


Telekom Austria Group - Debt profile

Overview debt instruments



Fixed/floating mix



Lines of credit

- > Undrawn committed credit lines amounting to EUR 1,250 mn
- > Average term to maturity of approx. 2.24 years

Ratings

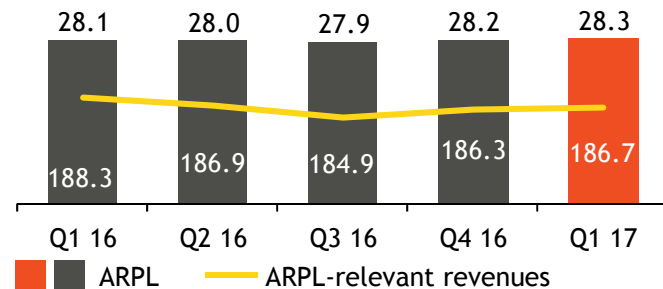
- > S&P: BBB (outlook stable)
- > Moody's: Baa2 (outlook stable)



Segment Austria - Fixed-line key performance indicators

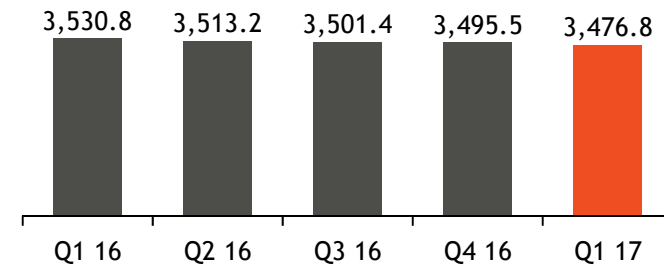
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



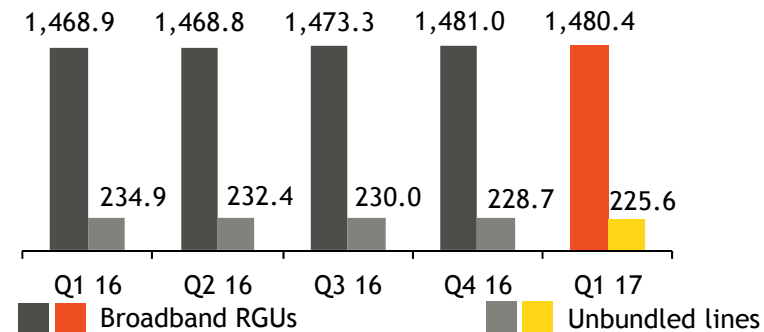
Total RGUs

(in '000)



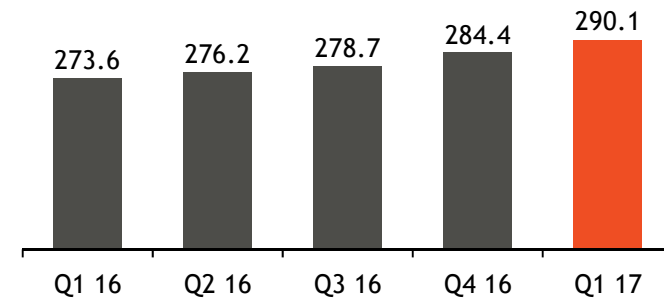
Broadband RGUs/unbundles lines

(in '000)



TV RGUs

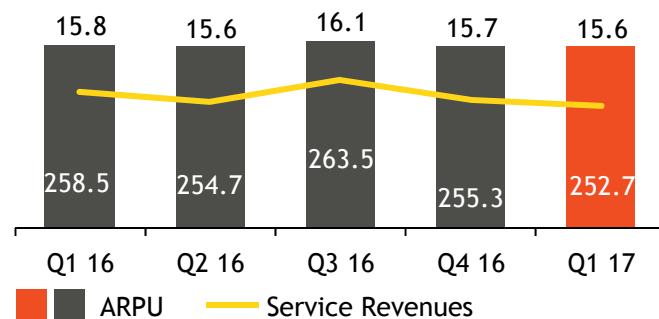
(in '000)



Segment Austria* - Mobile key performance indicators

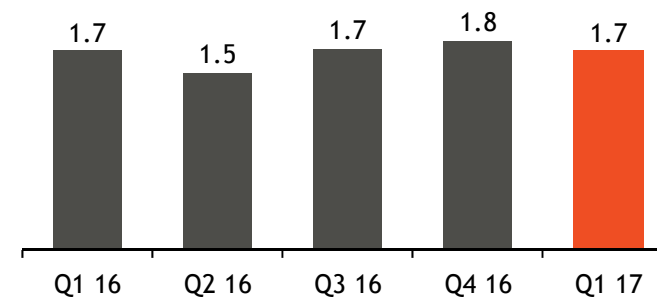
ARPU & Wireless service revenues

(in EUR, in EUR million)



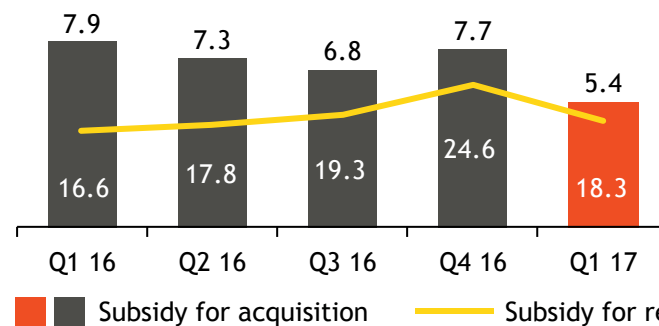
Churn rate

(in %)



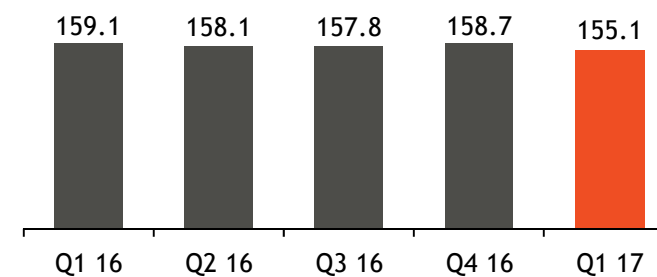
Subsidies

(in EUR million)



Mobile penetration

(in %)



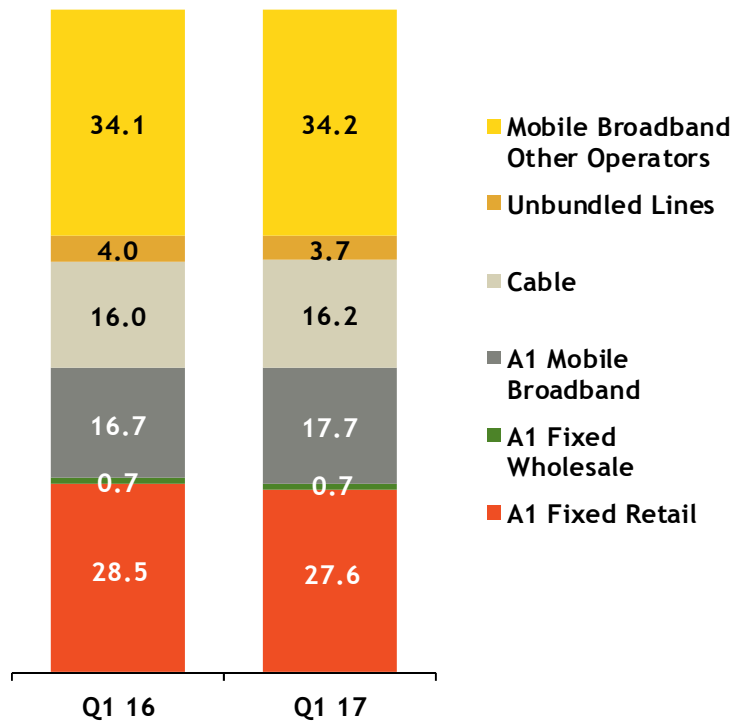
* Machine-to-Machine (M2M) is no longer reported in the Austrian segment and is shown in 'Corporate & other, eliminations'. Comparative figures have been adjusted accordingly.
Results for the first quarter 2017



Segment Austria - Broadband market split

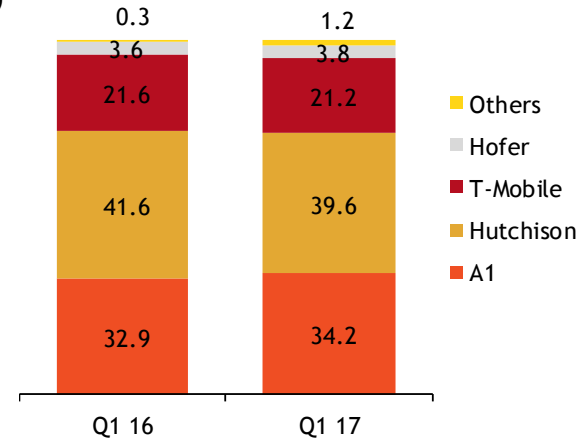
Market share total broadband

(in %)



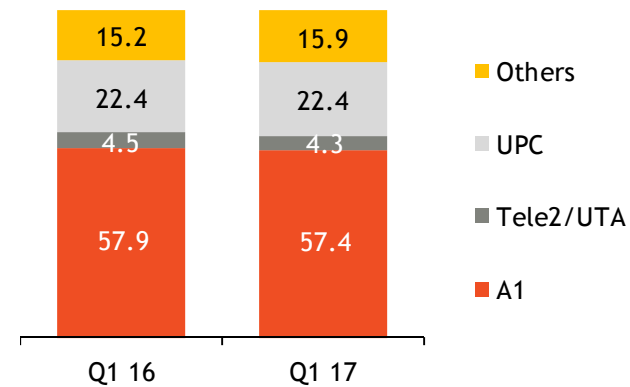
Market share mobile broadband

(in %)



Market share fixed-line broadband

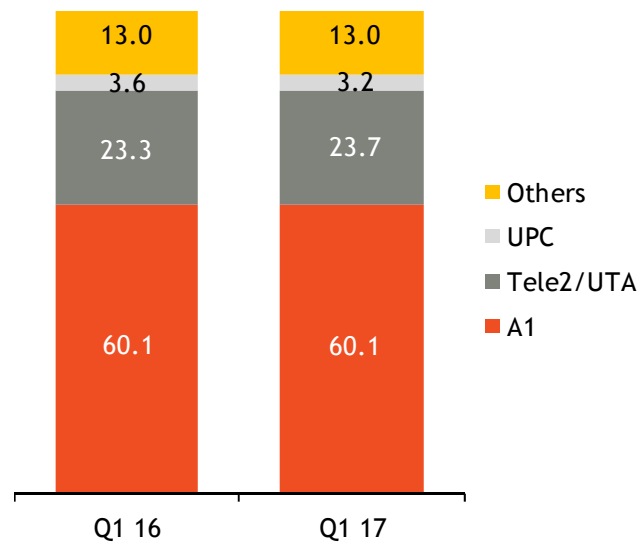
(in %)



Segment Austria - Voice market split

Market share voice RGUs

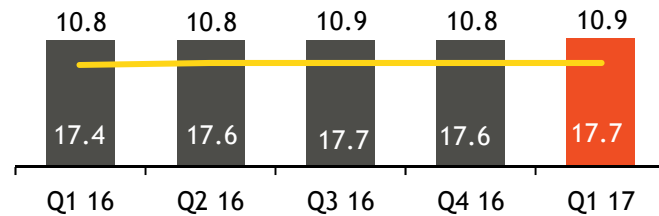
(in %)



Segment Bulgaria - Fixed-line key performance indicators

ARPL & ARPL-relevant revenues

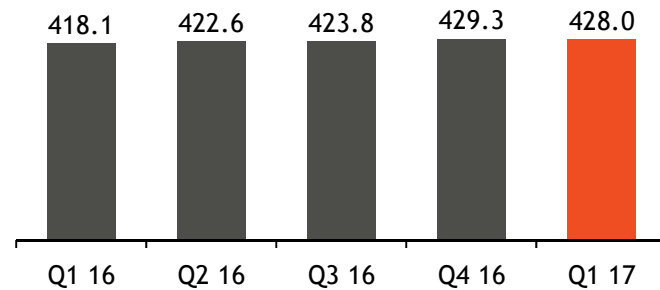
(in EUR, in EUR million)



■ ARPL ■ ARPL-relevant revenues

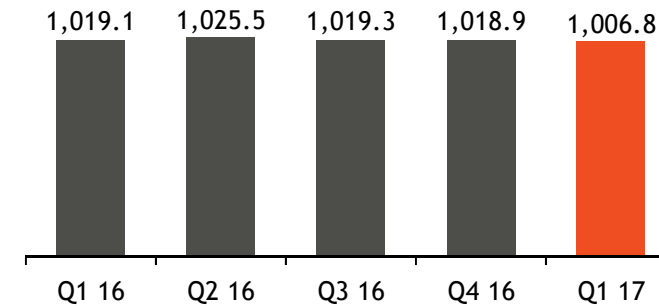
Fixed broadband RGUs

(in '000)



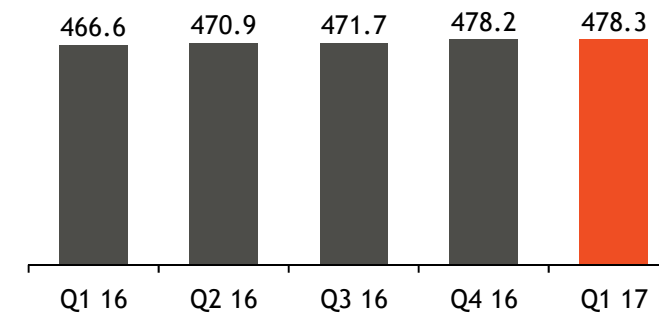
Total RGUs

(in '000)



TV RGUs

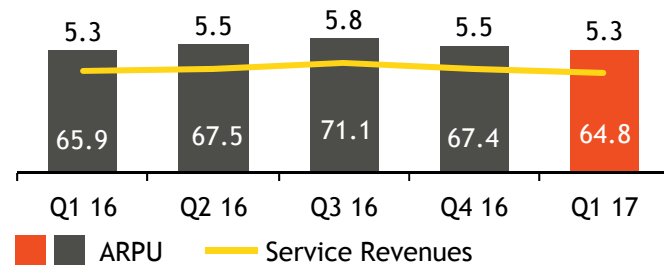
(in '000)



Segment Bulgaria - Mobile key performance indicators

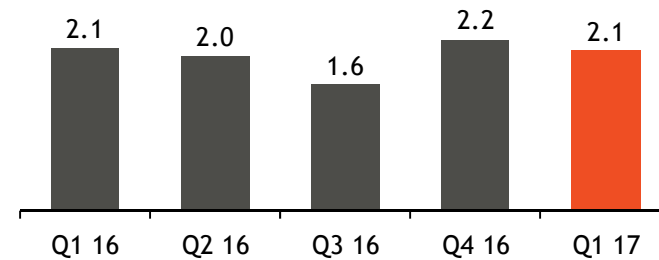
ARPU & Wireless service revenues

(in EUR, in EUR million)



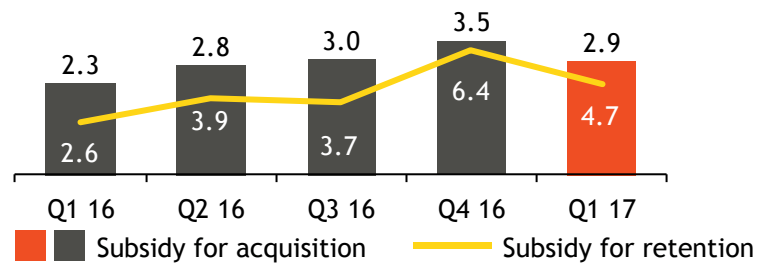
Churn rate

(in %)



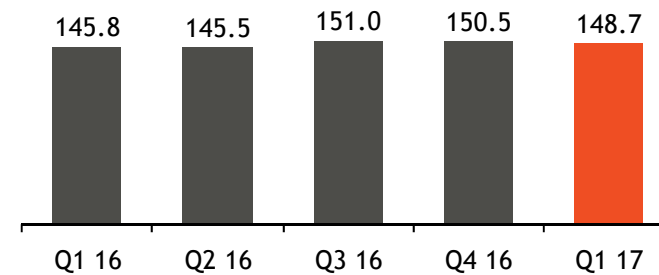
Subsidies

(in EUR million)



Mobile penetration

(in %)



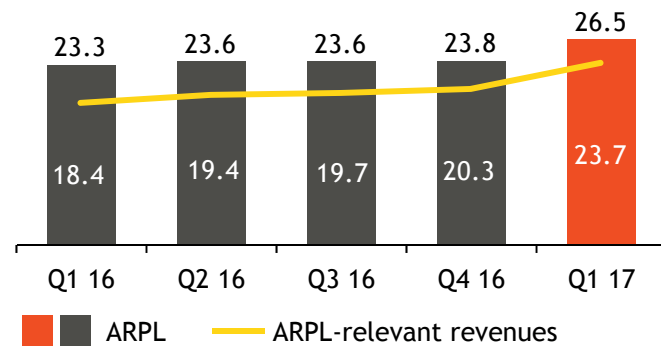
Results for the first quarter 2017



Segment Croatia - Fixed-line key performance indicators

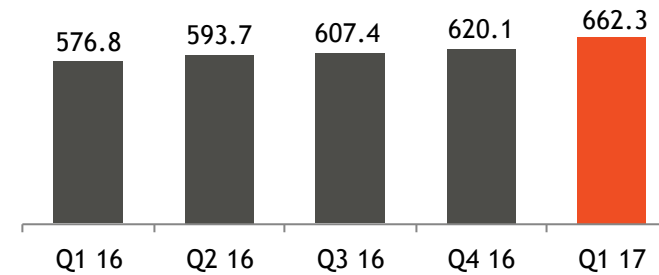
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



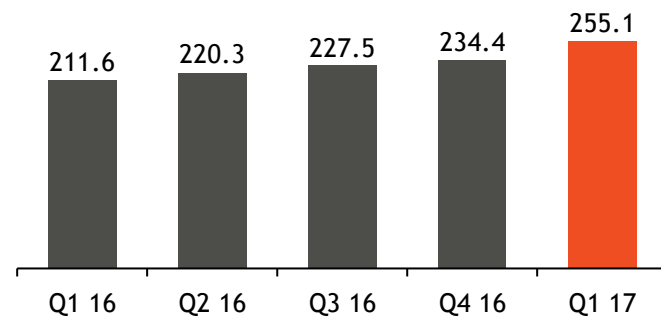
Total RGUs

(in '000)



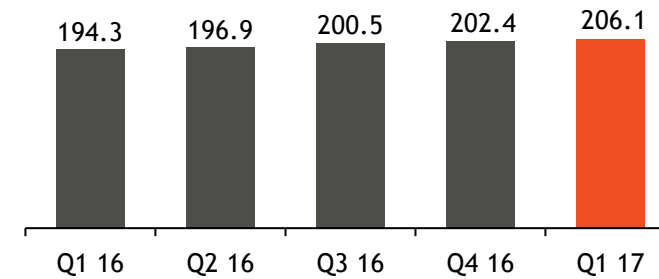
Fixed broadband RGUs

(in '000)



TV RGUs

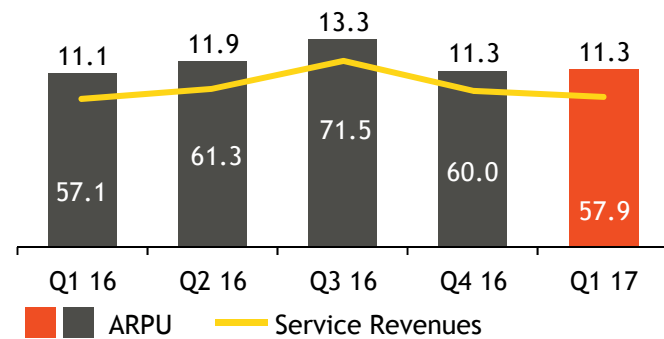
(in '000)



Segment Croatia - Mobile key performance indicators

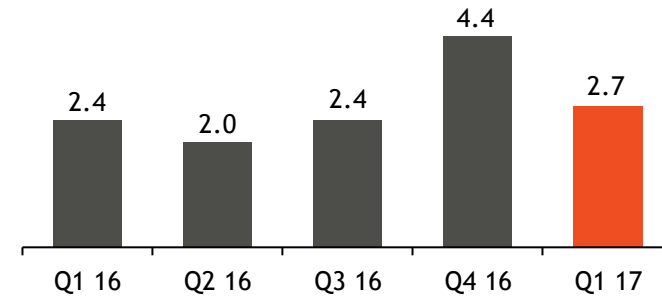
ARPU & Wireless service revenues

(in EUR, in EUR million)



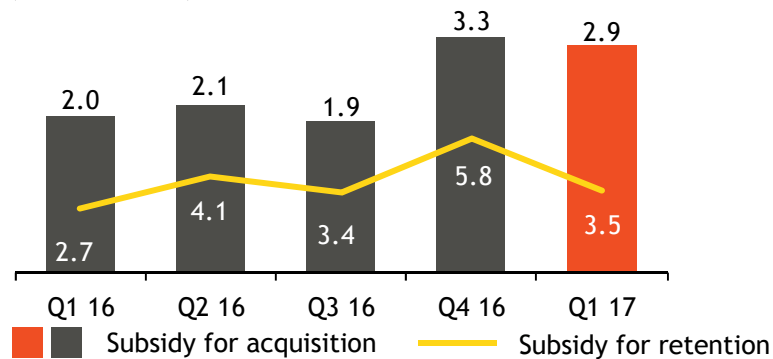
Churn rate

(in %)



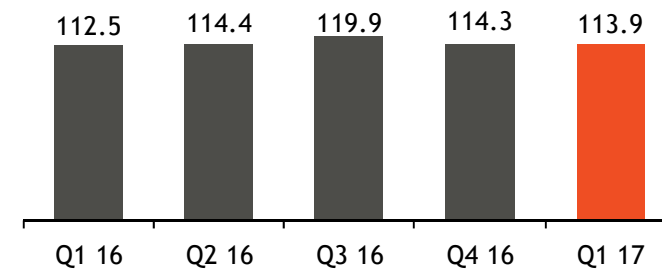
Subsidies

(in EUR million)



Mobile penetration

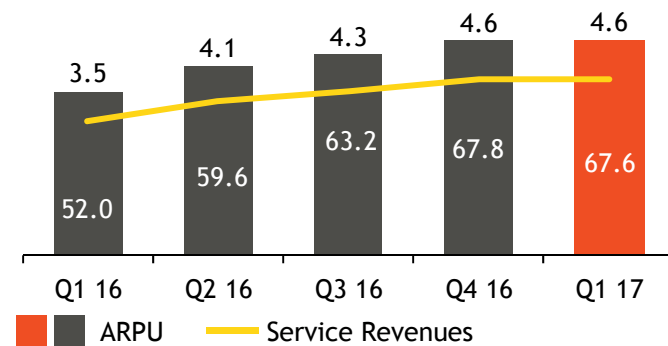
(in %)



Segment Belarus - Mobile key performance indicators

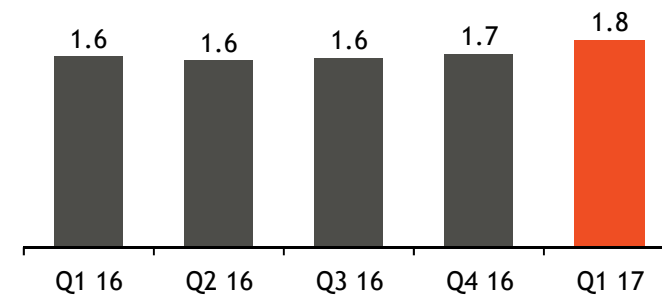
ARPU & Wireless service revenues

(in EUR, in EUR million)



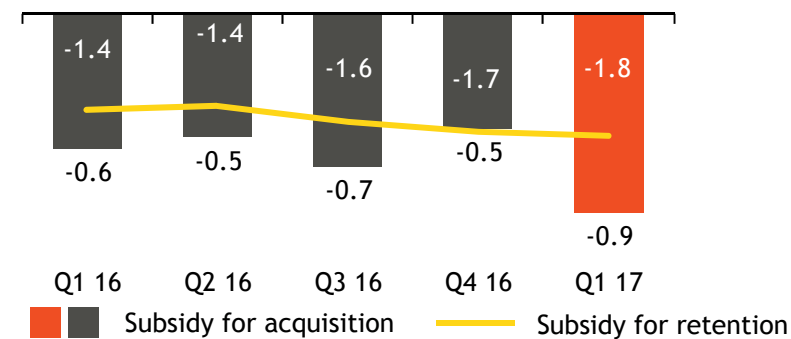
Churn rate

(in %)



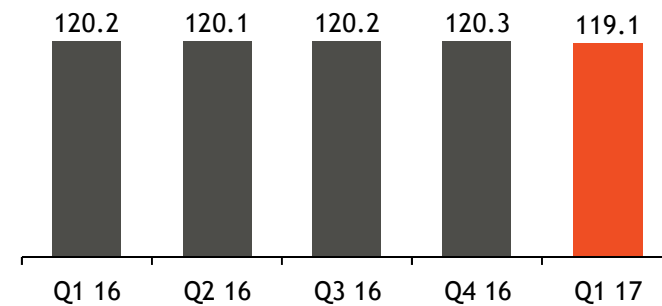
Subsidies

(in EUR million)



Mobile penetration

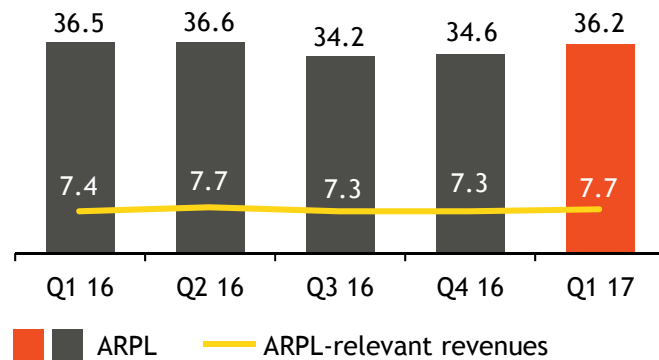
(in %)



Segment Slovenia - Fixed-line key performance indicators

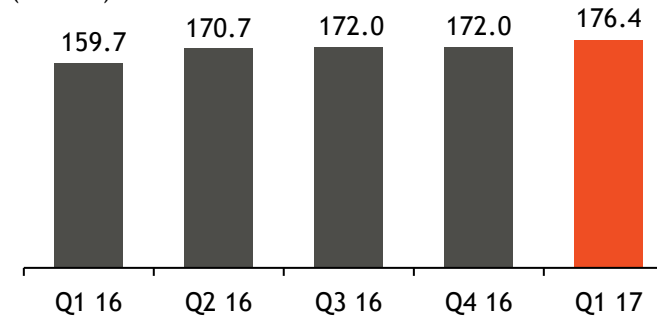
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



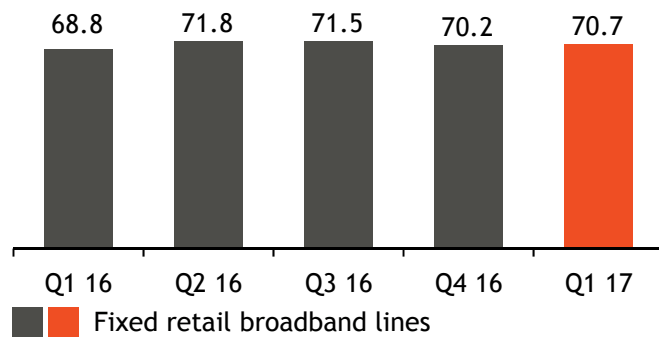
Total RGUs

(in '000)



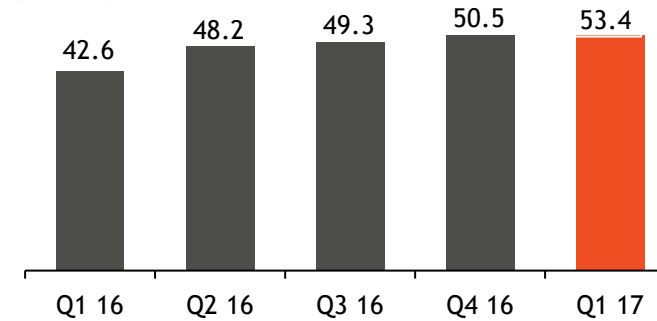
Fixed broadband RGUs

(in '000)



TV RGUs

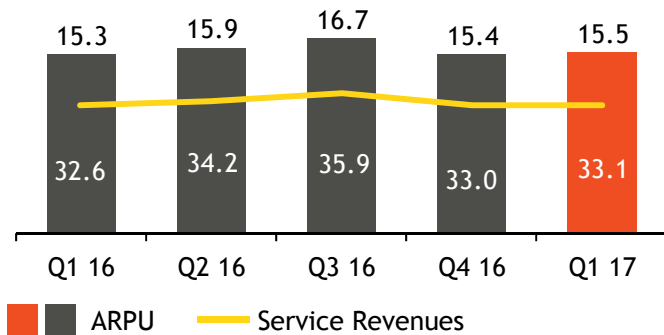
(in '000)



Segment Slovenia - Mobile key performance indicators

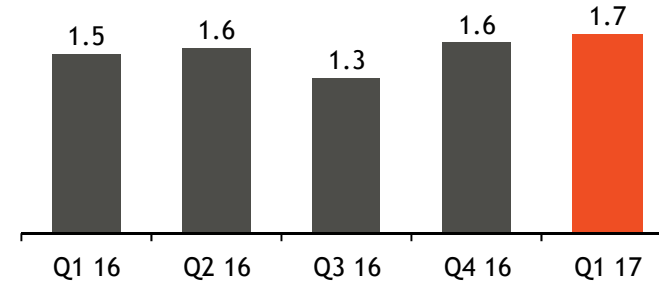
ARPU & Wireless service revenues

(in EUR, in EUR million)



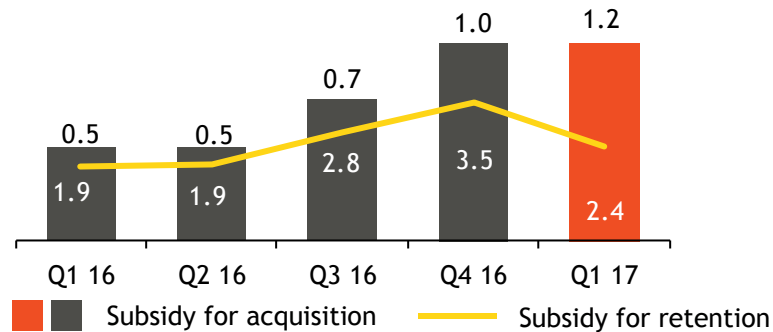
Churn rate

(in %)



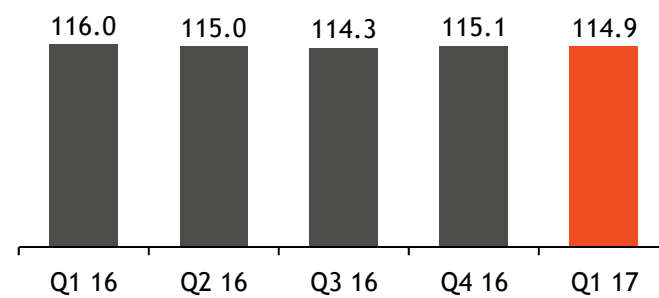
Subsidies

(in EUR million)



Mobile penetration

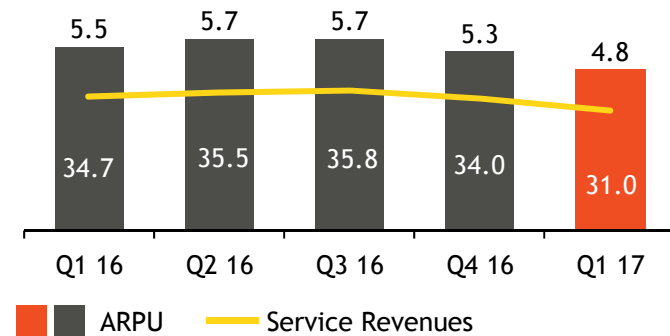
(in %)



Segment Serbia - Mobile key performance indicators

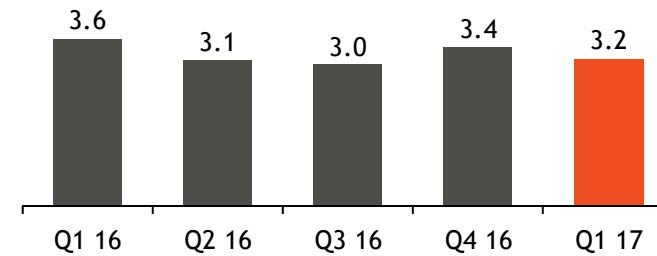
ARPU & Wireless service revenues

(in EUR, in EUR million)



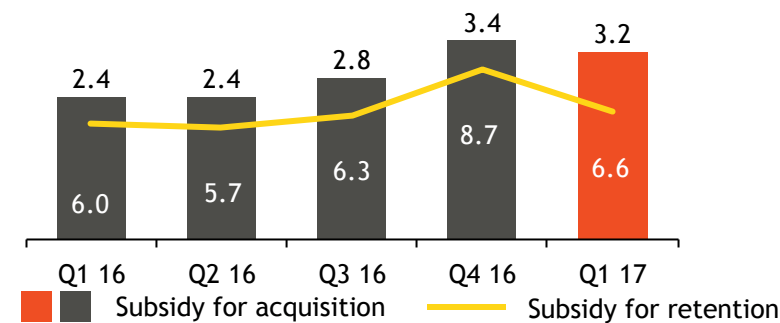
Churn rate

(in %)



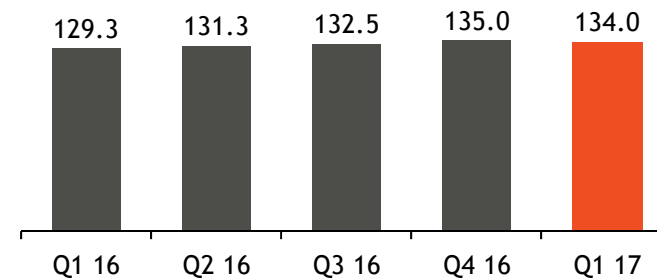
Subsidies

(in EUR million)



Mobile penetration

(in %)



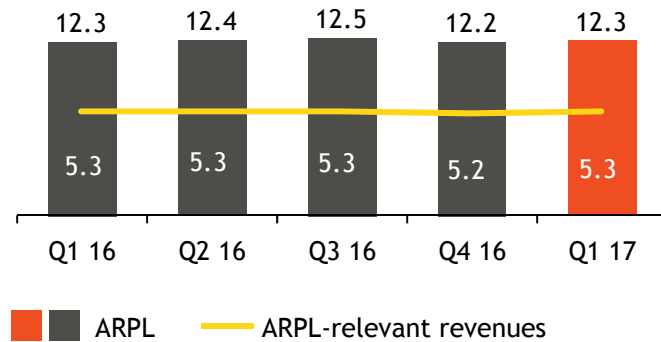
Results for the first quarter 2017



Segment Macedonia - Fixed-line key performance indicators

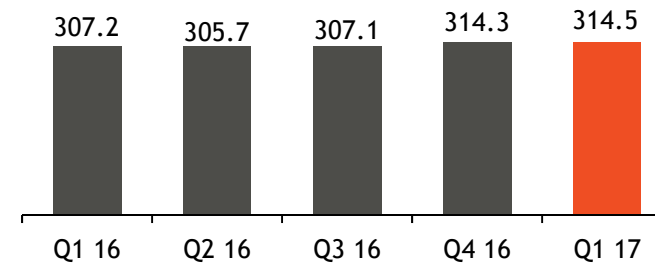
ARPL & ARPL-relevant revenues

(in EUR, in EUR million)



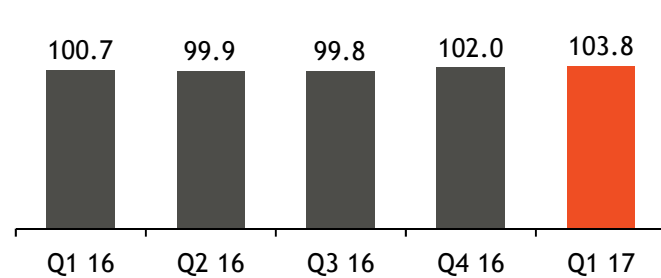
Total RGUs

(in '000)



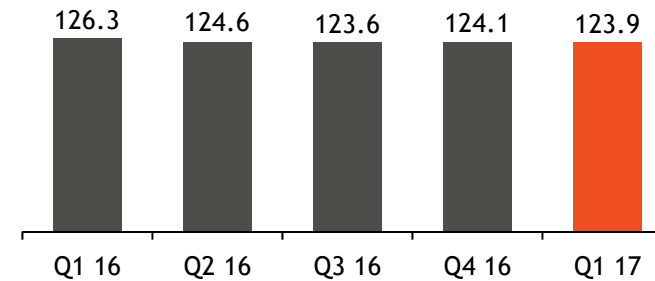
Fixed broadband RGUs

(in '000)



TV RGUs

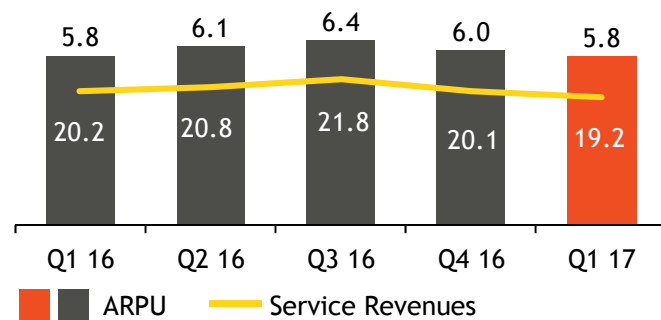
(in '000)



Segment Macedonia - Mobile key performance indicators

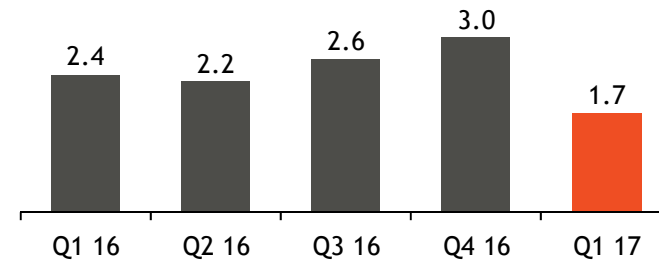
ARPU & Wireless service revenues

(in EUR, in EUR million)



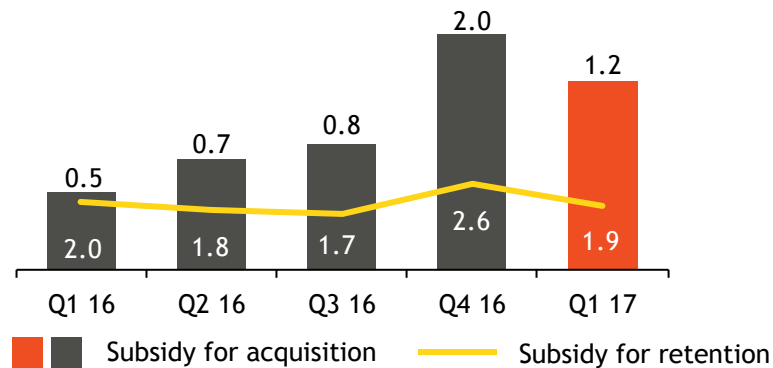
Churn rate

(in %)



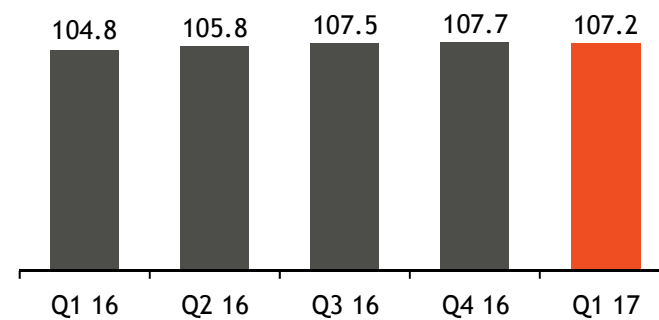
Subsidies

(in EUR million)



Mobile penetration

(in %)



Appendix 2 – Regulatory topics

Glide Path of Mobile Termination Rates

	Jan 2015	Jul 2015	Jan 2016	Jul 2016	Jan 2017	Jul 2017
Austria (EUR)	0.008049	0.008049	0.008049	0.008049	0.008049	No future glide path set
Bulgaria (BGN)	0.019	0.019	0.019	0.019	0.014	0.014
Croatia (HRK)	0.063*	0.063*	0.063*	0.063*	0.063*	0.047*
Belarus (BYN)	180/90**	MTS 250/125 BeST 180/90**	MTS 250/125 BeST 180/90**	MTS 250/125 BeST 180/90**	MTS 250/125 BeST 180/90**	No data
Slovenia (EUR)	0.0114	0.0114	0.0114	0.0114	0.0114	0.0114
Serbia (RSD)	3.43	3.43	3.43	2.75	2.07	2.07
Macedonia (MKD)	0.90	0.90	0.90	0.90	0.63	0.63

* National and International EU/EEA MTRs stated as regulated. International MTRs differ between EU/EEA and non-EU/EEA originating country. Non-EU/EEA MTR for Croatia: 1,73kn/min -> 2,00kn/min in Apr 2016

** Belarus values: peak times/off-peak times - the medium weighted MTR value amounts to BYN 0.022, 150 per minute

Upcoming spectrum tenders/prolongations/assignments

	Expected	Comments
Austria	2018 (3400-3800 MHz) 2019 (700, 2100 MHz)	-
Bulgaria	2017 (800 MHz) 2018 (2600 MHz) 2019 (2100 MHz)	-
Croatia	2020 (700 MHz)	-
Belarus	2017 (2100 MHz)	-
Slovenia	2017 (3500 MHz) 2017 (10-12 GHz)	3500 MHz: 20 MHz only on a regional basis.
Republic of Serbia	None	-
Republic of Macedonia	2017 (900, 1800 MHz) 2018 (2100 MHz)	-- NRA announced that tender for 2X10MHz on 900 MHz band and 2X10MHz on 1800 MHz band will be published in 2017, but procedure has not yet started. - Prolongation of the licence of 2X10 MHz on 2100 MHz band is expected on 11.02.2018

EU roaming price regulation

RETAIL (in EURc)	Before	July 2012	July 2013	July 2014	30 April 2016	15 June 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	0
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 June 2017
Data (per MB)	50	25	15	5	5	0.77
Voice (per minute)	18	14	10	5	5	3.2
SMS (per SMS)	4	3	2	2	2	1

* 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.

Appendix 3 – Personnel restructuring in Austria

Overview - Restructuring charges and provision vs. FTE

Overview restructuring charges

(in EUR million)

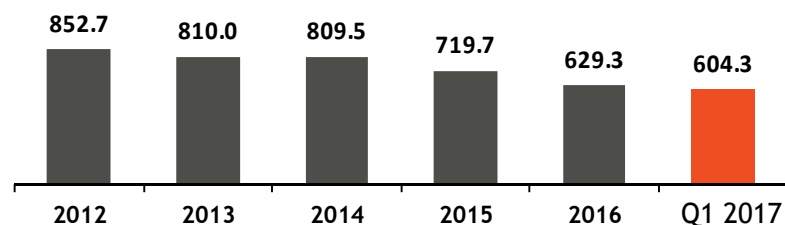
	2012	2013	2014	2015	2016	Q1 2017
FTE reduction	49.9	149.0	86.4*	69.5**	95.0	1.4
Servicekom contribution	-76.7	-103.8	-39.4	-72.0	-96.9	-1.5
Interest rate adjustments	61.4	0.0	42.6	2.9	9.2	0.0
Total	34.7	45.2	89.6	0.4	7.2	-0.1

FTEs addressed

	2012	2013	2014	2015	2016	Q1 2017
Transfer to government	44	22	52	49	6	2
Social plans	94	409	199	270	269	5
Staff released from work	0	0	0	0	0	0
Total	138	431	251	319	275	7

Overview restructuring provision***

(in EUR million)



Provisioned FTEs

	2012	2013	2014	2015	2016	Q1 2017
Transfer to government	308	330	242	205	193	197
Social plans	1,030	1,315	1,460	1,661	1,821	1,795
Staff released from work	510	410	350	253	200	190
Total	1,848	2,055	2,052	2,119	2,214	2,182

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

** Restructuring expenses include a positive one-off effect in the amount of EUR 21.6 mn in Q4 2015 stemming from a settlement.

*** 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

2012	104.0
2013	108.0
2014	107.1
2015	101.9
2016	105.5

Q1 2017	26.1
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- > Total cash flow impact comprises old and new programmes
- > Cash flow impact for Q1 2017 of EUR 26.1 mn
- > Expected cash flow impact for 2017 of approximately EUR 100 mn



Appendix 4 – Corporate sustainability

Alignment with core business and materiality analysis define sustainability strategy



Reporting follows the Global Reporting Initiative Standard.



ISO 14001, ISO 50001, ISO 27001



1) Baseline for targets is 2015. 2) Baseline for target is 2012.



Key figures - Corporate Sustainability

Selected Group-wide KPIs

Products: Providing Responsible Products		2015
Customer contacts in customer service ('000)		38,175
Environment		2015
Total CO ₂ Emissions (Scope 1+2 in tonnes)		187,383
Energy efficiency index (in Mwh/terabyte)		0,6
Paper consumption (in tonnes)		1,758,252
Collected old mobile phones (in pcs)		26,405
E-billing share (in %)		64
Employees		2015
Share of femal employees (in %)		38
Share of femal executives (in %)		35
Society		2015
Participants in trainings on media literacy		24,481
Local educational projects		over 30

Ratings



- > Classification: B (99 points out of 100)
- > Leadership index



- > Classification: B-



Indices



Memberships

