

Telekom Austria AG

ISIN AT0000720008

Announcement of the Dividend

The Annual General Meeting, which was held on May 25, 2005, resolved to **distribute a dividend of 24 cents** per entitled share for the business year 2004.

The dividend will be distributed after deduction of 25% withholding tax (Kapitalertragsteuer), where applicable, as of June 6, 2005 on the basis of the balance of deposits on May 30, 2005 via crediting at the custodian banks.

Appointed paying agent is Bank Austria Creditanstalt AG.

The ex-dividend 2004 trade at the Vienna Stock Exchange will start as of May 31, 2005.

Vienna, May 2005

The Management Board