

Results for the first quarter of 2014 (Ad-hoc)

Vienna, 8 May 2014 – Today the Telekom Austria Group (VSE: TKA, OTC US: TKAGY) announces its results for the first quarter of 2014, ending 31 March 2014.

Highlights

- > 7.0% year-on-year revenue decline driven by Austria and FX translation in Belarus; better trends in Bulgaria
- > EUR 56.6 mn OPEX savings driven by lower subsidies in Austria
- > Rising EBITDA-comparable margins in Austria and Bulgaria
- > Austrian tariff initiatives continue with focus on existing contracts
- > Croatian mobile remains challenging while growth in the Additional Markets segment continues
- > Regulation shaves EUR 44.3 mn and EUR 14.4 mn off revenues and EBITDA comparable respectively
- > Spectrum renewal in Bulgaria and spectrum auction in Slovenia result in total cost of EUR 94.5 mn
- > Group guidance 2014 unchanged: Revenues approx. -3%, CAPEX approx. 700 mn, dividend EUR 0.05
- > Croatia: Significant risk of potential increase of annual spectrum fees
- > Syndicate agreement signed on 23 April will trigger mandatory takeover offer by mid-May (expected)

in EUR million	Q1 2014	Q1 2013	% change
Revenues	975.9	1,049.0	-7.0%
EBITDA comparable	319.9	336.9	-5.0%
Operating income	97.4	117.8	-17.4%
Net income	40.8	55.5	-26.5%
Cash flow generated from operations	148.9	191.8	-22.4%
Earnings per share (in EUR)	0.08	0.11	-31.1%
Free cash flow per share (in EUR)	0.12	0.10	17.9%
Capital expenditures	99.4	149.0	-33.3%

in EUR million	31 Mar 2014	31 Dec 2013	% change
Net debt	3,670.5	3,695.8	-0.7%
Net debt / EBITDA comparable (12 months)	2.9	2.9	0.6%

All financial figures are based on IFRS; if not stated otherwise, all comparisons are given year-on-year. EBITDA comparable is defined as net income excluding financial result, income tax expense, depreciation and amortisation, restructuring and impairment charges.



For further information regarding the quarterly results please see the following link:
<http://cdn1.telekomaustria.com/final/en/media/pdf/results-qu1-2014.pdf>

Contact:

Matthias Stieber
Director Investor Relations
Telekom Austria Group
Phone: +43 (0) 50 664 39126
E-mail: matthias.stieber@telekomaustria.com

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