

RTR Telecom Monitor

4th Quarter 2009
Data up to June 2009

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Preface

Dear Readers,

This section provides information about how the data for the Telecom Monitor is collected and about the basis for data collection and statistical analyses.

Communications Survey Ordinance (KEV)

Under the Communications Survey Ordinance (KEV, Federal Law Gazette II No. 365/2004), which went into effect on October 10, 2004, the Austrian Regulatory Authority for Broadcasting and Telecommunications (RTR) is required to carry out statistical surveys and data analyses on a quarterly basis. The data collected is to be made available to the public in such a way that information on specific companies can not be deduced.

The ordinance essentially pursues two objectives: First, the quarterly collection and publication of key market indicators is meant to increase the efficiency of RTR's monitoring process in order to maintain the authority's transparent, forward-looking and competition-oriented regulatory approach for all market participants (companies and consumers) as a means of promoting and ensuring growth, investment and innovation in the sector. Second, these activities serve to inform the interested public about the development of the telecommunications markets with current market data. In addition, RTR makes the KEV data available to Statistics Austria.

Data collection

In order to minimize expenses for the operators, RTR has defined the sample based on Art. 4 Par. 1 KEV in such a way that, on the basis of the overall population from the most recent market analyses, a minimum market share of 90% is covered in each cluster (fixed-link, mobile communications, leased lines and broadband), thus ensuring a representative view of the market situation. RTR then uses this sample as a basis for extrapolation regarding the overall population.

Statistical evaluations and data values

In line with its publishing obligation under Art. 7 Par. 2 KEV, RTR reports the statistics explicitly mentioned in that provision separately for the fixed-link network, mobile communications, leased lines and broadband using a cluster approach. Due to occasional post-hoc data corrections, the values in the charts presented here may differ slightly from the information provided in earlier issues of the Telecom Monitor. Where major deviations (> 5%) arise in individual data values, a comment to this effect is provided for the figure in question.

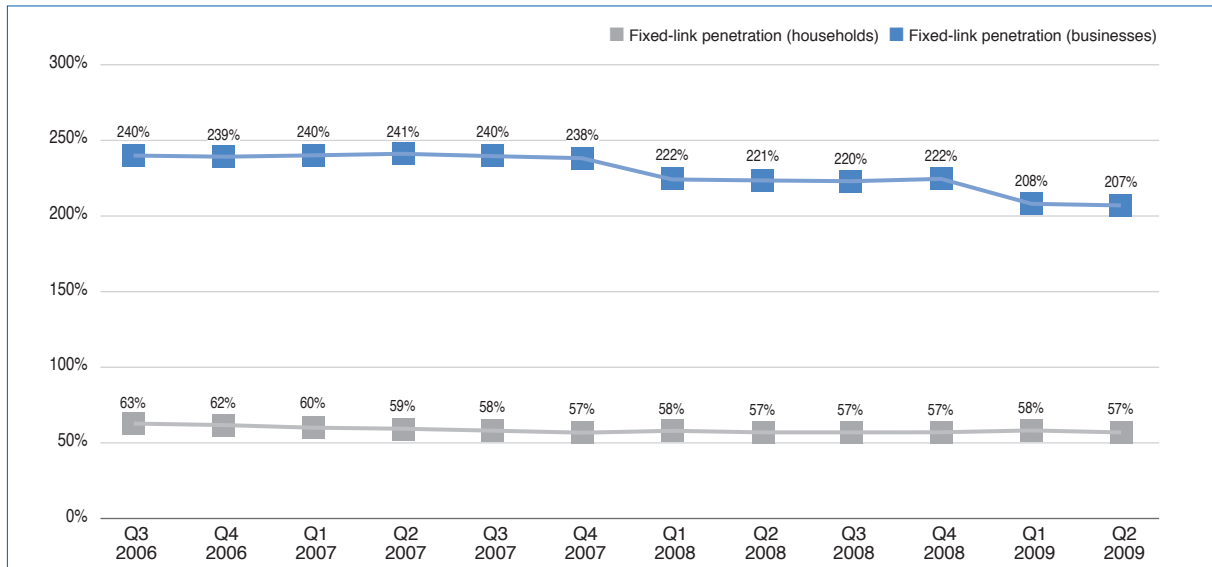
The RTR Team

Section 1 | Fixed-link network



Fixed-link penetration

➔ FIXED-LINK PENETRATION REMAINS STABLE AMONG RETAIL CUSTOMERS



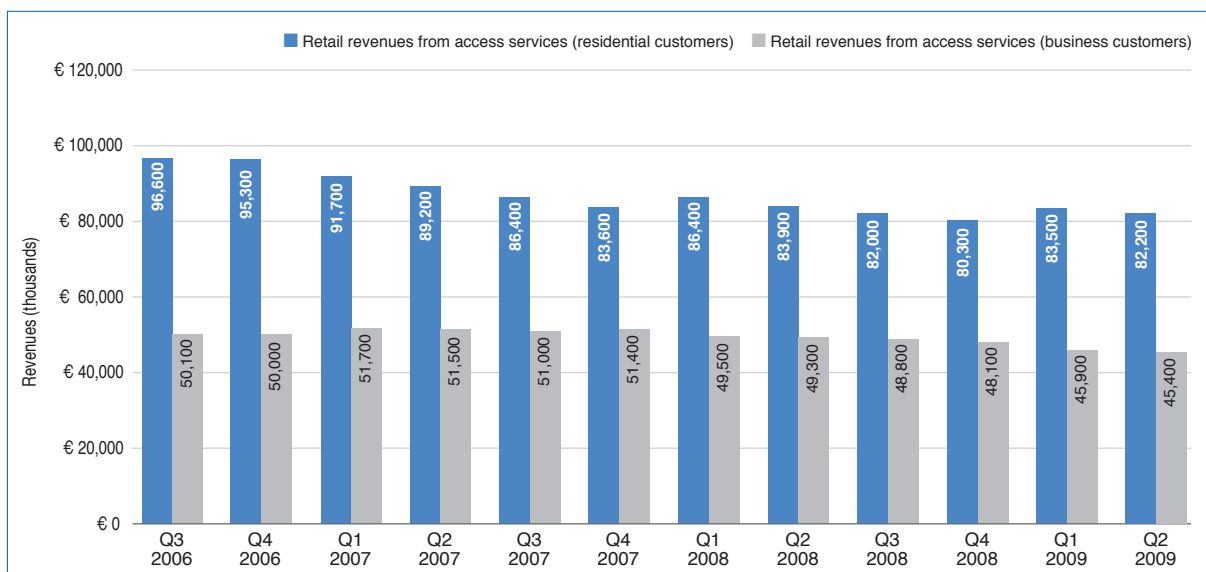
The chart above shows fixed-link penetration rates among households and businesses.

The higher penetration rate among businesses is explained by the fact that companies each generally have a larger number of fixed-link lines, meaning that this figure is not directly comparable to the penetration rate for households.

- For approximately two years now, the penetration rate among households has remained at a constant level; this rate came to 57% in Q2 2009.
- After a sharp decline between Q4 2008 and Q1 2009, the penetration rate for business customers remained roughly at the same level as in the previous quarter, coming to 207% in Q2 2009.

Retail revenues from access services

➔ REVENUES STABLE



Retail revenues from access services include periodic base fees and setup charges.

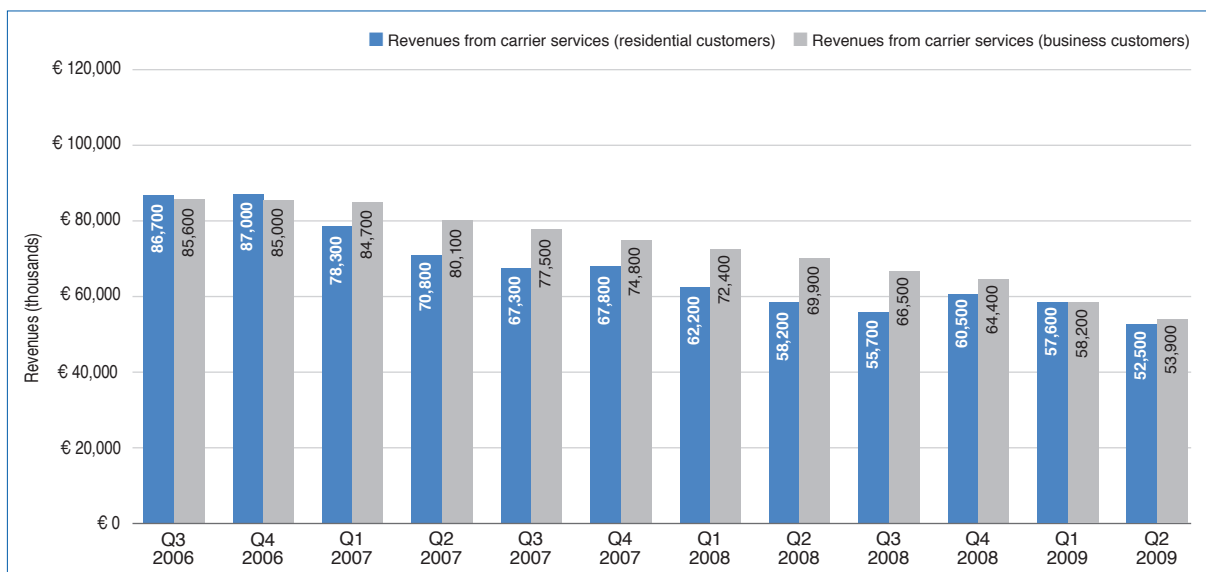
Base fees refer to revenues which are earned periodically and do not depend on the actual use of the subscriber line.

Setup charges for subscriber lines include revenues generated by the setup, transfer and disconnection of subscriber lines for voice telephony.

- Compared to the previous quarter, retail revenues from access services declined very slightly in both the residential and business segments (approximately -2% for residential customers and -1% for business customers).
- The share of overall revenues which can be attributed to the business segment came to approximately 36% in Q2 2009. At the same time, the business segment accounted for 23% of the overall number of fixed-link lines.

Retail revenues from carrier services

➔ REVENUES CONTINUE TO DECLINE



Retail revenues from carrier services are based on call minutes.

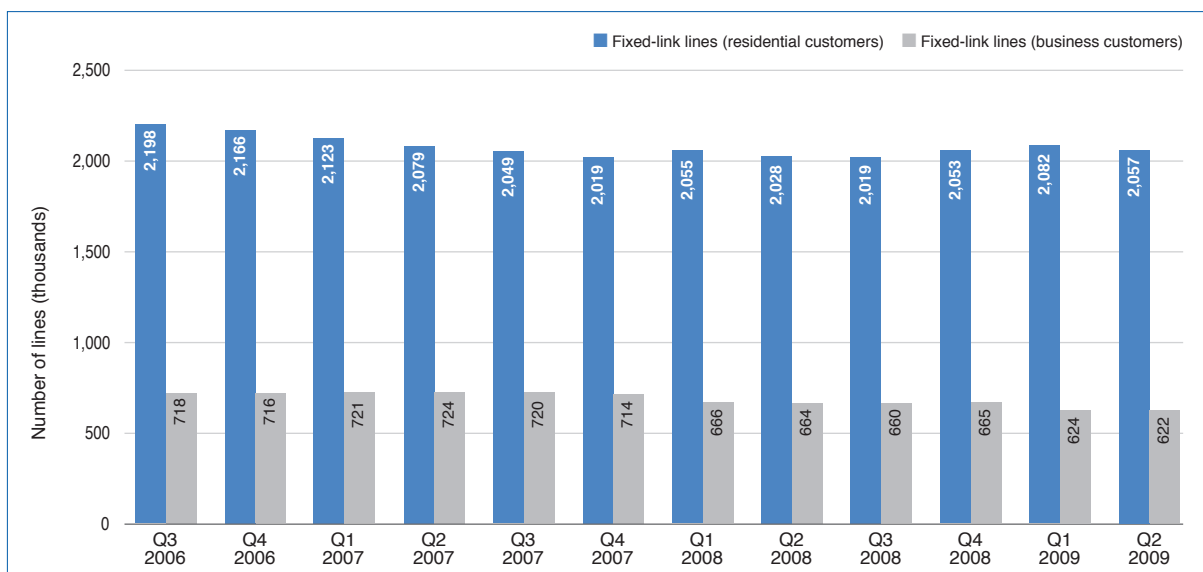
The revenues shown above include retail fees charged by operators for calls to the domestic fixed-link network, domestic mobile networks, international destinations, online services and service numbers.

The corresponding wholesale revenues are not included in these figures.

- The steady decline in retail revenues from carrier services provided for business customers over the entire time series also continued in Q2 2009. Compared to the previous quarter, revenues dropped by approximately 7.4%.
- In the residential segment, revenues from carrier services again decreased after a brief seasonal increase in Q4 2008; these revenues came to a total of EUR 52.5 million.

Fixed-link lines

➔ NUMBER OF LINES REMAINS STABLE

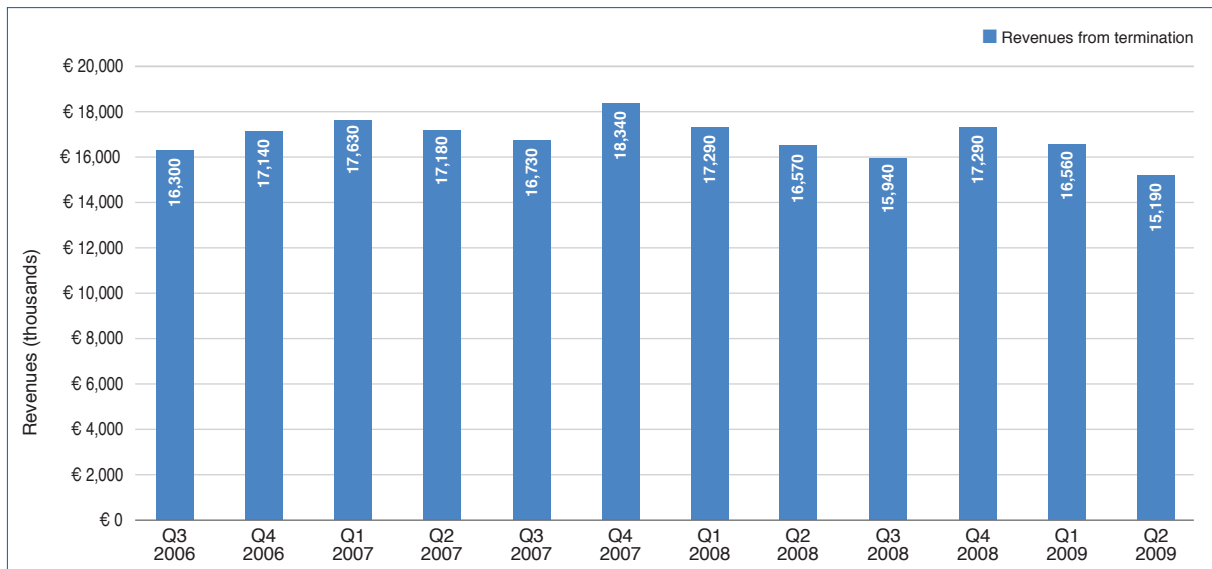


This chart shows the overall number of fixed-link lines, regardless of the underlying infrastructure (e.g., own or unbundled copper-wire pairs, coaxial cable, leased lines, fiber). These figures assign equal weight to POTS (plain old telephone service), ISDN and multi-ISDN lines.

- The number of lines in the fixed-link network remained relatively stable in both the residential and business segment in Q2 2009. For several quarters now, the decline in fixed-link lines appears to have slowed due to offers of various products bundled with fixed-link lines at a more favorable price (e.g. Telekom Austria's *Kombi* package).
- Specifically, the number of residential lines dropped by approximately 1% between Q1 and Q2 2009, while the figure remained at the same level among business customers.

Revenues from termination

➔ SEASONAL FLUCTUATIONS CONTINUE

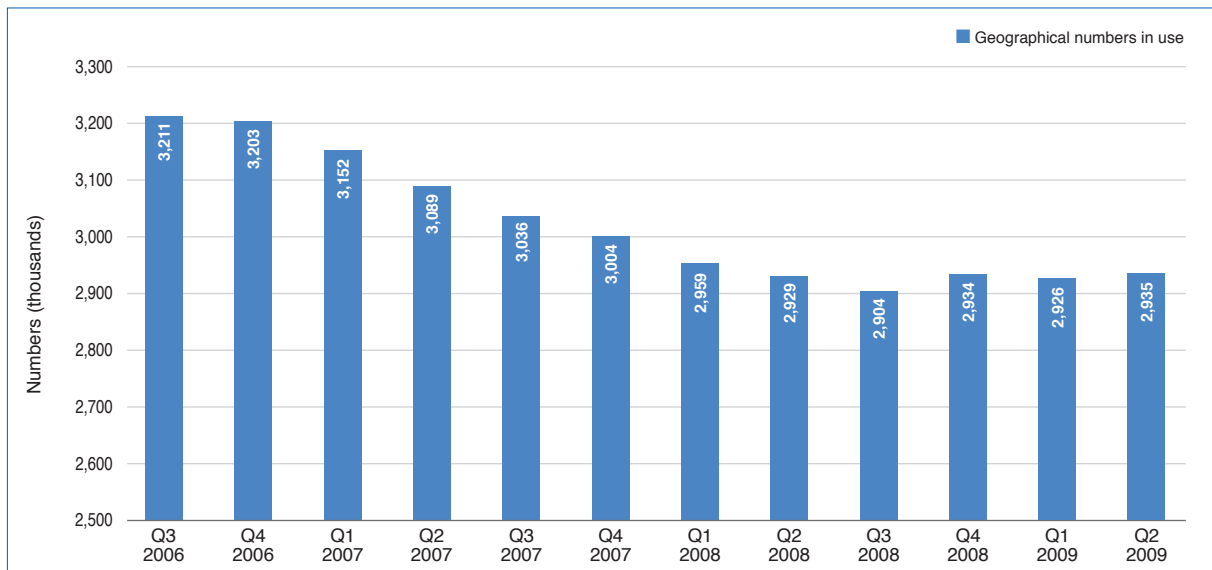


Revenues are generated in this area when a network operator routes a call from an external network to a subscriber connected to its own network. The service of termination is not provided for (or charged to) retail customers, but for other network operators at the wholesale level.

- Fixed-link termination revenues are subject to fairly large seasonal fluctuations. This trend continued in Q2 2009.
- At the same time, fixed-link termination revenues reached a historical low of approximately EUR 15.2 million.

Geographical numbers in use

➔ STABLE DEVELOPMENT



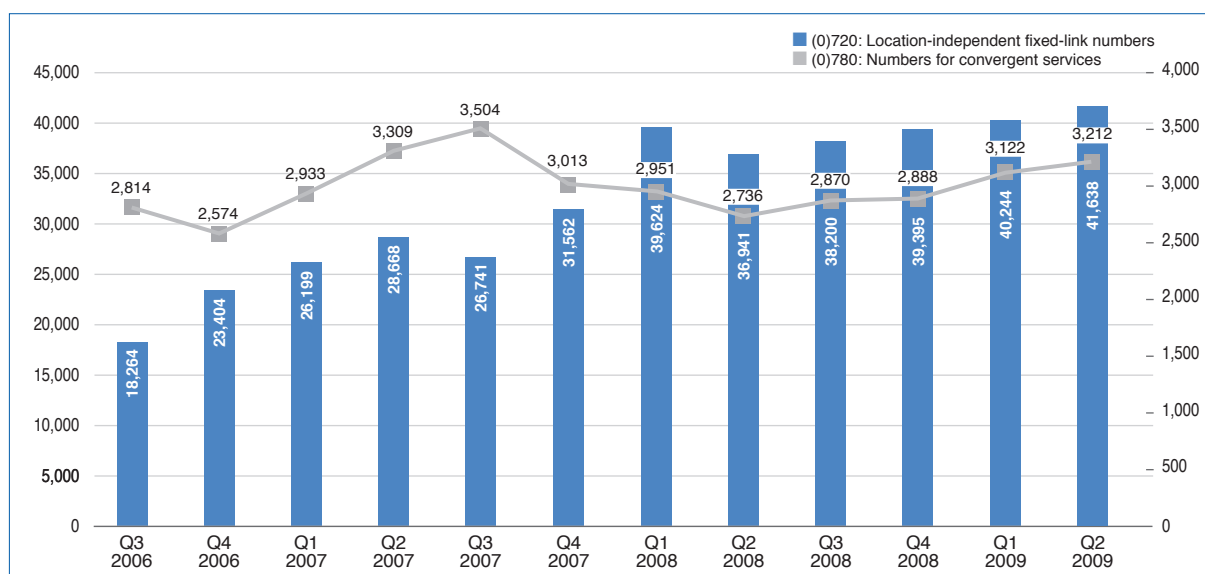
Geographical numbers refer to domestic telephone numbers which serve the purpose of addressing fixed physical network termination points (generally fixed-link lines) assigned to local networks, as well as providing public telephone services in fixed-link networks.

As more than one number may be assigned to a single line, the number of geographical numbers is not identical to the number of fixed-link subscriber lines.

- After decreasing steadily until Q3 2008, the number of geographical numbers in use has remained at approximately the same level in the last three quarters.
- In Q2 2009, some 2.9 million geographical numbers were in use in Austria.

Location-independent fixed-link telephone numbers and numbers for convergent services

➔ CONTINUED GROWTH IN (0)720 AND (0)780 RANGES



Location-independent fixed-link telephone numbers in the (0)720 range refer to domestic numbers which serve to address subscribers for services that enable them to retain their telephone number regardless of their location.

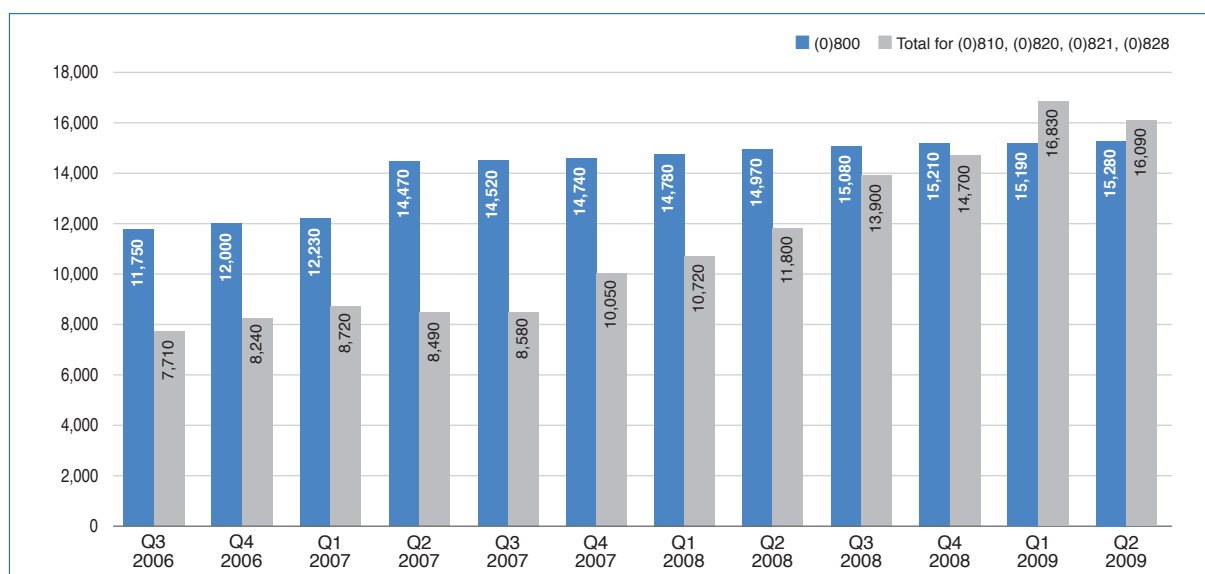
Services offered in addition to public telephone services are also permitted in this range.

Telephone numbers in the (0)780 range are intended for convergent services. An ENUM entry is compulsory for each number in this range. The ENUM system makes it possible to assign telephone numbers to unique Internet domain names.

- The use of location-independent fixed-link numbers and numbers for convergent services has shown rapid growth in the past, and this trend continued after a slight decline in the first half of 2008.
- In Q2 2009, numbers in use in the (0)720 and (0)780 ranges rose by approximately 3.5% and 2.9% (respectively) compared to the previous quarter.

Service numbers in use: (0)800, (0)810, (0)820, (0)821 and (0)828

➔ DECLINE IN (0)810, (0)820, (0)821 AND (0)828 RANGES



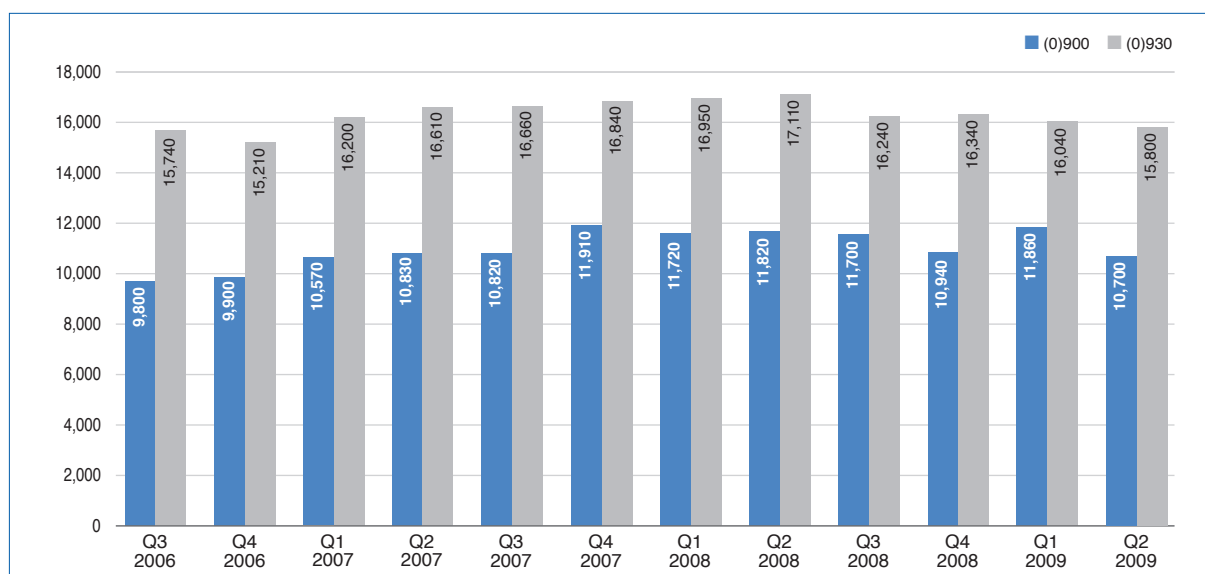
The chart above depicts the following number ranges:

- (0)800 range: toll-free services
- (0)810 range: max. EUR 0.10 per minute or text message
- (0)820 range: max. EUR 0.20 per minute or text message
- (0)821 range: max. EUR 0.20 per call or text message
- (0)828 range: text messages only; standard charges apply.

- In Q2 2009, the number of (0)800 numbers in use was just under 15,300, thus remaining roughly the same as in the previous quarters. Compared to Q1 2009, growth came to approximately 1%.
- In the (0)810, (0)820, (0)821 and (0)828 ranges, numbers in use declined for the first time (-4.4% from Q1 to Q2 2009) since 2007 after a marked increase between Q4 2008 and Q1 2009.

Service numbers in use: (0)900 and (0)930 number ranges

➔ MARKED DECREASE IN (0)900 RANGE



Service numbers in the (0)900 and (0)930 ranges refer to telephone numbers for value-added services without price regulations.

The chart above depicts the following number ranges:

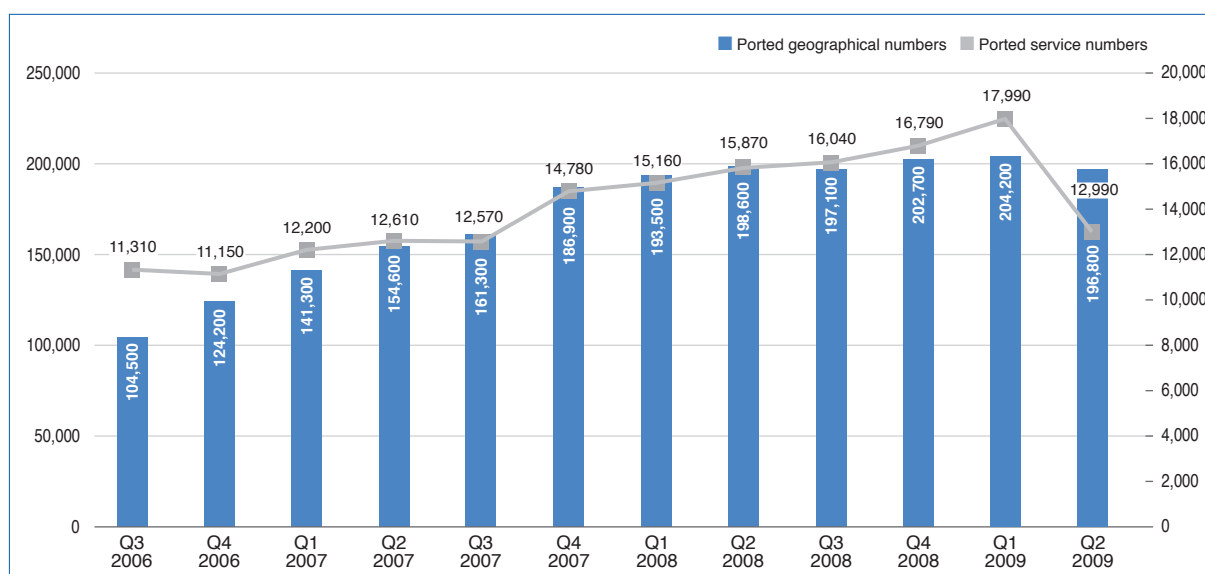
(0)900 range: max. EUR 3.64 per minute or max. EUR 10.00 per text message

(0)930 range: max. EUR 3.64 per minute or max. EUR 10.00 per text message (erotic hotlines)

- The number of service numbers in use for value-added services not subject to price regulations declined in Q2 2009. Specifically, this figure fell by approximately 10% in the (0)900 range and by about 1% in the (0)930 range, in both cases compared to the previous quarter.

Ported geographical numbers and service numbers

➔ SHARP DECREASE IN PORTED SERVICE NUMBERS



Number porting allows retail customers to retain their telephone numbers when they switch communications service providers.

This means that customers can keep their original geographical telephone numbers (within the same local area code) when they switch to a new service provider.

The chart above shows the total number of geographical numbers and service numbers ported (which is not equal to the total number of porting procedures).

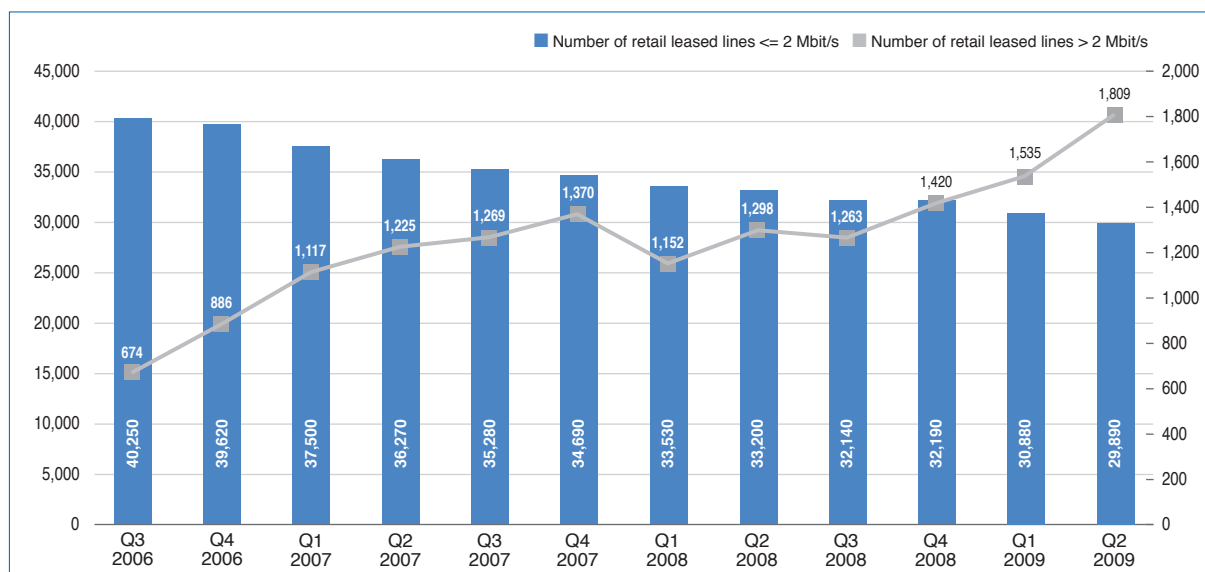
- The total number of geographical numbers ported declined slightly in Q2 2009, dropping to 196,800.
- The number of service numbers ported, on the other hand, showed a more pronounced decrease compared to the previous quarter (-27.8%). The reason for this sharp decline was the withdrawal of one service provider from this business area.

Section 2 | Leased lines



Number of retail leased lines in Austria

➔ BANDWIDTHS OVER 2 MBIT/S CONTINUE UPWARD TREND



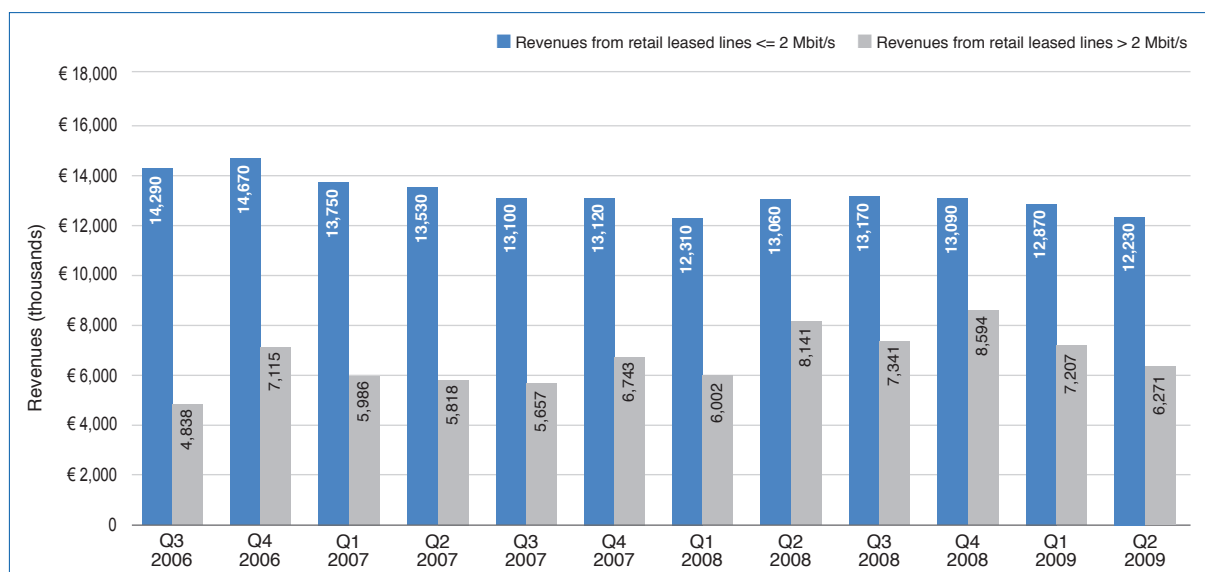
Retail leased lines are those which are not provided for communications network operators or communications service providers (i.e., holders of general licensing approvals).

With regard to data transmission rates, a distinction is drawn between leased lines with a capacity of 2 Mbit/s or less and those with a capacity exceeding 2 Mbit/s.

- Since Q3 2008, a substantial increase in the number of leased lines with bandwidths exceeding 2 Mbit/s has been observed. This trend is also visible in the figure for Q2 2009. In the last year, the number of lines of this type has increased by nearly 40% to a total of 1,800.
- On the other hand, the slight downward trend in the number of retail leased lines with a capacity of less than 2 Mbit/s also persisted in Q2 2009. For the first time, this figure dropped below 30,000.

Revenues from retail leased lines in Austria

➔ DECLINE IN REVENUES PERSISTS



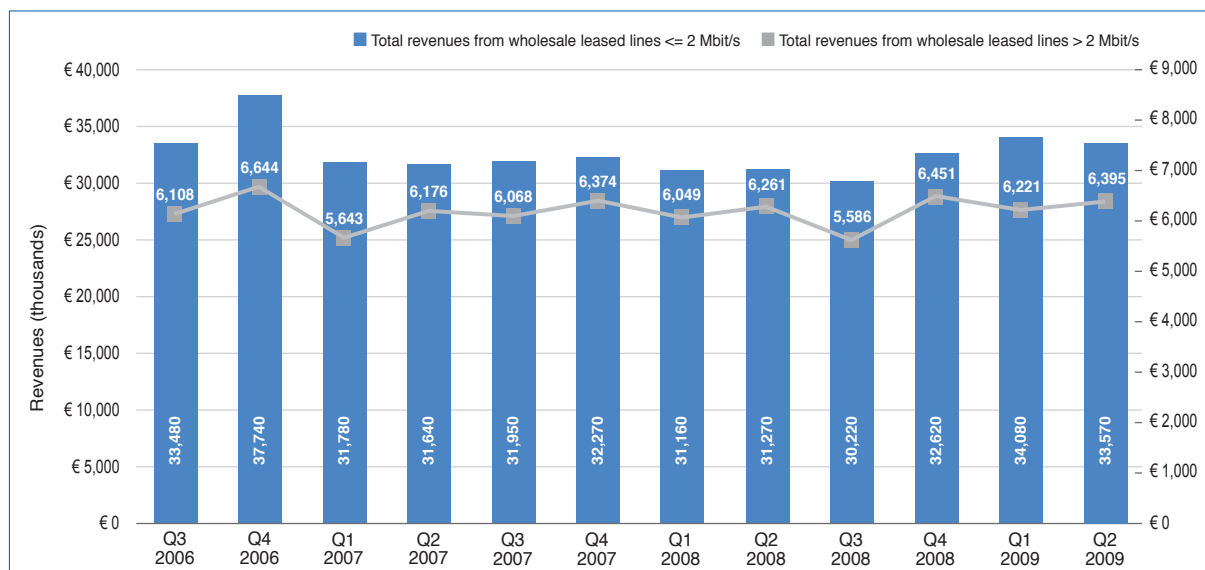
The chart above shows the revenues generated by retail leased lines in Austria.

As in the figure on page 15 ("Number of retail leased lines in Austria"), a distinction between data transmission rates of 2 Mbit/s or less and rates exceeding 2 Mbit/s is also drawn in this context.

- In line with the number of retail leased lines with a capacity of 2 Mbit/s or less, the corresponding revenues have declined steadily since Q3 2008. Revenues from this type of retail leased lines came to approximately EUR 12.2 million.
- As for retail leased lines with a capacity exceeding 2 Mbit/s, revenues also continued to decline after an extraordinarily sharp increase in Q4 2008, coming to EUR 6.3 million in Q2 2009. Coupled with the increasing number of lines, this development indicates price reductions in retail leased lines with a capacity exceeding 2 Mbit/s.
- The fluctuations in revenues from retail leased lines with a capacity exceeding 2 Mbit/s can mainly be attributed to the sale of leased lines in project-based business (e.g., due to annual settlement or one-off payments at the start of a contract).

Revenues from wholesale leased lines in Austria

➔ FLUCTUATIONS IN BOTH BANDWIDTH CATEGORIES



Wholesale leased lines are those which are provided only for communications network operators or communications service providers (i.e., holders of general licensing approvals). The chart above shows the total revenues from wholesale leased lines broken down into lines with a capacity of 2 Mbit/s or less and lines with a capacity exceeding 2 Mbit/s.

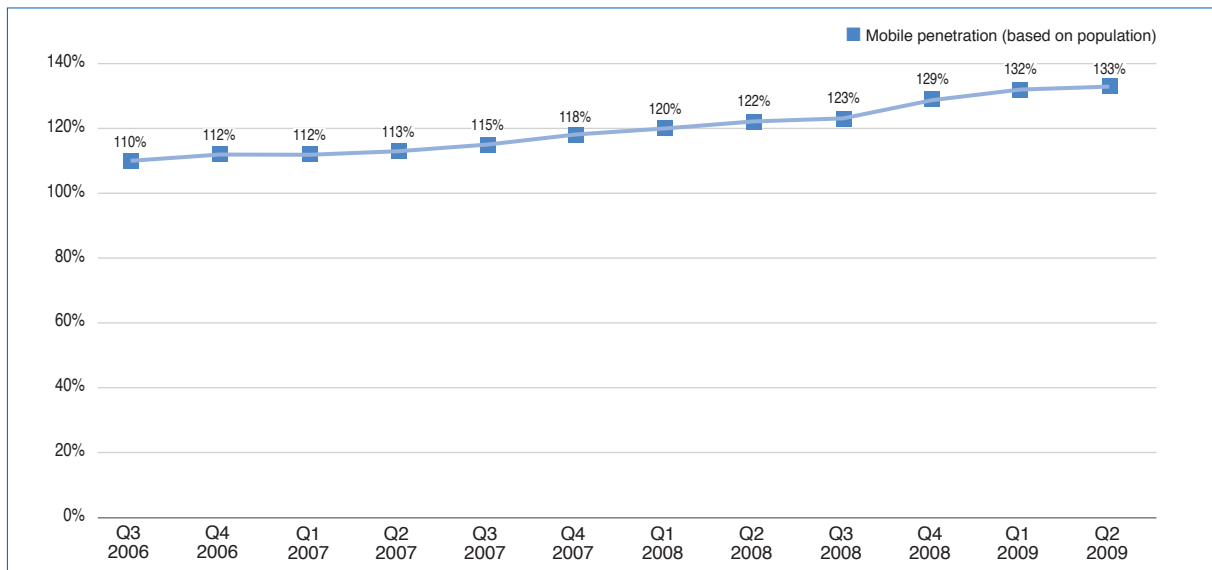
- The time series for wholesale leased lines over the last two years do not point to a clear trend in either bandwidth category.
- In Q2 2009, revenues from wholesale leased lines with a capacity of 2 Mbit/s or less came to approximately EUR 33.6 million, while revenues from lines with a capacity exceeding 2 Mbit/s totaled EUR 6.4 million.

Section 3 | Mobile communications



Mobile penetration

➔ PENETRATION RATE CLIMBS TO 133%

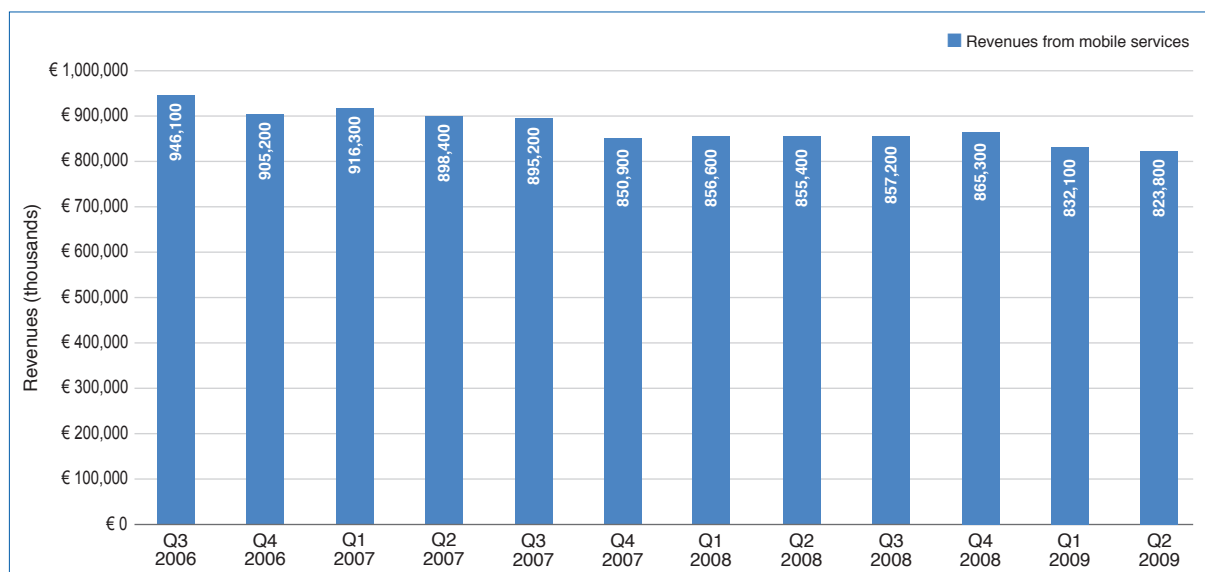


The mobile penetration rate is calculated as the number of activated SIM cards divided by the country's population.

- In October 2008, the average mobile penetration rate for the EU-27 stood at 119% (source: 14th Implementation Report of the European Commission); Austria had already reached that level in Q1 2008.
- In Q2 2009, the level of mobile penetration in Austria came to 133%. A marked increase can be observed over the entire observation period, with the most significant growth recorded between Q3 and Q4 2008.
- In the last year, the mobile penetration rate has climbed by 11 percentage points. Despite this high level of penetration, no signs of "saturation" have been observed to date.

Revenues from mobile services

➔ MOBILE REVENUES DECLINE SLIGHTLY AGAIN



The total revenues from mobile communications shown in the chart above include revenues at both the wholesale and retail levels.

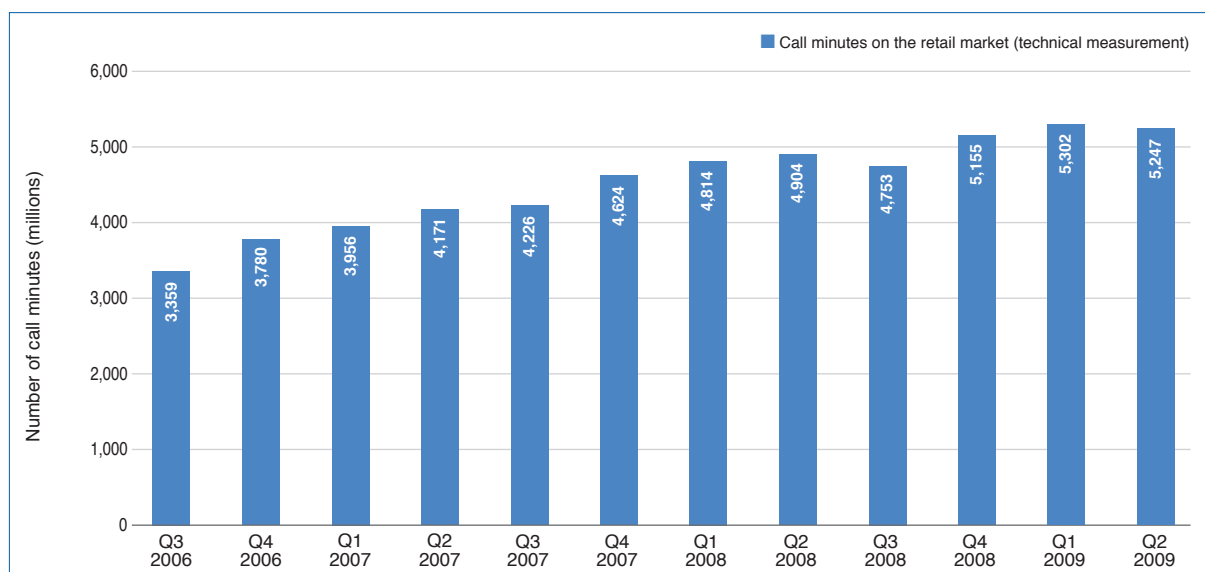
Wholesale revenues: Revenues from termination, origination, international roaming, national roaming and the sale of airtime to resellers.

Retail revenues: Revenues from connection charges for voice calls, periodic base fees, activation fees, text messaging fees, fees for data services and value-added data services, compensation for special coverage obligations and fees pursuant to the Telecommunications Fee Subsidies Act, and miscellaneous fees.

- In Q2 2009, revenues from mobile communications came to approximately EUR 824 million, down 1% from the previous quarter.
- This decline can be attributed to reductions in termination fees and to decreasing revenues from international roaming, among other things.

Call minutes on the retail market

➔ SLIGHT DECREASE IN CALL MINUTES



The chart above provides an overview of technically measured call minutes in mobile networks. These minutes refer to the actual duration of mobile calls made by retail customers.

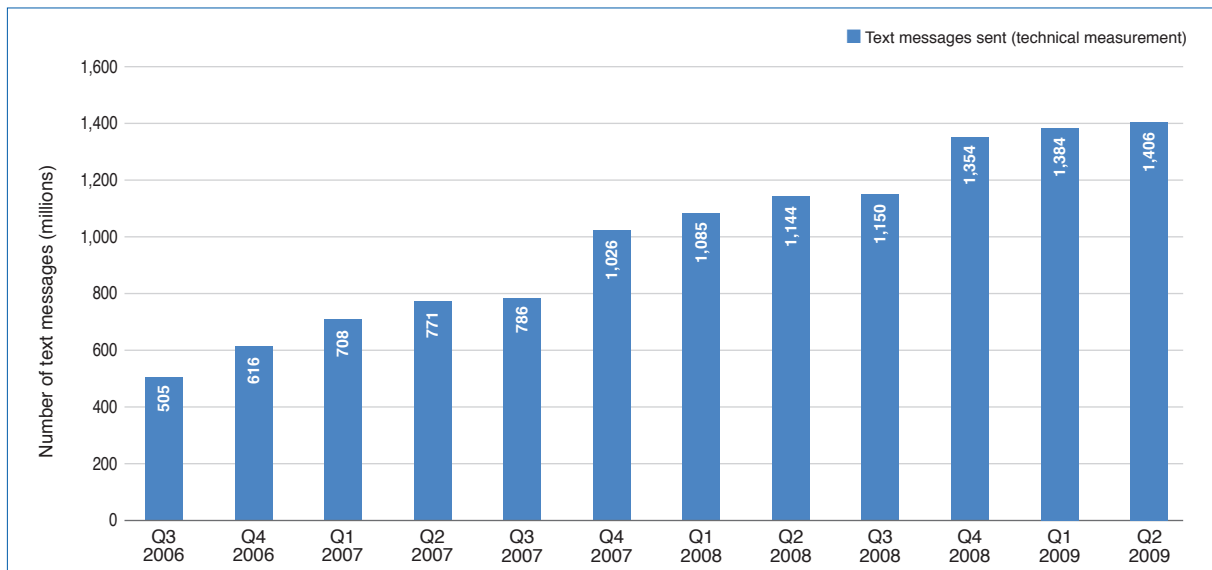
In contrast, billed call minutes refer to the number of minutes actually charged to retail customers.

The main factors accounting for the difference between these two figures are the number of free minutes included in the periodic base fee and the pulse rate used for calls. This difference can be especially large in cases where flat rate packages are offered. The chart above includes voice services only (i.e., without data services, video telephony, etc.).

- Over the entire observation period, we can identify cyclical fluctuations with a substantial increase in the fourth quarter of each year. These fluctuations clearly point to increased demand for communications services at the end of the year.
- Like the corresponding revenues, these seasonal fluctuations also continued in Q2 2009, leading to a slight decrease (-1%) compared to the previous quarter.
- However, we can also observe a general upward trend in call minutes, and this development can probably be attributed to the free minutes included in many rate packages.

Text messaging (SMS)

➔ TEXT MESSAGING REMAINS AT HIGH LEVEL



The values in the chart above include all text messages sent in each quarter, including value-added text messaging services (technical measurement).

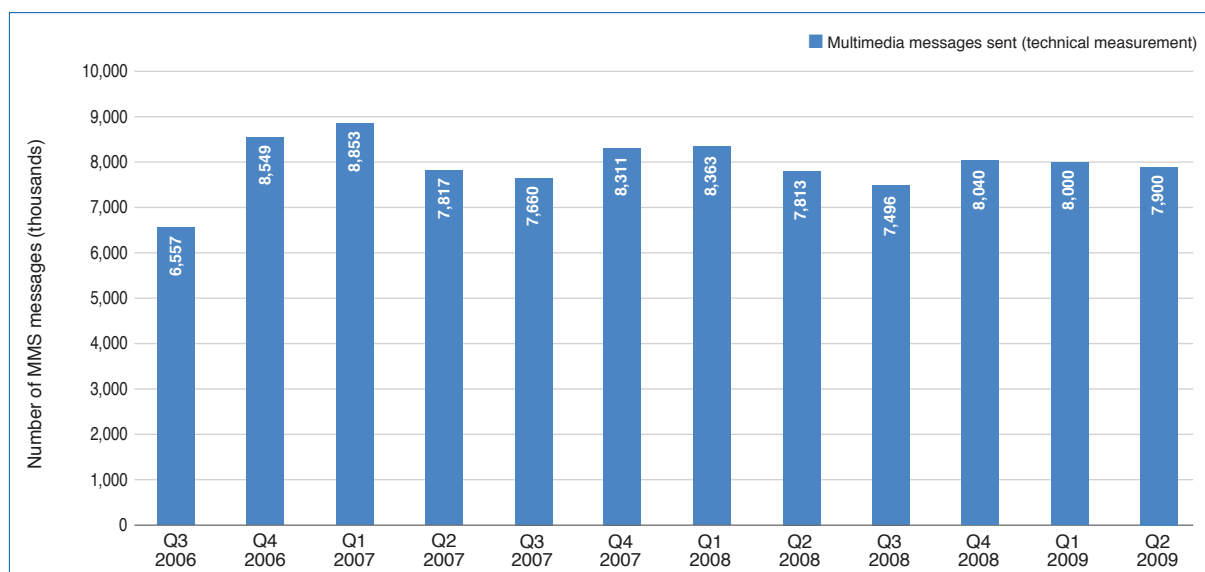
As in the case of call minutes, the term "technical measurement" means that the chart also includes text messages which are not charged individually to the retail customer (e.g., text messages included in flat rates).

MMS messages are not included in these figures.

- As in the case of mobile call minutes, the number of text messages sent is also subject to certain seasonal fluctuations, with a sharp increase between Q3 and Q4 each year.
- In Q2 2009, the number of text messages sent came to 1.406 billion, which represents a 23% increase year on year.

Multimedia messaging (MMS)

➔ NUMBER OF MULTIMEDIA MESSAGES DECLINES SLIGHTLY



The values in the chart above include all multimedia messages sent in each quarter, including value-added multimedia messaging services (technical measurement).

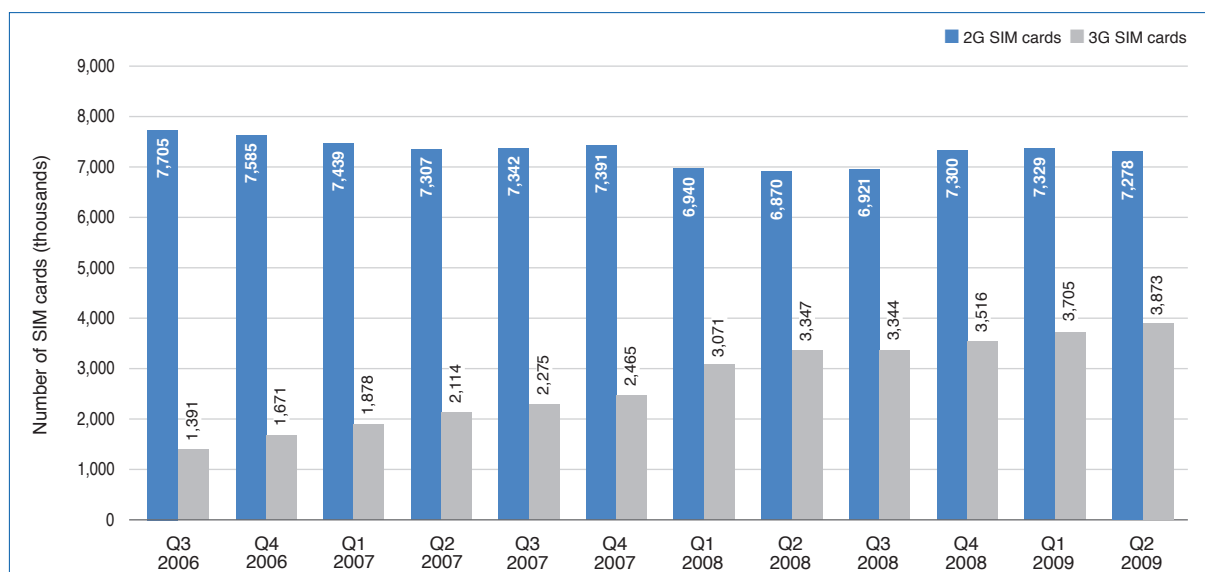
As in the case of call minutes, the term "technical measurement" means that the chart also includes multimedia messages which are not charged individually to the retail customer (e.g., messages included in the periodic base fee).

SMS messages are not included in these figures.

- In Q2 2009, a total of 7.9 million multimedia messages were sent; this figure rose approximately 1% year on year.
- Since Q4 2008, the number of multimedia messages sent has remained at roughly the same level.

SIM cards in use

➔ STEADY INCREASE IN NUMBER OF 3G-COMPATIBLE SIM CARDS



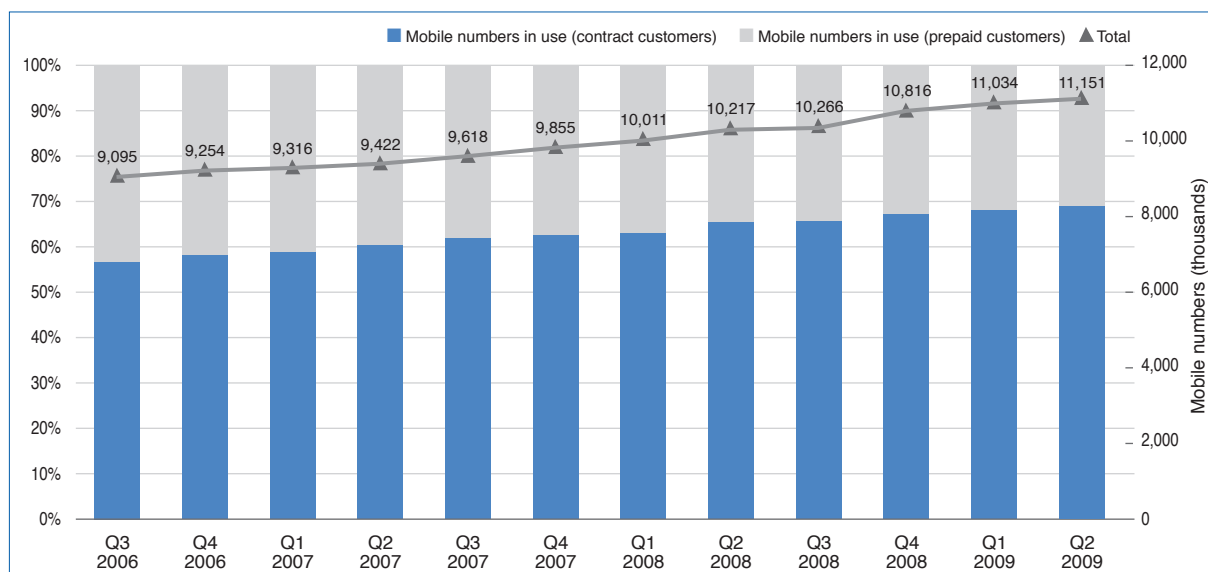
The chart above shows the number of SIM cards activated and in use, broken down into 2G (GSM) and 3G (UMTS) cards.

The number of SIM cards in use is not necessarily the same as the number of subscriber numbers in use, as multiple numbers may be assigned to one SIM card; conversely, multiple SIM cards may also be assigned the same number.

- The ratio between the number of 2G-compatible and 3G-compatible SIM cards continues to shift toward 3G cards. By Q2 2009, the share of 3G-compatible cards in the overall number of SIM cards had already risen to approximately 35%.
- The number of 2G-compatible SIM cards remained at nearly the same level compared to the previous quarter, dropping only -0.7%.
- The total number of SIM cards in use also remained roughly the same in Q2 2009, with an increase of approximately 1% compared to the previous quarter.

Mobile numbers in use

➔ PREPAID NUMBERS SHOW FURTHER DECLINES



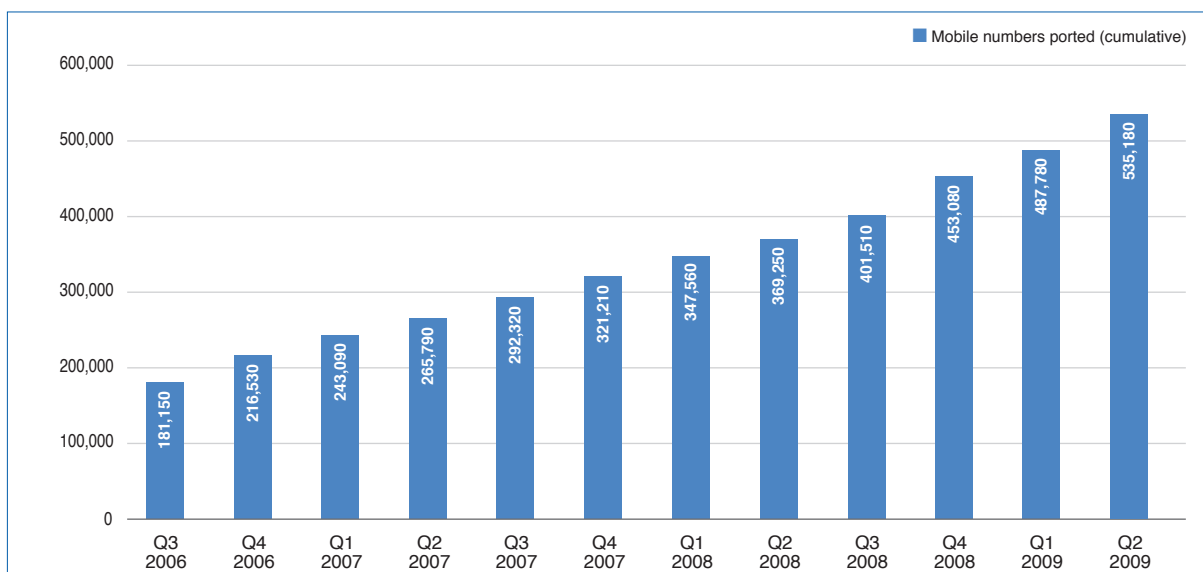
The chart above shows the percentages of subscriber numbers in use which can be attributed to contract customers and to prepaid customers, as well as the total number of mobile numbers in use.

Additional values can be found in the Appendix (see page 43).

- The number of contract customers is substantially higher than the number of prepaid customers in Austria, and the ratio between these figures is increasingly shifting in favor of contract customers. This can be attributed to the fact that providers are offering more and more contracts with prepaid characteristics (i.e., without base fees or minimum volumes).
- By Q2 2009, the share of contract customers in the overall number of subscriber numbers in use had nearly reached 69%.
- Overall, the number of subscriber numbers in use continued to climb, reaching approximately 11.2 million in Q2 2009.

Ported mobile numbers (cumulative)

➔ **STEADY INCREASE**

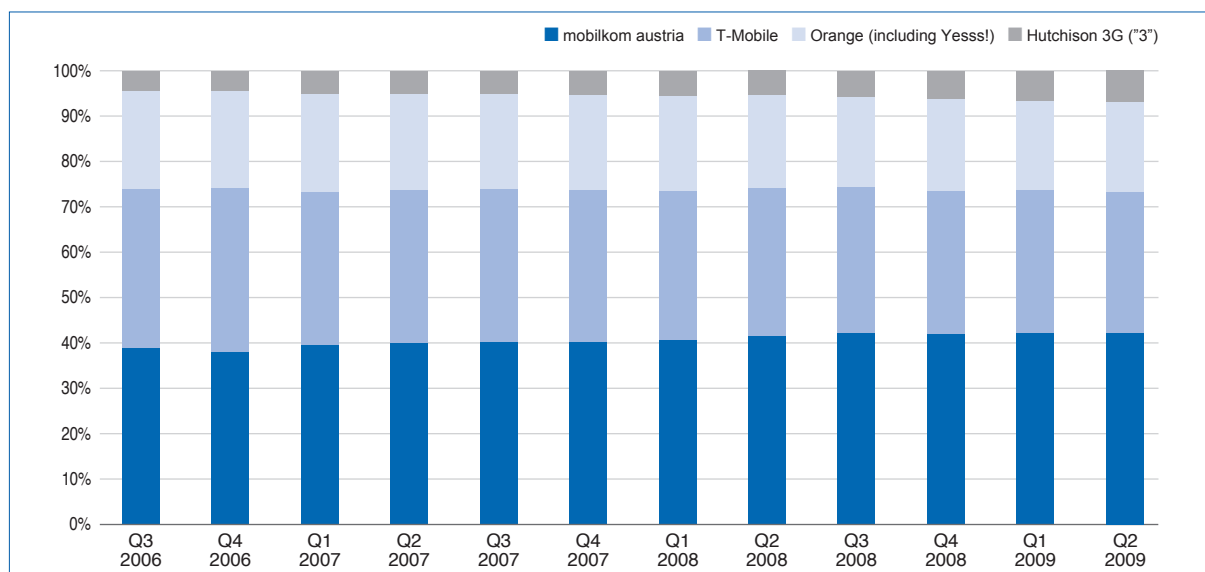


The chart above shows the total number of mobile numbers which have been ported (number of imports) since mobile number portability (MNP) was introduced in October 2004.

- The total number of ported mobile numbers has continued to increase steadily, exceeding 500,000 numbers for the first time in Q2 2009.
- The share of ported mobile numbers in the overall number of mobile numbers was just under 5% in Q2 2009. Throughout the EU, this figure came to 10.3% of mobile numbers in October 2008 (source: 14th Implementation Report of the European Commission). This difference can be put down to the fact that mobile number porting was introduced relatively late in Austria compared to other EU countries.

Market shares of mobile operators in Austria

➔ RELATIVE SHARES REMAIN CONSTANT



The chart above shows the market shares (based on the number of subscribers) of operators which offer mobile communications services and operate a mobile network in Austria. Subscribers who use the services of resellers are included in the figures for the respective "home" network (e.g., Yesss! subscribers are included in the figures for Orange). The figures shown on this page were made available by individual companies specifically for this publication (Orange, Hutchison 3G ["3"]), or taken from annual reports (mobilkom austria, T-Mobile) or other publicly available sources.

The absolute number of subscribers in each case can be found in the Appendix (see page 43).

- The market shares of mobile operators remained nearly unchanged in Q2 2009. The market leader is mobilkom austria with 42.2% (-0.1 percentage points compared to the previous quarter), followed by T-Mobile with 31% (-0.4 percentage points) and Orange with 19.7% (+/- 0 percentage points). The smallest mobile operator in terms of market share is Hutchison 3G ("3"), which has a market share of only 7.0% (+0.4 percentage points).

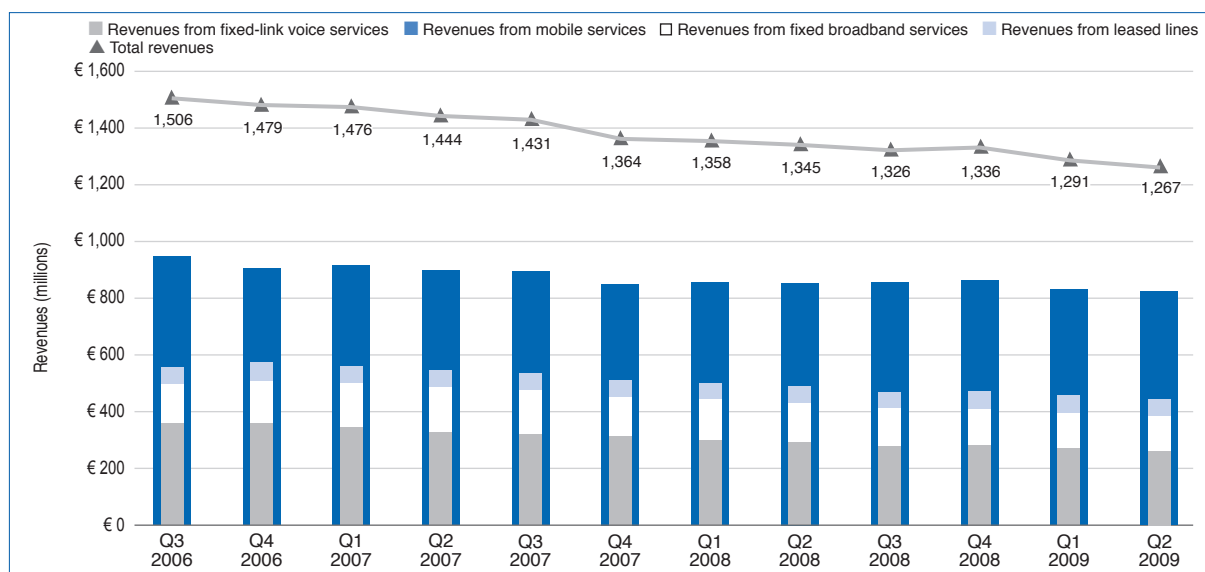
Section 4

Comparisons of fixed-link and mobile networks



Revenues from fixed-link, mobile, broadband and leased line services

➔ DECLINE IN ALL AREAS



Fixed-link voice telephony: Revenues from residential and business customers as well as public pay telephones, retail revenues from periodic base fees, setup charges and connection charges, wholesale revenues from origination, termination and transit, revenues from additional services, other fees and remuneration pursuant to the Telecommunications Fee Subsidies Act or for special coverage obligations.

Mobile communications: Retail revenues from periodic base fees, activation fees, connection charges (voice and broadband) and data services, remuneration for special coverage obligations and remuneration pursuant to the Telecommunications Fee Subsidies Act; wholesale revenues from termination, origination, international roaming, national roaming, and the sale of airtime to resellers.

Fixed-link broadband: Retail revenues from periodic base fees, setup charges and volume-based charges; wholesale revenues from setup charges, ongoing charges and volume-based charges.

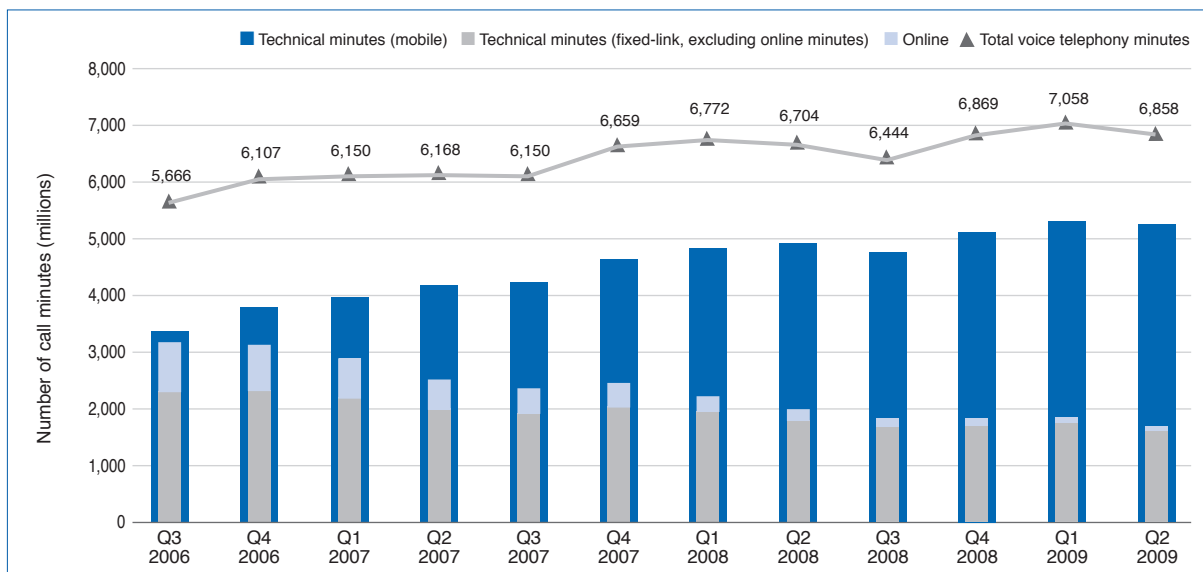
Leased lines: Retail revenues from periodic base fees and setup charges for domestic retail leased lines; wholesale revenues from periodic base fees and setup charges for terminating and trunk segments.

The data values for this chart can be found in the Appendix (see page 43).

- Revenues from fixed-link voice telephony have decreased steadily, dropping approximately 11% in the last year.
- Revenues from mobile communications, which totaled EUR 824 million in Q2 2009, are also on the decline (-3.6% in the last year).
- The reasons for this decline include rate reductions in the mobile sector, the reduction of termination fees and a decline in revenues from international roaming. Fixed-link networks saw a substantial drop in revenues, especially from carrier services.
- Revenues from fixed-link broadband services and leased lines have remained relatively constant for several quarters now.
- Overall, decreasing revenues could be observed in all segments in Q2 2009.

Technical minutes in fixed-link and mobile networks

➔ CONTINUED SHIFT TOWARD MOBILE COMMUNICATIONS



The call minutes in the chart above include the following:

Mobile communications: Call minutes to the domestic fixed-link network, domestic mobile networks, international numbers, service numbers and directory assistance services;

Fixed-link network: Call minutes to the domestic fixed-link network, domestic mobile networks, international destinations, service numbers and directory assistance services as well as online services.

The data values for this chart can be found in the Appendix (see page 43).

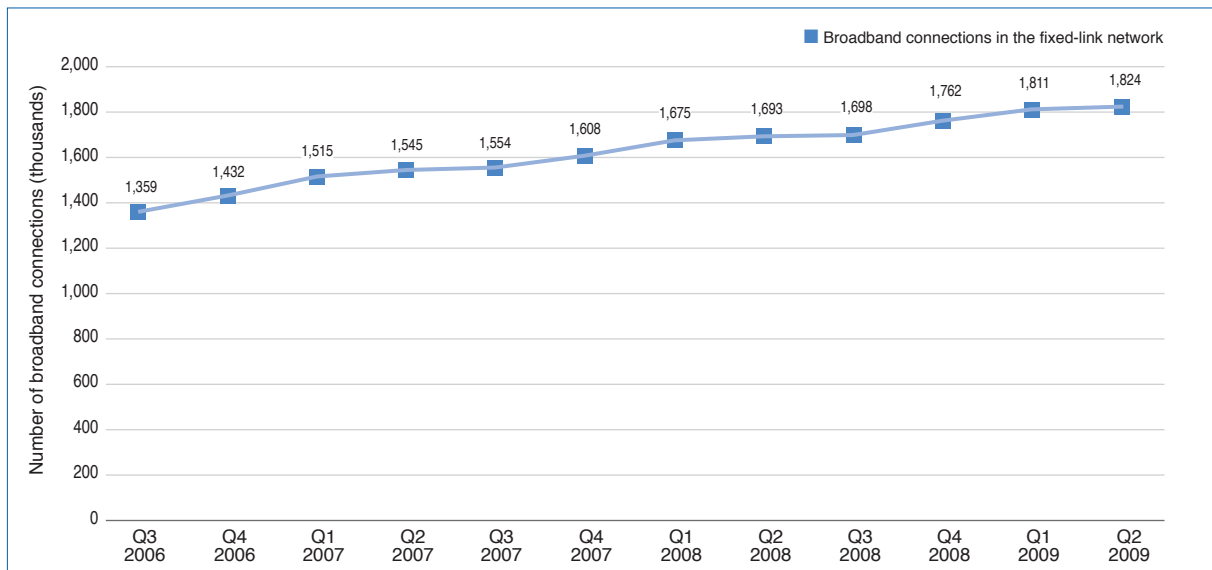
- In line with the revenues from fixed-link and mobile communications, the corresponding numbers of call minutes also declined in Q2 2009.
- The share of fixed-link minutes has continued to decline; excluding online services, this figure only came to some 23% of overall call minutes.
- Call minutes to online services now play only a negligent role (1% of total minutes in Q2 2009). This can be attributed to rapid growth in the number of broadband connections in Austria.
- In mobile communications, the number of call minutes came to some 5.25 billion in Q2 2009, down 1% from the previous quarter.
- The total number of call minutes is subject to seasonal fluctuations. In Q2 2009, a total of 6.86 billion call minutes were registered in Austria's fixed-link and mobile networks.

Section 5 | Broadband



Fixed broadband connections

➔ FURTHER GROWTH



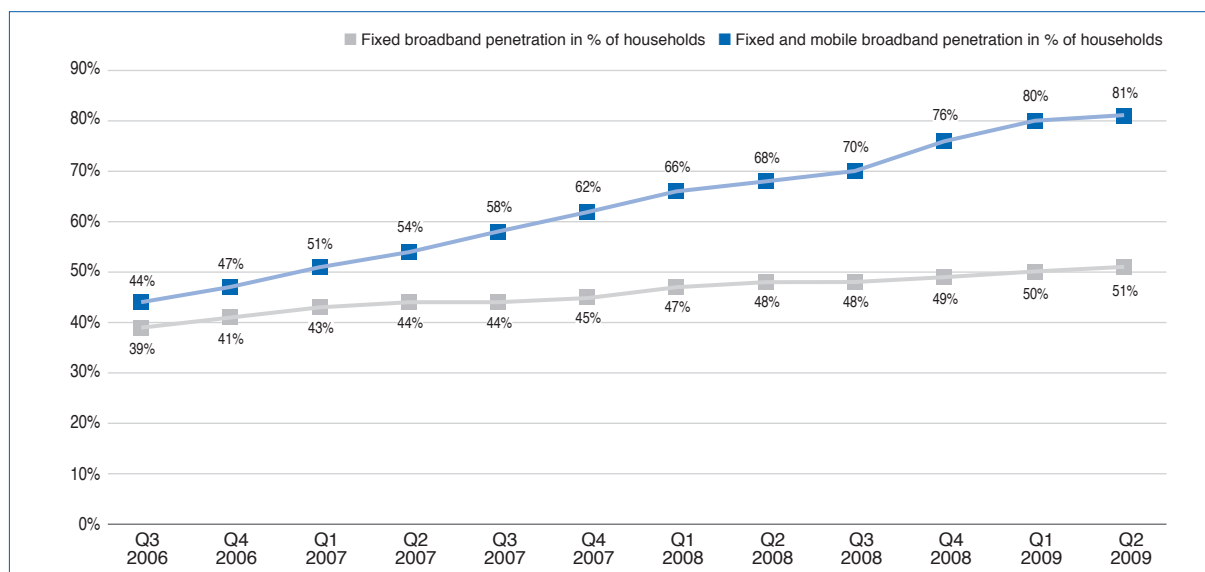
The chart above shows the total number of fixed broadband connections in Austria (regardless of the technology used for the connections). In this context, fixed broadband connections include those with a download rate of at least 144 kbit/s realized using copper-wire pairs in the Telekom Austria network, unbundled lines, coaxial cable, FWA (fixed wireless access, e.g., W-LAN, WiFi and WLL for "fixed" access, not at hot spots) and other infrastructure.

Broadband Internet connections based on mobile technology (UMTS) are not included in the values shown here.

- In recent years, the broadband market has seen substantial growth. In Q4 2008, there were already some 114 million fixed broadband connections throughout the EU (source: 14th Implementation Report of the European Commission). International comparisons usually only include fixed broadband connections.
- In Austria, the total number of fixed broadband connections came to 1.824 million in Q2 2009, thus continuing the trend of steady growth in this segment. In the last year, the number of connections has climbed by 8%.
- The significant jumps in the number of connections around the beginning of each year can largely be attributed to major holiday promotions launched by the operators.

Broadband penetration (% of households)

➔ FIXED BROADBAND PENETRATION EXCEEDS 50%

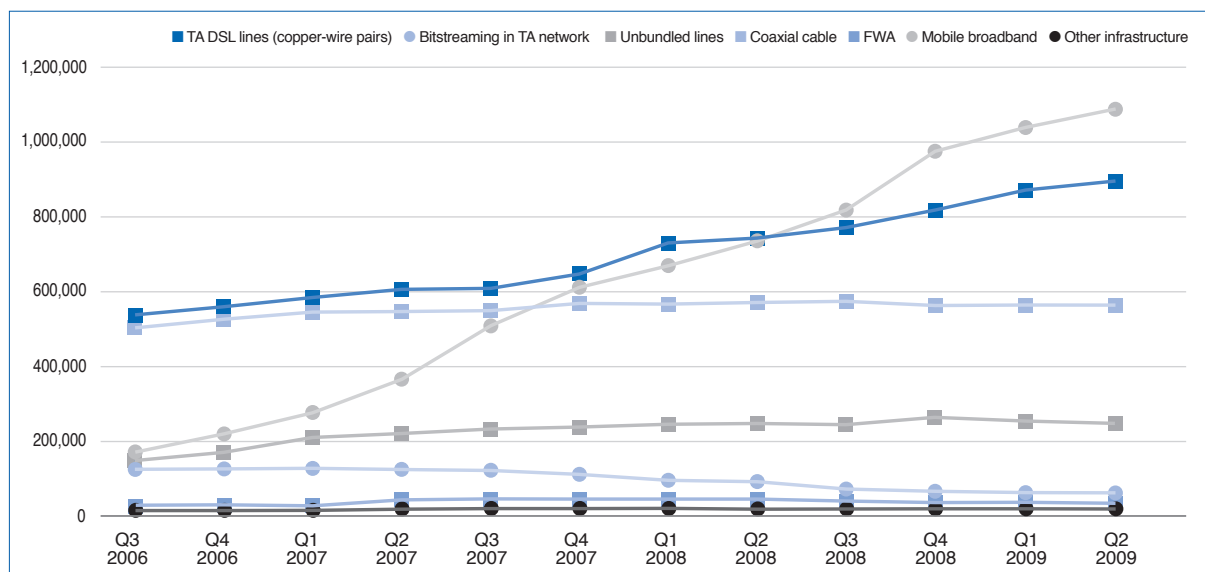


Broadband penetration refers to the ratio of the number of fixed and/or mobile broadband connections to the total number of households (expressed as a percentage). The broadband penetration rate calculated here also includes broadband connections used in businesses.

- In Q2 2009, fixed broadband penetration in Austria (in percent of households) exceeded the 50% mark for the first time.
- Including mobile broadband connections, the penetration rate has reached 81%, which represents an increase of 11 percentage points in the last year.
- By international comparison, Austria is in first place in the EU in terms of mobile broadband penetration based on total population (Austria: 11.4%, EU average: 2.8% in January 2009; source: 14th Implementation Report of the European Commission).

Retail broadband connections 1/2

➔ LARGEST INCREASE IN MOBILE BROADBAND



The number of retail broadband connections includes all connections which offer a download bandwidth of more than 144 kbit/s. The number of mobile broadband connections refers to the number of mobile communications contracts which include a data transfer volume of at least 250 MB per month.

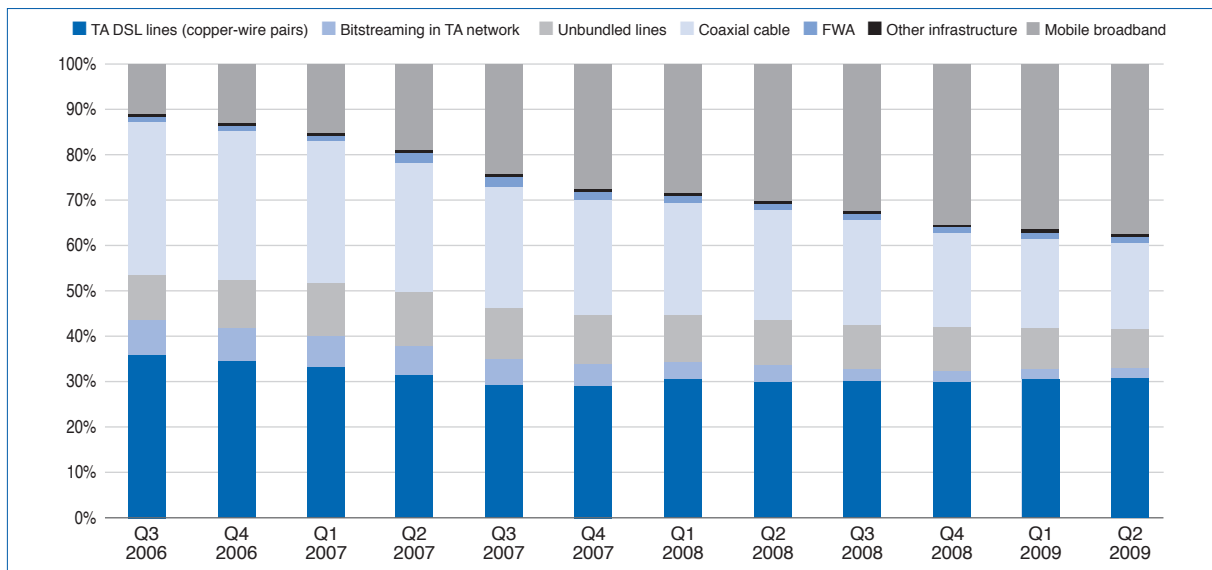
The chart above provides a breakdown according to the infrastructure used: copper-wire pairs in the Telekom Austria network (subdivided into Telekom Austria's retail broadband connections and broadband connections implemented through bitstreaming), unbundled lines, coaxial cable, FWA (fixed wireless access, e.g., W-LAN, WiFi and WLL for "fixed" access, not at hot spots), mobile broadband connections and other infrastructure, that is, leased lines, FTTH (fiber to the home), PLC (broadband via power lines) and satellite broadband connections.

The data values for this chart can be found in the Appendix (see page 44).

- DSL connections and mobile broadband connections continued to grow in Q2 2009. In total, approximately two million broadband connections have been realized using these two types of infrastructure.
- The slight decrease in the number of unbundled lines which was first observed in Q1 2009 also continued in the second quarter (-2.6% compared to the previous quarter).
- Since the end of 2008, the number of retail broadband connections realized via coaxial cable has remained approximately the same (approximately 550,000 in Q2 2009).

Retail broadband connections 2/2

➔ SHARE OF FIXED BROADBAND CONNECTIONS STILL ON THE DECLINE

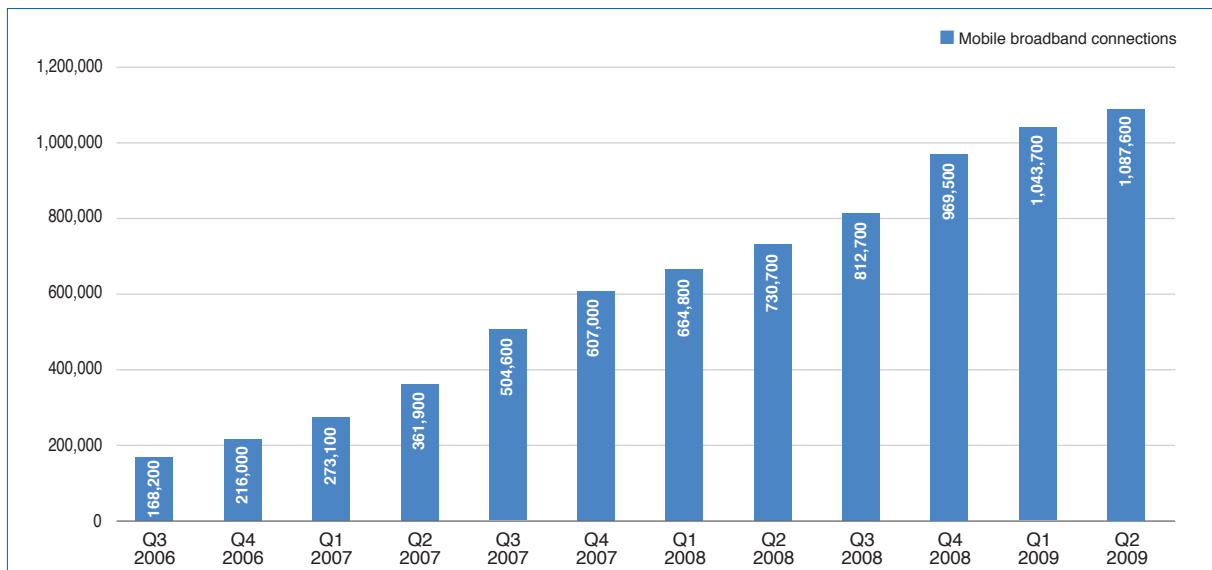


The chart above distinguishes between connections which use copper-wire pairs in the Telekom Austria (TA) network, unbundled lines, coaxial cable, FWA (fixed wireless access), mobile infrastructure and other infrastructure.

- The share of fixed retail broadband connections has continued to decline. At present, approximately 1.82 million broadband connections are realized using wired infrastructure.
- In Q2 2009, the total number of broadband connections in Austria came to 2.91 million.
- The share of mobile broadband connections in the overall number of broadband connections came to 37.4% in Q2 2009, which represents a year-on-year increase of 7.2 percentage points.

Mobile broadband connections

➔ SUBSTANTIAL GROWTH CONTINUES



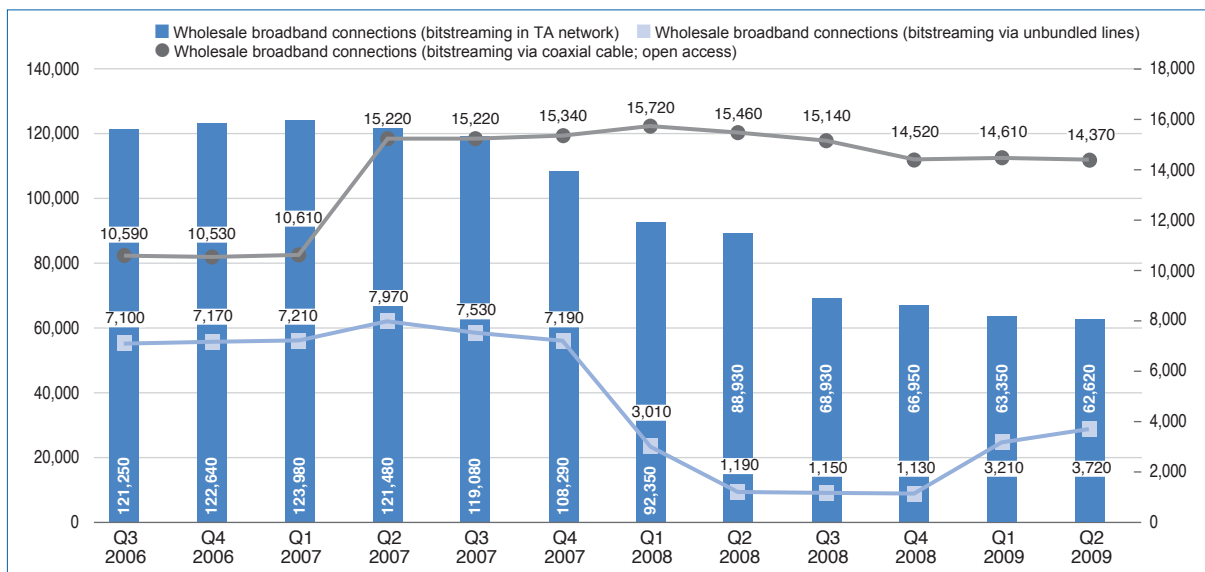
The chart above shows the number of mobile communications contracts which include a data transfer volume of 250 MB or more per month.

Prepaid products are not included in these figures.

- The number of mobile broadband connections has shown unabated growth, reaching approximately 1.09 million in Q2 2009.
- There are now 49% more mobile broadband connections in Austria than there were one year ago.
- The growth rate for mobile broadband has averaged approximately 15% per quarter in the last two years.

Wholesale broadband connections

➔ GROWTH IN BITSTREAMING VIA UNBUNDLED LINES



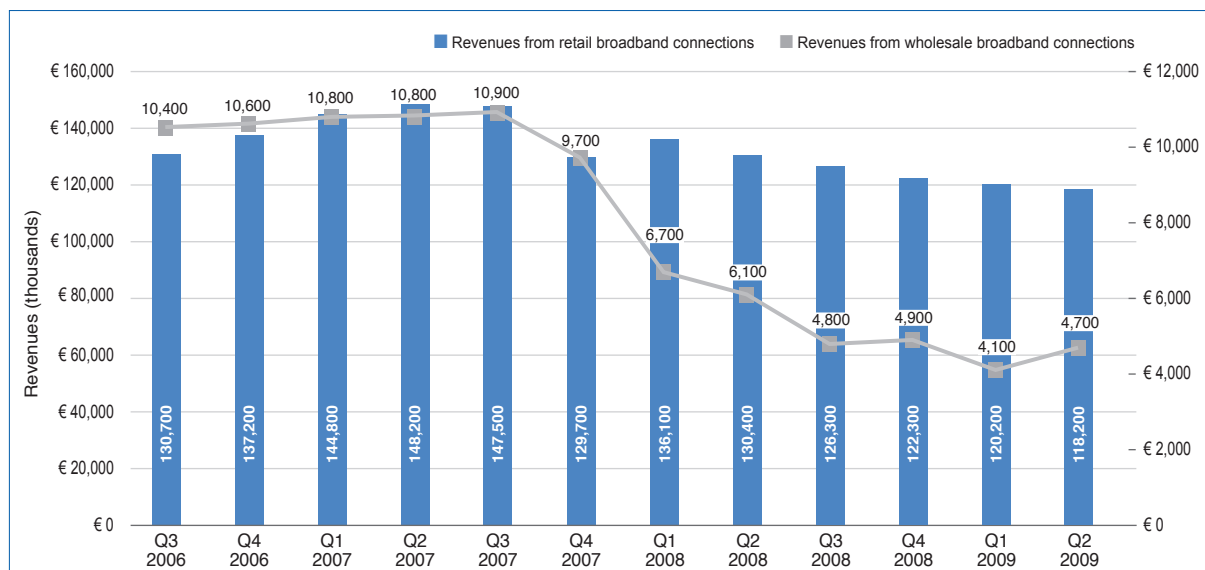
The chart above shows the number of wholesale broadband connections made available to other communications service providers in wholesale offers. In contrast to the market definition in the TKMV 2008, the figures shown do not include self-provided services.

The figures are broken down by infrastructure into bitstreaming in the Telekom Austria network, on unbundled lines and in coaxial networks (open access).

- Bitstreaming connections using unbundled lines saw a slight increase in Q2 2009, while the gradual decrease in the number of wholesale connections via coaxial cable persisted.
- Overall, the number of wholesale broadband connections remained at roughly the same level as in the previous quarter (approximately 81,000).

Revenues from fixed broadband connections

➔ RETAIL REVENUES CONTINUE TO SLIP



The chart above shows the revenues generated by fixed retail and wholesale broadband connections in Austria.

Retail revenues represent the total of ongoing monthly charges, volume-based charges for data transfer volumes and miscellaneous revenues in the retail segment.

Wholesale broadband revenues refer to the total of one-off setup charges, ongoing monthly charges for ATM connections, ongoing monthly charges based on retail customers, data volume charges and other revenues generated in connection with wholesale offers.

Broadband Internet connections based on mobile technology (UMTS) are not included in the chart.

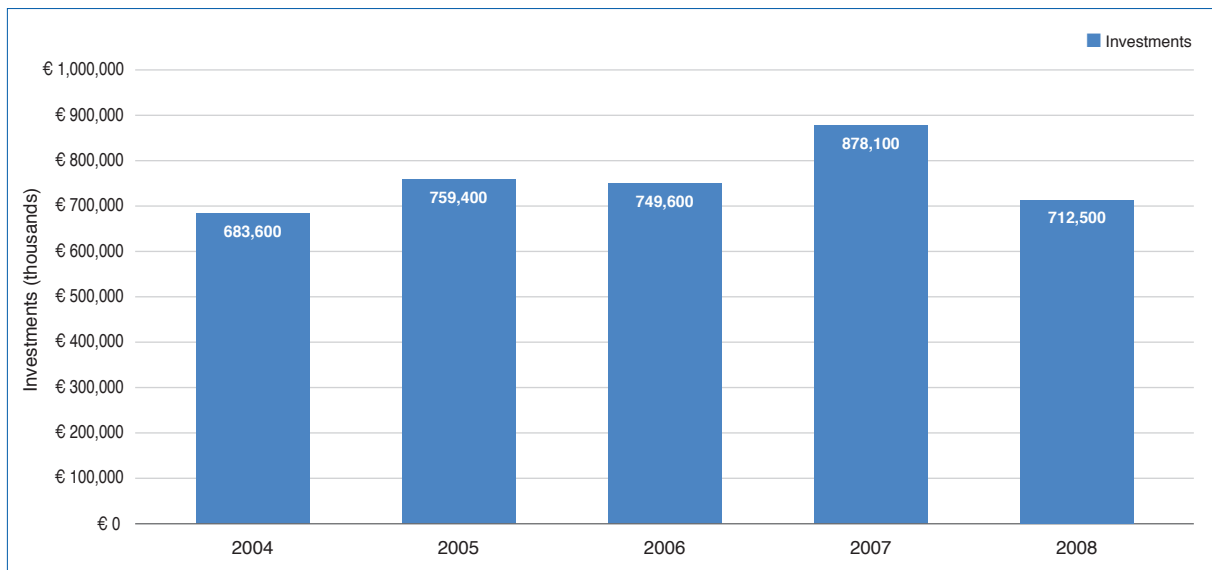
- Since Q1 2008, a continuous decline has been observed in the retail broadband segment. Specifically, revenues decreased 13.2% during this period.
- Revenues on the wholesale market came to approximately EUR 4.7 million (up 14.6% on the previous quarter).
- Once again, declining revenues have been observed in connection with an increasing number of connections, which points to substantial price reductions. These reductions can largely be explained by competitive pressure from mobile broadband services.
- The clear differences between the two categories shown above can be attributed in part to the large share of broadband connections in vertically integrated enterprises.

Section 6 | Business indicators



Investments

➔ EUR 712.5 MILLION IN INVESTMENTS IN 2008



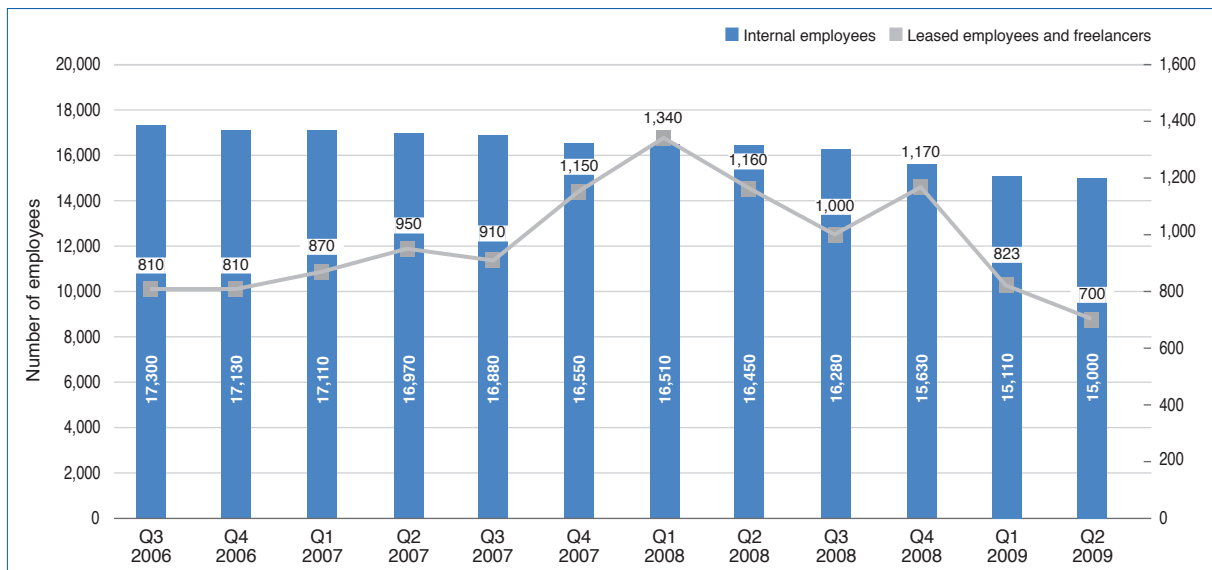
The chart above shows the development of investments in frequencies, technical infrastructure, sales and customer service in the years 2004 to 2008. In this context, it is important to note that the values reported are partly based on estimates and extrapolations from individual quarters for entire years. As a result, the exact figure for total investments can not be calculated reliably.

The amounts shown here only include those investments made directly by telecommunications enterprises. They do not include investments in upstream branches of the industry.

- Investments totaled approximately EUR 712.5 million in 2008.
- RTR intends to publish the figures for 2009 in the Telecom Monitor for Q2 2010.

Employees in the telecommunications sector

➔ NUMBER OF EMPLOYEES CONTINUES TO DECLINE



The chart above shows the number of employees in the telecommunications sector, broken down into internal employees, leased personnel and freelancers, in terms of full-time equivalents (FTEs).

When interpreting these figures, please note that they only include staff employed directly by telecommunications enterprises.

The figures do not include employees in supplier industries, external call-center employees or outsourced positions.

- Over the entire observation period, a steady decline in the number of internal employees could be observed in the telecommunications sector. This trend persisted in Q2 2009, with the overall number of employees coming to approximately 15,000.
- The reduction in the number of freelancers and leased employees observed in recent quarters manifested itself to a lesser extent in Q2 2009. At the same time, the number of leased employees dropped by 15% compared to the previous quarter.

Section 7 | Appendix



MOBILE NUMBERS IN USE (P. 25)

	Mobile numbers (thousands)											
	2006		2007				2008				2009	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Mobile numbers in use (contract customers)	5,153	5,374	5,493	5,674	5,943	6,160	6,398	6,680	6,737	7,264	7,517	7,674
Mobile numbers in use (prepaid customers)	3,942	3,880	3,823	3,748	3,675	3,695	3,613	3,537	3,529	3,552	3,517	3,477
Total	9,095	9,254	9,316	9,422	9,618	9,855	10,011	10,217	10,266	10,816	11,034	11,151

MARKET SHARES OF MOBILE OPERATORS IN AUSTRIA (P. 27)

	Number of subscribers (absolute)											
	2006		2007				2008				2009	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
mobilkom austria	3,529,400	3,630,500	3,697,300	3,764,000	3,853,700	3,959,000	4,101,000	4,257,000	4,356,000	4,496,000	4,582,000	4,628,000
T-Mobile	3,157,000	3,412,500	3,139,000	3,148,000	3,227,000	3,273,000	3,300,000	3,300,000	3,300,000	3,400,000	3,400,000	3,400,000
Orange (including Yesss!)	1,976,000	2,037,600	2,022,237	2,002,542	2,005,196	2,047,000	2,118,000	2,060,000	2,045,000	2,117,000	2,130,000	2,164,000
Hutchison 3G ("3")	379,000	405,300	460,600	465,000	480,600	513,000	544,000	562,000	588,000	655,000	713,000	773,000

REVENUES FROM FIXED-LINK, MOBILE, BROADBAND AND LEASED LINE SERVICES (P. 29)

	Revenues in EUR (millions)											
	2006		2007				2008				2009	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenues from fixed-link voice services	360	360	347	330	321	315	302	295	282	283	275	262
Revenues from mobile services	946	905	916	898	895	851	857	855	857	865	832	824
Revenues from fixed broadband services	141	148	156	159	158	139	143	136	131	127	124	123
Revenues from leased lines	59	66	57	57	57	59	56	59	56	61	60	58
Total revenues	1,506	1,479	1,476	1,444	1,431	1,364	1,358	1,345	1,326	1,336	1,291	1,267

TECHNICAL MINUTES IN FIXED-LINK AND MOBILE NETWORKS (P. 30)

	Number of call minutes (millions)											
	2006		2007				2008				2009	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Online	859	794	689	512	429	360	255	184	148	124	98	73
Technical minutes (fixed-link, excluding online minutes)	2,307	2,327	2,194	1,997	1,924	2,035	1,958	1,800	1,691	1,714	1,756	1,611
Technical minutes (mobile)	3,359	3,780	3,956	4,171	4,226	4,624	4,814	4,904	4,753	5,155	5,302	5,247
Total voice minutes	5,666	6,107	6,150	6,168	6,150	6,659	6,772	6,704	6,444	6,869	7,058	6,858

RETAIL BROADBAND CONNECTIONS 1/2 (P. 34)

	Number of connections											
	2006		2007				2008				2009	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
TA DSL lines (copper-wire pairs)	549,200	572,000	597,700	602,100	603,800	642,500	724,700	738,300	765,800	818,300	871,900	895,400
Bitstreaming in TA network	121,300	122,600	124,000	121,500	119,100	108,300	92,400	88,900	68,900	67,000	63,400	62,600
Unbundled lines	148,100	171,200	207,100	222,700	229,200	234,400	240,800	243,900	240,600	265,000	254,900	248,400
Coaxial cable	514,000	537,700	557,200	546,900	550,000	569,100	566,600	571,700	574,200	563,200	564,300	564,100
FWA	18,900	20,100	21,100	40,000	40,200	41,000	38,500	37,600	36,800	37,100	37,200	34,800
Mobile broadband	168,200	216,000	273,100	361,900	504,600	607,000	664,800	730,700	812,700	969,500	1,043,700	1,087,600
Other infrastructure	7,500	8,200	8,200	11,700	12,000	12,500	12,500	12,400	11,500	11,800	19,200	18,500