

euro adhoc/quarterly or semiannual financial statement

euro adhoc: Telekom Austria AG / quarterly or semiannual financial statement / Telekom Austria AG / quarterly financial statement / Results for the First Nine Months 2005 (E)

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- Group financials boosted by acquisition of Mobiltel completed on July 12, 2005
- Group revenues increase by 5.8% to EUR 3,205.8 million
- Group operating income grows by 35.8% to EUR 559.4 million
- Consolidated net income increases by 85.6% to EUR 375.5 million
- Consolidated net debt increases by EUR 1,055.0 million to EUR 3,028.9 million compared to the end of December 2004
- Wireline segment shows strong broadband growth, offset by lower revenues from traditional data and voice services
- Strong wireless performance due to higher subscriber numbers and data growth

Note: Consolidated 3Q 05 and 1-9M 05 financial figures of Telekom Austria include financial figures for Mobiltel for the period from July 12 through September 30, 2005. Mobiltel financial results are not included in 3Q 04 and 1-9M 04 results.

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in EUR million	3Q 05	3Q 04	%change	1-9M 05	1-9M 04	%change
Revenues	1,191.3	1,046.2	13.9%	3,205.8	3,031.2	5.8%
Operating income	261.4	170.0	53.8%	559.4	411.8	35.8%
Net income	184.1	97.0	89.8%	375.5	202.3	85.6%
Adjusted EBITDA*	543.0	444.4	22.2%	1,375.1	1,250.8	9.9%
Earnings per share						
(in EUR)	0.37	0.20	87.4%	0.76	0.41	84.9%
Capital expenditures	128.5	115.2	11.5%	378.0	306.6	23.3%

in EUR million	Sept. 30, 2005	Dec. 31, 2004	%change
Net debt	3,028.9	1,973.9	53.4%

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* Adjusted EBITDA is defined as net income excluding interest, taxes, depreciation, amortization, impairment charges, dividend income, equity in earnings of affiliates, other non-operating income/expense, minority interests and the cumulative effect of changes in accounting principles. This equals operating income before depreciation, amortization and impairment charges.

For the financial year 2005 Telekom Austria Group expects revenues growth of more than 5%, primarily driven by the consolidation of Mobiltel from July 12, 2005. Adjusted EBITDA is expected to increase by more than 10%, driven by the contribution of the Bulgarian operator.

Operating income is expected to increase further, benefiting from the contribution of Mobiltel as well as from a further decline in depreciation and amortization. Including Mobiltel's results, net income is expected to grow by approximately two thirds.

The full quarterly report and further information is available on our website under www.telekom.at/ir

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