

EANS-General Meeting: Telekom Austria AG / Resolutions of the General Meeting

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Dear Sir or Madam,

Hereby we would like to inform you about the resolutions and voting results of the Extraordinary General Meeting, which took place on 14 August, 2014, at 10:00 a.m. at the Vienna Stadthalle, Halle F, A-1150 Vienna, Roland Rainer Platz 1.

The share capital of the company amounts to EUR 966,183,000 is divided into 443 million bearer shares without par value.

Agenda Item 1: Elections to the Supervisory Board.

The following resolutions were passed:

"The number of members of the Supervisory Board elected by the General Meeting has been raised from nine to ten."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 352,500,376
Proportion of the share capital represented by these votes: 79.57%
Pro: 351,848,391
Contra: 651,985
Abstentions: 24,953,364

"Mr Carlos José García Moreno Elizondo, born 06.01.1957, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,452,225
Proportion of the share capital represented by these votes: 85.20%
Pro: 353,572,913
Contra: 23,879,312
Abstentions: 6,727

"Mr Alejandro Cantu Jimenez, born 26.04.1972, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2015."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,461,568
Proportion of the share capital represented by these votes: 85.21%
Pro: 353,677,342
Contra: 23,784,226
Abstentions: 4,175

"Mr Stefan Pinter, born 15.04.1978, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2015."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,460,467
Proportion of the share capital represented by these votes: 85.21%
Pro: 353,701,076
Contra: 23,759,391
Abstentions: 2,705

"Mr Carlos M. Jarque, born 18.10.1954, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,457,717
Proportion of the share capital represented by these votes: 85.20%
Pro: 353,676,501
Contra: 23,781,216
Abstentions: 4,640

"Mr Reinhard Kraxner, born 07.05.1970, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2015."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,443,826
Proportion of the share capital represented by these votes: 85.20%
Pro: 353,701,372
Contra: 23,742,454
Abstentions: 18,211

"Mr Oscar Von Hauske Solís, born 01.09.1957, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,458,245
Proportion of the share capital represented by these votes: 85.21%
Pro: 354,560,881
Contra: 22,897,364
Abstentions: 3,160

"Mr Ronny Pecik, born 04.03.1962, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,458,041
Proportion of the share capital represented by these votes: 85.20%
Pro: 353,152,422
Contra: 24,305,619
Abstentions: 3,341

"Mrs Elisabetta Castiglioni, born 01.10.1964, is elected as a member of the Supervisory Board. She is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2015."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,460,100
Proportion of the share capital represented by these votes: 85.21%
Pro: 354,155,325
Contra: 23,304,775
Abstentions: 1,745

"Mr Günter Leonhartsberger, born 12.07.1968, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,453,055
Proportion of the share capital represented by these votes: 85.20%
Pro: 353,682,022
Contra: 23,771,033
Abstentions: 6,195

"Mr Rudolf Kemler, born 09.05.1956, is elected as a member of the Supervisory Board. He is elected until the end of the Annual General Meeting resolving upon the discharge of the Supervisory Board for the fiscal year 2017."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,444,388
Proportion of the share capital represented by these votes: 85.20%
Pro: 354,136,733
Contra: 23,307,655
Abstentions: 2,702

Agenda Item 2: Resolution on the creation of Authorized Capital 2014 (§ 169 AktG) against cash contribution. § 4 of the Articles is adapted accordingly.

The following resolution was passed:

"Pursuant to Sec 169 Stock Corporation Act, the Management Board, within five years of registration of the relevant amendment to the Articles of Association in the commercial register, with the consent by the Supervisory Board, is authorized to increase the Company's share capital by a nominal maximum amount of EUR 483,091,500 by issuing up to 221,500,000 bearer shares against cash contribution, also in several tranches, (also indirectly through a credit institution pursuant to Sec 153 para 6 Stock Corporation Act), and to fix the issue price, any other terms of the issue and any further details, and the Management Board may in particular issue new shares carrying dividend rights from the beginning of the business year in which the implementation of the increase of the share capital is registered in the commercial register, provided and on condition that the net issue proceeds for the Company do not exceed EUR 1,000,000,000. The net issue proceeds shall be the total proceeds from the issue less any external costs resulting from the issue which are to be borne by the Company. The Supervisory Board is authorized to adopt any amendments to the Articles of Association resulting from the issue of shares from the Authorized Capital 2014."

The new sub para 4 of the § 4 of the Articles is as follows:

"Authorized Capital 2014: Pursuant to Sec 169 Stock Corporation Act, the Management Board, within five years of registration of the relevant amendment to the Articles of Association in the commercial register, with the consent by the Supervisory Board, is authorized to increase the Company's share capital by a nominal maximum amount of EUR 483,091,500 by issuing up to 221,500,000 bearer shares against cash contribution, also in several tranches, (also indirectly through a credit institution pursuant to Sec 153 para 6 Stock Corporation Act), and to fix the issue price, any other terms of the issue and any further details, and the Management Board may in particular issue new shares carrying dividend rights from the beginning of the business year in which the implementation of the increase of the share capital is registered in the commercial register, provided and on condition that the net issue proceeds for the Company do not exceed EUR 1,000,000,000. The net issue proceeds shall be the total proceeds from the issue less any external costs resulting from the issue which are to be borne by the Company. The Supervisory Board is authorized to adopt any amendments to the Articles of Association resulting from the issue of shares from the Authorized Capital 2014."

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,442,356
Proportion of the share capital represented by these votes: 85.20%
Pro: 370,396,012
Contra: 7,046,344
Abstentions: 1,392

Agenda Item 3: Resolution on the changes in the Articles of Association in §§ 5, 8, 9, 11, 12, 17 and 18.

The following resolution was passed:

"The Articles of Association is changed in §§ 5, 8, 9, 11, 12, 17 and 18 as follows:

- § 5: In sub para (3) the second and the third sentences shall be deleted

and a new second sentence "If a Chairman has been appointed, he shall not have a casting vote." shall be included. Thus, § 5 sub para (3) reads as follows:

(3) The Management Board shall adopt its resolutions by a simple majority of the votes cast. If a Chairman has been appointed, he shall not have a casting vote.

- § 8: In sub para (4) the words "re-election should only take place" in the first sentence shall be replaced by the words "a replacement shall in any event be elected.". Thus, § 8 sub para (4) reads as follows:

(4) If elected members of the Supervisory Board resign from the Supervisory Board before the end of their terms of office, a replacement shall in any event be elected without delay if the number of elected Supervisory Board members falls below three. The terms of office of members so elected shall last until the end of the terms of office of the resigning Supervisory Board members, unless the General Meeting decides otherwise. Resigning Supervisory Board members may be re-elected.

- § 9: In sub para (1) the words "or two Deputies" in the first sentence shall be replaced by the word "Deputy". Thus, § 9 sub para (1) reads as follows:

(1) The Supervisory Board shall, immediately after its election, elect a Chairman and one Deputy. They shall be elected for their entire terms of office as members of the Supervisory Board, unless the Supervisory Board decides otherwise.

- § 9: In sub para (3) the words " the deputies" shall be replaced by the words "his Deputy". Thus, § 9 sub para (3) reads as follows:

(3) The Chairman and his Deputy may resign from office at any time by giving four weeks' written notice to the Supervisory Board, even if they do not simultaneously resign from the Supervisory Board.

- § 9: In sub para (4) the words "one of the deputies" in the first sentence shall be replaced by the words "his Deputy". Thus, § 9 sub para (4) reads as follows:

(4) If the Chairman or his Deputy resigns from office during their terms of office, the Supervisory Board shall immediately replace the person resigned. The Chairman and his Deputy may be re-elected.

- § 9: In sub para (5) the words "The deputies" shall be replaced by the words "The Deputy". Thus, § 9 sub para (5) reads as follows:

(5) The Deputy of the Chairman shall have the same rights and obligations as the Chairman when acting as Chairman.

- § 11: In sub para (1) the words "one of his deputies, is present" in the first sentence shall be replaced by the words "his Deputy, are present; however, in certain cases, the Rules of Procedure of the Supervisory Board may require the presence of the Chairman for the meeting to form a quorum." Thus, § 11 sub para (1) reads as follows:

(1) The Supervisory Board shall form a quorum if all Supervisory Board members have been properly invited and at least half of the members, including the Chairman or his Deputy, are present; however, in certain cases, the Rules of Procedure of the Supervisory Board may require the presence of the Chairman for the meeting to form a quorum. A member who participates via video conference enabling direct reciprocity, confidentiality and authenticity of communication ("qualified video conference") shall also be deemed present. The Chairman shall determine the type of meeting and may especially call a qualified video conference if this seems appropriate in the interest of the Company taking into consideration the urgency of holding a meeting or the absence of Supervisory Board members."

- § 11: In sub para (4) the third sentence is replaced by the sentence "The Chairman shall not have a casting vote.". Thus, § 11 sub para (4) reads follows:

(4) Resolutions are adopted by a simple majority of the votes cast. Any abstention shall not count as a vote cast. The Chairman shall not have a casting vote.

- § 11: In sub para (6) the words "one of his deputies" in the second

sentence shall be replaced by the words "his Deputy". Further, the following wording shall be included after the second sentence: "; however, in certain cases, the Rules of Procedure of the Supervisory Board may require the presence of the Chairman for a meeting to form a quorum." Thus, § 11 sub para (6) reads as follows:

(6) Circular resolutions: In urgent cases, the Chairman may allow votes in writing or by phone, by fax or e-mail, via the Internet or by video telephony ("simple video conference") without the Supervisory Board members gathering for a meeting, provided that no Supervisory Board member objects in writing to this procedure within one week of sending of the documents. A resolution is adopted if all Supervisory Board members have been invited to vote and at least half of the members, including the Chairman or his Deputy, have participated in the circular resolution; however, in certain cases, the Rules of Procedure of the Supervisory Board may require the presence of the Chairman for a meeting to form a quorum. Any abstention from voting in circular resolutions shall be counted for the purpose of establishing a quorum, but shall not be counted for the purpose of establishing the results. A member of the Supervisory Board may not be represented by another Supervisory Board member in circular resolutions.

- § 12: Sub para (2) shall be deleted. The numbering of the following paragraphs changes so that the existing paragraphs (3), (4), (5), (6) and (7) become paragraphs (2), (3), (4), (5) and (6).

- § 17: In § 17 a new sub para (3) shall be inserted, reading:

" As long as the Republic of Austria, directly or indirectly, holds at least 25% + 1 share in the registered share capital of the Company, resolutions pursuant to Sec 149 Stock Corporation Act and Section 174 Stock Corporation Act, where instruments including a conversion right or a conversion obligation into shares of the Company are concerned, as well as changes to this provision of the Articles of Association shall require a majority of at least three quarters of the share capital represented upon the resolution. These majority requirements cease to exist without requiring a change of the Articles of Association once the shareholding of the Republic of Austria for the first time falls below 25% + 1 share in the registered share capital. The effective date shall be the notification of the Company according to Sec 92 Stock Exchange Act or the provision replacing the same. Provided that the agenda of a General Meeting includes issues referred to in the first sentence of this paragraph, the Chairman, in the context of chairing the meeting pursuant to Sec 116 para 1 Stock Corporation Act in connection with Sec 121 para 1 Stock Corporation, shall determine at the beginning of the General Meeting whether the majority requirements referred to in the first sentence of this paragraph are applicable."

The numbering of the following paragraphs thus changes, so that the existing paragraphs (3) and (4) become paragraphs (4) and (5).

- § 18: In sub para (1) the word order "one of his deputies" shall be deleted and shall be replaced by the words "his Deputy". Thus, § 18 sub para (1) reads as follows:

(1) The General Meeting is chaired by the Chairman of the Supervisory Board; if neither he nor his Deputy is present in person or willing to chair the meeting, the notary present to record the proceedings shall chair the meeting to elect a Chairman.

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,442,487
Proportion of the share capital represented by these votes: 85.20%
Pro: 352,350,831
Contra: 25,091,656
Abstentions: 608

Agenda Item 4: Approval of conditional settlements with former Members of the Management Board.

The following resolutions were passed:

4.1. Approval of a settlement with Mr. Rudolf Fischer
The key points of the settlement are:

In addition to the already paid EUR 500,000, Mr. Fischer shall be obliged to the following two payments:

- a) immediately EUR 1,250,000
- b) within 4 weeks from conclusion of settlement EUR 750,000

Upon fulfillment of the settlement, all compensation claims or claims based on unjust enrichment, which are known or transparent to Telekom Austria AG until 22/05/2014, either by access to the files of the criminal proceedings or otherwise, are waived and settled. The result of the criminal proceedings shall not affect the validity of this settlement. This shall also apply in case Mr. Fischer is acquitted in respect to all proceedings.

Claims arising from any unlawful benefits and "kick-back" payments of third people to Mr. Fischer are not waived and settled; except for one unresolved issue with an amount of up to EUR 200,000, that is still under investigation by the authorities.

The risk of recourse of jointly liable persons shall be borne by Mr. Fischer.

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,438,515

Proportion of the share capital represented by these votes: 85.20%

Pro: 377,415,026

Contra: 23,489

Abstentions: 2,968

4.2. Approval of framework conditions of a settlement with Dr. Stefano Colombo
The key points of a settlement with Dr. Stefano Colombo are:

In addition to the already paid EUR 196,000, Dr. Stefano Colombo shall be obliged to pay an additional amount of EUR 3,130,000 to Telekom Austria AG.

Upon fulfillment of the settlement, all compensation claims or claims based on unjust enrichment, which are known or transparent to Telekom Austria AG or its subsidiaries until 14/08/2014, either by access to the files of the criminal proceedings or by the parliamentary investigation committee, are waived and settled. All claims of Telekom Austria AG or its subsidiaries (as far as they are known by Telekom Austria AG or its subsidiaries) against Dr. Stefano Colombo resulting from Dr. Stefano Colombo's former activities for Telekom Austria AG, are finally waived and settled.

The risk of recourse of jointly liable persons shall be borne by Dr. Stefano Colombo.

For the avoidance of doubt, the above shall constitute an authorization to conclude a settlement with Dr. Stefano Colombo within the above limits, however the Company may also abstain from such settlement.

Number of shares for which valid votes were cast as well as total number of valid votes cast: 377,432,569

Proportion of the share capital represented by these votes: 85.20%

Pro: 377,407,033

Contra: 25,536

Abstentions: 2,671

For further information on the Annual General Meeting please visit our website under www.telekomaustria.com/en/ir/annual-general-meeting

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