

ČESKÝ TELECOM

1Q 2003 Results

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Executive Vice-President and CFO

Conference Call - Prague, 30 April 2003

Operational results

ČESKÝ TELECOM	1Q02	1Q03	Chg.
Telephone lines (000)	3,763	3,645	(3%)
of which ISDN channels (000)	308	427	39%
Internet customers (000) ¹⁾	540	751	39%
Employees	15,040	13,479	(10%)
Eurotel	1Q02	1Q03	Chg.
Mobile customers (000)	3,411	3,951	16%
Employees	2,447	2,439	(0%)

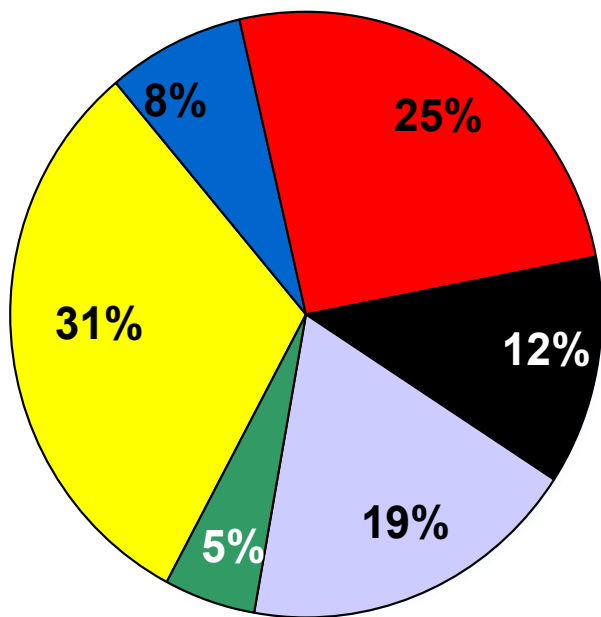
¹⁾ paid (IOL) and free (quick.cz) internet access

Consolidated financial results

(in CZK bn.)	1Q02	1Q03	Změna
Revenues	12.8	12.7	(1%)
Operating costs excl. D&A	6.0	6.4	7%
EBITDA	6.8	6.3	(7%)
Depreciation and amortisation	4.6	4.6	(0%)
EBIT	2.2	1.7	(23%)
Net finance charges	0.0	0.3	626%
EBT	2.2	1.4	(34%)
Net income	1.5	1.0	(34%)
EBITDA margin in %	53	50	

Revenue structure

1Q02

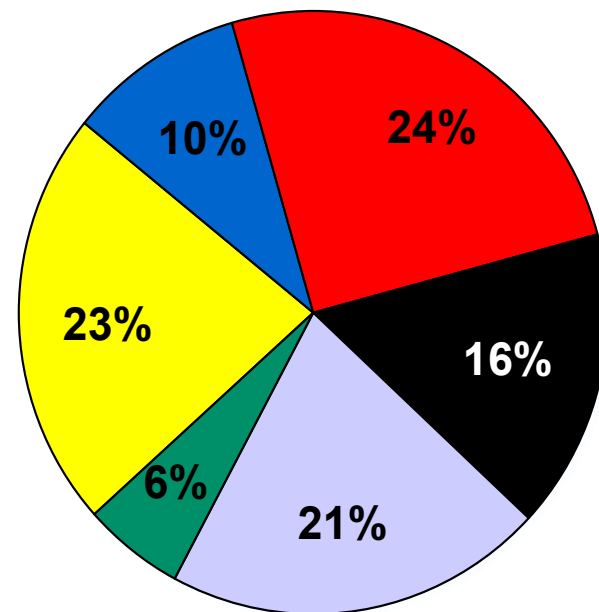


CZK 12.8 bn.



1Q03

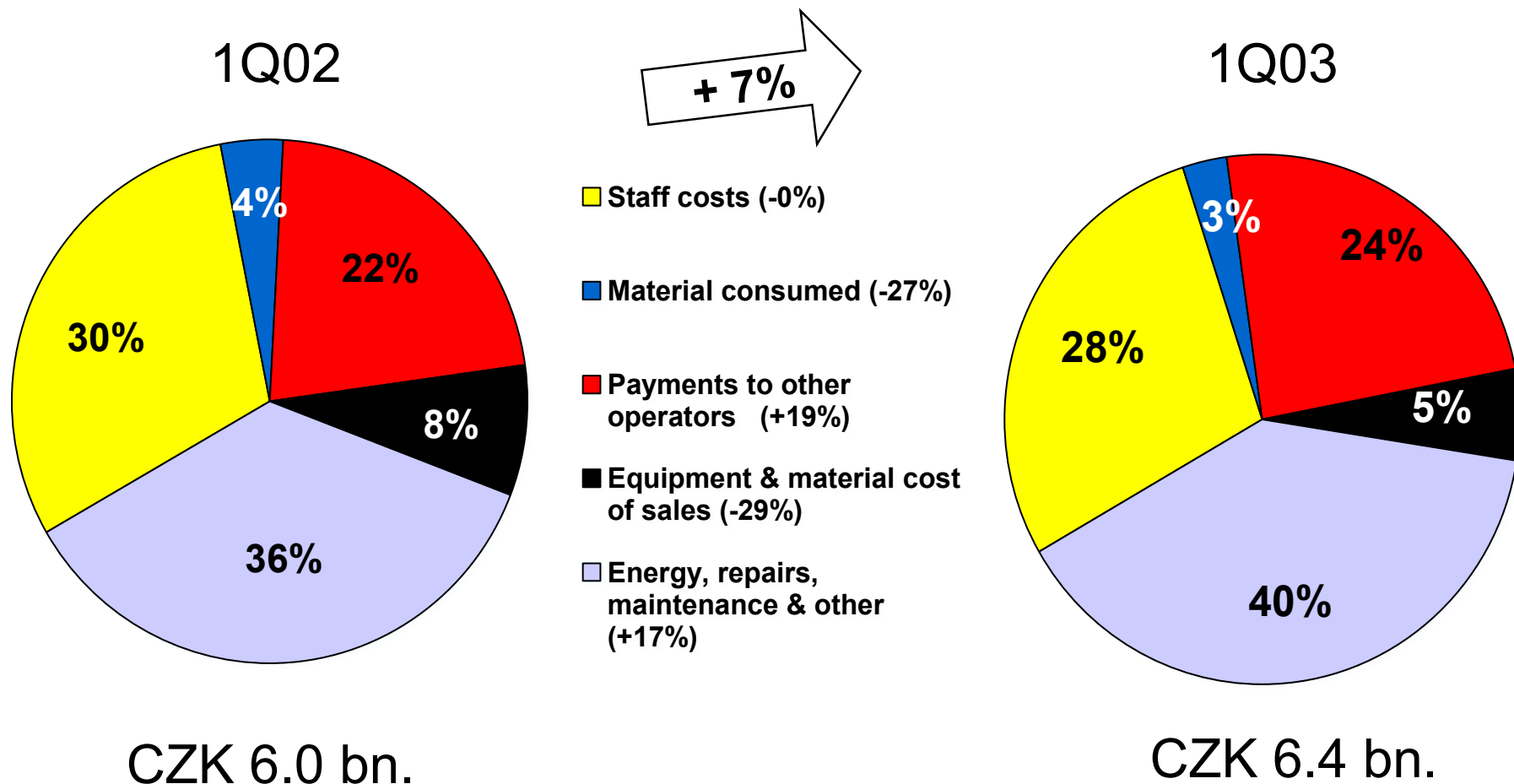
- Call revenues (-28%)
- Other revenues 1) (+25%)
- Consolidation of Eurotel (-1%)
- Data, Internet, ISDN & VAS (+29%)
- Subscription charges (+11%)
- Revenues from other operators (+11%)



CZK 12.7 bn.

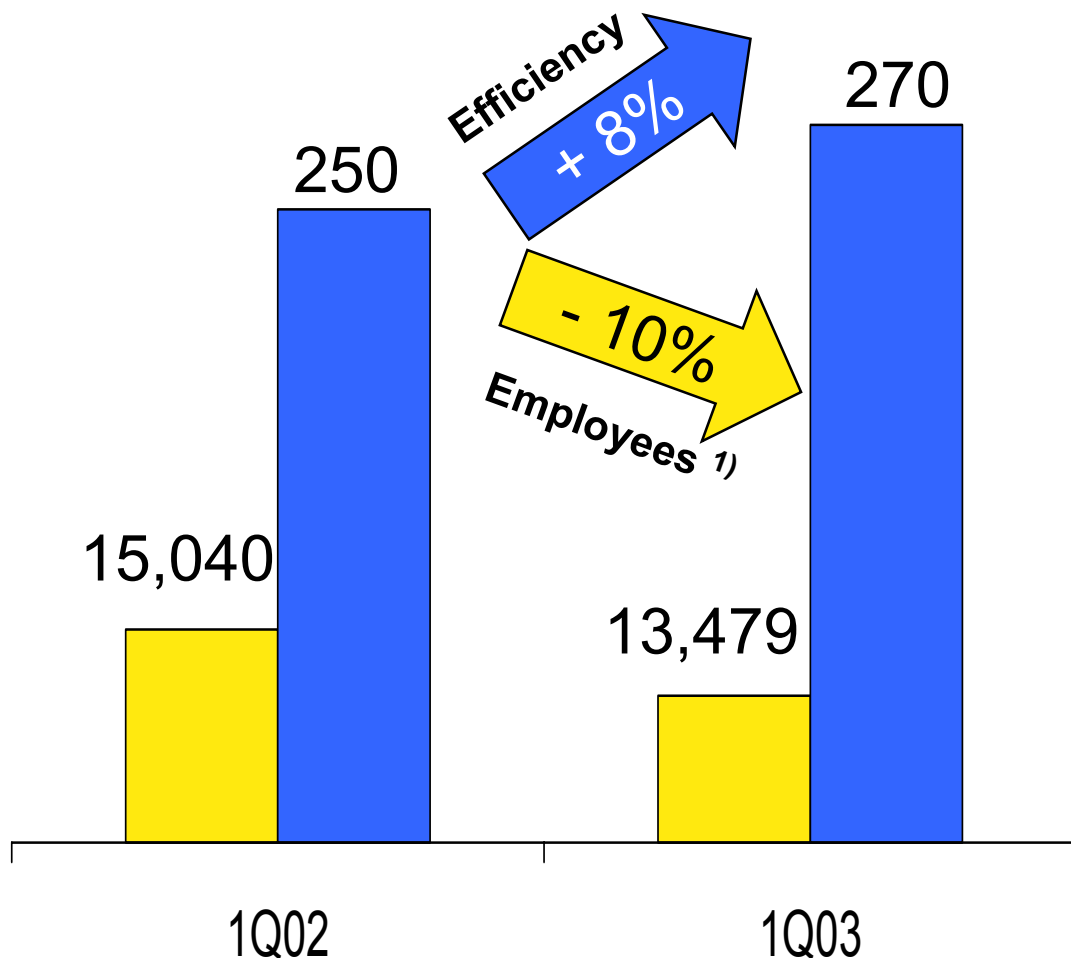
1) Other revenues: Connection charges, Equipment and material sales, Other revenues
 Note: consolidated, under IFRS. Legend is yoy % change in absolute values.

Consolidated Operating Costs Structure



Note: consolidated, under IFRS. Legend is yoy % change in absolute values.

Employees vs. Efficiency



- Staff cost flat at CZK 1.8 bn.
- Fixed line efficiency increased 8% to 270 lines per CTc empl.
- Number of Eurotel's employees flat at 2.4 thous.

¹⁾ Fixed-line employees

Balance Sheet

(in CZK bn.)	31.12.02	31.3.03
Fixed assets	131.2	127.5
Current assets	25.1	28.4
- Cash & cash equiv	15.3	18.5
Total assets	156.4	155.9
Equity	111.3	112.2
- Share capital	32.2	32.2
- Reserves	79.1	80.0
Liabilities	45.0	43.6
- Debt	22.0	22.2
Gross gearing	20%	20%
Net gearing	6%	3%

Note: consolidated, under IFRS

Cash Flow

	1Q02	1Q03	Chg.
Net cash from operating activities	3.2	4.9	54%
Net cash used in investing activities	(0.7)	1.6	(319%)
- purchase of PPE	(2.1)	(1.7)	(18%)
- purchase of intangible assets	(0.5)	(0.3)	(49%)
- marketable securities ¹⁾	1.6	3.3	106%
- other ²⁾	0.2	0.3	5%
Free cash flow³⁾	0.8	3.2	281%
Net cash from financing activities	(5.6)	(0.0)	<i>n/m</i>
Effect of exchange rate changes	(0.0)	0.0	<i>n/m</i>

¹⁾ Sum of cash purchase of and proceeds from marketable securities

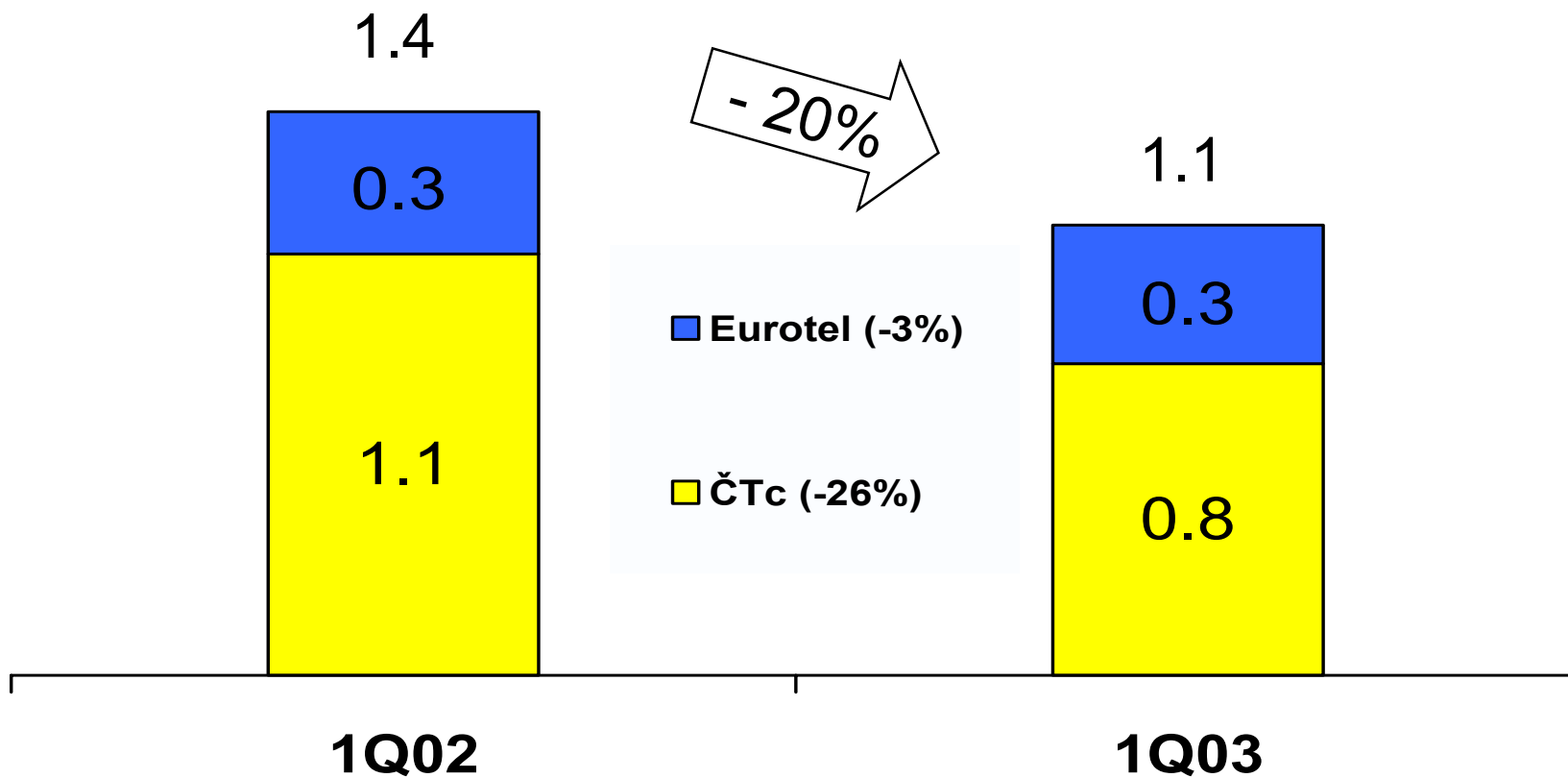
²⁾ Proceeds from sale of Tang. fixed assets, Purchase of investments and Interest received

³⁾ Net cash from operations – Net cash used in inv. activities excl. Marketable securities

Note: figures in CZK billion, consolidated, audited under IFRS

CAPEX

(in CZK bn.)



Note: as per balance sheet, under IFRS

Financial Results of Eurotel First Quarter 2003

Prague – April 18, 2003

Robert Bowker, Chief Financial Officer



Income Statement in CZK

<i>(in millions of CZK)</i>	For the 3 months ended March 31,			
	2003	2002	Change	Change in %
Revenues	6 804	6 773	31	0%
Recurring revenues	6 504	6 262	242	4%
Non-recurring revenues	300	511	(211)	(41%)
Gross profit	4 950	4 748	202	4%
Gross margin in %	73%	70%		
EBITDA	3 517	3 301	216	7%
EBITDA margin in %	52%	49%		
Net income	1 641	1 503	138	9%
Net income in %	24%	22%		

- Non-recurring revenues (mainly activation fees and handset sales) decreased by 41% due to the high penetration in the Czech Republic

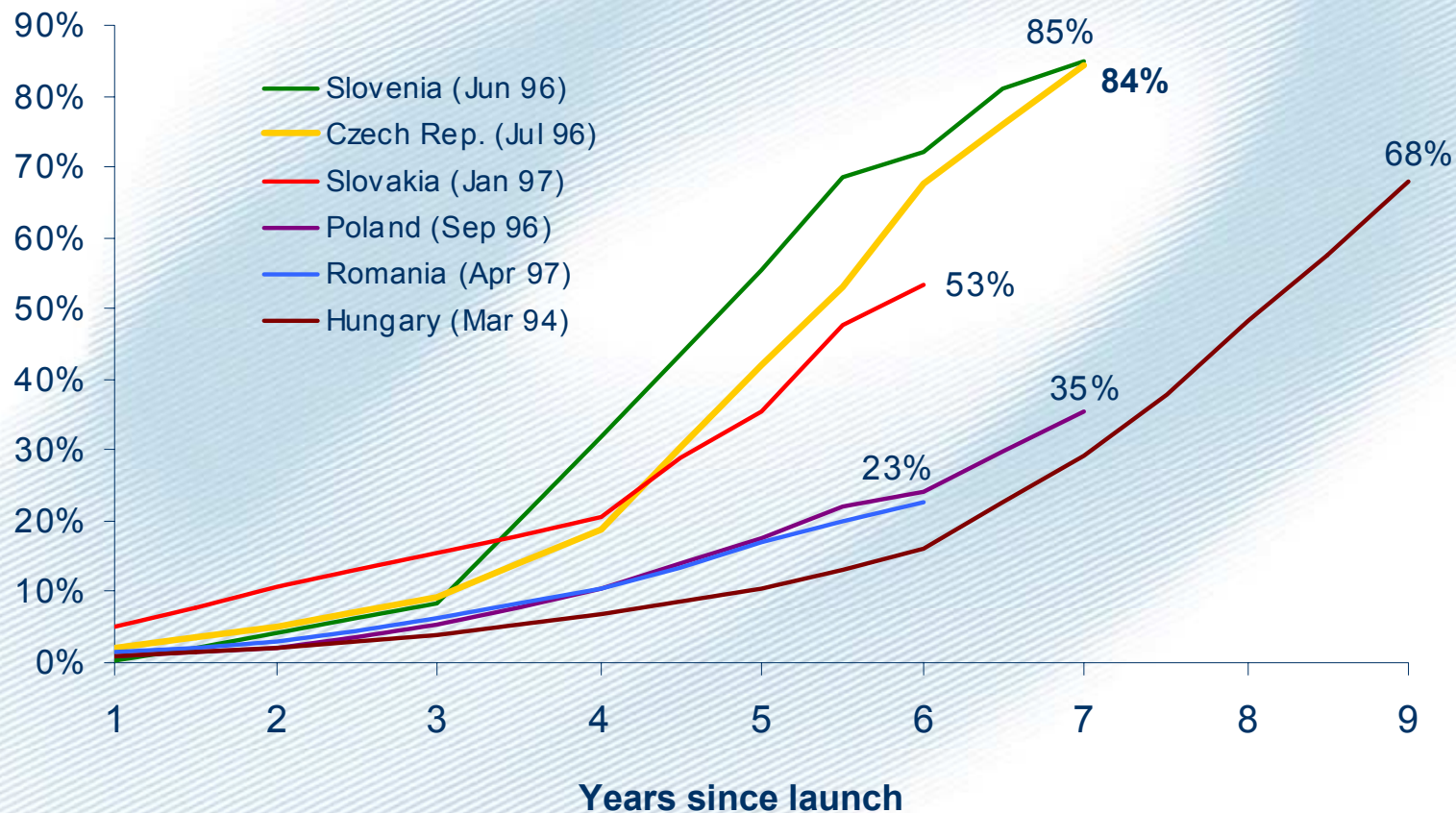
Income Statement in EUR

<i>(in millions of EUR)</i>	For the 3 months ended March 31,			
	2003	2002	Change	Change in %
Revenues	214	214	0	0%
Gross profit	156	150	6	4%
Gross margin in %	73%	70%		
EBITDA	111	104	7	6%
EBITDA margin in %	52%	49%		
Net income	52	48	4	9%
Net income in %	24%	22%		

Penetration Comparison

Wireless penetration development with launch dates of first GSM network

Rate of penetration



Note: Latest penetration levels as of December 31, 2002

Source: Mobile Communications

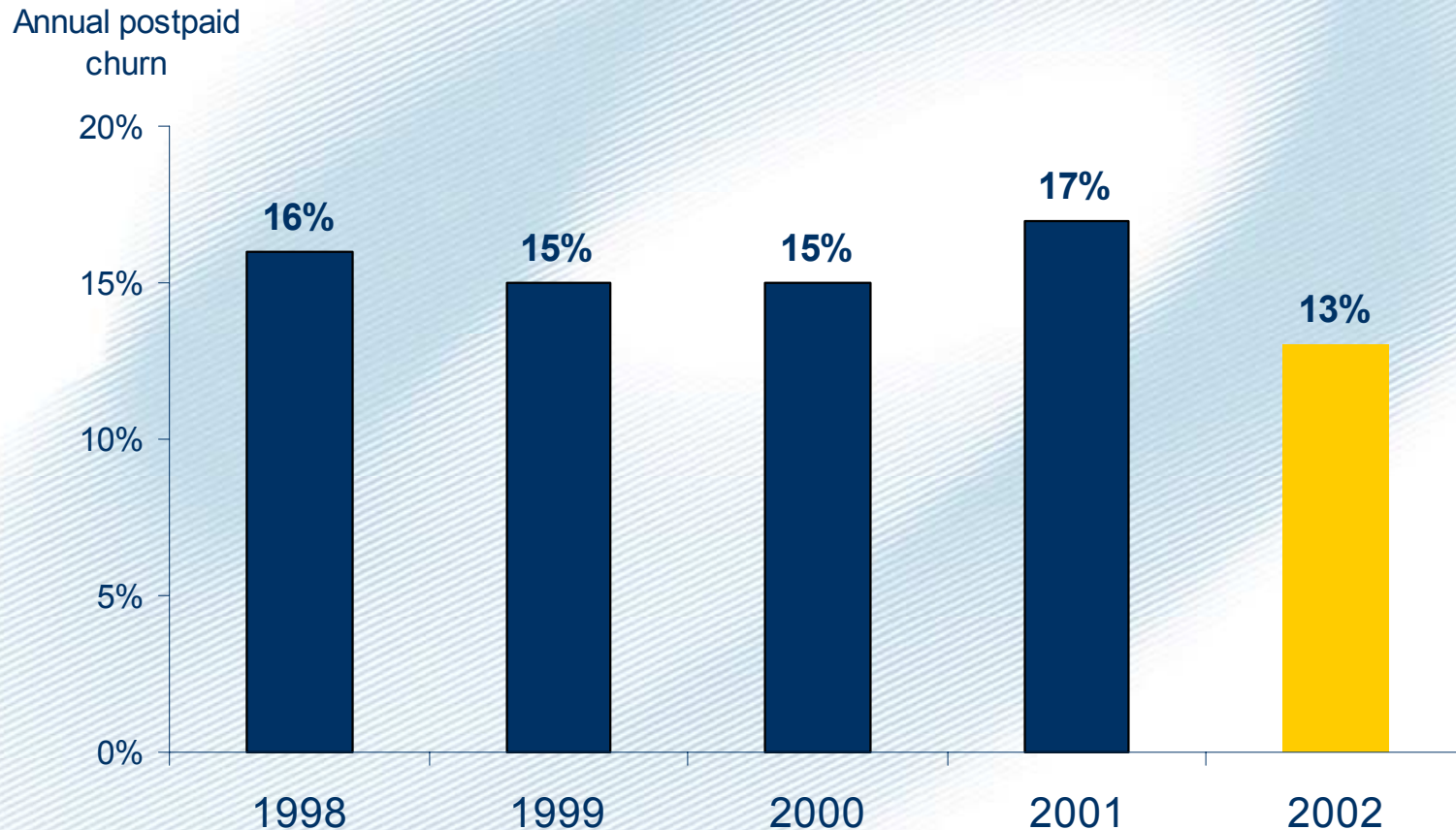


Operating Results in 2003

	For the 3 months ended March 31,			
	2003	2002	Change	Change in %
Ending number of customers (in thousands)	3 951	3 411	540	16%
Total minutes of use (in millions)	1 034	968	66	7%
Total SMS (in millions)	543	484	59	12%

Postpaid Churn

- Average annual postpaid churn rate of European mobile operators stood at 18% in 2002

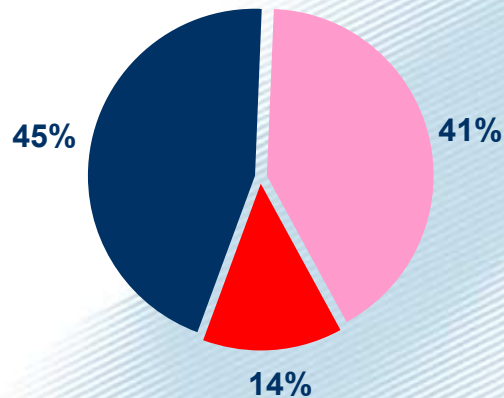


Source: company press releases

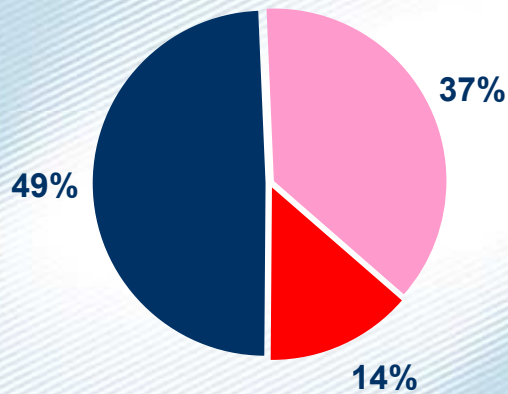
Market Share Comparison

For the Twelve Months Ended December 31, 2002

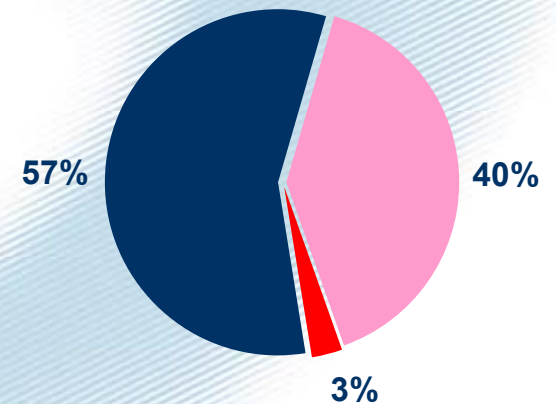
Customers



Revenues



EBITDA



Source: T-Mobile CR and ClearWave press releases



Eurotel – T-Mobile Comparison in EUR

For the Twelve Months Ended December 31, 2002

<i>(in millions of EUR)</i>	For the 12 months ended December 31, 2002			
	Eurotel	T-Mobile	B/W	B/W in %
Revenues	935	700	235	34%
EBITDA	445	308	137	44%
Net income	204	94	110	117%
ARPU (in EUR)	20	16	4	25%

Notes:

- 1) Financial figures of T-Mobile CR prepared under IAS
- 2) Average CZK/EUR rate of 30,812 used in calculation

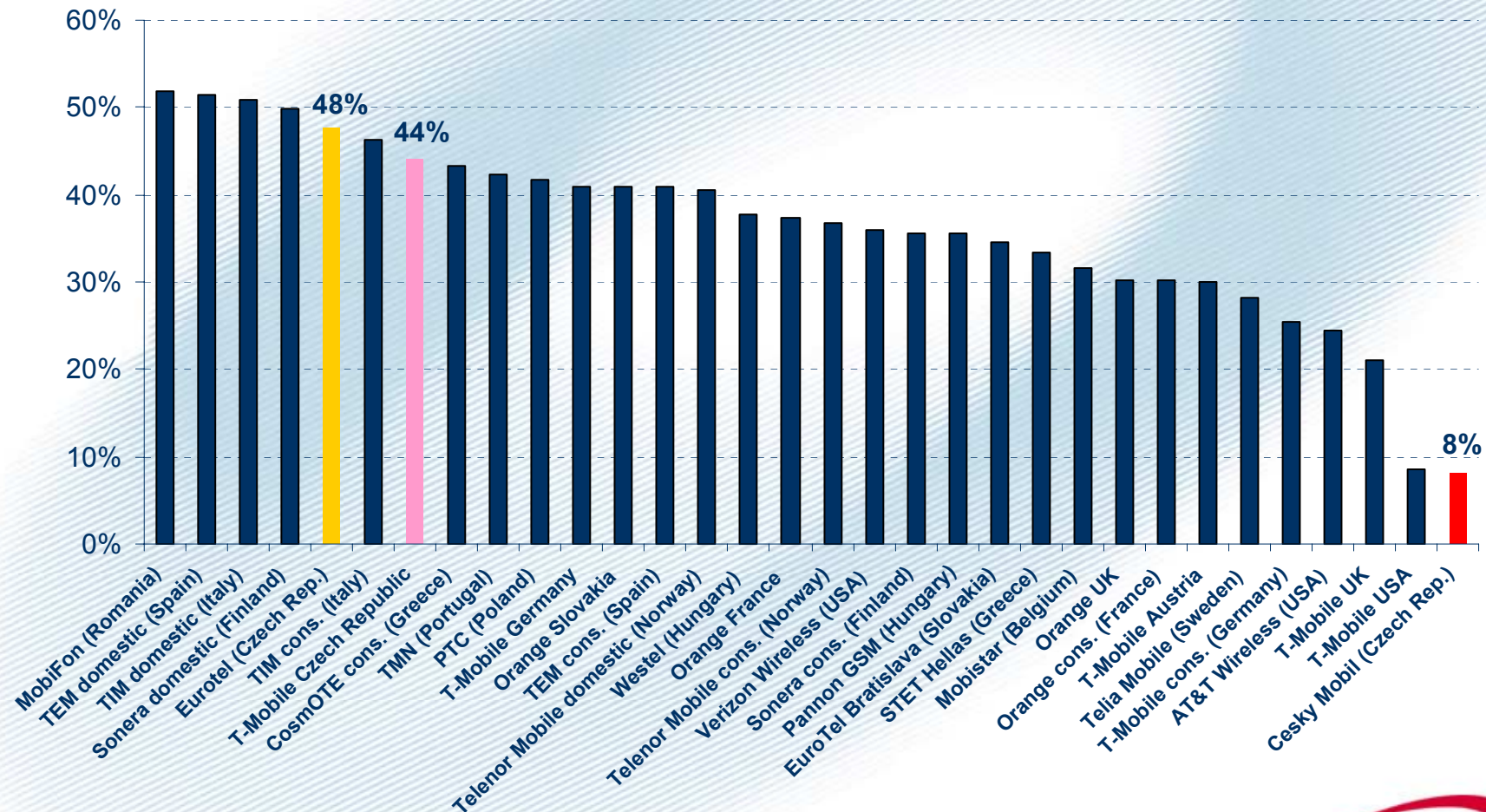
Source: T-Mobile CR and Deutsche Telekom press releases



EBITDA Margin Comparison

For the Twelve Months Ended December 31, 2002

EBITDA margin

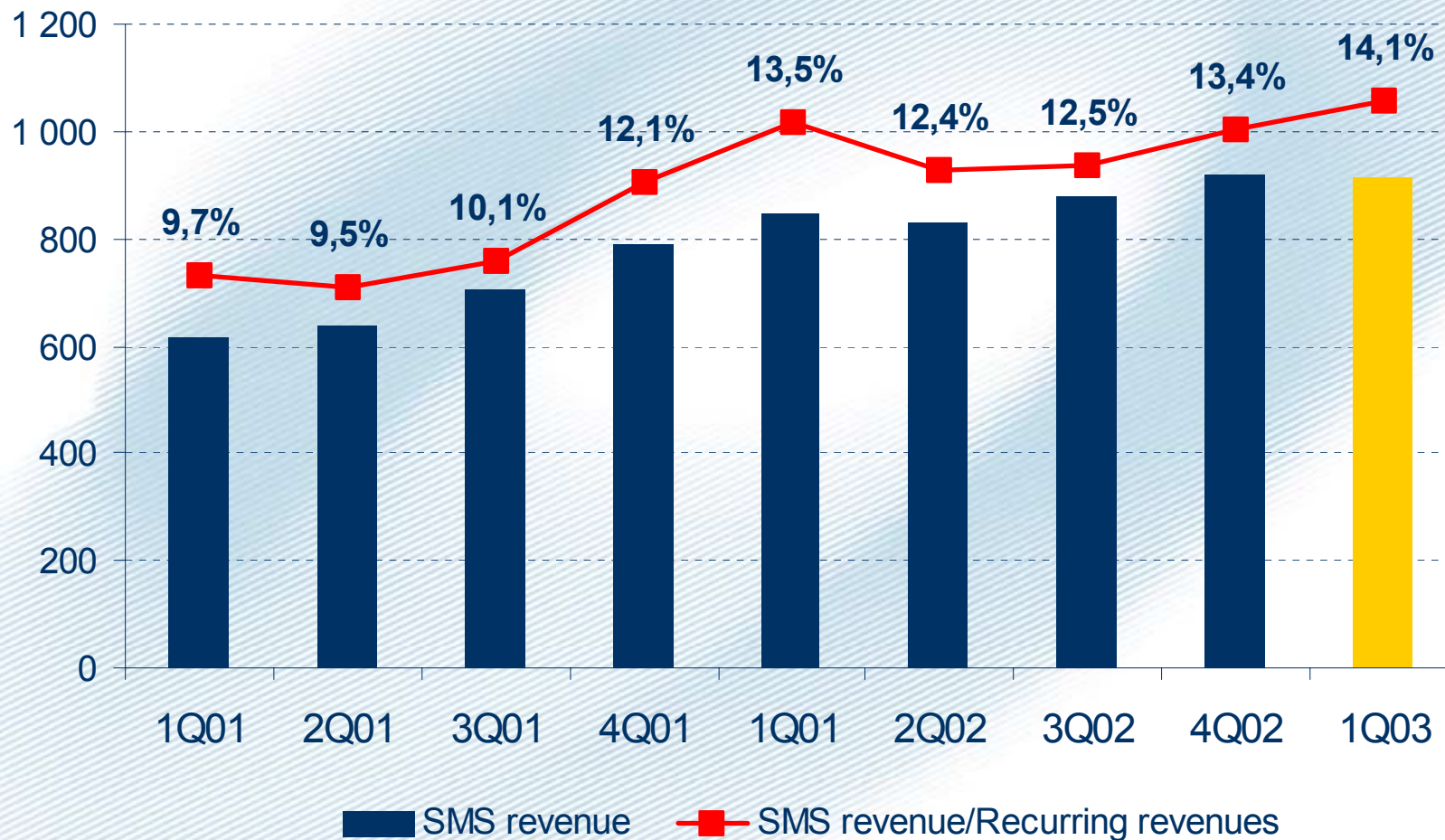


Source: Company press releases



SMS Revenue

(in millions of CZK)



Other Value Added Services

(MMS, audiotext, other data services)

(in millions of CZK)

