

# TELEKOM AUSTRIA GROUP

## Prospectus Supplement No 1

### Telekom Austria Aktiengesellschaft

(incorporated with limited liability in Austria) and

### Telekom Finanzmanagement GmbH

(incorporated with limited liability in Austria)

## €2,500,000,000 Euro Medium Term Note Programme

in respect of Notes issued by Telekom Finanzmanagement GmbH, unconditionally and irrevocably guaranteed by Telekom Austria Aktiengesellschaft

This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Art 16 (1) of the Directive 2003/71/EC (the "**Prospectus Directive**") and Article 13.1 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005 on prospectuses for securities (the "**Prospectus Act**") and is supplemental to, and should be read in conjunction with, the prospectus dated 23 March 2012 (the "**Prospectus**" and together with the supplements thereto, if any, the "**Prospectus**") relating to a €2,500,000,000 Euro Medium Term Note Programme (the "**Programme**") of Telekom Austria Aktiengesellschaft ("**Telekom Austria**") and Telekom Finanzmanagement GmbH ("**TFG**" and, together with Telekom Austria in its capacity as an issuer, the "**Issuers**" and each an "**Issuer**").

The Prospectus was approved on 23 March 2012 by the *Commission de Surveillance du Secteur Financier* ("**CSSF**") of the Grand-Duchy of Luxembourg ("**Luxembourg**") in its capacity as competent authority under the Prospectus Act.

This Supplement has been filed for approval with the CSSF in its capacity as competent authority under the Prospectus Act. This Supplement has been published in electronic form on the website of the Luxembourg Stock Exchange under "www.bourse.lu" and will be available free of charge at the specified office of the Issuer. The Issuer has requested the CSSF to provide the competent authorities in other host Member States within the European Economic Area including Austria and Germany with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Directive and relevant implementing legislation in Luxembourg.

Terms defined in the Prospectus shall have the same meaning when used in this Supplement.

**This Supplement does not constitute an offer of, or an invitation by or on behalf of any of the Issuers, the Dealers or the Arrangers to subscribe for, or purchase, any Notes.**

To the extent that there is any inconsistency between a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and b) any other statement in or incorporated by reference in the Prospectus, the statements in a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

**In accordance with Art 16 of the Prospectus Directive and Article 13.2 of Chapter 1 of Part II of the Prospectus Act, investors who have agreed to subscribe for Notes after the occurrence of the significant new factors described in this Supplement but before the publication of this Supplement have a right to withdraw their acceptances within two working days after the date of publication of this Supplement.**

An investment in Notes issued under the Programme involves certain risks. Prospective investors should have regard to the factors described under the section headed "Risk Factors" in the Prospectus.

#### *Arranger*

**The Royal Bank of Scotland**

#### *Dealers*

**BAWAG P.S.K.  
Erste Group Bank AG**

**BNP PARIBAS  
Raiffeisen Bank International AG  
UniCredit Bank Austria AG**

**Citigroup  
The Royal Bank of Scotland**

## **IMPORTANT NOTICE**

**No person has been authorised to give any information which is not contained in, or not consistent with, the Prospectus or any other document entered into in relation to the Programme or any information supplied by any of the Issuers or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by any of the Issuers, the Dealers or any of them. Neither the Arranger nor any Dealer nor any other person mentioned in the Prospectus, excluding the Issuers, is responsible for the information contained in this Supplement, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in this Supplement.**

**The distribution of this Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement comes are required to inform themselves about and observe any such restrictions. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons. For a description of restrictions applicable in the United States of America, Japan, the European Economic Area and the United Kingdom see "Subscription and Sale" of the Prospectus.**

Significant new factors (as referred to in Art 16.1 of the Prospectus Directive and Article 13.1 of Chapter 1 of Part II of the Prospectus Act) relating to the information included in the Prospectus which are capable of affecting the assessment of the Notes, have arisen and the following changes / supplements are herewith made to the Prospectus:

On 2 April 2012, Moody's Investors Services Ltd. issued a rating letter with respect to the Programme. In the Issuer's perception this information contains significant new factors capable of affecting the assessment of the Notes and is thus included in the Prospectus as follows:

**1. General Description of the Programme**

In the chapter "General Description of the Programme", the section "Ratings" on page 49 of the Prospectus is amended by inserting the following language under the line reading "by S&P (as defined below): BBB":

"by Moody's (as defined below): Baa1"

**2. General Information**

In the chapter "General Information", the sub-section "IV.2 Programme Ratings" of the section "IV Ratings" commencing on page 134 of the Prospectus is amended by inserting the following language under the line reading "by S&P (as defined below): BBB":

"by Moody's (as defined below): Baa1"

## **RESPONSIBILITY STATEMENT**

Each of Telekom Austria and TFG accepts responsibility for the information contained in this Supplement.

To the best of the knowledge of each of the Telekom Austria and TFG (which have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.