

Final Termsheet

**EUR 250,000,000 Tap Issuance of
Telekom Finanzmanagement GmbH
(guaranteed by Telekom Austria AG)**

**1.5% EUR 500,000,000 Senior Unsecured Notes due 07 Dec 2026
(XS1405762805)**

Issuer:	Telekom Finanzmanagement GmbH
Guarantor:	Telekom Austria AG
Status:	Senior, Unsecured
Expected Bond Rating:	Baa2 / BBB (Moody's / S&P)
Currency:	Euro ("EUR")
Trade Date:	10 July 2017
Tap Amount:	EUR 250,000,000 (fungible with XS1405762805 after 40 days from Settlement Date)
New Total Amount:	EUR 750,000,000
Redemption:	100.00%
Issue / Settlement Date:	14 July 2017 (T+4)
Maturity Date:	07 December 2026
Coupon Frequency:	Annually in arrears on every 07 December, up until and including the Maturity Date
Coupon:	1.500%
Day Count Fraction:	Act/Act
Business Day Convention:	Following unadjusted
Business Days:	TARGET2
Benchmark Bund:	DBR 0% 15 August 2026
Bund Price:	95.81%
Re-offer spread vs. Bund:	103.4bps
EUR Mid-swaps yield (p.a. interpolated):	0.906%
Re-offer Spread vs. Mid-Swaps:	60bps
Re-offer Yield (p.a.):	1.506%
Issue / Re-offer Price:	99.945
All-in Yield (p.a.):	1.535%
All-in Price:	99.695
Accrued Interest:	EUR 2,250,000 (219 days)
Net Proceeds to the Issuer:	99.695% of the Tap Amount (EUR 249,237,500) plus Accrued interest

Management Fee:	0.25% of the Tap Amount
Temporary ISIN / Common Code:	[•]
Permanent ISIN / Common Code:	XS1405762805 / 140576280
WKN:	[•]
Early Redemption:	For reasons of Taxation & Change of Control, 3month Par call
Clearing System:	Euroclear and Clearstream Banking Luxembourg
Programme:	Preliminary Prospectus, dated 10 July 2017
Denominations:	EUR 100,000 per Note
Application for Listing:	Regulated Market of the Luxembourg Stock Exchange
Governing Law:	Austrian
Form of the Note	Bearer form represented by a temporary global certificate and a permanent global certificate to be held permanently by the Clearing System
Selling Restrictions:	RegS and as further specified in the Preliminary Prospectus
Use of Proceeds:	General corporate purposes
Joint Lead Managers:	Mizuho Securities, Société Générale
Paying Agent:	Citibank London
Stabilisation Manager:	Société Générale

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