

IMPORTANT NOTICE

The Depository Trust Company



B#: 0660-11
Date: April 28, 2011
To: All Participants
Category: Dividends
From: International Services
Attention: Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject: TaxRelief - Country: Austria
Telekom Austria
CUSIP: 87943Q109
Record Date: 05/20/11 Payable Date: 06/06/11

We have received the following important notice from BNY Mellon/Globe Tax Services.

Questions regarding this Important Notice may be directed to Globe Tax.

Important Legal Information: *The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.*

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.

Non-Confidential

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TELEKOM AUSTRIA has announced a cash dividend.

As the sole Depositary for the company's American Depositary Receipt ("ADR") program, BNY Mellon is distributing an Important Notice.

On ADR Pay Date, June 6, 2011, all holders received this dividend net of the full Austrian statutory withholding tax of 25% with the possibility to reclaim as outlined in the below Eligibility Matrix:

DIVIDEND EVENT DETAILS	
COUNTRY OF ISSUANCE	AUSTRIA
ISSUE	TELEKOM AUSTRIA
CUSIP#	87943Q109
DEPOSITARY	BNY MELLON
ADR RECORD DATE	MAY 20, 2011
ADR PAY DATE	JUNE 6, 2011
ADR GROSS DIVIDEND RATE ON PAY DATE	TBD
ORD GROSS DIVIDEND RATE ON PAY DATE	EUR 0.75
RATIO	2 ORD : 1 ADR
STATUTORY WHT RATE	25%

ELIGIBILITY MATRIX			
RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
UNFAVORABLE - 25%	0%	NON-TREATY COUNTRIES	NONE
FAVORABLE - 5%	20%	SAUDI ARABIA, ROMANIA	<ol style="list-style-type: none"> COVER LETTER AUSTRIA APPLICATION FORM ZS-RE1/A DIVIDENDS CERTIFICATE OF RESIDENCY CERTIFICATION OF DIVIDEND PAYMENT POWER OF ATTORNEY
FAVORABLE - 10%	15%	CHINA, CYRPUS, CZECH REPUBLIC, , FINLAND, HUNGRY, INDIA, IRELAND, LATVIA, MEXICO, MONGOLIA, SWEEDEN, UKRAINE	<ol style="list-style-type: none"> COVER LETTER AUSTRIA APPLICATION FORM ZS-RE1/A DIVIDENDS CERTIFICATE OF RESIDENCY CERTIFICATION OF DIVIDEND PAYMENT POWER OF ATTORNEY
FAVORABLE - 15% LONG-FORM	10%	UNITED STATES	<ol style="list-style-type: none"> COVER LETTER AUSTRIA APPLICATION FORM ZS-RE1/A DIVIDENDS IRS FORM 6166 CERTIFICATION OF DIVIDEND PAYMENT POWER OF ATTORNEY
FAVORABLE - 15%	10%	ALBANIA, ARGENTINA, AUSTRALIA, BARBADOS, BELARUS, BELGIUM, BRAZIL, CANADA, DENMARK, ESTONIA, FRANCE, GERMANY, ITALY, LITHUANIA, MALTA, NETHERLANDS, NEW ZEALAND, POLAND, PORTUGAL, RUSSIA, SLOVENIA, SOUTH AFRICA, SOUTH KOREA, SPAIN, SWIZERLAND, UNITED KINGDOM, VENEZUELA	<ol style="list-style-type: none"> COVER LETTER AUSTRIA APPLICATION FORM ZS-RE1/A DIVIDENDS CERTIFICATE OF RESIDENCY CERTIFICATION OF DIVIDEND PAYMENT POWER OF ATTORNEY

ELIGIBILITY MATRIX (CONTINUED)

RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
FAVORABLE - 20% LONG-FORM	5%	JAPAN, TUNISIA	<ol style="list-style-type: none"> 1. COVER LETTER 2. AUSTRIA APPLICATION FORM ZS-RE1/A DIVIDENDS 3. CERTIFICATE OF RESIDENCY 4. CERTIFICATION OF DIVIDEND PAYMENT 5. POWER OF ATTORNEY

ADDITIONAL REQUIREMENTS

Any tax reclaims on dividends derived from Austrian Equities received by non-Austrian Investment Vehicles, regardless of your country of residency must provide an Attestation of Holding in addition to the documentation required in the above matrix. Examples of such Investment Vehicles are Savings Accounts, Certificate of Deposit, Money Market Funds, Whole Life Insurance, Treasury Securities, Mutual Funds, Investment Trusts and Real Estate Investment Trust (REIT).

DISCLAIMER

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CHARGES & DEADLINES

FILING METHOD	BATCH	PAYMENT METHOD	DEPOSITARY SERVICE CHARGE	MINIMUM SERVICE CHARGE PER BENEFICIAL OWNER	FINAL SUBMISSION DEADLINE (ALL TIMES EST)
LONG-FORM	POST-PAY DATE; ONGOING	CHECK	\$0.005 per ADR	\$25	DECEMBER 8, 2015

DESCRIPTION OF VARIOUS DOCUMENTATION

DOCUMENT NAME	DESCRIPTION	ORIGINAL / COPY	SIGNATURE REQUIREMENT
COVER LETTER (EXHIBIT A)	LISTING OF BENEFICIAL OWNERS NAMES, ADDRESSES, TIN, NUMBER OF SHARES AND PERCENT RECLAIM	ORIGINAL	DTC PARTICIPANT
IRS FORM 6166	ISSUED BY THE INTERNAL REVENUE SERVICE, STATING THE NAME AND TAX PAYER IDENTIFICATION NUMBER OF THE BENEFICIAL OWNER. IT MUST BE DATED WITHIN 3YEARS OF DIVIDEND EVENT.	ORIGINAL	IRS REPRESENTATIVE

DESCRIPTION OF VARIOUS DOCUMENTATION (CONTINUED)			
DOCUMENT NAME	DESCRIPTION	ORIGINAL / COPY	SIGNATURE REQUIREMENT
CERTIFICATE OF RESIDENCY	MUST BE AN ORIGINAL STAMP ON TAX FORM ZS-RE1 FROM THE BENEFICIAL OWNER'S LOCAL TAX AUTHORITY.	ORIGINAL	TAX AUTHORITY
CERTIFICATE OF DIVIDEND PAYMENT EXHIBIT B	REQUIRED FOR ALL LONG FORM CLAIMS. MUST BE SUBMITTED ON YOUR COMPANY'S LETTERHEAD.	ORIGINAL	DTC PARTICIPANT
ATTESTATION OF HOLDING EXHIBIT C	FOR TAX RECLAIMS ON DIVIDENDS DERIVED FROM AUSTRIAN EQUITIES RECEIVED BY NON-AUSTRIAN INVESTMENT VEHICLES.	ORIGINAL	DTC PARTICIPANT
POWER OF ATTORNEY	SIGNED BY THE BENEFICIAL OWNER APPOINTING THE DEPOSITARY ON BENEFICIAL OWNER'S LETTER HEAD.	COPY	BENEFICIAL OWNER
AUSTRIA APPLICATION FORM ZS-RE1A DIVIDENDS EXHIBIT D	AUSTRIAN TAX FORM ISSUED IN THE NAME OF THE BENEFICIAL OWNER CLAIMING FOR TAXES WITHHELD. ALL BOXES MUST BE COMPLETED.	ORIGINAL	DTC PARTICIPANT

CONTACT DETAILS	
PRIMARY CONTACT	HEDY KISHEL
DOMESTIC PHONE (U.S.)	1-800-915-3536
DOMESTIC FAX (U.S.)	1-800-985-3536
INTERNATIONAL PHONE	1-212-747-9100
INTERNATIONAL FAX	1-212-747-0029
EMAIL ADDRESS	HEDY_KISHEL@GLOBETAX.COM
COMPANY	BNY MELLON / GLOBETAX
STREET ADDRESS	90 BROAD STREET, 16 TH FLOOR
CITY/STATE/ZIP	NEW YORK, NY 10004

GENERAL QUESTIONS	
QUESTION	ANSWER
HOW LONG DOES IT TAKE FOR PAYMENT ON LONG-FORM CLAIMS?	APPROXIMATELY 6-9 MONTHS.
DOES THE LONG-FORM PROCESS HAVE A MINIMUM POSITION REQUIREMENT PER BENEFICIAL OWNER?	NO, ALL CLAIMS WILL BE PROCESSED THOUGH THERE IS A MINIMUM FEE OF \$25 PER BENEFICIAL OWNER.

EXHIBIT A — COVER LETTER REQUIRED FOR DANISH TAX RECLAIM FILINGS
THIS DOCUMENT MUST BE PREPARED ON THE
DTC PARTICIPANT’S LETTERHEAD

[DATE]

BNY Mellon
c/o Globe Tax Services, Inc.
90 Broad Street-16th Floor
New York, NY 10004-2205
Attn: Hedy Kishel/Telekom Austria

Enclosed please find tax reclamation documents, which we are submitting on behalf of our clients who wish to avoid excess withholding tax on Austrian ADRs. We, **[NAME OF DTC PARTICIPANT]**, also identified as DTC participant number **[DTC PARTICIPANT NUMBER]**, hereby state that each beneficial owner cited below held the respective amount of shares on the record date of **May 20, 2011** for the security **Telekom Austria**.

Below is the list of beneficial owners and their holdings, which total **[TOTAL # OF ADRs CITED BELOW]** ADRs. As required, the forms and a certification of residency document (Form 6166) if applicable, are enclosed for each beneficial owner. **The ratio is 1 ADRs to 2 Ordinary shares.** The information is as follows:

<u>Beneficial Owner Name</u>	<u>Address</u>	<u>Type of Acct.</u>	<u>Tax-Payer I.D.#</u>	<u>ADRs Held</u>
1)				
2)				
3) etc.				

We ask that BNY Mellon, as Depositary, apply to the Danish depository bank for the reduced withholding tax rate on the above beneficial owners' behalf. Please contact the undersigned at **[SIGNATORY'S TELEPHONE NUMBER]** should you have any questions.

Indemnification

We certify that to the best of our knowledge that each of the beneficial owners identified above are eligible for the preferential rates as stated herein and we declare that we have performed all the necessary due diligence to satisfy ourselves as to the accuracy of the information submitted to us by these beneficial owners.

We will be fully liable for any and all withholding taxes, claims, penalties and / or interest to the Danish Tax Authorities ("charge-backs"), including without limitation, any foreign exchange fluctuations associated with such funds. Neither BNY Mellon nor the Issuer nor any of their agents or affiliates shall be liable for the failure to secure any refund. In consideration of the assistance of BNY Mellon and the Issuer in processing such claims, we expressly agree that neither BNY Mellon nor the Issuer nor any of their agents or affiliates shall have any liability for, and we shall indemnify, defend and hold each of BNY Mellon and the Issuer and their respective agents and affiliates harmless from and against, any and all loss, liability, damage, judgment, settlement, fine, penalty, demand, claim, cost or expense (including without limitation fees and expenses of defending itself or enforcing this agreement) arising out of or in connection herewith. We further agree that our obligations hereunder shall be free from all defenses.

Sincerely,

[Signature of authorized signatory for DTC Participant]
[NAME AND TITLE OF AUTHORIZED OFFICER FOR DTC PARTICIPANT]

PAYMENT ADDRESS: _____

EXHIBIT B – CERTIFICATION OF PAYMENT REQUIRED FOR DANISH TAX RECLAIM FILINGS
THIS DOCUMENT MUST BE PREPARED ON THE
DTC PARTICIPANT’S LETTERHEAD

CERTIFICATION OF PAYMENT

We hereby confirm that:

<Beneficial Owner Name>

<B/O Address#1>

<B/O Address#2>

Was a recipient of a coupon, payable on **May 26, 2011** on a position of:

<Share Amount> shares of **Telekom Austria**
with the gross dividend rate of **EUR 0.75**
the payment was distributed as follows:

Gross Dividend: **EUR<Gross Dividend>**

Less: 25% withholding tax **EUR<25% of Gross>**

Net Dividend: **EUR<75% of Gross>**

Certified By
Authorized Signature _____ Date _____
Name

EXHIBIT C

**DECLARATION OF WIDELY-HELD FOREIGN INVESTMENT FUNDS
supplementing the application for refund of Austrian dividend tax**

The following declaration is made in relation to the claim for repayment of Austrian dividend tax of
2011.

Name of the fund whose treaty residence has been confirmed by the tax administration

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The fund is widely-held (fulfilled in any case if at least 100 investors).

Percentage of units held by investors entitled to the benefits of a Double Tax Treaty with Austria:

.....%.

**Method used for determination of entitled investors (e.g. Quarterly Determinations, Sales Restrictions, Direct Tracing or other Method):
(Please specify)**

.....

Closing date of the accounting period:

Disclosure of investors holding at least 10 % in the Investment Vehicle (for these investors residence within the meaning of the respective Tax Treaty with Austria has to be certified by the tax administration of the residence country)

.....

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Attachments:Certificates of Residence

The fund management is prepared to disclose to the Austrian tax administration details on the method used to determine the above percentage of investors protected under the Austrian tax treaty network if so requested by the Austrian tax administration. The authorised undersigned declares to the best of his knowledge that the information provided in this attestation is correct and that he is aware of the fact that the case may be subjected to special examinations under the administrative assistance provisions of the respective tax treaty.

Place and date:

Stamp and authorised signature: