23 September 2011

Telecom announces results in relation to its Swiss Franc (CHF) Euro medium term note (EMTN) consent solicitation

Under the terms of the Telecom EMTN trust deed, the demerger of Telecom may result in an event of default unless the event of default is waived via an extraordinary resolution of the holders of the CHF200m series of Telecom EMTN bonds maturing in 2012 (ISIN CH0043741690) (the '**CHF Notes**'). An extraordinary resolution requires the approval of three-fourths of CHF Note holders present and voting, subject to quorum requirements.

On 31 August 2011, Telecom launched a consent solicitation inviting CHF Note holders to waive the potential event of default and approve a new condition requiring Telecom to redeem all of the CHF Notes at their early redemption amount if final court orders relating to the demerger are obtained. At a meeting of CHF Note holders held on 22 September 2011, CHF Note holders duly passed the extraordinary resolution.

The document published is a formal press release which will be distributed on the Swiss Stock exchange.

This announcement does not constitute an invitation to participate in the consent solicitation in or from any jurisdiction where such participation would be unlawful.

ENDS

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