

# Announcement on the results of Telefónica O2 Czech Republic's Regular General Meeting held on 3 April 2009 in Prague

#### Ad item 1. - **Opening**:

The shareholders with the vote right owning some 75% of the company's shares attended the General Meeting; therefore the meeting had a quorum.

## Ad item 2. - Approval of the Rules of Procedure of the General Meeting, election of the chairman of the General Meeting, the minutes clerk, minutes verifiers and persons to count the votes:

The General Meeting approved the Rules of Procedure of the General Meeting, as proposed by the Board of Directors of the Company. The General Meeting elected Mr. Jan Zelený as Chairman of the General Meeting, Mr. Marcela Ulrichová as Minutes Clerk, and Mr. Richard Klouček and Mr. Vladimír Brož as Minutes Verifiers, and Mr. Václav Novotný and Mr. Antonín Králík as persons to count the votes (scrutineers).

# Ad item 3. - Report by the Board of Directors on business activities of the Company and state of its assets as part of the annual report of the Company for the year 2008:

Mr. Salvador Anglada, the Chairman of the Board of Directors and company's CEO presented the Board of Directors' report on the business activity of the company and the status of its assets for the year 2008.

## Ad item 4. - Information on the results of inspection activities of the Company's Supervisory Board, including information on review of the report on relations among interconnected entities:

Mr. Jaime Smith, the Chairman of the Supervisory Board presented the report on the results of inspection activities of the company's Supervisory Board including information on review of the report on relations between interconnected entities.

### Ad item 5. - Approval of the Company's Financial Statements for the year 2008:

The General Meeting approved the company's unconsolidated and consolidated financial statements for 2008 prepared in accordance to International Financial Reporting Standards (IFRS), recommended for approval by the company's Board of Directors. Both financial statements were audited by Ernst & Young, which expressed unqualified opinion to both financial statements. According to the financial statements for 2008, the company recorded a consolidated profit of CZK 11,628 million and an unconsolidated net profit of CZK 13,093 million.

# Ad item 6. - Resolution on distribution of the Company profit for 2008 and retained Company profit from previous years or, as the case may be, other available funds of the Company, and determination of royalties for 2008:

The General Meeting approved the unconsolidated profit for 2008 in the amount of CZK 13,092,928,908.44 after tax to be distributed as follows:

1)	contribution to the reserve fund	0.00 CZK
2)	contribution to the social fund	23,000,000.00 CZK
3)	royalties	0.00 CZK
4)	dividends	13,069,928,908.44 CZK

Further, the General Meeting approved the unconsolidated retained profits from previous years (in the current amount of CZK 5,309,102,151.87) in the amount of CZK 3,034,566,091.56 to be used as follows:

1)	contribution to the reserve fund	0.00	CZK
2)	contribution to the social fund	0.00	CZK
3)	royalties	0.00	CZK
4)	dividends	3,034,566,091.56	CZK

A *Telefonica* company

1



Further, the General Meeting approved that the unconsolidated retained profit of previous years in the current total amount of CZK 2,274,536,060.31 shall remain undistributed.

A dividend of CZK 50.00 before tax shall thus be paid to each share with the nominal value of CZK 100, and a dividend of CZK 500.00 before tax shall be paid to each share with the nominal value of CZK 1,000. The conclusive day for dividend shall be 9th September 2009. The dividend shall be payable on 7th October 2009.

### Ad item 7. - Amendment to Company's Articles of Association:

The General Meeting approved amendment to the Company's Articles of Association, as proposed by the Board of Directors. The main change insists in the establishment of the Audit Committee as an independent company's body with extended scope in matters regarding the statutory audit, making and verification of financial statements and the evaluation of the efficiency of the company's internal control system. Thereby Telefónica O2 Czech Republic in advance reacts to the ongoing transposition of EU directive no. 2006/43/ES on the mandatory audit of annual and consolidated financial statements into the Czech legislative framework.

# Ad item 8. - Recall of members of the Supervisory Board except for those elected by the Company employees in accordance with Section 200 of the Commercial Code:

The General Meeting approved no resolution to this item.

#### Ad item 9. – Election of the Company's Supervisory Board members:

The General Meeting confirmed by election Eduardo Andres Julio Zaplana Hernández-Soro in the office of a Supervisory Board member, the post to which he was co-opted on 24 July 2008 and thus filled the post vacated by Petr Zatloukal, who resigned from his office on 23 June 2008. Furthermore, the General Meeting confirmed by election Enrique Used Azmar in the office of a Supervisory Board member, the post to which he was co-opted on 24 February 2009 and thus filled the post vacated by Vivek Dev, who resigned from his office on 24 February 2009. Moreover, the General Meeting confirmed by election Anselmo Enriquez Linares in the office of a Supervisory Board member, the post to which he was co-opted on 24 July 2008 and thus filled the post vacated by Andrew Harley, who resigned from his office on 24 July 2008.

### Ad item 10. – Resolution on changes of the rules governing remuneration of members of the Supervisory Board:

The General Meeting resolved on changes of the rules governing remuneration of members of the Supervisory Board of the Company whereby the current text would be replaced with amended text, as proposed by the Company's Board of Directors. Remuneration, to which the right has arisen pursuant to the current text of the rules, shall be rendered in accordance with the current text; remuneration pursuant to the amended text shall not be rendered to the extent, to which it may be rendered for the same period in accordance with the current text.

# Ad item 11. – Resolution on changes of the rules for provisioning of non-claim perquisites to members of the Supervisory Board:

The General Meeting resolved on changes of the rules for provisioning of non-claim perquisites to members of the Supervisory Board of the Company whereby the current text shall be replaced with amended text, as proposed by the Company's Board of Directors. Perquisites, which cannot be rendered pursuant to the amended text of the rules any more, shall not be rendered; perquisites pursuant to the amended text shall not be rendered tot the extent, to which they have already been rendered for the same period in accordance with the current text.

### Ad item 12. – Approval of the agreements on the performance of the office of the Company's Supervisory Board members:

The General Meeting approved conclusion of the agreement on the performance of the office of a member of the Supervisory Board between the Company and Eduardo Andres Julio Zaplana Hernández-Soro, Enrique Used





Sunar, Anselmo Enriquez Linares, Pavel Herštík, Tomáš Firbach, Petr Gazda, Dušan Stareček, Lubomír Vinduška.

#### Ad item 13. – Election of members and substitute members of the Audit Committee:

The General Meeting elected the members of the company's Audit Committee Ms. Maria Pilar López Álvarez, Mr. Alfonso Alfonso Durán, Ángel Vilá Box, Jaime Smith Basterra, Pavel Herštík, Enrique Used Aznar.

Ad item 14. – **Resolution on approval of the rules for remuneration of members of the Audit Committee:** The General Meeting approved the rules for remuneration of members of the Audit Committee as proposed by the Board of Directors of the Company.

### Ad item 15. – Resolution on approval of the rules for provision of non-claim perquisites to members of the Audit Committee:

The General Meeting approved the rules for provision of non-claim perquisites to members of the Audit Committee as proposed by the Board of Directors of the Company.

Ad item 16. – **Approval of agreements on performance of the office of the Audit Committee members:** The General Meeting approved conclusion of the agreement on the performance of the office of a member of the Audit Committee between the Company and Ms. Maria Pilar López, Álvarez, Mr. Alfonso Alfonso Durán, Ángel Vilá Box, Jaime Smith Basterra, Pavel Herštík and Enrique Used Aznar.

#### Ad item 17. – **Conclusion**:

The chairman of the General Meeting briefly summarized the course of the General Meeting and informed the General Meeting of the final voting results.

