

**On item No. 6) of the agenda of the Regular General Meeting  
of Telefónica Czech Republic, a.s.,  
which is to be held on April 19, 2012**

**Resolution on distribution of the Company profit for 2011 and  
retained Company profit from previous years and, as the case  
may be, other available funds of the Company, and  
determination of royalties for 2011**

**Resolution No. 6**

The General Meeting approves to distribute the unconsolidated profit of Telefónica Czech Republic, a.s. (hereinafter "Company") for 2011 in the amount of CZK 7,648,074,030.17 after tax as follows:

1) contribution to the reserve fund	0.00 CZK
2) contribution to the social fund	15,000,000.00 CZK
3) royalties	0.00 CZK
4) dividends	7,633,074,030.17 CZK

The General Meeting approves to use the unconsolidated retained profit from previous years (in the current total amount of CZK 1,658,196,793.33) in the amount of CZK 1,063,353,269.83 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	1,063,353,269.83 CZK

The General Meeting approves that the unconsolidated retained profit of previous years in the total amount of CZK 594,843,523.50 shall remain undistributed.

A dividend of CZK 27 before tax shall thus be paid to each share with the nominal value of CZK 100, and a dividend of CZK 270 before tax shall be paid to each share with the nominal value of CZK 1,000. Under the conditions arising from the Czech legal regulations, the relevant tax shall be deducted (subtracted) by the Company before effecting the payment.

Those persons will have the title to dividend who will be the shareholders of the Company as at the conclusive day to claim the title to dividend (hereinafter "the conclusive day for dividend"), or their heirs or legal successors, provided that they prove the existence of their title. The respective shareholders shall be identified according to the state as of the conclusive day in the excerpt from the statutory register, which excerpt is to be ensured by the Company (unless it is proven that the record in the register fails to comply with reality).

**The conclusive day for dividend shall be September 12, 2012.**

**The dividend shall be payable on October 10, 2012.** The responsibility for the dividend payout rests with the Company's Board of Directors and it shall be carried out at the Company's costs through Česká spořitelna, a.s. and where not regulated by this provision, the payment shall be carried out in compliance with legal regulations and the Company's Articles of Association.

Without any undue delay after the regular General Meeting, the Board of Directors shall send written information on the resulting resolution of the General Meeting regarding the dividend payout, including the information on the dividend payout schedule, the dividend conclusive day, the dividend payout day and the financial institution designated to pay the dividend out, to the shareholders at the addresses of their registered office or their place of residence listed in the securities register administered in accordance with Act No. 256/2004 Coll., the Capital Market Trading Act.