

Notice

Increase of the registered capital of subsidiary Telefónica O2 Slovakia s.r.o.

Date: 25. 9. 2007

On its yesterday's meeting, the Board of Directors of Telefónica O2 Czech Republic, a.s., agreed to increase the registered capital of Telefónica O2 Slovakia s.r.o. from SKK 200,000 to SKK 1,500,000,000. In addition, the Board of Directors agreed to the change of the corporate name of the Slovak subsidiary from Telefónica O2 Slovakia s.r.o. to Telefónica O2 Slovakia, s.r.o.

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About Telefónica O2 Czech Republic

Telefónica O2 Czech Republic, a.s., is the first integrated operator in the Czech Republic formed on 1 July 2006 by the merger of the leading fixed line operator, ČESKÝ TELECOM, a.s., and the strongest mobile operator, Eurotel Praha, spol. s r.o., into a single telecommunications organization. The organization is now operating nearly eight million lines, both fixed and mobile, making it one of the world's leading providers of fully converged services.

Telefónica O2 Czech Republic offers the most comprehensive portfolio of voice and data services in this country. A special attention is paid to the exploitation of the growth potential, in particular the data and Internet business. Telefónica O2 Czech Republic operates the largest fixed and mobile network including a unique 3rd generation network, CDMA (for data) and UMTS, enabling the transport of voice, data and video. Furthermore, Telefónica O2 Czech Republic offers the largest network of WiFi hotspots in the country.

About Telefónica O2 Europe

Telefónica O2 Europe comprises mobile network operators in the UK, Ireland and Slovakia, along with integrated fixed/mobile businesses in Germany and the Czech Republic - all of which use 'O2' as their consumer brand. Telefónica O2 Europe also owns 50% of the Tesco Mobile and Tchibo Mobilfunk joint venture businesses in the UK and Germany respectively as well as having 100%

ownership of Be, a leading UK fixed broadband provider. In addition, the group includes the Isle of Man fixed/mobile operator, Manx Telecom.

Telefónica O2 Europe, part of the Telefónica group, is headquartered in Slough, UK, and has some 40 million mobile and fixed customers.

About Telefónica

Telefónica is one of the largest telecommunications companies in the world in terms of market capitalization. Its activities are centered mainly on fixed and mobile telephony, with broadband as the key tool for the development of both.

The company has a significant presence in 23 countries and a customer base of more than 212 million worldwide.

Telefónica is a 100% listed company, with in excess of 1.5 million direct shareholders. Its share capital currently comprises 4,921,130,397 ordinary shares traded on the Spanish Stock Market (Madrid, Barcelona, Bilbao and Valencia) and on those in London, Paris, Frankfurt, Tokyo, New York, Lima, Buenos Aires and São Paulo.