

Notification on merger of Telefonica O2 Business Solutions spol. s r.o. into mother company

July 2, 2012

Telefónica Czech Republic, a.s. announces that as of 1 July 2012 the registration court registered merger of Telefonica O2 Business Solutions spol. s r.o. , a subsidiary company, into Telefonica Czech Republic, a.s. As of this date, Telefonica O2 Business Solutions spol. s r.o. dissolved and all its assets, including rights and obligations arising from labour relations, passed over to Telefonica Czech Republic, a.s.

Contacts

Investor Relations

Telefónica Czech Republic, a.s.

investor.relations@o2.com

t +420 271462076

About Telefonica Czech Republic

Telefónica Czech Republic is a major integrated operator in the Czech Republic. It is now operating almost seven million lines, both fixed and mobile, making it one of the world's leading providers of fully converged services. The organization offers the most comprehensive portfolio of voice and data services in this country. It is paying special attention to the exploitation of the growth potential, particularly in the data and Internet sector. Telefonica Czech Republic operates the largest fixed and mobile network including a 3rd generation network, CDMA (for data), and UMTS, enabling voice, data and video transmission. Telefonica Czech Republic is also a notable provider of ICT services.

About Telefonica

Telefónica is one of the world's largest telecommunications operators by market capitalisation. Its activities are centred mainly on the fixed and mobile telephony businesses, while its broadband business is the key growth driver underpinning both. It operates in 25 countries and has a global customer base of over 300 million. Telefonica's growth strategy is focused on the markets in which it has a strong foothold: Europe and Latin America. Telefonica is a 100% private sector company with its shares listed in Madrid and other stock exchanges and more than 1.5 million individual shareholders.