

**Announcement on the results of Telefónica O2 Czech Republic's regular Annual General Meeting (AGM) held on 26 April 2007 in Prague**

**Ad item 1. - Opening:**

The shareholders with the vote right owning over 73% of the company's shares attended the AGM, therefore the meeting had a quorum.

**Ad item 2. - Approval of 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 shareholders approved the procedural rules of the AGM as proposed by the Board of Directors. Mr. Jan Zeleny was elected the chairman of the AGM, Mrs. Marcela Ulrichova the minutes clerk. The shareholders further elected minutes verifiers and persons to count the votes.

**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 2005:**

Mr. Jaime Smith, the Board of Directors' chairman 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 2006.

**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. Peter Antony Erskine, the Supervisory Board's chairman presented the report on the results of inspection activities of the company's Supervisory Board for the period from 27<sup>th</sup> April 2006 till 26<sup>th</sup> April 2007, 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 2006:**

The AGM approved the regular Financial Statements and the consolidated Financial Statements of the company for 2006 prepared in accordance with the International Financial Reporting Standards as audited by the external auditor Ernst & Young, and submitted by the company's Board of Directors. According to the financial statements for 2006, the company recorded a consolidated profit of CZK 8.020 billion and an unconsolidated net profit of CZK 8.322 billion.

**Ad item 6. - Resolution on distribution of Company profit for 2006 and retained Company profit from previous years, and determination of royalties for 2006:**

The AGM approved the unconsolidated profit of Telefónica O2 Czech Republic for 2006 in the amount of CZK CZK 8,321,854,862.34 after tax to be distributed as follows:

1) Contribution to the reserve fund	CZK 180,954,628.27
2) Contribution to the social fund	CZK 32,000,000.00
3) Royalties	CZK 0.00
4) Dividends	CZK 8,108,900,234.07

Additionally, the General Meeting approves the unconsolidated retained profit from previous years (in the current total amount of CZK 11,021,491,604.72) in the amount of CZK 7,995,594,765.93 to be used as follows:

1) Contribution to the reserve fund	CZK 0.00
2) Contribution to the social fund	CZK 0.00
3) Royalties	CZK 0.00
4) Dividends	CZK 7,995,594,765.93

The remaining part of the retained profit from previous years in the amount of CZK 3,025,896,838.79 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 10 September 2007. The dividend shall be payable on 3 October 2007.

**Ad item 7. - Election of members of the Supervisory Board of the Company:**

The AGM approved the election of Mr. Andrew Harley as a member of the Supervisory Board, to which he was co-opted on January 15, 2007 and occupied the position on the Supervisory Board previously held by Gerhard Mayrhofer, who left the Supervisory Board in October 2006.

**Ad item 8. - Approval of remuneration of members of the Board of Directors and the Supervisory Board of the Company:**

The AGM resolved that in 2007, the members of the Board of Directors may be awarded the aggregate amount of remuneration, within the range of its components provided for in Art (1,2) of the Rules of Remuneration of the Board of Directors Members, in the amount of CZK 3 million, and the members of the Company's Supervisory Board may be awarded the aggregate amount of remuneration, within the range of its components provided for in Art (1,2,3) of the Rules of Remuneration of the Supervisory Board Members, in the amount of CZK 8.5 million. In the subsequent calendar year, the members of the Board of Directors of the Company and the members of the Supervisory Board of the Company shall be awarded the remuneration in the same aggregate amounts as in 2007, unless the General Meeting resolves otherwise.

**Ad item 16. - Approval of the agreements on the performance of the office of members of the Company's Supervisory Board:**

The AGM approved conclusion of agreements on the performance of the office of a member of the Supervisory Board, between the company and Andrew Harley, i.e. the member of the Supervisory Board who was elected by the AGM within agenda item 7 of the Company's AGM.

**Ad item 17. – Conclusion:**

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