

PPF ARENA 2 B.V. PUBLISHED A MANDATORY TENDER OFFER

June 2, 2014

PPF Arena 2 B.V. published today a mandatory tender offer regarding Telefónica Czech Republic, a.s.

PPF Arena 2 B.V. is a majority shareholder of Telefónica Czech Republic, a.s. with a 65.9% share in the capital of the company and 67.1% share in the voting rights in the company as of January 28, 2014. On May 21, 2014, Telefónica Czech Republic, a.s. received a draft mandatory tender offer by PPF Arena 2 B.V., as the offeror, regarding Telefónica Czech Republic, a.s. The Board of Directors and the Supervisory Board of the company have discussed the proposal and provided the offeror with their joint opinion pursuant to Section 16 of Act No. 104/2008 Coll., on takeover bids, as amended, within a statutory deadline. The joint opinion of the Board of Directors and the Supervisory Board in full, together with the offer by PPF Arena 2 B.V., are available on the website of the company https://www.telefonica.cz/en/236554-informacni_povinnost/.

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About Telefónica Czech Republic

Telefónica Czech Republic is the largest integrated telecommunications provider in the Czech market, trading under the O2 brand. At present the Company operates close to eight million mobile and fixed accesses, which places it among the market leaders in fully converged services in Europe. To the users of mobile services in the Czech Republic O2 offers state-of-the-art HSPA+ and LTE technology. O2 has the most comprehensive proposition of voice and data services in the Czech Republic, and actively exploits the growth potential of its various business lines, especially ICT. O2 data centres, with total floor area of 7,300 square metres, rank O2 among the leaders in hosting, cloud and managed services. O2 data centres are the only centres in the Czech Republic and in Central Europe with TIER III certification. With the O2 TV the Company is also the largest IPTV service provider in the Czech Republic. The Company is present on the mobile market in Slovakia since 2007, through its 100% subsidiary Telefónica Slovakia. In January 2014, Telefónica Czech Republic became a member of the Czech investment group PPF.

About PPF Group

PPF Group invests into multiple market segments such as banking and financial services, insurance, real estate, energy, metal mining, agriculture, retail and biotechnology. PPF's reach spans from Central and Eastern Europe to Russia and across Asia. PPF Group owns assets of EUR 22.113 billion (as at 30 June 2013).