

Telefónica O2 Czech Republic, a.s.

Za Brumlovkou 266/2

140 22 Prague 3

Company ID: 60193336

Recorded in the Commercial Register administrated by the Metropolitan Court in Prague,
Section B, Enclosure 2322

THE MINUTES OF THE GENERAL MEETING of Telefónica O2 Czech Republic, a.s.

**held on April 21, 2008
at TOP HOTEL Praha in Prague**

The convocation of the General Meeting of Telefónica O2 Czech Republic, a.s. (hereinafter referred to as the "Company") was announced in *Hospodářské noviny* and *Obchodní věstník* on 21 March and 19 March 2008, respectively. The invitation card was mailed to the shareholders owning the registered share within the period of time set out by law. The announcement was also published on the Company's Internet pages.

see – Enclosure 1 to the Minutes

Regarding Item 1 of the Agenda:

The General Meeting was opened at 1.05 p.m. by the 1st Vice Chairman of the Board of Directors and CEO of Telefónica O2 Slovakia, s.r.o., Ing. Juraj Šedivý, who, being empowered by the Board of Directors, presided over the General Meeting until the General Meeting Chairman was elected. He welcomed all those present and announced that JUDr. Marie Malá, the public notary, was present and that the joint stock company Centrum hospodářských informací was the technical co-organiser of the General Meeting.

After that he presented the report on attendance as at 1 p.m. At the General Meeting, there were 87 shareholders who own or represent shares in the nominal value of CZK 22,946,387,900, which corresponds to 71.24 % of the joint stock company TO2 CR's registered capital. The General Meeting had a quorum.

see – Enclosure 2 to the Minutes

Regarding Item 2 of the Agenda:

Ing. Juraj Šedivý proposed to the present shareholders to approve the Rules of Procedure given to them at the registration, and to elect the General Meeting bodies. The Board of Directors suggested electing Ing. Jan Zelený as Chairman of the General Meeting, PhDr. Marcela Ulrichová as Minutes Clerk, Mgr. Richard Klouček and Ing. Vladimír Brož as Minutes Verifiers and RNDr. Antonín Králík and Václav Novotný as persons to count the votes (scrutineers).

Resolution No. 2.1

The General Meeting approves the Rules of Procedure of the General Meeting, as proposed by the Board of Directors of the Company.

Resolution No. 2.2

The General Meeting elects Mr. Jan Zelený as Chairman of the General Meeting, Ms. Marcela Ulrichová as Minutes Clerk, and Mr. Richard Klouček and Mr. Vladimír Brož as Minutes Verifiers, and Mr. Václav Novotný and Mr. Antonín Krátký as persons to count the votes (scrutineers).

Since no requests for explanation or counterproposals had been submitted in respect of the presented proposals, Ing. Juraj Šedivý invited the present shareholders to vote.

Shareholders voted on the approval of the Rules of Procedures and elected the General Meeting bodies **with the Ballot 1**. The Rules of Procedures were approved by 229,062,207 votes, which represent 99.81 % of all present votes. The General Meeting Chairman was elected by 229,052,382 votes, which represent 99.81% of all present votes; the Minutes Clerk, Minutes Verifiers and persons to count votes were all elected by 229,059,435 votes, which represent 99.81 % of all present votes.

The General Meeting approved the Rules of Procedure and elected the General Meeting bodies according to the submitted proposal of the Board of Directors.

see - Enclosure 3 to the Minutes

Ing. Jan Zelený, Chairman of the General Meeting, thanked to the present shareholders for the confidence manifested by their votes and stated that all procedural issues on the General Meeting agenda had been accomplished.

Ing. J. Zelený stated that the next item on the agenda was the 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 2007. Pursuant to the Commercial Code, the annual report shall also include the Board of Directors' Report pursuant to sec. 66a of the Commercial Code on relations among interconnected entities that was reviewed by the Supervisory Board and verified by the external auditor.

Further on, he reminded of the fact that in compliance with the amendment to the Act on Undertaking Business on Capital Market (by 1 April 2008), the Board of Directors had prepared the Board of Directors' "Summarizing Explanatory Report according to Sec. 118 (8) of the Act on Undertaking Business on Capital market". Shareholders received this report along with other GM materials. He noted that considering the content correlation between this report and the 2007 Annual Report data, it would have been relevant to ask questions on the Board of Directors' Summarizing Report in relation to this item of the GM agenda.

Regarding Item 3 of the Agenda:

Mr. Salvador Anglada, Chairman of the Board of Directors and Chief Executive Officer, presented the Board of Directors' report on the company's business activities and the state of its assets.

The report was presented in English language.

see – Enclosure 4 to the Minutes

Milan Pospíchal requested for comparison of this year's estimated revenues and actual results of the Company and he also asked about the estimate or actual profit from the sale of real estate owned by the company.

Salvador Anglada replied that the 2008 business plan that had been already communicated to the market allowed for the growth of revenues by 2 to 4% and profit by 0 to 2% and said that the financial results of the Company in 1Q/2008 would be published that day (21/4) in the afternoon, nevertheless, it could be stated that it was not necessary, as implied by the partial (quarterly) results, to make any changes to the annual outlook. Real estate is on sale due to the company's effort to effectively

manage its assets, which was actually why the proposal to sell the Company's real estate property that the Company no longer needed or was willing to use for its business activities had been prepared last year already. As soon as the reasons of the project suspension pass away (it is blocked due to executory proceedings implied by the suit with T-Mobile), the activities relating to this area will be restored again. The decision on the sale of real estate rests with the Board of Directors that will strive to achieve the best result, given the current situation on the real estate market.

Ing. Miloslav Klimeš filed a written request for explanation dealing with ¹fixed call charges and ² the Company's failure to motivate its customers to convert to electronic filing.

see – Enclosure 5 to the Minutes

JUDr. Jakub Chytil noted that fixed call charges are subject to regulation. The Company permanently monitors situation on the market and its pricing strategy is based on actual possibilities and development. As for the other question, the Company starts to motivate customers to communicate electronically (e.g. by a lower price of Request for information regarding the Company's telecommunications network distribution). Mr. Klimeš was referred to the Information Centre for more detailed answer, since his question had a very little in common with the discussed agenda item.

Michal Drbout objected both in writing and later on also verbally against the way the Company had proceeded in in case of his request for relocation of a fixed line and Internet connection. He also claimed that such negative cases were detrimental not only to customers but in the end also to shareholders, because due to bad customer experience the Company would have a problem to acquire new customers.

see – Enclosure 6 to the Minutes

JUDr. Jakub Chytil apologized on behalf of the Company and said that it was the Company's priority to enhance customer experience and satisfaction especially through implementation of the Customer Experience project this year. Mr. Drbout was referred to the Information Centre to obtain more detailed answer and to have his case duly resolved.

Ing. Pavel Chlístovský asked whether the Company intended to pay out a dividend in the oncoming years as well. Mr. Chlístovský's next questions dealt with the Company's intentions regarding minority shareholders (potential expulsion).

Salvador Anglada replied that the possibility of dividend payout for 2008 would be considered on the grounds of annual performance of the Company, taking business targets, net profit and its cash position into account.

Considering the potential expulsion of minority shareholders, JUDr. Jakub Chytil said that such decision, if it ever was meant to be made, rested with the majority shareholder of the Company, i.e. Telefónica, S.A.

*Based on a presented concrete case, **Ing. Josef Maršík** pronounced his opinion that the prices of Company services were still high which may have lead to loss of a significant number of prospect customers.*

Salvador Anglada said that the Company offered to its customers lots of combined packages (high-speed Internet, TV, fixed and mobile voice services) in a quality and technical parameters that made this offer competitive. The Company is aware of strong competition and bases its prices on market conditions.

Upon **RNDr. Dušan Brabec's** request for explanation dealing with the status of litigations the Company is involved in as either a plaintiff or a defender (in case of actions brought against the Company, he wanted to know the amount of Company reserves for covering potential impacts of such litigations), JUDr. Jakub Chytil replied that the shareholder would be provided with a detailed answer in writing.

Regarding Item 4 of the Agenda:

Mr. Jaime Smith, Chairman of the Supervisory Board, presented to the General Meeting the results of supervisory activities of the company's Supervisory Board, including information on review of the report on relations among interconnected entities.

The report was presented in English language.

see – Enclosure 7 to the Minutes

Regarding Item 5 of the Agenda:

Mr. Ramón Ros, Member of the Board of Directors and Vice President – Financial Division, presented the proposal for the approval of financial statements for 2007 – the annual financial statements for 2007 and consolidated financial statements for 2007.

The report was presented in English language.

see – Enclosure 8 to the Minutes

Milan Pospíchal asked for being sent the written answer regarding Company litigations promised to the shareholder, D. Brabec as well. Mr. M. Pospíchal also asked about the amount of Company reserves made in respect of the main litigations against the Company.

Ramón Ros explained that according to the IFRS standards it was not possible to specify the amount of reserves per particular litigations, and as for the total amount of reserves dedicated to judicial and administration resolutions (stated in the annex to the Company's Financial Statements along with the comments to the main litigations) and other explanation, he referred Mr. Pospíchal to the Information Centre. Mr. R. Ros stressed that the amount of reserves was determined on the grounds of a thorough assessment by internal and external lawyers of the Company and that it truly and honestly reflected the reality.

The next question of **Mr. M. Pospíchal** dealt with the outlook for dividend payout and the existence of rules, or principles for their setting.

Mr. R. Ros referred to the answer of the Board of Directors Chairman and Chief Executive Officer, Mr. S. Anglada, to the shareholder Mr. Chlístovský on this issue and said that there was no binding or formalised dividend policy in the Company.

Milan Pospíchal also asked about the estimated development of financial performance of Telefónica O2 Slovakia, s.r.o. (hereinafter referred to as "TO2 SK").

Ramón Ros referred to the data stated in the consolidated financial statements of the Company. Juraj Šedivý pointed out at very good results of TO2 SK that had launched its business activities only in 2007, even in an international comparison to companies entering the telecommunications market as the third or fourth operator. Salvador Anglada said that in 2007 TO2 SK managed to acquire 5% share of the Slovak mobile market, considering that the outlook for 2010 was 15 to 20%. When it comes to profitability, at the end of 2009 the company should reach a turning point (on a non-cumulated basis).

In respect of **Milan Pospíchal's** request for explanation dealing with the amount of blocked assets of the Company and its recent steps in the execution process against the Company relating to the unresolved litigation lead by T-Mobile due to 2001 interconnection prices, JUDr. Jakub Chytil said that the Company remitted the disputed sum only to unblock the Company's assets and remove other limitations for the Company implied by the execution proceedings, i.e. in no case should it be understood as an acceptance of T-Mobile's claim or the Company's weak position in this litigation. Considering the unreasonable amount of blocked Company assets, a constitutional complaint was filed, whereby the Company disputed the Execution Act.

In his last question **Milan Pospíchal** was interested whether the list of main litigations was complete (especially of those dealing with interconnection fees).

JUDr. Jakub Chytil answered that the data set out in the financial statements reflected the legal status of the year 2007 and that no new actions were brought in 2008, however, future happenings could not be foreseen.

Ing. Zelený read the draft resolution to the approval of the company's financial statements for 2007.

Resolution No. 5a

The General Meeting approves the Annual Financial Statements of Telefónica O2 Czech Republic, a.s., for 2007, as audited, and submitted by the Company's Board of Directors.

Resolution No. 5b

The General Meeting approves the Consolidated Financial Statements of Telefónica O2 Czech Republic, a.s. for 2007, as audited, and submitted by the Company's Board of Directors.

Since no counterproposals had been submitted, Ing. Jan Zelený invited the present shareholders to vote.

Shareholders voted on the approval of the annual financial statements for 2007 and the consolidated financial statements for 2007 **with the Ballot 2**. 229,440,198 votes voted in favour of the approval of the annual financial statement for 2007, which represents 99.92 % and 229,430,198 votes voted in favour of the consolidated financial statements, which represents 99.91 % of the number of present votes.

The General Meeting approved the annual financial statements for 2007, as submitted by the Board of Directors.

The General Meeting approved the consolidated financial statements for 2007, as submitted by the Board of Directors.

see – Enclosure 9 to the Minutes

Regarding Item 6 of the Agenda:

Being authorised by the Board of Directors of the Company, the General Meeting Chairman presented the proposal for approval of amendment to the Articles of Association. He said that these amendments were motivated by the fact that there were some activities registered within the subjects of company's business activities that the company did not perform and did not even intend to perform, and that was why they could be eliminated from the Articles of Association. Other amendments relate to the provisions regulating remuneration of members of the Board of Directors and the Supervisory Board, and are meant to enable the General Meeting to be more flexible when it comes to making decisions regarding specific remuneration rules. Other amendments relate to reduction of the number of the Board of Directors members from 9 to 7, adjustment of the minimum number of the Supervisory Board meetings throughout the year and extension of the General Meeting's opportunities to make decisions regarding formation and exploitation of a reserve fund. The last group of amendments consists in minor formal adjustments that have no substantive impact and are only meant to clarify little inconsistencies in the Articles of Association, or is induced by amendments to legal regulations.

see – Enclosure 10 to the Minutes

The draft amendment to the Articles of Association was available to shareholders for a due period of time set out by law before the General Meeting and all shareholders received this document along with the draft resolution on the registration.

Ing. J. Zelený read the draft resolution on the approval of amendment to the Company's Articles of Association:

Resolution No. 6

The General Meeting approves an amendment to the Company Articles of Association. The Company Articles of Association shall be amended as follows:

- (A) The following shall be deleted from Article 3:
- point 9. („Manufacture of low voltage distribution boxes, batteries cabling and conductors.“)**
 - point 19. („Passenger road transport.“)**
 - point 20. („Freight vehicle road transport.“)**
 - point 21. („Manufacture of machinery and equipment for certain industries.“)**
 - point 22. („Road vehicle repair.“)**
 - point 23. („Vehicle body repair.“)**
 - point 24. („Transportation technical activities.“)**

point 25. („Maintenance of motor vehicles and accessories thereof.“)
point 38. („Distribution of electricity and production and distribution of heat pursuant to Act No. 222/94 Coll., on conditions of business and on performance of state administration in the energetics industry and on the State Energy Inspection.“)
Other points of Article 3 shall have new numbers from 1 to 32.

- (B) The following shall be deleted from Article 8 (1) (k):
„total“.
- (C) The following shall be deleted from Article 8 (1) (p):
„ **the total amount and maturity of**“
and the following shall be added at the end before comma:
„**and maturity thereof**“.
- (D) NOTE: Amendment to Article 10 (1) is relevant only in the Czech version.
- (E) The following shall be deleted from Article 11 (1):
„ **the General Meeting shall elect**“
and shall be replaced with the following:
„**Unless the Commercial Code stipulates otherwise, the General Meeting shall elect, in a procedure under Article 12 (1)**“.
- (F) The second sentence shall be deleted from Article 11 (1).
- (G) The following shall be inserted in Article 11 (1) before the full-stop at the end of the last sentence:
„**upon a proposal by the person who convened the General Meeting or, as the case may be, by the Supervisory Board**“.
- (H) NOTE: Amendment to Article 12 (4) is relevant only in the Czech version.
- (I) In Article 14 (4) (e), the following:
„**Company’s**“
shall be inserted after the following:
„**one-quarter of**“,
the following:
„**from**“
shall be deleted from amongst the following:
„**ordinary financial statement or**“ and „**the consolidated financial statement**“,
and the following:
„**of the Company**“
shall be inserted after the following:
„**the consolidated financial statement**“.
- (J) In Article 14 (4) (f), the following:
„**Company’s**“
shall be inserted after the following:
„**one-quarter of**“,
the following:
„**from**“
shall be deleted from amongst the following:
„**ordinary financial statement or**“ and „**the consolidated financial statement**“,
and the following:
„**of the Company**“
shall be inserted after the following:
„**the consolidated financial statement**“.
- (K) In Article 14 (4) (k), the following:
„**Company’s**“

shall be inserted after the following:

„**one-quarter of**“,

and the following:

„**from**“

shall be deleted from amongst the following:

„**ordinary financial statement or**“ and „**the consolidated financial statement**“.

- (L) The following shall be deleted from Article 15 (1):
„**9**“
and shall be replaced with the following:
„**7**“.
- (M) In Article 18 (4), the following:
„**for the purposes of the assessment of quorum and of adoption of the decision**“
shall be inserted after the following:
„**all Board members are deemed to be attending (present)**“.
- (N) The following shall be deleted from Article 20 (3) (k) (ka):
„**specific level of**“
and shall be replaced with the following:
„**issues concerning**“.
- (O) The following shall be deleted from Article 20 (3) (k) (kb):
„**specific level of**“
and shall be replaced with the following:
„**issues concerning**“.
- (P) The following shall be deleted from Article 22 (1):
„**two calendar months**“
and shall be replaced with the following:
„**a trimester**“,
and the following shall be deleted:
„**6**“
and shall be replaced with the following:
„**4**“.
- (Q) In Article 24 (4), the following:
„**for the purposes of the assessment of quorum and of adoption of the decision**“
shall be inserted after the following:
„**all Supervisory Board members are deemed to be attending (present)**“.
- (R) In Article 26 (3), the following shall be inserted as the second sentence after the first sentence:
„**Supervisory Board Committees may consist only of members of the Supervisory Board.**“,
and the last sentence shall read as follows:
„**The Supervisory Board Committees members may be re-elected.**“
- (S) In Article 26 (14), the following:
„**for the purposes of the assessment of quorum and of adoption of the decision**“
shall be inserted after the following:
„**all Supervisory Board Committee members are deemed to be attending (present)**“.
- (T) The following shall be deleted from Article 27 (2):
„**from the total amount determined by the General Meeting**“.
- (U) In Article 29 (1) (b), the comma and the following:
„**one of whom must be the Chairman or Vice-Chairman of the Board of Directors**“
shall be deleted after the following:
„**members of the Board of Directors jointly**“.

- (V) The following shall be inserted after the last sentence in Article 31 (1):
„The General Meeting may also decide that other Company’s own funds, subject to compliance with provisions of law, may be transferred to the Reserve Fund under this paragraph; should the Reserve Fund thereby exceed 20% of the registered capital, the Company may, at its own discretion, use the sources forming a part of the Reserve Fund up to the amount exceeding this limit.“.
- (W) In Article 34 (7), the following:
„and“
shall be deleted and the full-stop and the following shall be inserted:
„Should the delay of the subscriber with payment of the subscription price of the shares exceeds one month,“,
and the following shall be deleted:
„within the same term“.
and shall be replaced with the following:
„without undue delay (and, as the case may be, even before the lapse of the period decisive for expulsion of the subscriber)“.
- (X) The following shall be deleted from Article 36 (1) (d):
„lack of assets of the liquidated Company to cover the costs of the bankruptcy proceedings or by virtue of a rejection of the proposal to declare bankruptcy proceedings due to the lack of assets“
and shall be replaced with the following:
„total lack of debtor’s assets“.

Since no other proposals or counterproposals were submitted to the Board of Directors within the period of time set out by law, and none of the present asked for explanation, the General Meeting Chairman invited to voting.

Shareholders voted on the approval of amendment to the Articles of Association **with the Ballot 3**. 229,512,036 votes voted in favour of the approval, which represents 99.95 % of the number of present votes.

The General Meeting approved the amendment to the Articles of Association, as submitted by the Board of Directors.

see – Enclosure 11 to the Minutes

Regarding Item 7 of the Agenda:

The General Meeting Chairman stated that as a part of Item 6 of the GM agenda, an amendment to the Company’s Articles of Association had been approved, which, inter alia, enabled the General Meeting to decide by resolution on the transfer of other available own resources of Company than profit to the Reserve Fund.

After that he briefed the General Meeting on the Board of Directors’ draft Resolution on Reserve Fund.

Resolution No. 7

Pursuant to Article 31 (1), Articles of Association, the General Meeting approves transfer of CZK 6,441,798,000 from the Share Premium to the Reserve Fund of the Company.

Ramón Ros replied to Ing. Jindřich Kubát’s objection that according to the AR data there was no surplus in the reserve fund that could be used for other purposes by referring to the approved amendment to the Articles of Association and said that the respective amended provision of the Articles of Association made it possible to transfer other own resources of the Company to the reserve

fund, and then it rested with the Company how the amount exceeding the limit of 20% of the registered capital would be used. An additional question of Mr. Kubát regarding financial resources for the dividend payout was answered by JUDr. Jakub Chytil, who explained that one of the resources for the dividend payout would be the surplus of the reserve fund set in subsequently after the transfer of funds from the Share Premium.

The shareholder **Ing. Josef Šalda** asked whether the Company was willing to use free financial resources (e.g. the surplus from the reserve fund in excess of the defined limit) for Company stock buyback - Ramón Ros confirmed that it neither had been not was Company's intention.

Milan Pospíchal asked whether the funds from own resources of the Company would be transferred from the Share Premium and what would be the residual value of this balance item after the transfer.

Ramón Ros confirmed that the proposed transfer to the reserve fund concerned the funds from a part of the Share Premium. Mr. Ros explained that the aim of the operation was to replace financial funds accumulated in the reserve fund and generated in previous years from the Company net profit with an aliquot amount transferred from the Share Premium, and make it thus possible to pay out these resources to shareholders. For further explanation, Mr. Ros referred to the explanation to Item 8 on the agenda.

Since no other proposals or counterproposals were submitted, the General meeting Chairman invited to voting.

Shareholders voted on the approval of the resolution on reserve fund **with the Ballot 4**. 229,513,372 votes voted in favour of the approval, which represents 99.95 % of the number of present votes.

The General Meeting approved the transfer of the amount of CZK 6,441,798,000.00 from the Share Premium to the reserve fund of the Company.

see – Enclosure 12 to the Minutes

Regarding Item 8 of the Agenda:

Mr. Ramón Ros presented the proposal on distribution of Company profit for 2007 and retained Company profit from previous years, including determination of royalties for 2007.

The proposal was presented in English.

see – Enclosure 13 to the Minutes

Draft Resolution No. 8

The regular General Meeting approves the unconsolidated profit of Telefónica O2 Czech Republic, a.s. (hereinafter "Company") for 2007 in the amount of CZK 11,894,335,555.08 after tax to be distributed as follows:

- contribution to the reserve fund	0.00 CZK
- contribution to the social fund	25,000,000.00 CZK
- royalties	0.00 CZK
- dividends	9,662,697,000.00 CZK

The remaining part of the profit in the amount of CZK 2,206,638,555.08 shall remain undistributed and reclassified on the account of retained profit of previous years.

Further, the Board of Directors proposes to the Regular General Meeting to approve distribution of the part of reserve fund, which can be used at company's discretion in the amount of CZK 6,441,798,000.00 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 6,441,798,000.00 CZK

Further, the Board of Directors proposes to the Regular General Meeting that the unconsolidated retained profit of previous years in the current total amount of CZK 3,075,917,978.79 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. 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 “conclusive day for dividend”), or their heirs or legal successors, provided that they prove the existence of their title. In the case of book-entry bearer shares, these are the shareholders registered as at the conclusive day for dividend in the register of book-entry securities kept by the Securities Centre, in the section determined for the issuer. In the case of registered shares, it is the shareholder registered as at the conclusive day for dividend in the list of shareholders kept by the Company.

The conclusive day for dividend shall be 17th September 2008.

The dividend shall be payable on 8th October 2008. The payment of the dividend shall be the responsibility of the Board of Directors of the Company, and the payment shall be effected at the costs of the Company and in compliance with legal regulations and the Articles of Association. The Board of Directors of the Company shall notify the shareholders of the date, venue and method of payment of the dividend and of the conclusive day for dividend in the manner set forth by the Articles of Association and by the Act on Convocation of General Meeting.

Without undue delay after holding this regular General Meeting, the Board of Directors shall send to the shareholders holding the registered share a notification of the date, venue and method of payment of the dividend and of the conclusive day for dividend, in writing at the address given in the list of shareholders.

The General Meeting Chairman briefed shareholders on the standpoint of the Supervisory Board that discussed the draft resolution on 21 April 2008 with the following result:

“The Supervisory Board reviewed the Board of Directors’ proposal on distribution of Company profit for 2007 and retained Company profit from previous years, and as the case may be, other available own resources of the Company, including determination of royalties for 2007, and recommend to the General Meeting approving this proposal.”

Ing. Jindřich Kubát asked why the surplus from reserve capital set in after the transfer of a part of financial resources from the Share Premium was used for the dividend payout instead of using primarily the profit from 2007 and retained profit from previous years.

Ramón Ros replied that the total volume of the to-be-distributed financial resources corresponded to previous years, and that while stating it, the Board of Directors took into consideration, inter alia, the Company business plans, its commitments (this year’s bond repayment) and inevitable investment in the future. Selection of financial resources reflected the most effective and efficient procedure for the Company.

Milan Pospíchal asked about the cumulative amount of retained profit that would be available in the future, and about the Share Premium residual (after the transfer of a part of the Share Premium to the reserve fund).

Ramón Ros replied that the retained profit of the Company continued to exceed CZK 5 billion of the Company profit (of a part of the Company profit for 2007 and retained Company profit from previous years). There will still be approximately CZK 24.5 billion in the Share Premium, nevertheless – as Mr. Ros emphasised – these resources were primarily not meant to be distributed and their further potential use must be thoroughly analysed.

Since no other proposals or counterproposals were submitted, Ing. Zelený invited to voting.

Shareholders voted on the approval of the proposal on profit distribution as submitted by the Board of Directors **with the Ballot 5**. 228,710,139 votes voted in favour of the approval, which represents 99.60 % of the number of present votes. The General Meeting approved the resolution on distribution of Company profit for 2007 and retained Company profit from previous years, and as the case may be, other available own resources of the Company, including determination of royalties for 2007, as submitted by the Board of Directors.

see – Enclosure 14 to the Minutes

Regarding Items 9 and 10 of the Agenda:

The General Meeting Chairman stated that no proposal for a recall of Supervisory Board members was submitted and presented the proposal by the shareholder Telefónica, S.A. for election of members of the Supervisory Board.

He said that Ms. Maria Pilar López Álvarez and Messrs. Jaime Smith Basterra and Vivek Dev. were co-opted as substitute members of the Supervisory Board until the day of the General Meeting in accordance with Art. 21 (6) of the Articles of Association. Ms. Catherine Jane Keers resigned from her post in the Supervisory Board of the Company and in accordance with Art. 21(4) of the Articles of Association the tenure of her office terminated on the day when it was discussed, i.e. on 26 July 2007. Mr. Peter Anthony Erskine resigned from his post in the Supervisory Board of the Company and in accordance with Art. 21(4) of the Articles of Association the tenure of his office terminated on the day when it was discussed, i.e. on 21 February 2008. Mr. Sohail Qadri resigned from his post in the Supervisory Board of the Company and in accordance with Art. 21(4) of the Articles of Association the tenure of his office terminated on the day when it was discussed, i.e. on 25 October 2007.

He also said that Mr. Antonio Botas Bañuelos should be elected to the vacant office after resignation of Mr. Julio Linares López, who left his post in the Supervisory Board of the Company and in accordance with Art. 21(4) of the Articles of Association the tenure of his office terminated on the day when it was discussed, i.e. on 21 April 2008.

He stated that all the nominees met all legal qualifications to become Supervisory Board members and had confirmed their consent with being nominated to this body of Telefónica O2 Czech Republic, a.s.

Brief resumes of the candidates were available to the General Meeting.

see – Enclosure 15 to the Minutes

Resolution No. 10.1

The General Meeting elects Maria Pilar López Álvarez, born on 13 June 1970, domiciled at C/Mozart, 5 8° D, 28008 Madrid, the Kingdom of Spain, as a new member of the company's Supervisory Board.

Resolution No. 10.2

The General Meeting elects Jaime Smith Basterra, born on 6 September 1965, domiciled at c/Comunidaed de Canarias, 61, Urbanización Soto Cabañas, 28230 Las Rozas, Madrid, the Kingdom of Spain, as a new member of the company's Supervisory Board.

Resolution No. 10.3

The General Meeting elects Vivek Dev, born on 18 October 1958, domiciled at Foxfire, Old Long Grove, Seer Green, Beaconsfield, HP9 2QH, Great Britain, as a new member of the company's Supervisory Board.

Resolution No. 10.3

The General Meeting elects Antonio Botas Bañuelos, born on 13 October 1963, domiciled at Celindas 39, 28016 Madrid, the Kingdom of Spain, as a new member of the company's Supervisory Board.

Since no other proposals or counterproposals were submitted, Ing. Zelený invited to voting.

Shareholders voted on election of Maria Pilar López Álvarez, Jaime Smith Basterra, Vivek Dev and Antonio Botas Bañuelos as members of the Supervisory Board **with the Ballot 7**. 228,382,619 votes voted in favour of the election of Marial Pilar López Álvarez, which represents 99.49 % of the number of present votes. 228,382,619 votes voted in favour of the election of Jaime Smith Basterra, which represents 99.49 % of the number of present votes. 228,382,619 votes voted in favour of the election of Vivek Dev, which represents 99.49 % of the number of present votes. 228,382,619 votes voted in favour of the election of Antonio Botas Bañuelos, which represents 99.49 % of the number of present votes.

The General Meeting elected Maria Pilar López Álvarez, Jaime Smith Basterra, Vivek Dev and Antonio Botas Bañuelos as members of the Supervisory Board.

see – Enclosure 16 to the Minutes

Regarding Item 11 of the Agenda:

Being empowered by the Board of Directors, the General Meeting Chairman presented the draft resolution on rules for remuneration of members of the Company Board of Directors.

He stated that the proposed amendment to the Rules for remuneration of members of the Company Board of Directors as well as the amendment to the Rules for remuneration of members of the Supervisory Board - see item (12) of the agenda - reacted to the best practice and corporate governance trends. The essence of the amendment is that the General Meeting will not approve the annual sum of remuneration for the particular corporate body in the current calendar year any longer, but that after the new rules approval it will be shareholders who will decide on concrete remuneration for specific categories of members of the Board of Directors (and the Supervisory Board). The submitted proposal will replace the existing rules for remuneration of members of the corporate bodies in question as of the second half of this year. The overall annual sum of remuneration for this year will be specified in the Annual Report 2008.

see – Enclosure 17 to the Minutes

Resolution No. 11

The General Meeting cancels the rules for remuneration of members of the Board of Directors approved by the Regular General Meeting held on 27 April 2006, and approves the rules for remuneration of members of the Company Board of Directors as submitted by the Company Board of Directors with effect from 1 July 2008.

Since no other proposals or counterproposals were submitted, the General meeting Chairman invited to voting.

Shareholders voted on the approval of the resolution on rules for remuneration of members of the Company Board of Directors **with the Ballot 8**. 225,790,277 votes voted in favour of the approval, which represents 98.36 % of the number of present votes.

The General Meeting approved the resolution on rules for remuneration of members of the Company Board of Directors.

see – Enclosure 18 to the Minutes

Regarding Item 12 of the Agenda:

Being empowered by the Board of Directors, the General Meeting Chairman presented the draft resolution on rules for remuneration of members of the Company Supervisory Board.

He stated that the draft amendments to the rules for remuneration of SuB members are identical to those applicable for members of the Board of Directors – see Item 11 of the agenda – given that the only news is the increase of remuneration for work in the Audit and Control Committee, which reflects seriousness and importance of working in this Committee and corresponds with the 8th EC Directive (ES 2006/43/ES), which substantially strengthens the role and importance of this committee within corporate governance.

see – Enclosure 19 to the Minutes

Resolution No. 12

The General Meeting cancels the rules for remuneration of members of the Company Supervisory Board approved by the Extraordinary General Meeting held on 3 February 2005, and approves the rules for remuneration of members of the Supervisory Board as submitted by the Company Board of Directors with effect from 1 July 2008.

Since no other proposals or counterproposals were submitted, the General meeting Chairman invited to voting.

Shareholders voted on the approval of the resolution on rules for remuneration of members of the Company Supervisory Board **with the Ballot 9**. 229,293,558 votes voted in favour of the approval, which represents 99.89 % of the number of present votes.

The General Meeting approved the resolution on rules for remuneration of members of the Company Supervisory Board.

see – Enclosure 20 to the Minutes

Regarding Item 13 of the Agenda:

Being empowered by the Board of Directors, the General Meeting Chairman presented the Board of Directors' proposal for remuneration of members of the Company Board of Directors and the Supervisory Board.

He said that following the already discussed items 11 and 12 of the agenda, the Board of Directors presented a proposal that remuneration of members of the Board of Directors and the Supervisory Board for the first half of 2008 was similar to a half of annual remuneration for 2007. The document on that item was available to shareholders at the General Meeting.

Resolution No. 13

The General Meeting stipulates that for the period of 1 January 2008 – 30 June 2008 the members of the Company Board of Directors should be provided with a total remuneration in the extent of its components under items 1) and 2) of the rules of remuneration of members of the Company Board of Directors approved by the Regular General Meeting on 27 April 2007 in the amount of CZK 1.5 mil. and members of the Company Supervisory Board should be provided with a total remuneration in the extent of its components under items 1), 2) and 3) of remuneration rules of members of the Company Supervisory Board approved by the Extraordinary General Meeting held on 3 February 2005 in the amount of CZK 4.2 mil.

Since no other proposals or counterproposals were submitted, Ing. Zelený invited to voting.

Shareholders voted on the approval of remuneration of members of the Company Board of Directors and the Supervisory Board **with the Ballot 10**. 224,930,671 votes voted in favour of the approval, which represents 97.99 % of the number of present votes.

The General Meeting approved the draft resolution on remuneration of members of the Company Board of Directors and the Supervisory Board as submitted.

see – Enclosure 21 to the Minutes

Regarding Item 14 of the Agenda:

Being empowered by the Board of Directors Ing. Zelený presented the Board of Directors' proposal for approval of agreements on the performance of the office of members of the company's Supervisory Board. He said that the presented agreement on the performance of the office of a member of the company's Supervisory Board had been used in the corporate governance practice for several years

and had a standard form. One of the key provisions of the agreement is the Supervisory Board member's voluntary assumption of the non-competition commitment in respect of which he/she is provided with financial compensation. The non-competition commitment applies for 6 months after the termination of the execution of the office of a Supervisory Board member and relates to the main subject of the company activities and from the territorial perspective prevents the member's participation in any competitive activities within the territory of the Czech Republic. The non-competition clause shall not apply if the activities that could be considered as competitive are performed within the company's corporation. Compared to the agreement used in the past, the amendments to the agreement are associated merely with the changed structure of the financial compensation provided by the company as a counter-performance compensating for the assumption of the noncompetition commitment, which was induced by the amendment to the rules for remuneration of Supervisory Board members approved by shareholders as a part of item 12 of the GM agenda that was reflected in Art. 2.3 of the Agreement. Considering the total sum of remuneration, there is no significant change compared to the to-date practice.

The updated version of the agreement was available to shareholders at the General Meeting.

see – Enclosure 22 to the Minutes

Considering the said amendment to the agreement, the proposal for approval of the agreement on the performance of the office of a member of the Supervisory Board will be presented in respect of the newly elected as well as current members.

Resolution No. 14

The General Meeting approves conclusion of the agreement on the performance of the office of a member of the Supervisory Board between the Company and Maria Pilar López Álvarez, Jaime Smith Basterra, Vivek Dev, Antonio Botas Bañuelos, Lubomír Vinduška, Luis Lada Díaz, Andrew Harley, Ángel Vilá Boix, Alfonso Alonso Durán, Guillermo José Fernández Vidal, Vlastimil Barbořák, Pavel Herštik, Miloslav Krch, Dušan Stareček and Petr Zatloukal.

With the Ballot 11 shareholders voted on the approval of the agreement on the performance of the office of a member of the Supervisory Board between the Company and Maria Pilar López Álvarez, Jaime Smith Basterra, Vivek Dev, Antonio Botas Bañuelos, Lubomír Vinduška, Luis Lada Díaz, Andrew Harley, Ángel Vilá Boix, Alfonso Alonso Durán, Guillermo José Fernández Vidal, Vlastimil Barbořák, Pavel Herštik, Miloslav Krch, Dušan Stareček and Petr Zatloukal.

228,539,922 votes voted in favour of the approval of the agreement with Vlastimil Barbořák, which represents 99.73 % of the number of present votes.

228,539,922 votes voted in favour of the approval of the agreement with Pavel Herštik, which represents 99.73 % of the number of present votes.

228,539,922 votes voted in favour of the approval of the agreement with Miloslav Krch, which represents 99.73 % of the number of present votes.

228,539,922 votes voted in favour of the approval of the agreement with Dušan Stareček, which represents 99.73 % of the number of present votes.

227,909,119 votes voted in favour of the approval of the agreement with Lubomír Vinduška, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Maria Pilar López Álvarez, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Jaime Smith Basterra, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Vivek Dev, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Antonio Botas Bañuelos, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Luis Lada Díaz, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Andrew Harley, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Ángel Vilá Boix, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Alfonso Alonso Durán, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with José Fernández Vidal, which represents 99.45 % of the number of present votes.

227,908,902 votes voted in favour of the approval of the agreement with Petr Zatloukal, which represents 99.45 % of the number of present votes.

The general Meeting approved the draft agreement on the performance of the office of a member of the Supervisory Board between the Company and Maria Pilar López Álvarez, Jaime Smith Basterra, Vivek Dev, Antonio Botas Bañuelos, Lubomír Vinduška, Luis Lada Díaz, Andrew Harley, Ángel Vilá Boix, Alfonso Alonso Durán, Guillermo José Fernández Vidal, Vlastimil Barbořák, Pavel Herštik, Miloslav Krch, Dušan Stareček and Petr Zatloukal, as submitted.

see – Enclosure 23 to the Minutes

Chairman of the General Meeting summarised the course of the General Meeting and closed it at 4.30 p.m.

21 April 2008

Chairman

Minutes Clerk

Minutes Verifiers and

Enclosures:

1. Copy of the announcement on the General Meeting convocation and the announcement on the amendment to the General Meeting's agenda
2. Shareholders Attendance Lists and the Report on Attendance as at 1 p.m.
3. Report on Voting Results – Ballot 1
4. Report by the Board of Directors on business activities of the company and the state of its assets and the Company's Annual Report 2007
5. Request for explanation – M. Klimeš
6. Request for explanation – M. Drbout
7. Report by the Supervisory Board
8. Proposal for the approval of financial statements
9. Report on Voting Results – Ballot 2
10. The amended Articles of Association
11. Report on Voting Results – Ballot 3
12. Report on Voting Results – Ballot 4
13. The proposal for the distribution of profit
14. Report on Voting Results – Ballot 5
15. Proposal for election of members of the Supervisory Board
16. Report on Voting Results – Ballot 7
17. Rules for Remuneration of members of the Board of Directors
18. Report on Voting Results – Ballot 8
19. Rules for Remuneration of members of the Supervisory Board
20. Report on Voting Results – Ballot 9
21. Report on Voting Results – Ballot 10
22. Draft agreement on the performance of the office of a member of the Supervisory Board
23. Report on Voting Results – Ballot 11