



## Results of the regular General Meeting

28<sup>th</sup> April 2011

The Regular General Meeting of shareholders of Telefónica O2 Czech Republic, a.s., was held on 28 April 2011 in Prague. It was attended by shareholders who together hold 79.36% of shares, which means that it had a quorum.

The highest governing body of Telefónica O2 Czech Republic approved the financial statements and the consolidated financial statements of the company for the year 2010 prepared under the International Financial Reporting Standards (IFRS). Both sets of financial statements were recommended for approval by the Board of Directors of the company and verified by the audit firm Ernst & Young, which gave both sets of financial statements its unqualified opinion. As per the 2010 financial statements, the company posted net consolidated profit of CZK 12,280 million, and net unconsolidated profit of CZK 12,696 million.

The General Meeting approved a Board of Directors' proposal for the distribution of profit, including the payment of dividends. The proposal was based in a diligent analysis of the company's results for the past period, the current situation of its balance sheet and the anticipation of future performance, which was performed by the company's Board of Directors, with consideration to future investment plans and cash flow projections. The shareholders approved the payment of the whole profit for the year 2010 (amounting to CZK 12,680 million) and a part of unconsolidated the previous years' retained earnings amounting to CZK 203 million; the dividend is CZK 40 before tax per each share in the nominal value of CZK 100, and CZK 400 before tax per each share in the nominal value of CZK 1,000. The decisive date for exercising the right to dividend is 7 September 2011 and the dividends due date is 6 October 2011. Česká spořitelna, a.s., is the administrator of the dividend payment.

The General Meeting also approved an amendment to the company's Articles of Association in the wording proposed by the Board of Directors. The principal change relates to a change in the company name to Telefónica Czech Republic, a.s., and to the expansion of the company's registered business to include the provision of small payment services. Other major changes affected the position and scope of authority of the Board of Directors of the company; the Board of Directors no longer needs to seek the Supervisory Board's approval of agreements on the transfer of undertaking in its whole or in part, or its lease, provided the agreement is entered into with an entity controlled by the company. Another notable change is reduction of the number of the Audit Committee members from six at the present to five.

Acting on recommendation of the Audit Committee, the General Meeting appointed the audit firm Ernst & Young Audit, s.r.o., as the company's statutory auditor for 2011.

Furthermore, the General Meeting elected to confirm in their current office two members of the Supervisory Board, Mr. Anselmo Enriquez Linares and Mr. Vladimír Dlouhý, who had been previously nominated (co-opted) by the company's Supervisory Board in keeping with the company's Articles of Association as substitute members of this body, pending the nearest date of the General Meeting. Résumés of the new members of the Supervisory Board are enclosed with the Press Release. The General Meeting approved the conclusion of an agreement for discharge of the office of a member of the Supervisory Board between the company and the two newly elected members of the Supervisory Board.

Acting on proposal by the majority shareholder Telefónica, S.A., the General Meeting, in keeping with the company's Articles of Association currently in force, elected Mr. Vladimír Dlouhý a substitute member of the Audit Committee.



**Anselmo Enriquez Linares (\*1965)**

Joined from Diageo where he was HR Director for the leading premium drinks company's Africa region, took up his position on 1 July 2008 as a new Group Human Resources Director and is responsible for the company's businesses in Europe outside of Spain, and also serves as a Member of the Board at Telefónica Europe plc.

He has significant experience in management development at an international level thanks to his previous roles as HR Director for Africa and Iberia regions at Diageo. Prior to Diageo, he worked for a number of major companies in the financial services and consumer goods industries, including Barclays, Lloyds TSB and Grand Metropolitan.

British born with Spanish parents, he is bilingual in English and Spanish. His global career experience has included responsibility for regions as diverse as Thailand, Latin America and North America. He currently resides in London.

**Vladimír Dlouhý (\*1953)**



Graduated from the University of Economics in Prague; in 1977-1978 he also studied at the Catholic University in Leuven, Belgium. In 1980-1982 he got his postgraduate degree in Probability and Mathematical Statistics from the Charles University in Prague, where he worked as research assistant at the Department of Econometrics after he completed his undergraduate studies at the University of Economics. In 1984 he was one of the founding members of the Forecasting Institute of the Czechoslovak Academy of Sciences, where he worked first as a researcher and finally as deputy director. In 1989-1992 he was Minister for Economy of the Czech and Slovak Federal Republic; from 1992 until June 1997 he was Minister of Industry and Trade of the Czech Republic. He was a member, and later deputy chairman of the Civic Democratic Alliance and member of the Czech parliament.

In September 1997 he started a private consultancy. His clients include the U.S. investment bank Goldman Sachs or ABB ČR. Since 2000 he has been teaching at the Faculty of Social Sciences, Charles University in Prague, and since 2004 also at the University of Economics in Prague.

He authored many research papers and is a member of the Trilateral Commission. He is fluent in English, Spanish, Russian and speaks also German and French.



**For more information, please contact:**

Martin Žabka  
Spokesperson  
Telefónica O2 Czech Republic, a.s.  
[public.relations.cz@o2.com](mailto:public.relations.cz@o2.com)  
tel. 800 163 342 (800 1 media)

**About Telefónica O2 Czech Republic**

Telefónica O2 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. Telefónica O2 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. Telefónica O2 Czech Republic is also a notable provider of ICT services.

**About Telefónica Europe**

Telefónica Europe is a business division of Telefónica comprising mobile, fixed and DSL operations in the UK, Ireland, Germany, the Czech Republic and Slovakia - all of which use 'O2' as their consumer brand. Telefónica Europe also has 50% ownership of the UK and Irish Tesco Mobile and German Tchibo Mobilfunk joint venture businesses. Telefónica Europe is headquartered in Slough, UK, and has some 54 million mobile and fixed customers.

**About Telefónica**

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 260 million. Telefónica's growth strategy is focused on the markets in which it has a strong foothold: Spain, Europe and Latin America. Telefónica is a 100% private sector company with its shares listed in Madrid and other stock exchanges and more than 1.5 million individual shareholders.