

Date: 29/02/2008

Convening the Assembly of Shareholders - Telefonija Stock Company Belgrade

In accordance with Article 64 of the Law on Market of Securities and Other Financial Instruments ("Official Gazette" of the Republic of Serbia no. 47/2006) and the provisions of the Bylaw on contents and manner of reporting of public companies and notification on possession of shares with voting right (Official Gazette" of the Republic of Serbia 100/2006).

AD "TELEFONIJA"

makes public

REPORT ON MAJOR EVENTS

On the basis of Article 64 of the Articles of Association AD "Telefonija", Belgrade, Kumodraska 241, the Managing Board of AD "Telefonija" at its 9th session held on 26 February 2008 issued the Decision file no. 08/002556/1 to hold the regular session of the Assembly AD "Telefonija" and is therefore convening the ninth regular annual session of the Assembly AD "TELEFONIJA" to be held in Belgrade on 31 March 2008 in the premises of "Telefonija" Stock Company in Kumodraska 241, Belgrade, starting at 10 a.m., with the following:

AGENDA

- I Opening of the session of the Assembly and election of working bodies:
 - appointment of the recording secretary
 - appointment of the verifier of the minutes
 - election of the verification commission for establishing the number of the present shareholders, establishing the quorum and the results of voting
 - verification of the present shareholders and establishing the number of shares for the Assembly of AD "Telefonija"
- II Adoption of the minutes from the previous extraordinary session of the Assembly held on 11 June 2007
- III Issuing the decisions:
 1. Adoption of the proposed agenda
 2. Deliberation and adoption of the report on business operation and the annual financial statement for the business year of 2007, for: "Telefonija" Stock Company, "NSpointNet" d.o.o, "BeotelNet- ISP" d.o.o, "Gastel" d.o.o and "Telefonija" d.o.o Brcko according to the proposal of the Managing Board and the opinion of the Supervisory Board (report submitted by: CEO

of AD "Telefonija")

3. Auditor's report

3.1. Report on audit of the annual business operation for the business year of 2007 of AD "Telefonija" (report submitted by: auditor "Deloitte")

3.2. Report on audit of the annual business operation for the business years of 2004, 2005, and 2006 of AD "Telefonija" (report submitted by: auditor "Srbo audit" d.o.o.)

3.3. Report on audit of consolidated financial statements for the business year of 2006 for AD "Telefonija" Belgrade (report submitted by: auditor "Srbo audit" d.o.o.)

4. Issuing the decision on establishing the "D-day" of shareholders for distribution of profit of "Telefonija" Stock Company, on 31 March 2008.

5. Issuing the decision on distribution of profit according to the annual financial statement for 2007 of "Telefonija" Stock Company, "NSpointNet" d.o.o, "BeotelNet -ISP" d.o.o, according to the proposal of the Managing Board and the opinion of the Supervisory Board.

6. Plan of business operation for 2008 of "Telefonija" Stock Company, "BeotelNet- ISP" d.o.o, "Gastel"d.o.o and " Telefonija" d.o.o. Brcko

7. Report on work and verification of decisions of the Managing Board of "Telefonija" Stock Company issued in the previous period.

8. Opinion of the Supervisory Board of "Telefonija" Stock Company on the work of the Managing Board in the previous period.

9. Report on the work of the Supervisory Board of "Telefonija" Stock Company.

10. Issuing the decision on release from duty and election of members of the Managing Board AD "Telefonija"

11. Election of the member of the Supervisory Board according to the proposal of the Managing Board.

12. Verification of the decision of the Managing Board AD "Telefonija" on organising AD "Telefonija" as a stockholding group under the name of Business Organisation "Telefonija" Stock Company.

13. Issuing the decision on change and addition to the decision on organising AD "Telefonija".

14. Issuing the decision on change and addition of the Articles of Association of AD "Telefonija".

15. Adoption of the proposal of the bylaw on salaries, remunerations and fees of the management bodies in B. O. "Telefonija".
16. Issuing the decision on issuing of ordinary shares of the XII issue without public offer for the purpose of converting the undistributed profit into the fixed capital, according to the proposal of the Managing Board
17. Issuing the decision on issuing by public offer of ordinary shares of the 13th issue for the purpose of increasing the fixed capital of AD "Telefonija" according to the proposal of the Managing Board
 - ❖ Volume of issue: 80,000 shares,
 - ❖ Nominal value of share: 950.00 dinars
 - ❖ Price of issue: 11,250.00 dinars
 - ❖ Price of share for shareholders with pre-emption: 10,125.00 dinars.
 - ❖ The cut-off date is the day when the public invitation for subscription and payment of shares is published in "Politika" Daily.
18. Issuing the decision on entering the "A" Listing of the Belgrade Stock Exchange.
19. Issuing the decision on acquisition of own shares of AD "Telefonija".
20. Issuing the decision on granting the authority to the Chairman of the Assembly of AD "Telefonija" for opening the co-owner account of the shareholders of "Telefonija".
21. Miscellaneous

NOTE

The day of shareholders as cut-off date for participation and voting at the 9th session of the Assembly of AD "Telefonija" is 26 February 2008. The central register of shareholders is available in the head office of AD "Telefonija", Kumodraska 241, office room no 326.

The right of direct participation and decision-making at the session belong to the owners of shares and proxies holding at least 5000 shares. The shareholders who individually have less than 5000 shares but more than this amount when taken all together can for exercising the voting right and participation in decision-making of the Company's Assembly appoint their proxies.

The authorisations in writing are submitted to AD "Telefonija", Belgrade, Kumodraska 241, office room no. 326 by 28 March 2008, 4 p.m. at the latest.

The shareholders that will take part in the work of the Assembly, according to paragraph 1 of this Note, are requested to notify the Secretary of AD "Telefonija" on the phone 011-3404-161, for the purpose of organisation by 28 March 2008, 4 p. m.

On the basis of Article 69 of the Articles of Association AD "Telefonija", a shareholder or shareholders having at least 10% of shares with voting right for election of the Managing Board can in accordance with the Law within 7 days

from the day of the announcement of the annual session of the shareholders' Assembly in written form will propose to the Managing Board to have at the most two new issues included in the agenda of the session of the Assembly.

The shareholders of the Company can have access to the material prepared for each item of the agenda for the Shareholders' Assembly as follows: on the internet page – website of AD "Telefonija" www.telefonija.co.yu every day continuously, on the bulletin board of the company and in AD "Telefonija", Kumodraska 241, office room no. 326 every working day in the period from 10 a.m. to 3 p. m.

This decision as an invitation for the session will be published in "Politika" Daily, on the Belgrade Stock Exchange and on the website of AD "Telefonija".

CHAIRMAN of the Managing Board

Nikola Ilic