

Pursuant to Article 64 of Securities and Other Financial Instrument Market Law ('The Official Gazette of the Republic of Serbia', No. 47/2006) and Article 6 of the Rulebook on the contents and manner of reporting to public institutions and informing on holding voting shares ('The Official Gazette of the Republic of Serbia', No. 100/2006, 116/2006, 37/2009), **P.S. 'TELEFONIJA' a.d. announces:**

THE REPORT ON SIGNIFICANT EVENTS

Pursuant to Article 64 of Securities and Other Financial Instrument Market Law, we hereby inform the shareholders, members of the Belgrade Stock Exchange and the Central Securities Depository and Clearing House, that on May 20th, 2011 the Board meeting was held on the premises of P.S. 'Telefonija' a.d. Beograd, 241 Kumodraska Street, when the following decisions concerning the shareholders, public investment, and capital market were made:

1. The Decision on scheduling the regular 12th General Meeting of P.S. 'Telefonija' a.d. on June 28th, 2011, which is to be held on the premises of P.S. 'Telefonija' a.d. Beograd, 241 Kumodraska Street at 10.00 a.m.

2. All the shareholders entered in the Book of Shareholders on the day when the General Meeting of P.S. 'Telefonija' a.d. was scheduled, May 20th, 2011, which is administered by the Central Securities Depository and Clearing House of the Republic of Serbia, are entitled to participate.

The right to participate and make decisions at the General Meeting is conferred to the shareholders and proxies who possess at least 1,000 shares. Those shareholders who have less than 1,000 shares individually, but who jointly have more, may appoint a proxy to vote and participate in the decision making at the General Meeting.

The written authorizations are delivered to P.S. 'Telefonija' a.d. Beograd, 241 Kumodraska Street, Office 326 by June 24th, 2011, no later than 16.00.

Those shareholders who shall participate at the General Meeting are kindly asked to confirm their presence to the company Secretary on 011/ 34-04-170 by June 24th, 2011, no later than 16.00, in order that the proper functioning at the General Meeting be organized.

3. Dividend date is on the same day as the shareholders' meeting, i.e. **June 28th, 2011.**

4. The Board of Directors has reviewed and shall present the following documents at the shareholders' meeting for adoption: financial statements 2010, along with the Auditors' Report and Supervisory Board report, and consolidated financial statements 2010, along with the Auditors' Report and Supervisory Board report.

5. The Board of Directors has adopted other decisions within its competence.

Note:

Shareholders can check the agenda material for the shareholders' meeting on our website, www.telefonija.rs at any time, on the notice board and in office 326 in P.S. 'Telefonija' a.d., 241 Kumodraska Street on business days from 10.00 a.m. until 15.00.

This report on significant events is published in a daily newspaper 'Politika', but it is also announced on the website of P.S. 'Telefonija' a.d., www.telefonija.rs, and the notice board, and is, at the same time, considered to represent a call for the shareholders' meeting.

CHAIRMAN OF THE BOARD

Nikola Ilic