

Translation

GENERAL MEETING

No:419418/4-2013

Date: 18 December 2013

Pursuant to Article 329, Paragraph 1, Item 7 of the Company Law (Official Gazette of RS nos. 36/2011 and 99/2011), Article 8.2, Paragraph 1, Item 8) of the Telekom Srbija a.d. Articles of Association (Official Gazette of Telekom Srbija no. 54/12), and in accordance with the proposal of the Telekom Srbija a.d. Beograd Supervisory Board at its 46th extraordinary session held on 18 December 2013, the Telekom Srbija a.d. General Meeting passed the following

DECISION

Item 1

This is to approve the payment of the interim dividend to the shareholders of Telecommunications Company Telekom Srbija a.d., (hereinafter referred to as: Company) in cash, in the total gross amount of RSD 7,571,846,498.00 i.e. in the gross amount of RSD 9.4648 per share.

Item 2

The paid-out interim dividend referred to in Item 1 hereof shall be taken into account on adoption of the 2013 Financial Statements of the Company and taking the decision on distribution of the 2013 profit.

Item 3

All shareholders - persons registered with Central Securities Depository and Clearing House and also the legal holders of the Company's shares shall be entitled to the interim dividend referred to in Item 1 hereof as of the Shareholders Day of the 46th extraordinary session of the General Meeting i.e. as of 8 December 2013 (the Dividend Date).

Item 4

This is to authorize the Executive Board of the Company to determine, in accordance with this Decision, the commencing date and the procedure of interim dividend payment to the shareholders and to draw up the dividend payment notification to the shareholders, which shall be published within 15 days following this Decision taking appropriately applying the provisions of the Company Law related to notifying the shareholders about the General Meeting session.

Item 5

This Decision shall come into force on the date of its adoption.

R a t i o n a l e

In accordance with Article 329, paragraph 1, item 7) of the Company Law (*Official Gazette of RS* Nos. 36/2011 and 99/2011), the General Meeting shall decide on distribution of profits and coverage of losses, which is also set forth in Article 8.2, paragraph 1, item 8) of the Telekom Srbija a.d. Articles of Association (*Official Gazette of Telekom Srbija*, no. 54/2012).

Pursuant to Article 273 of the Company Law, a company may pay interim dividend at any time between ordinary General Meeting sessions if the conditions laid down in paragraph 1, items 1) and 2) of the above-mentioned article of the Company Law are fulfilled.

Article 275, paragraphs 1 and 2 of the Company Law also stipulates the conditions (restrictions) for distributions to shareholders.

In this regard, the Supervisory Board of the Company has stated that the conditions for payment of interim dividend, set forth in the applicable regulations, are fulfilled and drafted a General Meeting Decision on payment of the interim dividend to the shareholders of the Company.

In view of the foregoing, it is decided as in the wording above.

CHAIRMAN

Dragan Đoković /signed/