



Ericsson Nikola Tesla d.d.

Zagreb, Krapinska 45

NOTICE

of the Annual Shareholders' Assembly that will take place at the registered office of the Company in Zagreb, Krapinska 45, on May 20, 2010 at 16.00 p.m.

Pursuant to the Company Law, Art. 277, sections 2 and 3 and compliant with the decision of February 24, 2010 made by the Managing Director of the joint stock company Ericsson Nikola Tesla d.d., Zagreb, Krapinska 45, this Assembly will take place at the registered office of the Company in Zagreb, Krapinska 45, on May 20, 2010 at 16.00 p.m.

AGENDA

1. Opening the Assembly (appoint commission to record presence of shareholders/votes, verify registrations, determine represented equity capital, verify the Assembly as lawfully convened and eligible to make decisions);
2. Managing Director's report on Company's business situation in 2009;
3. Presentation of annual financial statements for 2009;
4. Report and expert opinion of Company auditor on Company's operations in 2009;
5. Supervisory Board's report on performed review of Company's operations, on performed review of annual financial statements, of Company's business situation and on proposed allocation of net income for 2009;
6. Make decision on allocating/using part of retained earnings realized in 2008 and on using net income realized in the financial year 2009;
7. Make decision on approving the conduct of business as performed by the Managing Director;
8. Make decision on approving the activities as performed by the Supervisory Board and its Chairman;
9. Make decision on amendment and addition to the Company's Statute;
10. Make decision on election
 - Dubravko Radošević, from Zagreb, Pokornoga 6, born on July 7, 1953 in Zagreb, with PIN (OIB) 39992337996, and identification card No 100586317, issued in Zagreb, a new Supervisory Board member;

11. Appoint the Company's auditor for 2010.

Proposed Decisions of Shareholders' Assembly

The Managing Director and the Supervisory Board of Ericsson Nikola Tesla d.d. Zagreb made a joint proposal to the Annual Shareholder's Assembly, to make decisions stated under sections 5, 6, 7, 8, 9; the Supervisory Board makes a proposal to make decision stated under the section 10, and pursuant to the Audit Committee's recommendation, the Supervisory Board proposes the decision stated under the section 11:

Agenda Item 5

The Report of the Supervisory Board on the performed review of Company operations in 2009 is approved.

Agenda Item 6

I. Company shareholders shall be paid a regular dividend of HRK 20 per share, and an extraordinary dividend of HRK 100 per share, i.e. the total of HRK 120 per share from retained non-allocated earnings in 2008, and from a part of net income realized in the financial year 2009.

The dividend shall be paid out to all shareholders who have Company shares registered on their securities account in the Central Depository & Clearing Company seven days prior to the Assembly that is to make the decision (i.e. on May 13, 2010). The payment shall be effected depending on the Company solvency, but not later than June 19, 2010 pursuant to the Company Law, Art. 223.

II. The Company net income for the financial year 2009 totaling HRK 128,447,089.11 will be allocated as follows:

- To dividend payout, to cover the amount lacking after having used the non- allocated retained earnings realized in 2008
- The rest will go to retained earnings.

Agenda Item 7

"The Decision is made on approving the conduct of business as performed in 2009 by the Managing Director of the Company, Gordana Kovačević".

Agenda Item 8

"The Decision is made on approving the review 2009 as performed by the Chairman and the members of the Supervisory Board".

Agenda Item 9

Decision on amendment and addition to the Statute

In article 7 the title „Central Depository Agency“, is replaced by the title: „Central Depository & Clearing Company“.

In article 9, section 1 is changed and it now reads:

„Shareholders who meet the requirements below are entitled to participate in the Annual Shareholders' Assembly:

- Have Company shares registered on their securities account in the Central Depository & Clearing Company on the date of latest possible registration for the Shareholders' Assembly.
- Have registered in advance, their attendance to the Shareholders' Assembly, not later than six days before the Assembly. The deadline does not include the date of the received/ filed registration, so that practically this deadline covers seven days. “

Article 10 is changed and it now reads:

„The power of attorney for a shareholder's proxy shall be submitted to the Managing Board of the Company, no later than six days prior to the date of the Shareholders' Assembly. This deadline does not include the date of registration filing/ delivery so that practically this deadline covers seven days. “

Article 11 section 2 is changed and it now reads:

„Except for issues defined by the law, the Annual Shareholders' Assembly is entitled to decide on the profit to be given to shareholders and/or be allocated to legal, statutory or other reserves, and/or to be used for other purposes (for instance: for payment to employees, members of Managing Board or Supervisory Board)“.

Section 3 is deleted.

In article 13 section 3 is added that reads:

„The Company is obliged to do take care that immediately after convening the Annual Shareholders' Assembly, all data and documents as defined by law are made available on the Company's Internet pages .“

In article 32 section 2 is changed and it reads:

„The profit that has not been collected within 5 years since the date it became collectable, will be allocated to the assets of the Company. “

Agenda Item 10

“The newly elected member of the Supervisory Board is:

- Dubravko Radošević, living at the address: Zagreb, Pokornoga 6, born on July 7, 1953 in Zagreb, PIN (OIB) 39992337996, identification card No 100586317, issued in Zagreb.”

Agenda Item 11

“PricewaterhouseCoopers d.o.o., Zagreb, Alexander von Humboldt 4, is appointed as Company auditor for the year 2010. “

Important information about registration and participation in the Annual Shareholders' Assembly

REQUIREMENTS TO BE MET FOR PARTICIPATION AND VOTING AT THE ANNUAL SHAREHOLDERS' ASSEMBLY

All shareholders and their proxies, who register their presence/representation at the Assembly, seven (7) days before the Assembly takes place (i.e. by May 13, 2010 at the latest), are entitled to attend and to vote.

Shareholders can register their presence/representation in the Legal Affairs Department at the registered office of the Company in Zagreb, Krapinska 45, between 10.00 a.m. and 12.00 a.m. every workday.

The following documents shall be submitted to the registration commission:

1. Personal registration form if the shareholder attends in person,
2. Personal registration form and a power of attorney, if the shareholder's proxy attends

The registration commission shall hand over to shareholder/ shareholder's proxy the registration document and a receipt for the submitted proposals.

Within the registration period the shareholders and their proxies respectively, are entitled to submit in writing notes and proposals regarding the proposed decisions.

The shareholding capacity is checked by insight into files of the Central Depository & Clearing Company.

The required identification document is a personal identity paper (personal identification card or passport). Written materials required by the Shareholders' Assembly to make decisions will be available to shareholders for insight starting with the date of public announcement of the Assembly, in the Legal Affairs Dept. at the registered office of the Company, every workday from



10.00 a.m. to 12.00 a.m. and on the Internet site of the Company:

www.ericsson.hr/investitori/aktualnosti.shtml

The registration of attendance of persons authorized to take part in the proceedings shall start one (1) hour before the time scheduled for the beginning of the Assembly, upon the presentation of the registration document.

The shareholder or his /her proxy who does not register shall not be entitled to take an active part in the Assembly.

VOTE BY PROXY

The shareholder's proxy shall have a valid power of attorney (use the Company's form at www.ericsson.hr/investitori/aktualnosti.shtml or get it in the Company's Legal Department at the Company's registered headquarters every workday from 10.00 a.m. to 12.00 a.m). Verification by a notary public is not required. The power of attorney must state the name of the authorization issuer, name and family name/ address of the individual to whom power of attorney is issued, to what purpose, as well as power to vote at the Assembly.

If the proxy represents a legal person, he has to enclose with the power of attorney the authorization document showing that proxy has legal authority to represent the legal person in question (statement from the Court Register of Companies).

The scanned authorization document on appointment of a proxy (with scanned signature) shall be handed over at the Company's Legal Department or emailed to the address: pravni.poslovi@ericsson.com

NEW AGENDA ITEMS

In case the shareholders who together own the twentieth part of the share capital of the Joint Stock Company should request, after the Assembly has been convened, that additional subject should be included in the Agenda and disclosed, then any new agenda item should be accompanied by an explanation and respective decision proposal.

The Company has to receive requests to add items to the agenda at least 30 days prior to the Annual Assembly takes place. This period does not include the day the request is filed/received at the Company. Should the deadline is not observed the proposed additional items of the Agenda would be considered as not lawfully announced and no decision on them can be made on the Assembly.

SHAREHOLDERS' COUNTER PROPOSALS

Counterproposals to the proposals submitted by the Managing Director and/or Supervisory Board relating to a particular agenda item, made by shareholders with their names/family names, explanation and possibly, opinion by Managing Board shall be available to legal persons stated



in art. 281, sections 1 to 3 of the Company Law (credit or financial institutions and shareholders associations who at the preceding Assembly cast vote on behalf of shareholders or requested to be informed) as defined in the Article 281, in case a shareholder submit a counterproposal to the address given below, at least 14 days prior to the Assembly date.

Ericsson Nikola Tesla d.d.
Krapinska 45, 10000 Zagreb

The date a counterproposal is received at the Company is not counted in 14 day deadline. The counterproposal shall be available at the Company's Internet site: www.ericsson.hr/investitori/aktualnosti.shtml. In case the shareholder should not exercise this right, he should still be entitled to make a counterproposal at the Assembly. The same applies to shareholders proposals regarding the election of the Supervisory Board members or appointment of the Company auditor. Such a proposal does not have to include an explanation. The Managing Board is not obliged to make such a proposal available to shareholders unless it includes information that has to be disclosed with a proposal relating to the election of Supervisory Board members, and to the appointment of Company auditor, as well as the membership of candidates in other supervisory or managing boards in the country and abroad.

RIGHT TO INFORMATION ABOUT COMPANY OPERATIONS

At the Annual Shareholders' Assembly, the Managing Director is obliged to provide information about Company operations to any shareholder at his/her request, in case this information is necessary to judge on agenda items. This obligation to provide information regards also legal and business relations with related parties. If the Company has acquired treasury shares throughout the year, the Managing Director is obliged to state (in the Company position report) the reasons for shares acquisition, the number and nominal value of acquired shares, whether the shares have been acquired through payment collection, how much they cost, treasury shares sold and those still held.

NO QUORUM / NEW ASSEMBLY

If the Assembly should lack a quorum (which is more than 50% of the stock representing the share capital), the Managing Director shall, within the following 3 days, send to shareholders the notice of Assembly with the same agenda. The new Assembly shall be convened not later than 15 days after the originally convened, i.e. on June 4, 2010, at the latest. The decisions adopted at the new Annual Assembly shall be considered lawful, disregarding the number of represented shareholders.

For any additional information, please call +385 1 365 4314 or +385 1 365 4168.

Managing Director:
MSc Gordana Kovačević, B.E.E.