

Zagreb, 18 June 2014

T-Hrvatski Telekom

Takes over management of OT-Optima telekom in accordance with AZTN conditions

T-Hrvatski Telekom (Reuters: THTC.L, HT.ZA; Bloomberg: THTC LI, HTRA CZ; "T-HT"), Croatia's leading telecommunications provider, announces that on 18 June 2014, it took over management of OT-Optima telekom ("OT"), following the completion of the pre-bankruptcy settlement procedure and the adoption and registration of the decisions by the General Assembly of OT.

By the conversion of claims into share capital as a part of the pre-bankruptcy settlement procedure, HT has acquired 5,203,098 shares of OT, which makes 9.2288 percent of the share capital. HT took over the management of OT based on an agreement by which Zagrebačka banka, as the largest creditor of OT, transferred controlling rights acquired in the pre-bankruptcy settlement procedure to HT.

HT has the right to manage OT during the next four years and members of the Management Board of OT have been appointed at today's meeting of the Supervisory Board, where HT has the majority of members. By the end of the third year, HT must start the sale of its shares in OT and will also have the right to sell the shares held by Zagrebačka banka.

The goal of taking over the management of OT, under strictly defined terms by the Croatian Competition Agency („AZTN“), is to improve the market position of OT and to stabilize the company's financial results in order to protect the interests of customers, employees, shareholders and other stakeholders of OT as well as the telecommunications market in general.

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About T-Hrvatski Telekom (Reuters: THTC.L, HT.ZA; Bloomberg: THTC LI, HTRA CZ)

T-Hrvatski Telekom (T-HT) is the leading provider of telecommunication services in Croatia, serving 1.2 million fixed lines, nearly 2.3 million mobile subscribers, and 678,000 broadband connections through its Residential and Business divisions.

Since its initial public offering in October 2007, T-HT shares have traded on the Zagreb Stock Exchange, with global depositary receipts trading on the London Stock Exchange. CMobil B.V. (company 100% owned by Deutsche Telekom Europe Holding B.V. whose 100% owner is T-Mobile Global Holding Nr. 2 GmbH. T-Mobile Global Holding Nr. 2 GmbH is 100% owned by Deutsche

Telekom AG) owns 51% of T-HT's shares, with the War Veterans' Fund owning 7%, and the Restructuring and Sale Center 3.5%. The remaining free float is in the hands of private and institutional investors.