



Zagreb, 20 March 2015

Hrvatski Telekom

Hrvatski Telekom Continues Transformation Initiatives

Hrvatski Telekom continues with the transformation process initiated last year. Despite the fact that HT slowed the revenue decrease in 2014, in the face of a prolonged economic crisis and continued deterioration of the telecommunications market, it is essential that the Company continues to optimise its operations in order to establish the conditions for future growth and expansion.

HT has reached an agreement with its social partners on increased severance payments, compared to the level of severance payments laid out in the provisions of the Collective Agreement. The severance payments are, therefore, on average, approximately 30% higher than specified in this agreement and will apply to approximately 250 members of staff whose employment contracts are to be terminated on business-related grounds. The average severance payment cost per employee will amount to HRK 268,000.

HT is endeavouring to manage this process in a socially responsible manner and besides the increased severance payments, retraining programs as well as counselling and assistance in relation to employment on the open labour market have been made available to the employees affected. These activities have been initiated in line with the Labour Act and the Collective Agreement.

Contact details

Hrvatski Telekom , Investor Relations

Marina Bengesz Sedmak

Elvis Knežević

E-mail

Web site

00 385 1 491 1114

ir@t.ht.hr

www.t.ht.hr/eng/investors

Instinctif Partners

Kay Larsen / Adrian Duffield

+44 (0)20 7457 2020

About Hrvatski Telekom

Hrvatski Telekom is the leading provider of telecommunication services in Croatia, serving 1.2 million fixed lines, 2.3 million mobile subscribers and nearly 690,000 broadband connections through its Residential and Business divisions.