

Zagreb, 2 April 2014

COUNTERPROPOSAL TO THE PROPOSAL OF DECISION ON UTILIZATION OF PROFIT

Hrvatski Telekom d.d. (hereinafter referred to as "the Company") hereby publishes a counterproposal from Mr. Vladimir Šimenić, a shareholder of the Company, to the decision proposal under Item 3 of the agenda of the General Assembly of Hrvatski Telekom d.d., convoked for 29 April 2014.

The counterproposal is:

"As a small shareholder of the Company, I hereby propose to the Management Board and the Supervisory Board of the Company to amend the decision proposal under Item 3 of the Agenda of the General Assembly of the company shareholders, in a way that it reads as follows:

Ad 3. The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

1. *"It is determined that Hrvatski Telekom d.d. in the business year ending with 31 December 2013 realized net profit in the amount of HRK 1,431,245,824.11.*
2. *A part of net profit in the amount of HRK 982,615,248.00 or 12.00 HRK per share shall be paid out as dividend.*
3. *A part of net profit in the amount of HRK 448,630,576.11 shall be used to increase the share capital from Company's own capital.*
4. *Dividend referred to under Item 2 hereof shall be paid out to all shareholders that are registered as shareholders at the Central Depository & Clearing Company (SKDD) on May 9th 2014 (record date). Date on which security of Hrvatski Telekom d.d. will be traded without dividend payment right is May 7th 2014 (ex date). Dividend payment claim matures on May 26th 2014 (payment date)."*

Adoption of the decision on the utilization of profit, as proposed above, also requires corresponding changes of the numeric amounts stated within the decision texts under Items 4, 5 and 6 of the Agenda of the General Assembly, which can be easily resolved by the Management Board and the Supervisory Board of the Company by issuing a clean text of the conclusions and of the Articles of Association.

Explanation:

Given the business results achieved in the year 2013, I am of the opinion that business operations can be managed by distributing the profit in a said manner. I hold this opinion from a standpoint of small shareholders that regard each kuna distributed through dividend payout as vitally important. When you observe the share price today and compare it to the price at which we bought the shares, you can see that we are all at a loss. But, small shareholders cope with it the hardest. There is room for increase of the profit by increasing the quality of services in various segments of services offered. Here is also one proposal to the Management Board for increase of number of customers. Consider terminating the time limit for the validity of vouchers in the mobile segment. I have heard that the competition already offers such a solution."

Pursuant to Article 282 of the Companies Act, the shareholders counterproposal was published on 2 April 2014 on the web site of the Company (www.t.ht.hr) and was delivered the same day to the Zagreb and London Stock Exchange, for publication in Official Herald of the Republic of Croatia, "Narodne Novine", and to the Official Register of Proscribed Information, and it was made available to the shareholders and for issuing of copies at the seat of the Company in Zagreb.

Contact:

Marina Bengez Sedmak + 385 1 4911080

Email: Marina.Sedmak@t.ht.hr

Investor Relations:

Elvis Knežević + 385 1 4911 114

Anita Marić Šimek + 385 1 4911 884

Email: ir@t.ht.hr

Web: www.t.ht.hr