

Zagreb – 10 December 2012

T-Hrvatski Telekom

T-Hrvatski Telekom presents TeraStream, the network of the future

T-Hrvatski Telekom (Reuters: THTC.L, HT.ZA; Bloomberg: THTC LI, HTRA CZ), Croatia's leading telecommunications provider, has today in Zagreb presented the cutting edge TeraStream technology concept it is currently piloting.

TeraStream is an extremely simplified IP network concept that combines network technology, data center technology, and fiber infrastructure. TeraStream raises access network speeds by around 50 times the current rate, providing users with speed of 1 Gbit/s. The new technology significantly reduces the unit cost of data transmission and allows the proliferation of optical accesses.

The TeraStream network concept enables simpler implementation and integration of advanced next-generation services. It provides all services (including voice, IPTV, Internet access) from the Cloud, where currently these services are provided through a network.

T-Hrvatski Telekom is the first Company in the Deutsche Telekom Group to put into pilot use this innovative technology in order to test the concept and improve its functionalities. For the first phase of the implementation within the pilot project, Cisco Systems Inc. was selected as a partner in Croatia.

The pilot phase will run from December 2012 through 2013. A potential commercial launch of the tested TeraStream network technology will then be evaluated based on the analysis of the business model and user experiences. The investment into the TeraStream pilot project is estimated at around HRK 30 million.

Ivica Mudrinić, President of the Management Board and CEO, said: "For the future development of our society, we need networks that can support the most advanced communications and services, in anticipation of continued exponential growth in computer technology. I am especially proud that Croatia, with T-Hrvatski Telekom, is the first country in the world to install this innovative technology.

"The benefits it offers will be critical in the future to the development and competitiveness of the economy. I am proud also of our experts who are implementing this highly demanding, innovative network concept in co-operation with their Deutsche Telekom colleagues. TeraStream fits perfectly into our vision for T-HT as we evolve into an e-company, with the increasing implementation of services such as web and Cloud based solutions."

Contact details

T-Hrvatski Telekom

Erika Kašpar, Corporate Communications and Investor Relations	00 385 1 491 2000
Elvis Knežević, Investor Relations	00 385 1 491 1114
Anita Marić Šimek, Investor Relations	00 385 1 491 1884
E-mail	ir@t.ht.hr
Web site	www.t.ht.hr/eng/investors

College Hill

Kay Larsen / Adrian Duffield +44 (0)20 7457 2020

About T-Hrvatski Telekom

T-Hrvatski Telekom (T-HT) is the leading provider of telecommunication services in Croatia, serving more than 1.3 million fixed-line customers, more than 2.4 million mobile subscribers, 651,741 thousand broadband access lines and provided TV services to 349,282 customers 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. Deutsche Telekom AG owns 51% of T-HT's shares, with the War Veterans' Fund owning 7% and the Pensioners' Fund holds 3.5%. The remaining free float is in the hands of private and institutional investors.