
DEAR SHAREHOLDERS,

We are living in an era of a rapid technological development in which innovations are changing our lifestyle. Imagination knows no limits and, like never before, technology serves for the personal comfort of people, while also serving for optimization of the business processes. Therefore, being aware that the speed of information and data exchange has become of crucial importance in dealing with the everyday challenges, in 2015 we put our focus on changing our operation and imposing new technological trends on the market so as to satisfy the communication needs of people. During last year, we fortified the position of Makedonski Telekom as a leading integrated telecommunication service provider in the country. To our great pleasure, we rounded up 2015 by having achieved the targets that we set and having transformed the technological leadership in superior customer experience. We slowed down the revenue drop, we improved the customer and technical services, and thereby we also improved the perception of us on the part of the customers. We implemented the legal merger and introduced a single Telekom brand. We launched new converged Magenta 1 services and took on the leading role in conveying the experiences within the DT Group.

For us, 2015 was a year of new beginnings. A dynamic year filled

with challenges, as well as changes of crucial importance, not only for the company, the employees or the customers, but also changes that left a mark on the overall market environment.

Guided by the idea of becoming more effective and improving the results, after lengthy internal preparations, Makedonski Telekom and T-Mobile became one company. We may freely say that the merger of the two companies is one of the crucial projects that marked 2015. For us, becoming one company is a successfully completed story. Our goal was to fortify our market position under a single strong brand, as well as to create the best customer experience by relying on superior converged products and services. At the same time, we also took the opportunity to optimize our operation by improving the organization, which automatically resulted in an improvement of the financial results.

Yet, why did we decide to merge in 2015?

Internally, we have been preparing for this step for a long time. Thence, if we take a look at the years that passed, consolidation is not only a worldwide trend, but also a basis for us to view the merger as a manner of adjusting to the market environment. When the shareholders decided that we should become one company – Makedonski Telekom, the expectations from this process comprised

an improvement of the results and more efficiently dealing with the competition which also opted for consolidation, by introducing a competitive portfolio of integrated fixed and mobile products and services.

After the legal merger which took place towards the middle of 2015, it was logical that the two prominent product brands T-Home and T-Mobile would cease to exist as such. Hence, in September we introduced a single brand – Telekom, under which we continued to offer our entire portfolio of services intended for residential and business customers.

On the one hand, last year not only did we transform our portfolio, but we also reinforced our position as a leading integrated telecommunication service provider in the country. Once we became one company, we introduced a unique offer on the market – Magenta 1. It not only constitutes an integrated bundle of fixed and mobile services, but also a completely new concept of an offer adjusted to the dynamic lifestyle and the rapidly changing customer needs of the entire family. The achieved number of 10,000 customers by the end of 2015 is definite proof that Magenta 1 is the best of Telekom in a single package!

**„WE REMAINED FIRST
CHOICE COMPANY AND
TREND SETTER IN
MACEDONIA”**



Andreas Maierhofer
Chief Executive Officer
of Makedonski Telekom

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We accomplished an ambitious goal in a short time, which constitutes an extraordinary success for the company, owing to the engagement and dedication of each and every employee.

It is a fact that the market environment is changing rapidly, nevertheless, despite all changes and challenges, customer satisfaction was the driver of our activities all through 2015. As regards customer satisfaction, from a strategic point of view, 2015 was definitely a year of customer services. The focus on the customers was actually a pivotal point in the process of improving our business. That is the reason why we underwent restructuring, we changed the course of our operation and we raised the service level.

To our great pleasure, while improving the customer experience, we remained the no. 1 choice and the beacon of trends in telecommunications not only in Macedonia, but also at the level of Europe. In 2015, Makedonski Telekom definitely proved itself as the driver of changes in the telecommunications segment on the one hand, and as a great investor in the Macedonian economy and society, on the other hand.

It is our commitment to be strong supporters of innovations and new technologies and thus far we have confirmed this commitment with

numerous activities and projects which are equally important both for the citizens and for society as a whole. It is beyond any doubt that we are operating in an industry which goes through changes literally with the speed of light, and that is why we must constantly keep up with the trends.

In order to ensure top quality broadband services, as well as technology leadership, we took significant steps by investing in new technologies, thus keeping up with the pace of the fast development of data traffic. We continued expanding the FTTH network, while at the same time we upgraded, enhanced and expanded the 3G and the 4G network, since we are firmly committed to have a breakthrough in digital society by providing the best infrastructure which is completely prepared for creating technological solutions of the future.

We always insist on being where new technology is created. Our vision is clear. Regardless of the complex operation conditions, we will remain pioneers in the application of new and improved services and solutions that bring new quality in a broader sense of the word. We will concurrently create new technologies and maintain partnership relations with innovative companies so as to advance

the modern life of people and the business community.

They say that in a rapidly changing world the only fail strategy is not to take any risks. That is why we are not afraid of the future. We are ready for all challenges and we will firmly move forward because we have the potential, the resources and, above all, long years of experience and the support provided by the Deutsche Telekom Group.

Our motto for the year 2016 will be GO DIGITAL. Simply put, all that we will be doing will be directed towards promoting the benefits and advantages of digital world. The potential and the benefits that come with the digital era are huge. Therefore, Makedonski Telekom will strive towards digitalization for all, without any exceptions, without any barriers!

**„WE CREATE NEW TECHNOLOGIES,
MAINTAIN PARTNER RELATIONS
WITH INNOVATIVE COMPANIES
AND PROMOTE THE BUSINESS
COMMUNITY ”**



Zarko Lukovski
Chief Operating Officer
of Makedonski Telekom

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