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### **INAUGURATION OF MAGYAR TELEKOM SHARED SERVICE CENTER**

**BUDAPEST – May 24, 2005 – Magyar Telekom (Reuters: NYSE: MTA.N, BSE: MTEL.BU and Bloomberg: NYSE: MTA US, BSE: MTELEKOM HB), the leading Hungarian telecommunications service provider, today announced the inauguration of its Shared Service Center (EurAccount Ltd.), providing financial and accounting services for the members of Magyar Telekom Group.**

In line with Magyar Telekom Group's strategy announced on August 12, 2004 financial and accounting services are being centralized as part of the cost cutting and rationalization plan. EurAccount Ltd., which was founded with 450 million HUF share capital, provides financial and accounting services for the members of the group, and in addition to cost savings, also lends strategic opportunities for Magyar Telekom Group. The primary purposes of the centralization are to provide best-in-industry service to internal customers, improve operational efficiencies and reduce costs associated with non-core activities.

EurAccount is 100% owned by Magyar Telekom Group, Chairman of the Board is dr. Klaus Hartmann, Chief Financial Officer and Board member of Magyar Telekom, managing director is Beáta Pál Bálintné.

This investor news contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, our Annual Report on Form 20-F for the year ended December 31, 2004 filed with the U.S. Securities and Exchange Commission.