

Investor Release

Magyar Telekom

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Magyar Telekom acquires IT company in Hungary

Budapest – July 20, 2010 – Magyar Telekom (Reuters: NYSE: MTAN, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider announces that it has signed an agreement to buy 100% of Daten Kontor Group.

Magyar Telekom signed an agreement to buy 100% of Daten Kontor Kft., DK Telecom Zrt. and DK Consulting Zrt. (DK Group) on 20 July, 2010. The maximum purchase price of HUF 1.4bn is dependent on the next two years' financial performance and will also be adjusted with the value of the net debt at the closing of the transaction.

DK Group develops, installs and manages IT applications. The company achieved HUF 2.2 billion of consolidated revenues in 2009 and EBITDA of HUF 357 million. With this acquisition Magyar Telekom aims to strengthen further its position in the IT services market.

The closing of the transaction is also subject to Competition Authority approval.

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, 2009 filed with the U.S. Securities and Exchange Commission.