

**Investor Release****Magyar Telekom**

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**Telekom's 4G mobile internet to be accessible nationwide:
by the end of 2015 the market leader Telekom's 4G mobile network will cover
93% of the population**

Budapest – October 17, 2014 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces that Christopher Mattheisen, Magyar Telekom's Chief Executive Officer received today the frequency licences enabling the use of frequency blocks it won in the tender procedure closed on September 29, from dr. Monika Karas, the President of National Media and Infocommunication Authority (NMHH). Telekom is the first among market players to start using the new frequency blocks and through this it will immediately expand further the coverage of its 4G mobile broadband network and increase its download speed to the highest achievable level, up to 150 Mbit/s.

Christopher Mattheisen, Magyar Telekom's Chief Executive Officer said:

„The success of the frequency tender is a decisive milestone in the implementation of Digital Hungary. Thanks to it new chances will be available for people and the competitiveness of businesses and the country will improve. We are ready to immediately expand our 4G coverage to the benefit of our customers. Already tomorrow we shall connect 450 new 4G base stations all over the country, and increase the download speed for our customers to the highest achievable level. Continuing further our dynamic developments we expect to have built by the end of 2015 a 4G network granting a practically nationwide 93% residential outdoor coverage as well as excellent service quality. In this way the most advanced mobile technology will become available also to those who live in rarely populated small rural localities, thus reducing the digital divide. Due to the nationwide rollout of 4G, Telekom's leading position is unquestionable.”

As soon as it has started to use the frequencies, from October 18 already, Telekom will expand its mobile network by connecting 450 additional 4G base stations. Through this the service provider's nationwide outdoor 4G coverage base on the total population will rise overnight to 73% from the current 54%. At the same time Telekom will increase the nominal (i.e. varying with tariff packages and devices) download speed of the 4G mobile internet to the highest achievable level, so that it will be able to offer mobile internet with up to 150 Mbit/s speed on Hungary's first 4G network. Thanks to the new frequencies not only customers in the newly covered areas but all 4G users will benefit, as service quality will improve further for everybody.

Telekom is to continue further network development projects at a similarly dynamic rate. Earlier than planned, the market leader service provider will increase its nationwide residential outdoor 4G coverage to 80% in the first months of next year and to 93% by the end of 2015, through which it will make available to almost all Hungarian residents the services representing a new age in mobile internet usage.



Telekom's 4G network is currently used by over 250 thousand customers. In the frequency tender closed recently the service provider won the frequency blocks it can use the most favourably to the benefit of its customers thanks to the frequency licences it has received today. The new frequencies are suitable to develop the best broadband technologies available today, especially 4G/LTE and also for the next development stage of mobile technology, LTE Advanced, which Telekom has already tested successfully with Ericsson, also as first in Hungary. The decisive majority of devices sold by Telekom (7 out of 10) are 4G enabled, and its new, unlimited thematic mobile data options available from October may give yet another new impetus on the offer side to further headway of 4G mobile internet usage.

This investor news may contain 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 Reports for the year ended December 31, 2013 available on our website at <http://www.telekom.hu>.