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REGULATOR PUBLISHED DRAFT RESOLUTION TO MATÁV'S REFERENCE UNBUNDLING OFFER

BUDAPEST – June 15, 2004 – Matáv (NYSE: MTA.N and BSE: MTAV.BU), the leading Hungarian telecommunications service provider announces that the Board of the Hungarian National Regulatory Authority (NRA) has published its draft resolution concerning the new reference unbundling offer (MARUO). The final resolution to MARUO (the reference interconnection and leased line interconnection offer), also published contained no significant changes compared to the draft resolution.

As of this year, the final phase of the approval process is public, with the NRA publishing a draft resolution 30 days before the final approval. The interested parties then have 20 days to comment in writing, and the NRA then has a further 10 days to consider these comments and announce its final resolution.

In accordance with the regulatory requirements, Matáv filed a new reference unbundling offer (MARUO) on January 15, 2004. This release highlights the major changes to this offer implied in the regulator's draft resolution. Matáv will also publish the relevant changes to the draft resolution in due course. The framework of the offer remains unchanged and also includes new service available from 2004.

CHANGES TO THE UNBUNDLING OFFER

Major changes to the reference offer:

- According to the new Hungarian telecommunication law, operators are required to use the fully distributed historical costing (FDC) methodology in the cost calculation for unbundling reference offers. The change resulted in a decrease in some of the prices in the reference offer.
- On the other hand, the cost of capital prescribed for Matáv Rt. has changed from 15% to 16.5% due to the macroeconomic environment.
- NRA has implied further changes to some of the fees. Matáv does not find part of these changes totally consistent with the Hungarian regulation, the European benchmarks or the reference offer of other operators.
- All the data we include in this announcement is in line with the draft resolution.

In line with the new telecom law Matáv included the local bitstream access service in the MARUO. As part of this service, Matáv hands over the bitstream traffic of a local loop to other operators after the so-called DSLAM (Digital Subscriber Line Access Multiplexer).

According to the draft resolution certain related services and their fees were excluded from the scope of the MARUO including the one time connection fee, one time disconnection fee and the one time equipment assessment fee.



Net monthly local loop unbundling fees and local bitstream access fees are set out in the table below:

HUF	New	Old
Monthly fee for full local loop unbundling	2,932	2,917
Monthly fee for partial local loop unbundling	1,071	2,844
Monthly fee for local bitstream access	3,955	-

- The one time assessment fee for a local loop increased from HUF 37,052 to HUF 37,644.
- The one-off fee for furnishing the unbundling with a 100 loop capacity block amounts to between HUF 83,591 and HUF 387,838.

This investor release 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 on 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, 2003 filed with the U.S. Securities and Exchange Commission.