

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

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Shareholders Assembly approved Crnogorski Telekom capital reduction

Budapest – March 5, 2014 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces that its subsidiary, Crnogorski Telekom A.D. Podgorica, has held its Shareholders Assembly today and made a decision on share capital reduction in a total amount of EUR 17.1 million (around HUF 5.3 billion at the March 4, 2014 HUF/EUR exchange rate of 311.9).

Share capital reduction in the amount of EUR 17.1 million was approved (from EUR 141.0 million to EUR 123.9 million) and funds obtained as a result of share capital reduction will be distributed to the shareholders. Magyar Telekom, which has a 76.53% stake in the company, is entitled to a payment of approximately EUR 13.1 million (HUF 4.1 billion).

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, 2012 available on our website at <http://www.telekom.hu>.