

Investor Release

Magyar Telekom

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Magyar Telekom wins two frequency blocks of 1 MHz at the 900 MHz frequency auction

Budapest – January 31, 2012 –Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB), the leading Hungarian telecommunications service provider announces that it won the right of use of two duplex frequency blocks of 1 MHz each, pursuant to the first instance, non-final decision closing the auction for spectrum related to the provision of mobile telecommunications services in the 900 MHz frequency band.

On August 4, 2011, the Office of the National Media and Infocommunications Authority, Hungary (the “Authority”) announced an auction for the right of use of a total amount of 10.8 MHz of unused spectrum related to the provision of mobile telecommunications services in the 900 MHz frequency band. The spectrum can be utilized in a technology-neutral manner, allowing for the installation and operation of GSM, UMTS, LTE and/or WiMAX mobile networks. As announced, Magyar Telekom filed an auction bid on December 8, 2011.

On January 31, 2012, Magyar Telekom received from the Authority the first instance, non-final decision closing the auction.

Pursuant to the first instance decision, Magyar Telekom won the right of use of two duplex frequency blocks of 1 MHz each (one EGSM-band duplex frequency block of 1 MHz plus one PGSM-band duplex frequency block of 1 MHz) for a period of 15 years. Pursuant to the first instance decision, Magyar Telekom is required to pay an auction price of 10.9 billion HUF + VAT for these frequency blocks.

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, 2010 filed with the U.S. Securities and Exchange Commission.