



EGYÜTT. VELED

SUBMISSION
TO THE GENERAL MEETING OF MAGYAR TELEKOM PLC.

**ELECTION AND DETERMINATION OF THE
REMUNERATION OF THE COMPANY'S AUDITOR,
AND DETERMINATION OF THE CONTENTS OF THE
MATERIAL ELEMENTS OF THE CONTRACT TO BE
CONCLUDED WITH THE AUDITOR**

BUDAPEST, APRIL 11, 2014

PROPOSAL OF THE AUDIT COMMITTEE OF MAGYAR TELEKOM PLC. FOR THE GENERAL MEETING OF THE COMPANY IN RELATION TO THE ELECTION AND DETERMINATION OF THE REMUNERATION OF THE COMPANY'S AUDITOR, AND DETERMINATION OF THE CONTENTS OF THE MATERIAL ELEMENTS OF THE CONTRACT TO BE CONCLUDED WITH THE AUDITOR

The Audit Committee, having reviewed and evaluated the performance, qualifications and independence of the Independent External Auditor (the "Auditor") of Magyar Telekom Plc. (the "Company"), submits the following resolution proposal to the General Meeting in relation to the election and determination of the remuneration of the Company's Auditor. Furthermore, in relation to this, it proposes the contents of the material elements of the contract to be concluded with the Auditor – in addition to elements set out in the resolution proposal – to be determined as follows:

- **Scope of the contract:**
The audit of the standalone financial statements of the Company prepared according to the Hungarian Accounting Act (HAR), and the audit of the consolidated financial statements of the Company prepared in accordance with the International Financial Reporting Standards (IFRS) for the business year 2014.
- **Billing and payment:**
The fee of the Auditor shall be paid in 12 monthly installments. The Auditor may change the fees reasonably and proportionally if the scope of the work is changed (for example, significant change in Magyar Telekom Group, significant change in business or regulatory circumstances) for an unforeseeable reason, or if excess work arises for a reason attributable to the interests of the Company, provided that the scope and fees of the excess work are mutually agreed in advance by the contracting parties and the Audit Committee pre-approves the same according to its Pre-Approval Policy.
- **Duration of the contract:**
The contract is for the period ending May 31st, 2015 or if the Annual General Meeting closing the 2014 business year will be held prior to May 31st 2015 then until the date thereof.

"The General Meeting elects as Auditor of Magyar Telekom Plc. (the "Company")

PricewaterhouseCoopers Auditing Ltd. (Registered office: 1055 Budapest, Bajcsy-Zsilinszky út 78.; company registration number: 01-09-063022; registration number: 001464)

to perform audit services for the year 2014, for the period ending May 31st 2015 or if the Annual General Meeting closing the 2014 business year will be held prior to May 31st 2015 then on the date thereof.

Personally responsible registered auditor appointed by the Auditor: Árpád Balázs
Chamber membership number: 006931
Address: 1124 Budapest, Dobsinai u. 1.
Mother's maiden name: Hedvig Kozma

In the event he is incapacitated, the appointed deputy auditor is: Balázs Mészáros (chamber membership number: 005589, mother's maiden name: Orsolya Lőcsei, address: 1137 Budapest, Katona József u. 25. V. em. 4.).

The General Meeting approves HUF 199 641 000 + VAT + 8 % related costs + VAT be the Auditor's annual compensation, covering the audit of the financial statements of the Company prepared in accordance with the Hungarian Accounting Act and also the audit of the consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS).



The General Meeting approves the contents of the material elements of the contract to be concluded with the Auditor according to the submission.”

Budapest, March 12, 2014

In representation of the Audit Committee of Magyar Telekom Plc.:

Dr. János Illéssy
Chairman of the Audit Committee