

Magyar Telekom Telecommunications Public Company Limited by Shares
Annual General Meeting

MINUTES

taken at the Annual General Meeting of Magyar Telekom Telecommunications Public Limited Company (registered seat: 1013 Budapest, Krisztina krt. 55.; registration number: Cg. 01-10-041928) taking place at the headquarters of Magyar Telekom Plc. (1013 Budapest, 1st district, Krisztina krt. 55.; Tölösi Conference Centre) on April 16, 2012, from 11.04 a.m.

Way of participating at the General Meeting: in person.

Participants: as listed in the attached attendance sheet.

Christopher Mattheisen: Ladies and Gentlemen! I hereby open the General Meeting at 11:04 o'clock. I welcome the Shareholders and the invitees.

Let me inform the General Meeting that votes will be cast via computer in accordance with Section 6.17.1 of the Articles of Association, and votes will be tallied electronically in accordance with Section 6.17.3 of the Articles of Association. I inform the General Meeting that I will state the result of voting as the computer counted votes appear on the screen. I ask **Mrs. Judit Borokné Matus**, present on behalf of KELER Zrt., to describe the essence and method of computer voting.

Judit Borokné Matus: Distinguished Shareholders, Mr. Chairman. My name is Mrs. Judit Borókné Matus, representing KELER Zrt. assisting in the management of the General Meeting and in the registration process. I briefly introduce You the voting system and the persons participating in the voting process Sándor Rákos, Tibor Petrás, József Kocsis.

During the registration, You have received a wireless, radio-frequency operated voting device, which indicates the individual voting number of the shareholder. Therefore, please take care of the voting device and do not hand it over to anyone else. You may activate the device by pressing any button. You may vote with pressing buttons 1, 2, and 3: button no. 1 is the "YES" button, button no. 2 is the "NO" button, button no. 3 is the "ABSTENTION" button. Proposals will be put to the vote by the Chairman of the General Meeting and you can cast your vote during a 20 second period, the start and end of which is indicated by a voice signal.

After the start of the voting please push the applicable button (1, 2, 3) of the voting device then release it. Simultaneously with pushing the button your device will display the number of the respective button with which you cast your vote then the number disappears, indicating that the voting system received the vote and confirmed its receipt to the voting device. Please note that buttons must not be pressed continuously and in case the button is pressed several times only the last vote will be registered by the system!

Within a couple of seconds upon the closing of the voting the results are displayed on the screens and the monitor in front of the Chairman. In addition, the number of votes that were not cast will also be displayed. Naturally, the Chairman of the General Meeting will state verbally the result of the voting. Let me draw Your attention that the voting ratio will be rounded to 2 decimal places, therefore, there can be a situation when 1 "NO" vote is cast and the voting ratio will be 0.00% on the screen. Naturally, all votes will be registered both in the system and the minutes of the General Meeting.

I propose to have a test voting. Please play the voice signal. The voting is closed and the results are displayed. If the voting device does not work properly, please let us know and we immediately replace the device.

If you have any questions regarding the voting system, please let us know now. Thank you and I wish you good work and a successful General Meeting!

Christopher Mattheisen: Thank you very much. Based on the registration I state that the General Meeting constitutes a quorum, as the majority of the shareholders are present personally or via proxy.

Number of shares issued by company: 1,042,742,543 of which non-voting treasury shares are: 390,862.

Total number of votes represented by the voting shares: 1,042,351,681.

Total number of votes represented by the present shareholders: 679,445,273 (in percentage: 65.18%).

The General Meeting is held with shareholders' attendance in person, by decision-making on the meeting.

I confirm that the General Meeting has been convened in compliance with the relevant provisions of law and the provisions of the Articles of Association. Submissions, resolution proposals could be preliminarily studied at the home page of the Company and the Budapest Stock Exchange, at KELER Zrt. and before the start of the meeting, here, at the venue of the General Meeting.

On the basis of the proxy instruments submitted to the Company, I state that proxies represent the shareholders legally. Persons who certified their shareholder status prior to the General Meeting, during registration by way of a securities account statement, issued to the name of the shareholder, however, are not registered in the Shareholders' Register, may participate the General Meeting but may not exercises shareholders' rights.

Section 304 (3) of the Act IV of 2006 on Business Associations (hereinafter the Companies Act) sets forth that at the General Meeting shareholders rights may be exercised only by the persons whose name is contained in the Shareholders' Register on the second working day at 6 p.m. prior to the date of the General Meeting. In accordance with the provisions of the law and the Articles of Association, in our Announcement for the General Meeting published on March 14, 2012 we called the attention of our Shareholders to the fact that they might exercise their shareholders' rights and in particular voting rights provided that they had been recorded in the Shareholders' Register of the Company as owners of shares or nominees until the second working day (April 12, 2012) prior to the date of the General Meeting. The closing of the Shareholders' Register does not restrict the right of the shareholder to transfer his shares after the closing of the Shareholders' Register. A transfer of the shares before the date of the General Meeting does not restrict the right of the person registered in the Shareholders' Register to participate the General Meeting and exercise his shareholder's rights.

The General Meeting is conducted in Hungarian and in English languages with interpretation. The translator devices are available beside the registration desk. I request shareholders to announce their name and the number of their voting device into the microphone that we provide in every case when contributing to the discussion. Please always use the microphone during your speech. Let me draw the Shareholders' kind attention, that only those contributions will be registered in the minutes that are delivered with the use of the microphone. In accordance with Section 6.13 (f) of the Articles of Association each contribution is limited to maximum 3 minutes per each shareholder's contribution. In order to ensure reasonable time management I request the shareholders to observe the said limit at each agenda point. The planned durance of the General Meeting is approximately 3 hours without a break.

I inform the Distinguished Shareholders that every time entering into Tölösi Conference Center, is only possible following the registration into the mobile entrance system with your event-entrance card. With regard to this, I request the Shareholders to keep their event-entrance card during the General Meeting with them and use it again to enter or re-enter the room. Please return the event-entry card at the respective pick-up points when leaving.

The General Meeting will be recorded on tape. I make known the respective resolution proposal:

“The General Meeting agrees that the proceedings of the General Meeting shall be recorded on tape.”

I ask the Shareholders whether there are any questions or remarks regarding this? Please.

Pál Kustra: My name is Pál Kustra, temporary holder of voting device number 343-2. My question is the following: will you record what is said at the general meeting in a verbatim minutes, as in the case of previous, and I also have a remark: I would like to record the general meeting, in order to identify my questions and the answers. Thank you.

Christopher Mattheisen: I ask Mr. **Balázs Máthé**, Chief legal and corporate affairs officer of the Company, to answer them.

Balázs Máthé: The answer to your first question is that naturally, we prepare the minutes in accordance with the applicable laws, which basically means a verbatim minutes. The second question, from data protection point of view, means that we should ask all others who are present, that they have any objection against Mr. Kustra's recoding of the General Meeting. The material difference is that the minutes prepared by the Company is based on the law and the Articles of Association, but your recording has no legal ground, therefore, theoretically, there should be approval from everyone, but for the sake of simplicity let me ask whether does anyone objections Mr. Kustra's recording. (*No objections.*) Thank you.

Christopher Mattheisen: Then the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: the General Meeting has adopted the resolution with 648,226,955 affirmative votes (95.37%), 21,770 negative votes (0.00%), and 31,216,380 abstentions (4.59%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 62.165581%, Negative: 0.002088%, Abstention: 2.993680%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 1/2012 (IV.16.).

Christopher Mattheisen: I propose to the General Meeting to elect the Chairman of the General Meeting before the discussion of the agenda items begins. Based on the respective submission of the Board of Directors, I propose to the General Meeting to elect me, Christopher Mattheisen, to be the Chairman of the General Meeting.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: the General Meeting has adopted the resolution with 679,664,728 affirmative votes (100.00%), 250 negative votes (0.00%), and 4,459 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.180493%, Negative: 0.000024%, Abstention: 0.000428%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 2/2012 (IV.16.).

Chairman: I propose to elect dr. Gabriella Bognár in-house legal counsel as Keeper of the Minutes. I further propose that Mr. Roman Zitz, representative of MagyarCom Holding GmbH should authenticate the Minutes.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: the General Meeting has adopted the resolution with 679,660,138 affirmative votes (100.00%), 7,100 negative votes (0.00%), and 2,799 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.180053%, Negative: 0.000681%, Abstention: 0.000268%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 3/2012 (IV.16.).

Chairman: I inform the shareholders that no motion was submitted to the Board of Directors in connection with the supplementation of the agenda within 8 days upon the publication of the Announcement on March 14, 2012, therefore it is not possible to adopt any further resolutions on the issues not included in the agenda published as part

of the Announcement. No further items can be included in the agenda at this General Meeting, because not all of the shareholders are present.

I propose that the General Meeting should approve the order for discussing the items on the agenda in accordance with the Announcement. I ask Mr. **Balázs Máthé**, the Chief legal and corporate affairs officer of the Company to make known the agenda:

- Balázs Máthé:**
1. Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2011;
 2. Decision on the approval of the 2011 consolidated annual financial statements of the Company prescribed by the Accounting Act according to the requirements of the International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
 3. Decision on the approval of the 2011 annual stand alone financial statements of the Company prepared in accordance with the requirements of the Accounting Act (HAR); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
 4. Proposal of the Board of Directors for the use of the profit after tax earned in 2011; presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor; decision on the use of the profit after tax earned in 2011, on the payment of dividends;
 5. Decision on the approval of the Corporate Governance and Management Report;
 6. Decision on granting relief from liability to the members of the Board of Directors;
 7. Decision on the amendments of the Articles of Association of Magyar Telekom Plc.: 1.4. Sites and Branch Offices of the Company; 2.5. Shareholders' Register (2.5.3.); 6.2. Matters within the Exclusive Scope of Authority of the General Meeting (a), (u); 7.4. Rules of Procedure and Chairman of the Board of Directors (7.4.1. (p)); 8.7. Audit Committee; 10. Signature on Behalf of the Company;
 8. Amendment of the Remuneration Guidelines;
 9. Authorization of the Board of Directors to purchase ordinary Magyar Telekom shares;
 10. Election of Member(s) of the Board of Directors;
 11. Election of an employee representative member of the Supervisory Board;
 12. Election and determination of the remuneration of the Company's Auditor. Election of the Auditor personally responsible for the audit and the appointed Deputy Auditor, furthermore, in relation to this, determination of the contents of the material elements of the contract to be concluded with the auditor.

Chairman: The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: the General Meeting has adopted the resolution with 679,597,548 affirmative votes (99.99%), 100 negative votes (0.00%), and 72,389 abstentions (0.01%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.174050%, Negative: 0.000010%, Abstention: 0.006942%.)

I state that the General Meeting has adopted the order of discussion of the agenda items of the General Meeting, in line with the resolution proposal in Resolution No. 4/2012 (IV.16.).

Chairman: I open the discussion of the first agenda item.

Agenda item no. 1

Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2011

Chairman: I will verbally outline the Report of the Board of Directors prepared for this agenda item in the English language which is an informative and contains no resolution proposal.

The **Chairman** presents the Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2011.¹

Chairman: We shall continue with agenda item no. 2.

Agenda item no. 2

Decision on the approval of the 2011 consolidated annual financial statements of the Company prescribed by the Accounting Act according to the requirements of the International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor

Chairman: I ask Mr. **Máthé**, to make known the introduction to the submission.

Balázs Máthé: In accordance with the provisions of the Accounting Act, the Company shall prepare an annual financial statements and as a parent company, a consolidated financial statements to be approved by the General Meeting according to the Companies Act and the Articles of Associations. In line with this, the 2011 consolidated financial statements of Magyar Telekom has been prepared according to the International Financial Reporting Standards (IFRS) as endorsed by the EU and the draft of it was published where stipulated in the Articles of Association. PricewaterhouseCoopers Könyvvizsgáló Kft. audited the financial statements and certified it as authentic. Subsequent to the General Meeting Magyar Telekom Nyrt. deposits and discloses its financial statements in compliance with the provisions of the Accounting Act and the relevant regulations.

Chairman: I request **dr. László Pap**, Chairman of the Supervisory Board to outline the essence of the **Supervisory Board's Report** related to this agenda item verbally.

dr. László Pap: Distinguished Shareholders! Ladies and Gentlemen! The Supervisory Board's report prepared for the General Meeting was available in whole in the disclosed documents and is also included in the handout that has been distributed to the Shareholders attached to the end of this item. The Supervisory Board, with the involvement of the Audit Committee and the independent external auditor, discussed the 2011 consolidated annual financial statements prescribed by the Accounting Act according to the requirements of the International Financial Reporting Standards (IFRS) as endorsed by the EU, to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their acceptance. In the opinion of the Supervisory Board, the financial statements are in compliance with the prescriptions of the law, the Supervisory Board agrees with their content. The Supervisory Board proposes to the General Meeting for approval the 2011 consolidated annual financial statements of Magyar Telekom Group prepared according to the International Financial Reporting Standards (IFRS) as endorsed by the EU with Balance Sheet Total Assets and Profit for the year in accordance with the proposal of the Board of Directors and the Audit Committee. Thank you.

Chairman: Thank you very much Mr. Pap. I request **dr. János Illéssy**, Chairman of the Audit Committee to make known the essence of the **Audit Committee's Report** related to this agenda item.

dr. János Illéssy: Thank you Mr. Chairman! Distinguished Shareholders! Ladies and Gentlemen! The Audit Committee's report prepared for the General Meeting was also available in whole in the disclosed documents and you can find it in the distributed handout. The Audit Committee reviewed the 2011 consolidated annual financial statements prescribed by the Accounting Act according to the requirements of the International Financial Reporting Standards (i.e. IFRS) as endorsed by the EU to be submitted to the General Meeting by the Board of Directors, the proposal of the Board of Directors for their acceptance, and listened to the relevant report of the independent auditor. The Audit Committee, based on its activities performed during the year and the report of the independent

¹ The Report of the Board of Directors, verbally presented in English language, could also have been followed by the Shareholders at the General Meeting as it was displayed simultaneously in Hungarian and in English. The Report of the Board of Directors is attached in English as Annex no. 1.

auditor, agrees with the content of the financial statements and the proposal. The Audit Committee proposes to the General Meeting for approval the 2011 Consolidated Financial Statements of Magyar Telekom Group prepared according to the International Financial Reporting Standards (IFRS) as endorsed by the EU, including Balance Sheet Total Assets of HUF 1,098,028 million and Profit for the year of HUF 3,179 million.

Chairman: Thank you very much Mr. Illéssy. I request **Márta Hegedűsné Szűcs** representative of the Auditor, to verbally outline the essence of the **Auditor's Report** on the Y2011 consolidated financial statements of the Magyar Telekom Group as prescribed by the Accounting Act according to the International Financial Reporting Standards as endorsed by the EU as regards to this item on the agenda.

Márta Hegedűsné Szűcs: Distinguished Shareholders! PricewaterhouseCoopers has audited the 2011 consolidated annual report of Magyar Telekom Group. As a result of the audit, we have issued an unqualified opinion, which is available in your handouts and a brief summary of which is as follows. During our work we have audited the components and disclosures along with the underlying accounting records and supporting documentation in the consolidated financial statements of Magyar Telekom Nyrt. in accordance with Hungarian Standards on Auditing and, on the basis of our audit work, we have gained sufficient and appropriate evidence that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU. In our opinion, the financial statements give a true fair view of the financial position of Magyar Telekom Nyrt. as of 31 December 2011, and of the results of its operation for the year then ended in accordance with international Financial Reporting Standards as adopted by the EU. Further, the business report is consistent with the disclosures of the consolidated financial statements. Based on all these, we propose the report to the General Meeting for approval. Thank you very much.

Chairman: Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Please.

Pál Kustra: Pál Kustra, box number 343-2. As it was included in Mr. Mattheisen's presentation this January HUF 21 billion 857 billion was transferred to the SEC and the DoJ. My question is whether with this the U.S. authorities declared that the investigation is finally completed? Back in the spring of 2008, if I remember well, one of the Telekom disclosures contained that the investigation was extended to the then current managers of Telekom, however, I did not see any unambiguous disclosure on the closing of the procedure. If I am right, according to an earlier Telekom disclosure, the DoJ was about to penalize Telekom in one FCPA and in two accounting issues. Which Telekom subsidiary is involved in this FCPA issue: Montenegro or Macedonia? The SEC initiated the procedure against Telekom in, so to say, in two FCPA cases, while the DoJ in only one. Does that mean the U.S. Department of Justice does not know how to investigate or maybe does that mean that Magyar Telekom's managers thought that both SEC cases will stand and why Magyar Telekom's management did not refute that there are no two FCPA cases at the SEC? And my last question: how much did this tiny investigation cost so far and how much will it cost in the future? Thank you.

Chairman: I request Mr. **Máthé** to partly answer this question and Mr. **Kusch** to answer the second part of it.

Balázs Máthé: Yes, I will try. There were many questions. I try to answer them in the order of the questions. Let me note generally at the beginning that naturally and in line with the effective laws Magyar Telekom has shared all information with its shareholders, including Mr. Kustra, regarding the investigation since the beginning of 2006. Nevertheless, we are happy to react on all questions.

The first was: why did we pay so much, if I'm correct, to simplify it, or this much, sorry, yes. Here I can tell you that we already disclosed verbally at general meetings and in writing that naturally Magyar Telekom's Board of Directors, that decided within the scope of its competences, decided in favour of an out of court agreement, and this decision was continuously and logically made on the basis of the opinion of the U.S. legal advisor. The opinion of the U.S. legal advisor was clear that the offer, made as a result of the negotiations with the DoJ and the SEC, represents lower risks and also financially less than a court procedure. I think that this is the simple answer.

The second question, as far as I remember, was that there are differences ... sorry, whether the investigation was finally completed. As we disclosed on December 29 last year, the so called, it is hard to translate it into Hungarian, I

think we translated it as “deferred prosecution agreement” that we concluded with the DoJ. It means that theoretically there is a pending situation for two years. But we practically think that the investigation is naturally closed and this whole case is closed as the obligations in this “deferred prosecution agreement”, the English language abbreviation of which is “DPA”, can be quite clearly fulfilled. We disclosed these, but I repeat them in short. We have to maintain and operate our high standard – as acknowledged by the DoJ and the SEC – compliance system and we have to file a report with the U.S. authorities twice, practically once a year, therefore twice regarding the system. Consequently we must not violate the relevant U.S. laws in the future. These are the two key provisions. We believe that we can comply with these requirements. So our practical answer is that the case is closed.

The third question was that the SEC or the DoJ can not investigate? I think you based this, Mr. Kustra, if I understood your explanation right, on that the disclosed legal standpoint of the DoJ and the SEC were not entirely the same. My brief reaction, I could tell, although it may be too technical for the General Meeting as a forum, is that the DoJ is a criminal authority while the SEC supervises the securities exchange, stock exchange, basically a civil authority. So their approach is different. In a simple way and regarding the essence of the matter the DoJ needs a stronger evidence than the SEC to write down something. I hope that this was the question and the answer is adequate.

The fourth question: maybe I have to ask Mr. **Kusch** to help me: what is the total cost of the investigation up to this date. Obviously the question is aimed to the amount paid above the settlement.

Thilo Kusch: The settlement was obviously nearly 22 billion Forint and the total cost would be 47 billion Forint. So it is basically the settlement, plus a bit more that 25 billion for costs for lawyers and the investigations over the last years the Company paid for.

Chairman: Any comments or questions? If there are none, then... yes?

Pál Kustra: Thank you for the opportunity. Thank you for your answers so far. Unfortunately I asked several questions and I think it was hard to follow. One of these question was whether in spring 2008 there was a Telekom disclosure and it meant that there was also an investigation against the current managers. I did not see any clear refutation on whether this investigation was closed or not? Please answer me with a clear yes or no. As to how the DoJ and the SEC can or can not investigate is another issue. What I was missing and this was also included among my previous questions, i.e. why Telekom did not refuse the SEC allegations when it seems, and is included in Mr. Máthé’s explanation, that one of the FCPA cases is not valid? And regarding these Telekom paid billions to the SEC. Or it would be good if, and I wanted to ask whether further sums will have to be paid for this investigation from the shareholders’ money? Thank you.

Balázs Máthé: So if the first question is rephrased, it goes like why we did not refute what the U.S. authorities alleged? I think that I already answered, but once again, I can tell that I think it is in line with prudent procedures, that the DoJ and the SEC and the U.S. law office retained by Magyar Telekom Nyrt. negotiated, obviously under the auspices of Magyar Telekom Nyrt.’s Board of Directors and naturally their work included to scrutinize the DoJ’s and the SEC’s presented standpoint and to debate the legal standpoint derived from the facts by the DoJ and the SEC. Naturally, this is the general task of any lawyer in a legal action. This took place and Magyar Telekom’s Board of Directors was convinced and regularly made the U.S. legal counsel’s lawyers report, that this work was done. I do not think that we can go into further details here and now.

Regarding the second question: I do not think that I am totally competent in this matter. I am personally absolutely sure that there will be no further payments in this matter. So the so far procedure does not require further payments.

Chairman: Thank you. Any other questions or comments? There is one, we have a question.

György Varkoly: György Varkoly. My box number is 359/4. I was happy to hear that Telekom’s management is satisfied with the lower customer number reduction and churn rate and it expects similar results in 2012 too. I would like to ask in light of the developments in March, and now that we know that the yellow postal cheque will be subject to a transaction tax or a special transaction fee, how will you fit in these requirements? I mean, looking at you advertisement, marketing expenses, Telekom spent approximately HUF 13 billion on building its image and uses bombastic slogans like “professionally as expected from Telekom” “customer oriented” “customized service”. Let me ask how this customized, customer oriented service is represented toward subscribers who have been using the

yellow postal cheque? I would like to tell that very many people stick to the yellow postal cheque because this is the world's most adequate, transparent and fair service and also its settlement. We receive a bill on the service, including how much time we used the phone, how much the service costs and the yellow cheque includes a certificate of payment showing when one paid the bill and the certificate can be attached to the bill. Completed, case closed. Now, you say that based on environment protection reasons Telekom is a progressive, customer friendly company, but this is simply not true as long as you think that the yellow cheque pollutes the environment. Telekom may paint its fliers, stuffed in our letter boxes, green but this is not environment protection. Let me ask why Telekom did not send out its marketing material to shareholders and subscribers electronically? I feel that there is damage to credibility, image here and in a competitive environment this may cost a lot for Telekom. Let me ask it from this perspective whether you plan to revoke this measure, that resulted in almost a public rage, as this annuls all our marketing costs and efforts?

Chairman: Thank you for your question. First, let me emphasize that it should not turn out from my presentation that we are content with loosing customers. This is a relative achievement in the currently harsh economic environment. Let me tell you the following about the yellow cheque. On the one hand, the motive is really environment protection and if we can emphasize for our customers how important it is not to use paper and we can involve electronic tools in more and more functions then on the one hand we protect our environment and on the mid-term and long-term the online payment is more effective and efficient method to communicate to customers. All the advantages that you mentioned, so that the printed document can be tracked, it all applies to a good electronic billing method too. Then a Távszámla, in an electronically traceable system, can and should be tracked the same way. If we can to serve our customers electronically it will open the door in the future that we can more effectively communicate with them then a printed brochure. The printed brochure is in the same envelope as the printed bill. We hope that we can communicate it more effectively and we can pursue our marketing activity more environment friendly to our customers. Any other question or remark? If there is none, I make known:

“The General Meeting approves the 2011 Consolidated Financial Statements of Magyar Telekom Group prepared according to the International Financial Reporting Standards (IFRS), as endorsed by the EU including Balance Sheet Total Assets of HUF 1,098,028 million and Profit for the year 2011 of HUF 3,179 million.”

Chairman: The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 662,501,962 affirmative votes (97.47%), 6,375 negative votes (0.00%), and 17,160,850 abstentions (2.52%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 63.534567%, Negative: 0.000611%, Abstention: 1.645742%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 5/2012 (IV.16.).

Agenda item no. 3

Decision on the approval of the 2011 annual stand alone financial statements of the Company prepared in accordance with the requirements of the Accounting Act (HAR); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor

Chairman: I ask Mr. **Máthé**, to make known the introduction to the submission.

Balázs Máthé: Magyar Telekom Nyrt.'s 2011 stand-alone financial statement was prepared in accordance with the provisions of the Accounting Act and the draft of it was published where stipulated in the Articles of Association. The approval on it, according to the Companies Act and the Articles of Association, falls into the exclusive scope of authority of the General Meeting. The 2011 financial statement of Magyar Telekom Nyrt. is submitted for discussion by the Board of Directors in line with the submission. The report was audited by PricewaterhouseCoopers Könyvvizsgáló Kft. and was certified as authentic.

Chairman: I request **dr. László Pap**, Chairman of the Supervisory Board to outline the essence of the **Supervisory Board's Report** related to this agenda item verbally.

dr. László Pap: Distinguished Shareholders! The Supervisory Board, with the involvement of the Audit Committee and the independent auditor, discussed the 2011 annual stand alone financial statements prepared in accordance with requirements of the Accounting Act (HAR) to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their acceptance. In the opinion of the Supervisory Board, the financial statements are in compliance with the prescriptions of the law, the Supervisory Board agrees with their content. The Supervisory Board proposes to the General Meeting for approval the 2011 annual stand alone financial statements of the Company prepared according to the Hungarian Accounting Regulations (HAR) with Balance Sheet Total Assets and After-tax Net Income in accordance with the proposal of the Board of Directors and the Audit Committee. Thank you.

Chairman: Thank you very much. I request **dr. János Illéssy**, Chairman of the Audit Committee to make known the essence of the **Audit Committee's Report** related to this agenda item.

dr. János Illéssy: Distinguished Shareholders! The Audit Committee also reviewed the 2011 annual stand alone financial statements prepared in accordance with requirements of the Accounting Act (abbreviated as HAR) to be submitted to the General Meeting by the Board of Directors, the proposal of the Board of Directors for their acceptance, and listened also to the relevant report of the independent external auditor. The Audit Committee, based on its activities performed during the year and the report of the independent external auditor, agrees with the content of the financial statements and the proposals. The Audit Committee proposes to the General Meeting for approval the Y2011 Annual Report of the Company prepared according to the Hungarian Accounting Regulations, including Balance Sheet Total Assets of HUF 918,414 million and After-tax Net Income of HUF 31,675 million.

Chairman: Thank you very much. I request **Márta Hegedűsné Szűcs**, representative of the Auditor, to verbally outline the essence of the **Auditor's Report** prepared in relation to the Y2011 stand alone Financial Statement.

Márta Hegedűsné Szűcs: Distinguished Shareholders! PricewaterhouseCoopers has audited the 2011 stand alone annual report of the Company in addition to the auditing of the consolidated report of the Magyar Telekom Group and we issued an unqualified opinion, the essence of which is briefly the following. During our work we have audited the components and disclosures along with the underlying accounting records and supporting documentation in the financial statements of Magyar Telekom Nyrt. in accordance with the Hungarian and International Standards on auditing and, on the basis of our audit work, we have gained sufficient and appropriate evidence that the financial statements have been prepared in accordance with the provision of the accounting law and with accounting principles generally accepted. In our opinion, the accompanying financial statements give a true and fair view of the financial position of Magyar Telekom Nyrt. as of 31 December 2011, and of the results of its operations for the year then ended. The business report is consistent with the disclosures in the financial statements. Based on our auditing, we propose the report to the General Meeting for approval. Thank you very much.

Chairman: Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Are there? Please.

Pál Kustra: Thank you. Pál Kustra, voting box number. 343-2. I would like to ask the auditor, or the gentlemen from the financing area that how was the close to 22 billion amount, paid to the DoJ and to the SEC, accounted for in the Hungarian financial statement? What is the performance behind it as required and allowed by the Accounting and the relevant tax law. Thank you.

Thilo Kusch: Let me take the liberty to give the answer. Obviously this is a penalty, which is based on the agreement of what we had with the U.S. authorities and the way this was booked the 21.9 billion. This has different elements, for example part of the SEC fee there are some interests involved, which is 1.1 billion and has been booked in the net financial expenses. Then the major fine, so to say part, fine 16.2 billion which is booked under other OPEX. And then obviously this penalty was agreed in Dollars, U.S. Dollars, and basically here you also find another aspect of financial

expenses, another 4.6 billion which are related to the change of the currency. And that all ends up to the 21.9 billion Forint. These are, as you are implicitly referred to, these are booked in the 2011 results accounting wise, but they were paid at the beginning of January this year.

Chairman: Any other question or remark? If none, I make known the resolution proposal.

“The General Meeting approves the Y2011 Annual Report of the Company prepared according to the Hungarian Accounting Regulations (HAR), including Balance Sheet Total Assets of HUF 918,414 million and After-tax Net Income of HUF 31,675 million.”

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,655,763 affirmative votes (100.00%), 100 negative votes (0.00%), and 7,039 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.179633%, Negative: 0.000010%, Abstention: 0.000675%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 6/2012 (IV.16.).

Agenda item no. 4

Proposal of the Board of Directors for the use of the profit after tax earned in 2011; presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor; decision on the use of the profit after tax earned in 2011, on the payment of dividends

Chairman: I ask Mr. **Máthé**, to make known the submission and the resolution proposal.

Balázs Máthé: According to the Companies Act and the Articles of Association the decision on the use of profit after tax belongs to the exclusive scope of authority of the General Meeting. I make known the resolution proposal:

“A dividend of HUF 50 per ordinary share (with a face value of HUF 100) shall be paid to the shareholders from the profit of 2011.

The HUF 52,117,584,050 to be disbursed as dividends shall be paid from the after-tax profits of HUF 31,674,886,710 based on HAR figures, and the remaining amount of HUF 20,442,697,340 shall be paid from retained earnings.

May 15, 2012 shall be the first day of dividend disbursement. The record date shall be May 8, 2012.

On April 20, 2012, the Board of Directors of Magyar Telekom Plc. shall publish a detailed announcement on the order of dividend disbursement on the homepage of the Company and the Budapest Stock Exchange.

The dividends shall be paid by KELER Ltd., in compliance with Magyar Telekom Plc’s instructions.”

Chairman: Thank you. I request **dr. László Pap** Chairman of the Supervisory Board to outline the essence of the **Supervisory Board’s report** on this agenda item verbally. Thank you.

dr. László Pap: Distinguished Shareholders! The Supervisory Board, with the involvement of the Audit Committee, discussed the proposal of the Board of Directors, according to which the Company shall pay a dividend of HUF 50 per ordinary share (with a face value of HUF 100) to the shareholders from the profit of 2011. The Supervisory Board provided prior approval to the proposal of the Board of Directors with respect to dividend payment and proposes this proposal to the General Meeting for approval.

Chairman: Thank you very much. I request **dr. János Illéssy**, Chairman of the Audit Committee to make known the essence of the **Audit Committee’s report** verbally.

dr. János Illéssy: Distinguished Shareholders! The Audit Committee also reviewed the proposal of the Board of Directors, according to which the Company shall pay a dividend of HUF 50 per ordinary share (i.e. with a face value of HUF 100) to the shareholders from the profit of 2011. The Audit Committee, based on its own viewpoints and tasks, agrees with this proposal and proposes to the General Meeting for approval. Thank you very much.

Chairman: Thank you very much. I request **Márta Hegedűsné Szűcs**, representative of the Auditor, to verbally outline her opinion on this agenda item.

Márta Hegedűsné Szűcs: Distinguished Shareholders! As you may see in the figures of the of the profit and loss statement and the balance sheet, the 2011 net income and the retained earnings of the Company provides sufficient resources to pay the proposed dividend. Therefore, I propose the General Meeting to approve it. Thank you very much.

Chairman: Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item?

If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,656,802 affirmative votes (100.00%), 100 negative votes (0.00%), and 12,385 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.179733%, Negative: 0.000010%, Abstention: 0.001188%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 7/2012 (IV.16.).

Agenda item no. 5

Decision on the approval of the Corporate Governance and Management Report

Chairman: I ask Mr. **Máthé**, to make known the submission and the resolution proposal.

Balázs Máthé: Pursuant to the Companies Act, if the shares of the publicly operating companies are listed on the Budapest Stock Exchange, the Board of Directors must submit the corporate governance and management report to the Annual General Meeting of the company, together with the annual financial statements prepared according to the Accounting Act. The Act also provides that the report can only be submitted to the General Meeting upon its prior approval by the Supervisory Board. The report and its Annex were prepared on the basis of the provisions of the Companies Act and the Corporate Governance Recommendations of the Budapest Stock Exchange (BSE). The Board of Directors submits to the General Meeting the 2011 Corporate Governance and Management Report of Magyar Telekom Plc. in line with the submission.

Chairman: Thank you. I ask **dr. László Pap**, Chairman of the Supervisory Board to outline the essence of the Supervisory Board's opinion on the Corporate Governance and Management Report verbally.

dr. László Pap: Distinguished Shareholders! The Supervisory Board discussed the Corporate Governance and Management Report of the Company and, with its prior approval, proposes it to the General Meeting for approval.

Chairman: I ask the Shareholders whether there are any questions or remarks regarding this agenda item?

If there are none, I ask Mr. **Máthé** to make known the resolution proposal:

Balázs Máthé: "The General Meeting has reviewed and approves the Corporate Governance and Management Report for the business year of 2011 of the Company."

Chairman: The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,452,021 affirmative votes (99.97%), 212,485 negative votes (0.03%), and 4,381 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.160094%, Negative: 0.020378%, Abstention: 0.000420%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 8/2012 (IV.16.).

Agenda item no. 6

Decision on granting relief from liability to the members of the Board of Directors

Chairman: I ask Mr. **Máthé**, to make known the submission and the resolution proposal.

Balázs Máthé: According to the Companies Act, the Articles of Association contain provisions for the general meeting to put on the agenda the evaluation of the work of the executive officers in the previous financial year and to decide on granting relief from liability to the executive officers. According to the Articles of Association and the Companies Act, decision on granting liability relief is within the exclusive authority of the General Meeting. I propose to the General Meeting to adopt the following resolution proposal:

“The General Meeting of Magyar Telekom Plc. - having evaluated the work in the previous financial year of the Board of Directors members of the Company - hereby decides to grant the relief from liability for the members of the Board of Directors of the Company with respect to the 2011 business year in accordance with Section 30 (5) of Act IV of 2006 on Business Associations. By granting this relief, the General Meeting confirms that the members of the Board of Directors have performed their work in 2011 by giving priority to the interests of the Company. The relief from liability granted by this resolution shall be cancelled in the event of a subsequent binding court ruling declaring the information based on which the relief of liability was granted was false or insufficient.”

Chairman: I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there is none... there is, I see.

Pál Kustra: Pál Kustra box number 343-2. In my first question, in my first comment I asked already that in 2008 you had a disclosure, that you, how shall I put it, extended the scope of the investigation against currently employed officers. When I asked it, I did not receive an answer so I would like to ask the question again whether the year 2008 investigation against current managers has been clearly closed? If it was closed then we can look at the whole thing differently. I don't know, those who sit at the table surely know which investigation I am talking about and what letter was sent by the DoJ in March, 2008 to Magyar Telekom's Board of Directors and the Audit Committee. Thank you.

Balázs Máthé: I take the responsibility as it is indecent to give out internal matters, but still, we have been jointly working on the issue at full power. Which disclosure do you mean Mr. Kustra? We did not find it.

Pál Kustra: You made a disclosure in 2008 where you announced that the scope of the investigation was extended to current officers.

Balázs Máthé: Apologies, it is me who can answer the second one. The investigation was not extended to currently acting officers. This could not happen. However, if you could tell us, name it, the General Meeting might be patient enough to wait for us to interpret the disclosure together. A complete dossier is in front of me and now I can talk about all internal matters, I continuously correspond with my colleagues both electronically and on paper but we did not find any disclosure that you refer to. Would you please quote it, but we do not really understand this.

Pál Kustra: Then I would ask the following, on April 9, 2008 there was an Audit Committee resolution: resolution number 6/1. And based on this you afterwards published the disclosure. Does this resolution exist or not?

Balázs Máthé: As far as I remember, there was an Audit Committee meeting at that time and it obviously made resolutions. But we should identify the disclosure to be able to communicate in a manner that suits the General Meeting. All that I can tell you as a fact is that none of the currently employed members of the management was or is being investigated.

Chairman: Thank you. Please, let me ask **János Illéssy**, Chairman of the Audit Committee, to answer the question.

dr. János Illéssy: Let me specify this, the investigation was Magyar Telekom's own internal investigation. This was not carried out by the DoJ nor the SEC but by Magyar Telekom. Mr. Kustra may mixed it up with the DoJ investigation. The subject matter of the investigation was the activities of the company during these transactions. This was not targeted to persons. Obviously, the entire company was investigated. Maybe Mr. Kustra mistook this. I am not aware of any DoJ investigation against the currently acting management.

Chairman: Thank you. Another question.

Pál Kustra: Pál Kustra box number 343-2. Probably this will be my last question today. So you did not receive the DoJ email dated March 13, 2008? Then this Audit Committee resolution was not made upon that and consequently Magyar Telekom did not make the disclosure that the investigation was extended to the current managers? So you deny that this letter exists, the resolution exists and your disclosure exists?

Chairman: Mr. Illéssy.

dr. János Illéssy: Mr. Kustra, I never denied this and please do not claim that I told things that I never did. As an answer to your question, I did not answer. I also contributed to the discussion upon permission of the Chairman. To my best knowledge there is no DoJ nor SEC investigation against the current management. With this I conclude my brief contribution.

Chairman: Thank you for your answer. Mr. Máthé?

Balázs Máthé: Actually, I only want to say that we think we tried to be constructive, but we do not see how this is connected to the agenda. We already consulted a little here. However, based upon Mr. Kustra's promise that this will be his last question, let me give a last answer, if you allow me. Naturally we can not really give you information about the correspondence, even if it is connected to the agenda item. Once again, the U.S. authorities did not extend any investigation to the members of the current management, such thing did not and does not exist. This is how I can connect your question to the relief, being the subject matter of the agenda item, although we have a three year gap here, but even if we add all our good faith efforts this is all we can tell you. Please accept it. Thank you.

Chairman: Thank you very much. Any other question or remark? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,631,081 affirmative votes (99.99%), 100 negative votes (0.00%), and 5,521 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.177266%, Negative: 0.000010%, Abstention: 0.000529%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 9/2012 (IV.16.).

Agenda item no. 7

Decision on the amendments of the Articles of Association of Magyar Telekom Plc.: 1.4. Sites and Branch Offices of the Company; 2.5. Shareholders' Register (2.5.3.); 6.2. Matters within the Exclusive Scope of Authority of the General Meeting (a), (u); 7.4. Rules of Procedure and Chairman of the Board of Directors (7.4.1. (p)); 8.7. Audit Committee; 10. Signature on Behalf of the Company

Chairman: I request Mr. **Máthé** to make known the reasons for the modifications and the relevant submissions of the Articles of Association of Magyar Telekom Nyrt.

Balázs Máthé: The reasons for the modifications and the relevant submissions of the Articles of Association of Magyar Telekom Nyrt. are available in the respective disclosures. These are as follows. The textual modifications are displayed on the screen so that Shareholders may easily follow, and are part of the documentation package you have received at registration, so You have them. This means that I will not read the textual modification from the screen in every cases, but will let you have to read them.

1. Due to the change of the sites and branch offices of the Company, due to the changes in the regular business, Section 1.4. (the title of which is: Sites and Branch Offices of the Company) of the Articles of Association is amended. The textual modification proposal, which is part of the submission, can be seen on the screen. The textual resolution proposal, which will be repeated by the Chairman at the end, before the voting:

The General Meeting approves the amendment of Section 1.4. of the Articles of Association according to the submission.

2. The Act CXCVII of 2011, among others, modified Section 304 (3) of the Companies Act effective from March 1, 2012. The modification affects Section 2.5.3. (the title of which is: Shareholders' Register) of the Articles of Association. With respect to that, it is proposed to amend the referred Section of the Articles of Association with reference to the Companies Act provisions effective from time to time. The textual modification proposal, which is part of the submission, can be seen on the screen. Obviously The relevant resolution proposal before the voting:

The General Meeting approves the amendment of Section 2.5.3. of the Articles of Association according to the submission.

3. As a result of and to be consistent with the modification of Section 4.7.1., Section 6.2. (the title of which is: Matters within the Exclusive Scope of Authority of the General Meeting) (a) of the Articles of Association is amended accordingly. We will touch this soon. The textual modification proposal, which is part of the submission, can be seen on the screen. The relevant resolution proposal:

The General Meeting approves the amendment of Section 6.2. (a) of the Articles of Association according to the submission.

4. In accordance with Section 302 c) of the Companies Act Section 6.2. (the title of which is: Matters within the Exclusive Scope of Authority of the General Meeting) of the Articles of Association shall be supplemented with a new subsection (u). This non-mandatory decision only concerns the guidelines and framework for a long term salary and incentive scheme and shall not affect the exclusive competence of the General Meeting pursuant to Section 231 (2) d) of the Companies Act and Section 6.2 (g) of the Articles of Association to make a mandatory decision on the remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee to be paid for their position as members. The numbering of the following subsections changes accordingly. The textual modification proposal, which is part of the submission, can be seen on the screen. Obviously, the relevant resolution proposal is as follows:

The General Meeting approves the supplementation of the Articles of Association with Section 6.2. (u) and the amendment of Section 6.2. according to the submission.

5. In accordance with Section 18 (3) of the Companies Act, the Articles of Association of the Company may authorize the Board of Directors to change the name, registered office, sites and branch offices and the scope of activities of the Company – except for the main activity - and on the related amendment of the Articles of Association. To ensure the flexible operation of the Company it is proposed that to authorization for the Board of Directors be implemented into the Articles of Association to make decisions on the approval of technical amendments regarding changes to the sites, branch offices and – except for the main activity – the scope of activities of the Company and in relation to this to amend the Articles of Association. In accordance with this Section 7.4.1. (Rules of Procedure and Chairman of the Board of Directors) is supplemented with a new subsection (p). The textual modification proposal, which is part of the submission, can be seen on the screen. The relevant resolution proposal is as follows:

The General Meeting approves the supplementation of Section 7.4.1. of the Articles of Association with subsection (p) according to the submission.

6. The next relates to the Audit Committee. The background of the amendment of the provisions of the Articles of Association regarding the Audit Committee is, on the one hand, the deregistration effective February 12, 2012, of the shares and American Depositary Shares (ADSs) of the Company under the U.S. Securities Exchange Act of 1934, on the other hand, the amendment of the Rules of Procedure of the Audit Committee approved on March 5, 2012. The respective provisions of the Articles of Association shall be harmonized with the effective Rules of Procedure of the Audit Committee, therefore, Section 8.7. (the title of which is: Audit Committee) of the Articles of Association are amended. The textual modification proposals, which are part of the submission, can be seen on the screen in more parts. The resolution proposal is as follows:

The General Meeting approves the amendment of Section 8.7. of the Articles of Association according to the submission.

7. The amendment to the Articles of Association, proposed by the Board of Directors, is the signature on behalf of the Company. Section 10. (Signature on Behalf of the Company) of the Articles of Association is amended to be more precisely align and harmonized with the provisions of the respective legal regulations. The textual modification proposal, which is part of the submission, can be seen on the screen. The relevant resolution proposal is as follows:

The General Meeting approves the amendment of Section 10. of the Articles of Association according to the submission.

Chairman: Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? There is one at the back.

Klára Erdős: Klára Erdős and number 330-0. I have two questions. The first question: the fourth proposal was about a non-mandatory decision on the guidelines and framework for a long term salary and incentive scheme of the members of the Board of Directors, the Supervisory Board and the employees in executive positions, i.e. the Remuneration Guidelines. In connection with this, my question is the following: what does “non-mandatory” means, so the General Meeting decides which is not mandatory to apply? The other: how many years is covered by the long-term? And I would ask the question relating to the other point now. In the fifth point, you say that the Board of Directors requests an authorization to change the activities of the Company, except the main activity. As the main activity in the Articles of Association is “wired telecommunications activities” I would like to ask that what is the operational advantage if the Board of Directors, without the General Meeting, will decide on such amendments? Thank you.

Balázs Máthé: I would answer the technical aspect of the two questions and obviously Mr. Chairman or Mr. Kusch will supplement it if they wish. The first question: what is the non-mandatory guidelines? I think we agree from a linguistic point of view that this is not the best wording, however, we took verbatim the provisions of the Companies Act, namely the text of Section 302 c), which means that is part of, amongst others, as a possibility, for a share based long term remuneration. Obviously, this may be elaborated. I would also quickly respond to the second question. It was that what is the rationale behind that? I don't know whether the question included it, however, it is important to

emphasize that, as it was in the submission and in compliance with the text of the Act that the main activity may not be modified by the Board of Directors within its sphere of competence. It is important to repeat. Other than this...

Chairman: This is from the content point of view. It is supported by that we would like maximum flexibility. This is a tool in our hands. Any other remark or question? If, there are none, I inform the Shareholders that the voting ratio necessary for adopting these resolutions is three-quarters majority. Within this agenda item, please, cast your votes regarding the modifications of the Articles of Association one-by one.

Resolution proposal no. 1: "The General Meeting approves the amendment of Section 1.4. of the Articles of Association according to the submission."

I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,665,588 affirmative votes (100.00%), 2,899 negative votes (0.00%), and 400 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.180575%, Negative: 0.000278%, Abstention: 0.000038%.)

I state that the General Meeting has adopted the resolution proposal regarding the modification of Section 1.4. of the Articles of Associations in Resolution No. 10/2012 (IV.16.).

Resolution proposal no. 2: "The General Meeting approves the amendment of Section 2.5.3. of the Articles of Association according to the submission."

I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,582,108 affirmative votes (99.99%), 5,519 negative votes (0.00%), and 73,360 abstentions (0.01%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.172569%, Negative: 0.000529%, Abstention: 0.007035%.)

I state that the General Meeting has adopted the resolution proposal regarding the modification of Section 2.5.3. of the Articles of Associations in Resolution No. 11/2012 (IV.16.).

Resolution proposal no. 3: "The General Meeting approves the amendment of Section 6.2. (a) of the Articles of Association according to the submission."

I put it to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,656,461 affirmative votes (100.00%), 6,484 negative votes (0.00%), and 5,342 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.179700%, Negative: 0.000622%, Abstention: 0.000512%.)

I state that the General Meeting has adopted the resolution proposal regarding the modification of Section 6.2. (a) of the Articles of Associations in Resolution No. 12/2012 (IV.16.).

Resolution proposal no. 4: "The General Meeting approves the supplementation of the Articles of Association with Section 6.2. (u) and the amendment of Section 6.2. according to the submission."

I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,456,191 affirmative votes (99.97%), 206,484 negative votes (0.03%), and 5,332 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.160494%, Negative: 0.019802%, Abstention: 0.000511%.)

I state that the General Meeting has adopted the resolution proposal regarding the supplementation of the Articles of Association with Section 6.2. (u) and the amendment of Section 6.2. in Resolution No. 13/2012 (IV.16.).

Resolution proposal no. 5: "The General Meeting approves the supplementation of Section 7.4.1. of the Articles of Association with subsection (p) according to the submission."

I put it to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,448,785 affirmative votes (99.97%), 207,251 negative votes (0.03%), and 5,342 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.159784%, Negative: 0.019876%, Abstention: 0.000512%.)

I state that the General Meeting has adopted the resolution proposal regarding the supplementation of Section 7.4.1. of the Articles of Association with subsection (p) in Resolution No. 14/2012 (IV.16.).

Resolution proposal no 6: "The General Meeting approves the amendment of Section 8.7. of the Articles of Association according to the submission."

I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,653,691 affirmative votes (100.00%), 7,251 negative votes (0.00%), and 7,375 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.179434%, Negative: 0.000695%, Abstention: 0.000707%.)

I state that the General Meeting has adopted the resolution proposal regarding the modification of Section 8.7. of the Articles of Associations in Resolution No. 15/2012 (IV.16.).

Resolution proposal no 7: "The General Meeting approves the amendment of Section 10. of the Articles of Association according to the submission."

I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,665,188 affirmative votes (100.00%), 1,099 negative votes (0.00%), and 2,000 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.180537%, Negative: 0.000105%, Abstention: 0.000192%.)

I state that the General Meeting has adopted the resolution proposal regarding the modification of Section 10 of the Articles of Associations in Resolution No. 16/2012 (IV.16.).

Agenda item no. 8

Amendment of the Remuneration Guidelines

Chairman: I request Mr. Máthé to make known the submission and the resolution proposal.

Balázs Máthé: The Remuneration Guidelines is proposed to be amended due to the following reasons. Structural changes affect the remuneration guidelines of the management. In order to comply with the Corporate Governance Recommendation of the Budapest Stock Exchange, it is recommended that the principles of the share-based incentive schemes are approved by the general meeting. Pursuant to Section 302 c) of the Companies Act and the new Section 6.2. (u) of the Articles of Association, the General Meeting makes a non-mandatory decision concerning the guidelines and framework for a long-term salary and incentive scheme for executive officers, supervisory board members and executive employees (that is Remuneration Guidelines). This non-mandatory decision shall not affect the exclusive competence of the general meeting pursuant to Section 231 (2) d) of the Companies Act and Section 6.2 (g) of the Articles of Association to make a mandatory decision on any remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee to be paid for their position as members under the Remuneration Guideline. Based on the above the resolution proposal is the following:

“The General Meeting makes a non-mandatory decision on the amendments of Magyar Telekom Plc’s Remuneration Guidelines, as stated in the submission.”

Chairman: I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,634,877 affirmative votes (99.99%), 20,478 negative votes (0.00%), and 8,200 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.177630%, Negative: 0.001964%, Abstention: 0.000786%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 17/2012 (IV.16.).

Agenda item no. 9

Authorization of the Board of Directors to purchase ordinary Magyar Telekom shares

Chairman: I ask Mr. **Máthé**, to make known the submission and the resolution proposal.

Balázs Máthé: The Board of Directors proposes to the General Meeting to give an authorization to purchase treasury shares. I make known the resolution proposal:

“The General Meeting authorizes the Board of Directors to purchase a total of up to 104,274,254 ordinary shares (with a face value of HUF 100 each) of Magyar Telekom Plc. The purpose of the authorization is to supplement Magyar Telekom’s current shareholder remuneration policy in line with international practice. The purchased shares might also be used for management remuneration.

The authorization will be valid for 18 months starting from the date of approval of this General Meeting resolution. The shares to be purchased on the basis of this authorization may not at any time account for more than 10% of the share capital (i.e. up to 104,274,254 ordinary shares) of Magyar Telekom Plc.

The shares can be purchased through the stock exchange. The equivalent value per share paid by Magyar Telekom Plc. may not be more than 5% above the market price of the share determined by the opening auction on the trading day at the Budapest Stock Exchange. The minimum value to be paid for one share is HUF 1.

The authorization may be exercised in full or in part, and the purchase can be carried out in partial tranches spread over various purchase dates within the authorization period until the maximum purchase volume has been reached.

Authorization granted to the Board of Directors by Resolution No. 8/2011 (IV.12.) of the General Meeting is hereby repealed.”

Chairman: Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? There is a question.

György Varkoly: My name is György Varkoly and my question relates to the 18 months you are requesting an authorization for: what is the reason for not asking for one year the authorization to buy own shares?

Thilo Kusch: The main reason is a practical one, because not every year the AGM is at the same time, and sometimes even the AGM can be delayed by a few months, and that is why we always say 18 months. But it is basically meant to cover for certain the authorization is there until the next AGM. That is the reason.

dr. Gabriella Bognár: Excuse me, I did not hear the shareholder's name. Could you please repeat for the records? Thank you.

György Varkoly (*answer of the shareholder not told in the microphone*): György Varkoly.

Chairman: Thank you for the remark. Other remark or question? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,450,059 affirmative votes (99.97%), 9,051 negative votes (0.00%), and 2,160 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.159906%, Negative: 0.000868%, Abstention: 0.000207%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 18/2012 (IV.16.).

Agenda item no. 10

Election of Member(s) of the Board of Directors

Chairman: I inform the General Meeting, that Mr. Dietmar Frings, dr. Mihály Gálik and dr. István Földesi resigned from their position being member of the Board of Directors at the Company effective today. I thank Mr. Frings', Mr. Gálik' and Mr. Földesi' successful work. Mr. István Földesi indicated before the General Meeting that he also would like to speak briefly. I ask Mr. Földesi to speak.

dr. István Földesi: Dear Mr. Chairman! After almost 14 years service, to be precise after 13 years, 9 months and two weeks, I resign from my Board of Directors membership. At the time I joined to Matáv, the fixed telephone line penetration was 14, i.e. 100 residents have 14 fixed line phones. Today, as presented by Mr. Chairman, the mobile penetration is 117%, and the company's share in it is 45%. I had the honour that during the almost 14 year I could work with excellent experts, who were not only excellent as experts, but also as humans. They were solicitous for the company, many of them are still in the management, and few of them left. Magyar Telekom now faces new challenges in a very difficult environment. Mr. Chairman honoured me with his confidence, and informed me that who will be the new directors, who will be nominated to the new Board of Directors. This will be his part. These Gentlemen and the previous Board of Directors deserves your attention. I think that under their management, the company is in good hands. I wish you success! I am at Your, the Board of Directors' and the management's further disposal. Thank you for your support.

Chairman: Thank you for your words and for Mr. Földesi's many years of work. Thank you very much. I also inform the General Meeting, that MagyarCom Holding GmbH, shareholder of the Company, indicated before the General Meeting that he would like to propose resolution proposals regarding this agenda item. Representative of the shareholder will make known the resolutions proposals. To ensure the continuance of the General Meeting I will first make known the submission and the respective resolution proposal of the Board of Directors and after that can the shareholder's resolution proposals be announced. The Board of Directors proposes Mr. Günter Mossal to be elected

by the General Meeting, whose biography is available at the disclosed documents. I request Mr. Mossal to stand up. Thank you Mr. Mossal. I make known the resolution proposal:

“The General Meeting elects Mr. Günter Mossal to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting.”

I ask the Shareholders whether there are any questions or remarks regarding this resolution proposal? (*Reacting to the ring of a mobile phone*) Please turn off the mobile phones. The voting ratio necessary for adopting the resolution is simple majority. I put the proposal to the vote.

The result of the voting: the General Meeting has adopted the resolution with 679,016,579 affirmative votes (99.90%), 437,114 negative votes (0.06%), and 204,869 abstentions (0.03%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.118335%, Negative: 0.041920%, Abstention: 0.019647%.)

The General Meeting has adopted the resolution proposal in Resolution No. 19/2012 (IV.16.).

Chairman: I inform the General Meeting that according to Section 300 (1) of the Companies Act shareholders having more than 1% of the votes may propose resolution proposals in connection with the agenda items. I request the representative of KELER Zrt. to check that MagyarCom Holding GmbH shareholder has at least 1% of the voting rights in accordance with the Companies Act.

Judit Borókné Matus (representing KELER Zrt.): Based on the shareholders' register prepared for the General Meeting, MagyarCom Holding GmbH has more than 1% of the votes.

Chairman: Thank you very much. There is no legal hindrance to vote on the proposals. I request the representative of MagyarCom Holding GmbH to make known his resolution proposals and please hand it over to us following the verbal introduction in writing as well.

Roman Zitz (representing MagyarCom Holding GmbH): Mr. Chairman, dear Shareholders, Ladies and Gentlemen! I am here in a capacity as proxyholder for MagyarCom Holding Limited, my name is Roman Zitz. According to Section 300 (1) of the Companies Act in connection with the current agenda item – sorry, I should have mentioned the number of the voting device: it is number 301-6 – I propose the following resolution proposals to the General Meeting.

I propose to the General Meeting to elect

- Mr. György Mosonyi, and
- Dr. Mihály Patai.

to the members of the Board of Directors.

I make known Mr. György Mosonyi's biography:

Mr. Mosonyi (born in 1949) obtained a degree in Chemical Engineering from the University of Veszprém in 1972. From 1974, he worked for the Hungarian representative office of Shell International Petroleum Co., where he held the position of commercial director from 1986. In 1991 he worked at the Shell headquarters in London. From 1992 to 1993 he was the managing director of Shell-Interag Ltd. and from 1994 to 1999 he was the Chairman and CEO of Shell Hungary Ltd. In 1997 he also held the positions of head of the Central & East European Regional unit of Shell and in 1998 he was the CEO of Shell Czech Republic. From 1999 to 2011, he was the CEO and member of the Board of Directors of MOL Hungarian Oil and Gas Company Plc. From 2006 to 2011 he was the Chairman, and since 2011 he has been a permanent invitee, of the Sustainable Development Committee of the Board of Directors.

Since 2011, he has been the Chairman of the Supervisory Board of MOL. He is the Chairman of the Board of Directors in TVK (Tisza Chemical Group) Plc., the Deputy Chairman of the Supervisory Board of INA, d.d. and the Chairman of the Supervisory Board of SLOVNAFT, a.s. He is also the Vice-President of the Hungarian Chamber of Commerce and Industry, member of the Presidium of the Joint Venture Association and the Chairman of the Hungarian National Committee of the World Petroleum Council.

I now make known Dr. Mihály Patai's biography:

Dr. Patai (born in 1953) studied economics and obtained his doctorate at the University of Economics in Budapest. He studied in Moscow with the scholarship of Comecon in 1978, and at the University of Vienna in 1981. He spent six months in London with the scholarship of a subsidiary of the Hungarian National Bank. He started his career in 1976 at the Hungarian National Bank. From 1978 to 1988 he worked for the Ministry of Finance as a research fellow and, subsequently, as the deputy head of the Department for International Finances. From 1988 he worked for The World Bank in Washington DC for a period of five years, as the Executive Director's Assistant. From 1993, he was the Managing Director of Kereskedelmi Bank, and from 1996 he was the Chairman and CEO of Allianz Hungária Insurance Company. From 1998 to 2006 he was member of the Board of Directors of Matáv (now Magyar Telekom Plc.). Since 2006 he has been the Chairman and CEO of UniCredit Bank Hungary. He is the President of the Hungarian Banking Association and member of the Supervisory Board of Siemens Ltd.

In connection with the nomination, my resolution proposals are as follows:

"The General Meeting elects Mr. György Mosonyi to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting."

"The General Meeting elects Dr. Mihály Patai to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting."

Thank you. I have a written proposal for you for the records. (*Mr. Roman Zitz hands over the written resolution proposals in writing to the Chairman.*)²

Chairman: Thank you. Mr. Patai indicated that he can't be with us today. Mr. Mosonyi is here, please stand up. Thank you very much Mr. Mosonyi. I inform the Shareholders that we will vote on the resolution proposals in the submitted orders, separately.

Before voting I make known the resolution proposals of the representative of MagyarCom Holding GmbH in Hungarian as well. The resolution proposal with respect to the election of Mr. György Mosonyi is:

"The General Meeting elects Mr. György Mosonyi to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting."

I ask the Shareholders whether there are any questions or remarks regarding this resolution proposal? The voting ratio necessary for adopting the resolution is simple majority. I put the proposal on the election of Mr. György Mosonyi to the vote.

The result of the voting: the General Meeting has adopted the resolution with 619,257,859 affirmative votes (91.11%), 5,625 negative votes (0.00%), and 31,213,621 abstentions (4.59%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 59.387417%, Negative: 0.000539%, Abstention: 2.993416%.)

² Attached as Annex no. 2.

I state that the General Meeting has adopted the resolution proposal in Resolution No. 20/2012 (IV.16.).

I would like to congratulate to Mr. Mosonyi for the voting. Welcome on Board.

I make known the resolution proposal of representative of MagyarCom Holding GmbH with respect to the election of Dr. Mihály Patai:

"The General Meeting elects Dr. Mihály Patai to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting."

I ask the Shareholders whether there are any questions or remarks regarding the resolution proposal? The voting ratio necessary for adopting the resolution is simple majority. I put the proposal on the election of Dr. Mihály Patai to the vote.

The result of the voting: the General Meeting has adopted the resolution with 619,250,224 affirmative votes (91.11%), 2,050 negative votes (0.00%), and 31,224,631 abstentions (4.59%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 59.386684%, Negative: 0.000197%, Abstention: 2.994472%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 21/2012 (IV.16.).

We congratulate to Mr. Patai, as well.

Agenda item no. 11

Election of an employee representative member of the Supervisory Board

Chairman: Mr. György Varju, employee representative of the Supervisory Board, intends to resign from his position of being the member of the Supervisory Board before the date of the Annual General Meeting, therefore, the General Meeting shall elect a new employee representative member to the Supervisory Board. I thank Mr. Varju's successful work. In accordance with Section 8.2.4. of the Articles of Association the employee representatives in the Supervisory Board are nominated for election by the Central Workers' Council after hearing the opinion of the trade unions operating at the Company. The person nominated by the Central Workers' Council shall be elected by the General Meeting, unless statutory grounds for disqualification exist in respect of the nominees. The nominated person of the Central Workers' Council is Mrs. Éva Óz. The biography of the nominee is available in the published documents. I request the present nominee to stand up. Thank you. I make known the resolution proposal:

"The General Meeting elects Mrs. Éva Óz to the member of the Supervisory Board of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then her assignment lasts until the date of the General Meeting."

I ask the Shareholders whether there are any questions or remarks regarding this agenda item? The voting ratio necessary for adopting the resolutions under this agenda item is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,663,728 affirmative votes (100.00%), 600 negative votes (0.00%), and 4,420 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.180397%, Negative: 0.000058%, Abstention: 0.000424%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 22/2012 (IV.16.).

Congratulations.

Agenda item no. 12

Election and determination of the remuneration of the Company's Auditor. Election of the Auditor personally responsible for the audit and the appointed Deputy Auditor, furthermore, in relation to this, determination of the contents of the material elements of the contract to be concluded with the auditor

Chairman: I announce that the assignment of PricewaterhouseCoopers Könyvvizsgáló Kft., as the auditor of the Company, expires today. Due to this fact it is necessary to elect a new auditor and a person who will be personally responsible for the audit activities. According to the Articles of Association of the Company, it is the competence of the Audit Committee to propose the auditor to the General Meeting. I request **dr. János Illéssy**, Chairman of the Audit Committee, to make known the proposal of the Audit Committee to the Shareholders.

dr. János Illéssy: Thank you Mr. Chairman. Distinguished Shareholders! The Audit Committee has reviewed and evaluated the performance, qualifications, internal quality-control system and independence of the Independent External Auditor of Magyar Telekom Plc., and submits in a moment a resolution proposal to the General Meeting in relation to the election and determination of the remuneration of the Company's Independent Auditor, and the election of the Auditor personally responsible for the audit and the appointed Deputy Auditor. Beforehand, I would like to inform you and propose the following material elements, the material elements of the contract to be determined as follows by the General Meeting:

The first material element is the scope of the contract:

So the scope of the contract, to be approved by the General Meeting is as follows. The audit of the annual financial statements of the Company prepared according to the Hungarian Accounting Act (HAR), and the audit of the annual consolidated financial statements of Magyar Telekom Group prepared in accordance with the International Financial Reporting Standards (IFRS) for the fiscal year 2012. So this is the scope.

The next material element of the contract is the billing and payment:

The fee of the Auditor shall be paid in 12 equal monthly instalments pursuant to our proposal. 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, or significant change in business or other regulatory circumstances) for an unforeseeable reason, or may change 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 approves the same according to its Pre-Approval Policy.

The third material element of the contract is its duration:

The contract is for the period ending May 31st, 2013 or if the – next year's – Annual General Meeting closing the 2012 fiscal year will be held prior to May 31st 2013 then until the date thereof.

This was my long introduction, here are a longer resolution proposal, excuse me, and I have to read out all. The resolution proposal is as follows:

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

PricewaterhouseCoopers Auditing Ltd. (Registered office: 1077 Budapest, Wesselényi u. 16; company registration number: 01-09-063022; registration number: 001464)

personally Szilvia Szabados as registered Auditor
Chamber membership number: 005314
Address: 1031 Budapest, Amfiteátrum u. 25 VI/53
Mother's maiden name: Terézia Bukó

to perform audit services for the year 2012, for the period ending May 31st 2013 or if the Annual General Meeting closing the 2012 fiscal year will be held prior to May 31st 2013 then on the date thereof.

In the event that Szilvia Szabados is incapacitated, the General Meeting elects Nikoletta Róka (chamber membership number: 005608, mother's maiden name: Györgyi Soós, address: 1163 Budapest, Gutenberg u. 17.) to act as responsible Auditor.

The General Meeting approves HUF 191 151 000 + VAT + 8% related costs + VAT be the Auditor's annual compensation, covering the audit of the annual financial statements of the Company prepared in accordance with the Hungarian Accounting Act and also the audit of the annual consolidated financial statements of the Magyar Telekom Group 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."

This is the proposal. Thank you.

Chairman: Thank you very much. I ask the present Szilvia Szabados to stand up. Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: the General Meeting has adopted the resolution with 679,659,196 affirmative votes (100.00%), 6,252 negative votes (0.00%), and 2,839 abstentions (0.00%), with the number of votes cast indicated by the computer and recorded in the minutes. (Voting ratios in proportion to the registered capital: Affirmative: 65.179962%, Negative: 0.000600%, Abstention: 0.000272%.)

I state that the General Meeting has adopted the resolution proposal in Resolution No. 23/2012 (IV.16.).

Chairman: With no more items on the agenda of the General Meeting, let me thank the Shareholders their participation. I declare the General Meeting closed at 1:47 p.m.

.....
Christopher Mattheisen
Chairman of the General Meeting

.....
dr. Gabriella Bognár
Keeper of the Minutes

.....
Roman Zitz
Authenticator of the Minutes

Countersigned by:

.....
dr. Balázs Máthé
Chief Legal Counsel
Chief legal and corporate affairs officer
In House certificate No.: 13691

Annual General Meeting

April 16, 2012

Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2011

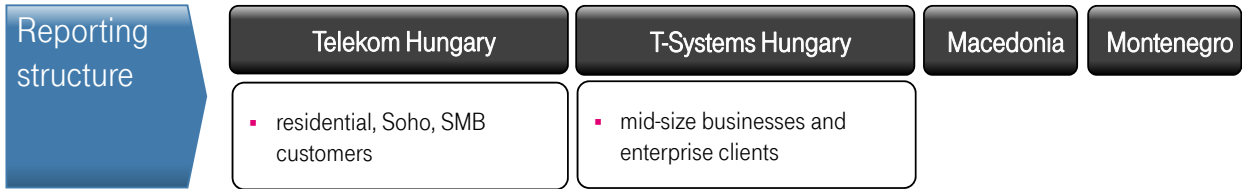
Christopher Mattheisen
Chairman and CEO



„According to Section 7.4.1.e) of the Articles of Association and Section 10.1.e) of the Rules of Procedure of the Board of Directors, the Board of Directors draws up, at the end of each business year, a report for the General Meeting on the management of the Company, the assets of the Company, the financial situation of the Company and the business policy of the Company.”

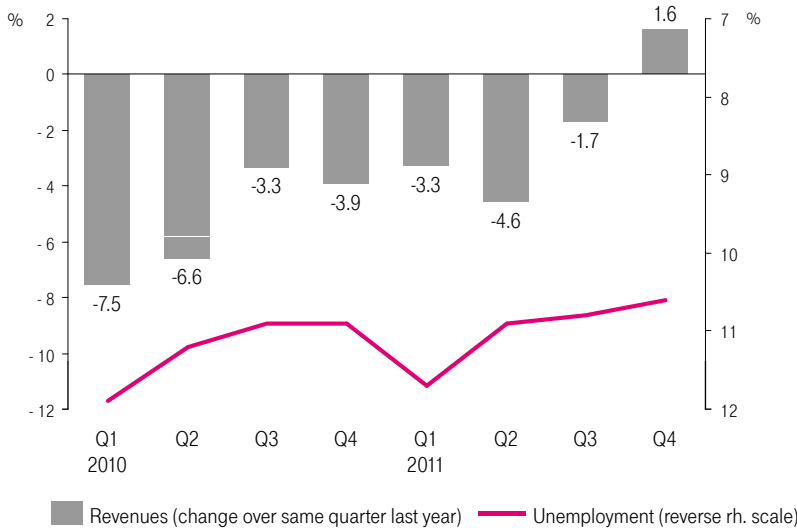


Management Committee and Reporting Structure



Correlation of results and the Hungarian economy

Magyar Telekom revenue and unemployment



Macro effects

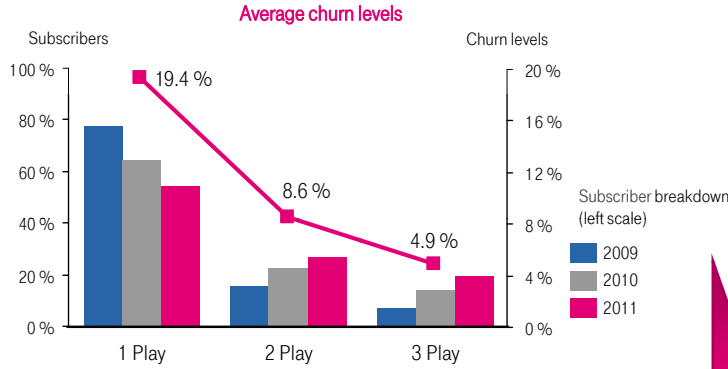
Economic downturn impacting MT results

- MT results are very sensitive to developments in internal demand
- correlation with unemployment, disposable income are strong
- slow improvement in the economy can be felt in the revenue trends in the last two years

Hungarian market – Fixed voice and broadband



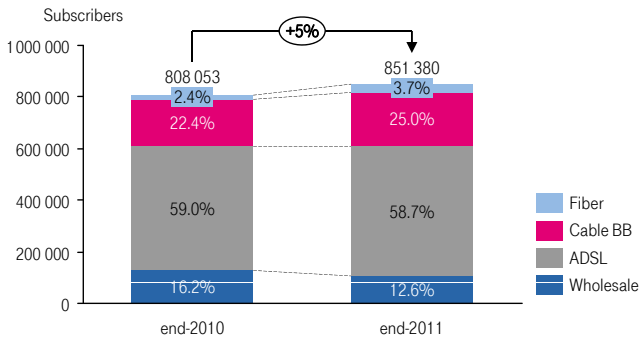
Multi-Play developments



Fixed voice

- significantly lower fixed voice churn thanks to the retention effect of:
 - Hoppá package
 - discounts offered in bundled packages
 - retail energy bundling
- churn declined from 8.8% in 2010 to 5.0% in 2011

T-Home fixed broadband subscriber breakdown



Fixed broadband

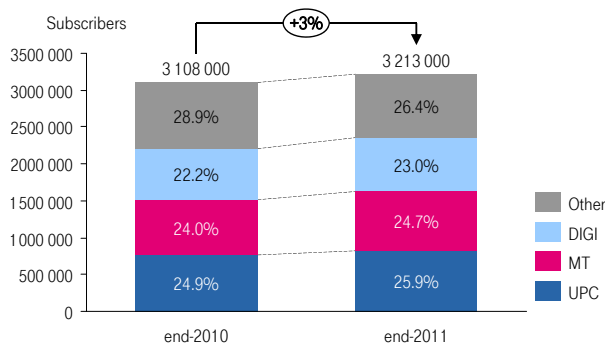
- market growth driven by cable and fiber services
- stable fixed BB market share at 37%



Hungarian market – TV



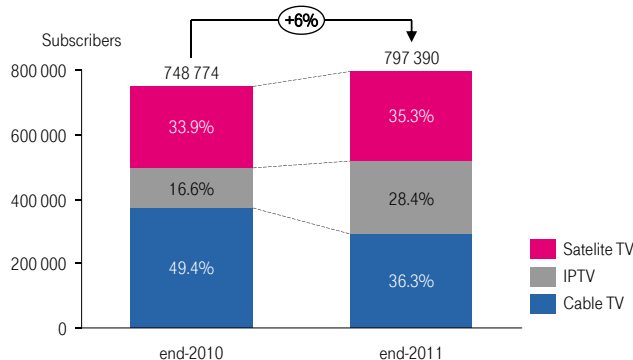
TV market shares



TV customer growth

- significant migration from cable to IPTV
- number of TV customers growing fast, stable market position
- retention benefit: 80% of TV customers are 2Play or 3Play package subscribers
- increasing ratio of interactive IPTV customers improve ARPU

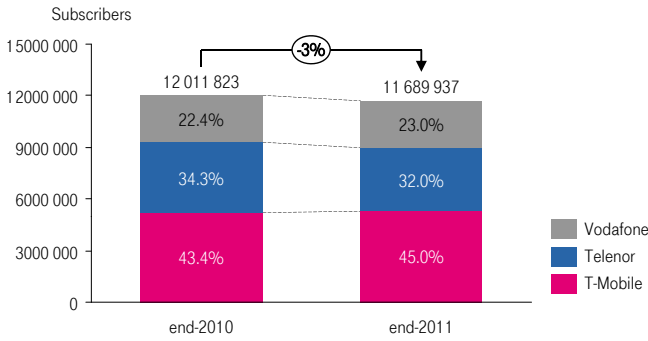
T-Home TV subscriber growth



Hungarian market – Mobile voice and broadband



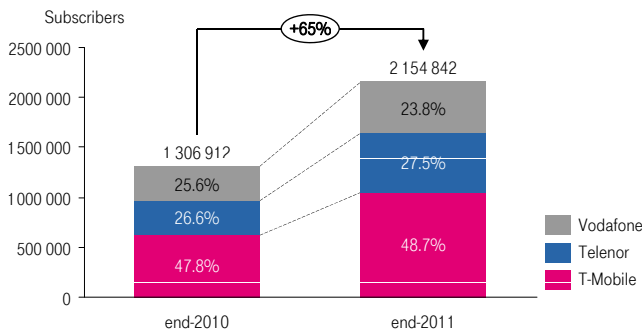
Mobile voice market shares (based on total SIM cards)



Mobile voice

- population-based penetration at 117%
- market share slightly increased

Mobile broadband market shares (based on total SIM cards)



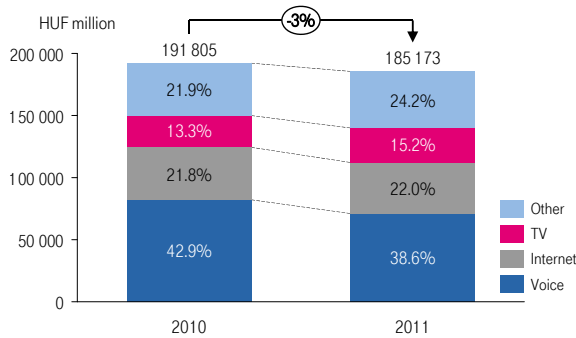
Mobile broadband

- 600 HSPA+ base stations offering 21 Mbps
- LTE service launched in 2012
- significantly increasing smartphone sales
 - the ratio of smartphone sales in the postpaid segment reached 80% in Q4 2011 (ca. 40% a year ago)

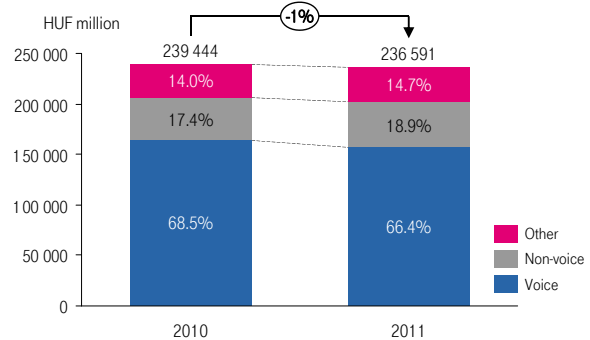


Segment results – Telekom Hungary

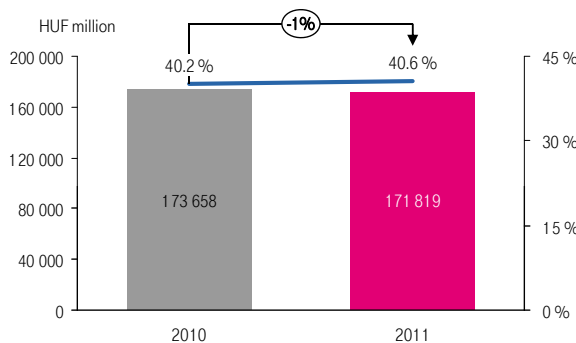
Fixed line revenues



Mobile revenues



Underlying EBITDA and margin



Telekom Hungary

Total revenues down by 2.1%

- declining voice revenues partly offset by higher TV, other fixed and mobile non-voice revenues
- 10% other fixed line revenue increase driven by retail energy offers
- regulatory impacts on mobile revenues

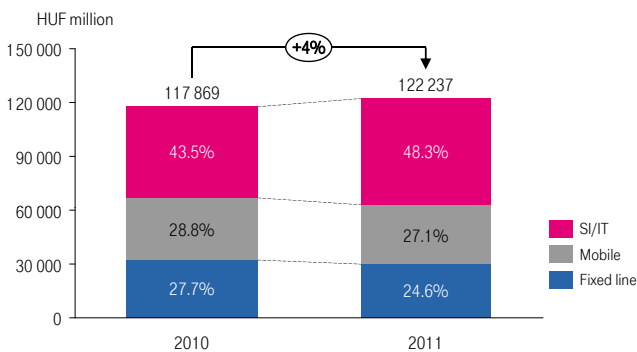
Increase in underlying EBITDA margin by 0.4pp

- reduction in high-margin voice revenues and increased handset subsidies offset by cost efficiency

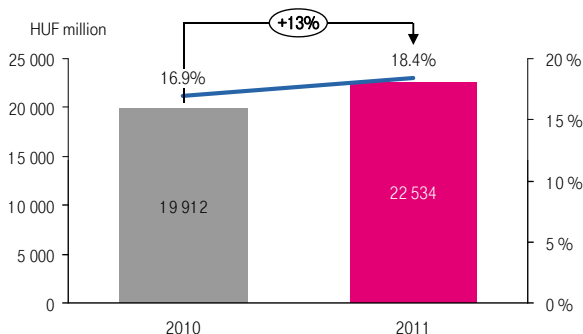


Segment results – T-Systems Hungary

Revenues



Underlying EBITDA and margin



T-Systems Hungary

Falling voice and data revenues

- price pressure both on fixed and mobile voice

Significant growth in SI/IT revenues

- some big infrastructure projects in the corporate segment, public projects still not launched
- leading market position with 15% market share maintained

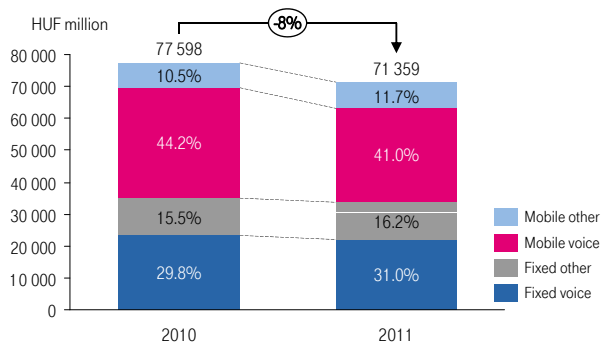
Underlying EBITDA margin improved

- cost efficiency measures



Segment results – International operations

Macedonia revenues



Macedonia

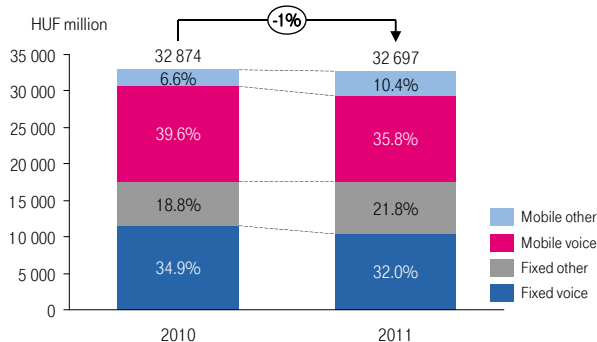
Declining fixed line revenues

- due to cable competition and strong mobile substitution
- positive contribution from broadband and TV revenues

Mobile competition getting fierce

- strong price competition in the business and prepaid segments
- #1 position maintained, 50% market share stabilized

Montenegro revenues



Montenegro

Fixed voice revenues under pressure

- growing internet and TV revenues
- #1 position in the pay-TV market with a 38% market share

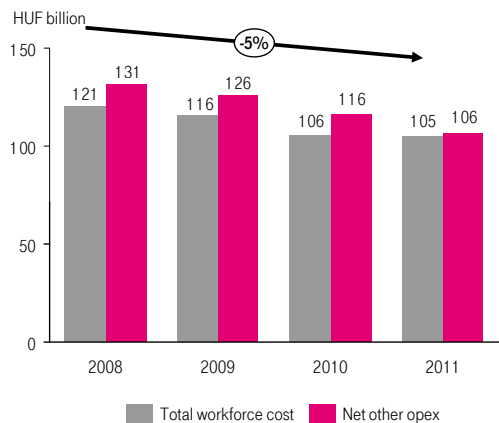
Flat mobile revenues

- #1 position on the postpaid market

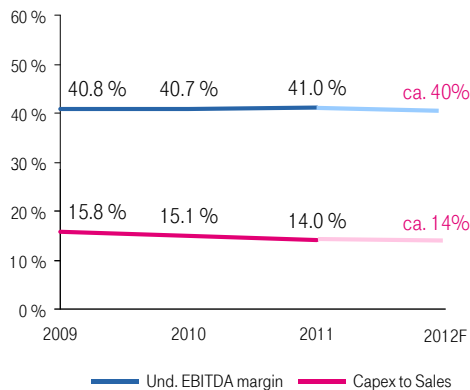


2011 Group results – Continued efficiency improvements

Cost saving



Stable underlying margin and CAPEX spending



Headcount reduction in 2012

- headcount reduction in 2012, TWM saving of HUF 3.4bn in 2012 compared to end 2010
- cost savings reflected in declining other operating expenses

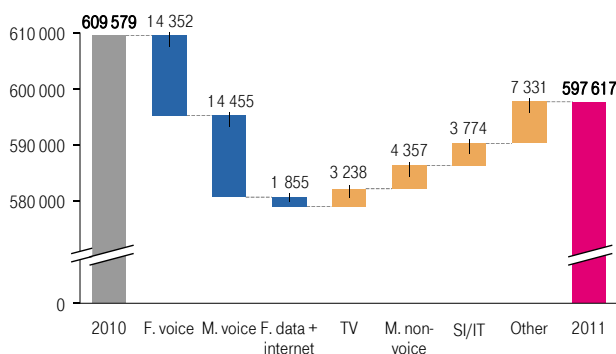
Stable profitability

- despite declining revenues and changing revenue mix, stable underlying margin maintained at above 40%
- Capex spending cuts in line with the revenue decline
- Capex cut by 10% in 2010, by a further 9% in 2011

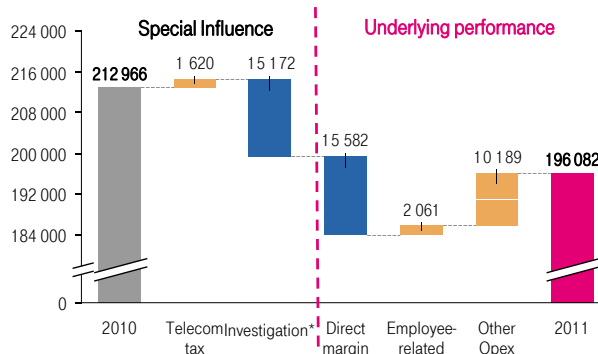


2011 Group results – Revenue and EBITDA

Group revenues



Group EBITDA



* also including the SEC/DOJ related provisions

Revenue development

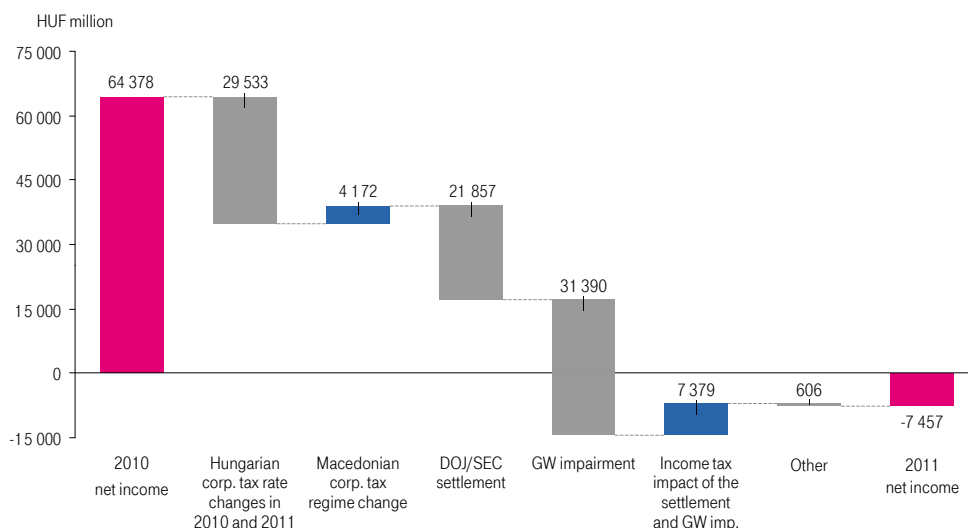
- Group revenues down by 2% y-o-y
- fixed and mobile voice revenues declined primarily due to continuing intense competition, depressed household consumption and MTR cut
- significant SI/IT improvement and mobile BB subscriber and revenue growth
- HUF 4.5bn revenues from retail energy drives other revenues increase

EBITDA development

- underlying EBITDA down by 1.3% y-o-y
- despite declining revenues and changing revenue mix, underlying margin maintained at 41%
- EBITDA margin under pressure due to further erosion of traditional voice revenues
- cost efficiency improvements reflected in declining other operating expenses



2011 Group results – Net income decline



Drivers of the decline in net income (owners of the parent)

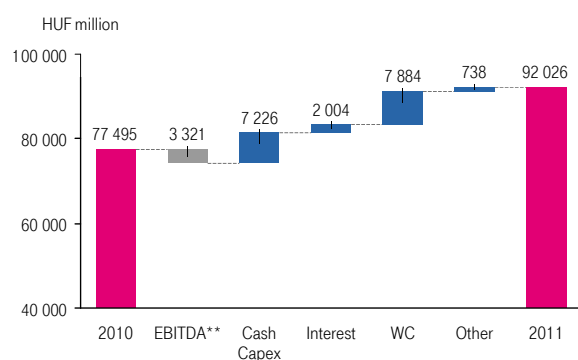
- changes in Hungarian corporate tax rate both in 2010 and 2011 (in 2010: universal 10% corporate tax rate from 2013 was enacted resulting in a HUF 14.6bn one-off decrease in income tax expense, vs. in 2011: tax law was changed, 19% remained effective resulting in a HUF 15bn one-off increase in income tax expense)
- goodwill impairment had to be accounted on the Macedonian operation due to worsening outlook
- provision related to the SEC/DOJ settlement



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2011 Group results – FCF and dividend policy

Free cash flow* generation



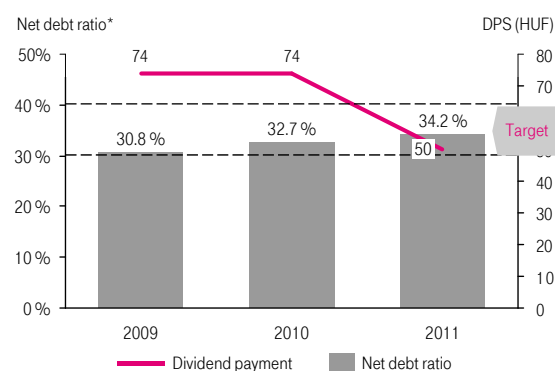
*defined as Operating CF + Investing CF adjusted for proceeds from/payments for other financial assets

**excluding investigation and severance expenses, as well as telecom tax

Strong cash flow generation in 2011

- FCF increased by HUF 15bn
- FCF was helped by:
 - cut in CAPEX (-9% y-o-y)
 - more efficient working capital management

Dividend payment



* net debt to total capital

Dividend policy

- keep net debt ratio within 30-40% range to maintain a flexible balance sheet
- 9% dividend yield (based on the share price of HUF 554 at February 24, 2011)
- the Board of Directors proposes HUF 50 dividend per share after 2011 earnings for approval to the AGM



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2011 results and public targets for 2012

	2011 Performance	2012 Public targets
Revenue	<p>2% decline</p> <ul style="list-style-type: none"> the target was 3-5% decline strong SI/IT performance increasing revenues from energy resale 	<p>Flat to -2%</p> <ul style="list-style-type: none"> fears for recession, declining household income strengthen changing revenue mix and energy resale enable revenue turnaround
Underlying EBITDA <small>Excluding investigation and severance expenses, as well as telecom tax</small>	<p>1.3% decline</p> <ul style="list-style-type: none"> the target was 4% decline strong cost cutting higher margin at T-Systems Hungary compared to 2010 	<p>4%-6% decline</p> <ul style="list-style-type: none"> changing revenue mix with increasing ratio of low margin services CRM/billing system replacement to be delivered in 2012
CAPEX	<p>8.7% decline</p> <ul style="list-style-type: none"> the target was 5% saving 	<p>Flat</p> <ul style="list-style-type: none"> internal efficiency project network modernization, LTE



Magyar Telekom strategic business priorities 2012



Dividend payment details

The proposed gross dividend is HUF 50 per share with a nominal value of HUF 100

- April 20, 2012 detailed announcement will be published on the order of dividend disbursement on the homepage of the Company and the Budapest Stock Exchange
- May 3, 2012 last day of trading with Magyar Telekom shares entitled to dividend
- May 4, 2012 ex-dividend date
- May 8, 2012 record date
- May 15, 2012 payment date (ordinary shares)

Method of payment: the dividends will be transferred to the client account of the securities accounts kept by the securities account holders of the shareholders



Dividend – tax implication

- Dividends are subject to withholding tax
- Tax will be deducted before payment
- Rates and taxes:
 - domestic private individuals: 16% personal income tax
 - foreign private individuals: 16% personal income tax
 - legal entities with Hungarian domicile: 0%
 - legal entities with foreign domicile: 0%
- Magyar Telekom issues a certificate on the amount of dividend paid, rates and taxes deducted and sends it to its shareholders not later than January 31, 2013.



Annex no. 2

A MAGYAR TELEKOM NYRT. ÉVES RENDES KÖZGYŰLÉSE
2012. április 16.

10. napirendi pont – Igazgatósági tag(ok) választása

A MagyarCom GmbH részvényes határozati javaslatai

„A Közgyűlés megválasztja Mosonyi György urat a Magyar Telekom Nyrt. Igazgatósága tagjának 2013. május 31-ig azzal, hogy amennyiben a megbízatása lejártának évében az évi rendes Közgyűlés május 31. napját megelőzően kerül megtartásra, úgy a megbízatás a Közgyűlés napjával jár le.”

„A Közgyűlés megválasztja Dr. Patai Mihály urat a Magyar Telekom Nyrt. Igazgatósága tagjának 2013. május 31-ig azzal, hogy amennyiben a megbízatása lejártának évében az évi rendes Közgyűlés május 31. napját megelőzően kerül megtartásra, úgy a megbízatás a Közgyűlés napjával jár le.”

ANNUAL GENERAL MEETING OF MAGYAR TELEKOM PLC.
April 16, 2012

Agenda item no. 10 – Election of Member(s) of the Board of Directors

Resolution Proposals of shareholder MagyarCom GmbH

“The General Meeting elects Mr. György Mosonyi to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting.”

“The General Meeting elects Dr. Mihály Patai to the member of the Board of Directors of Magyar Telekom Plc. until May 31, 2013, provided that if the General Meeting is held prior to May 31 of the year in which such mandate expires, then his assignment lasts until the date of the General Meeting.”