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## Magyar Telekom holds Annual General Meeting

**Budapest – April 26, 2007 – Magyar Telekom (Reuters: NYSE: MTA.N, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider held its Annual General Meeting today. The AGM approved the audited annual reports on the 2006 business operations of the Magyar Telekom Group and Magyar Telekom Plc., the report of the Board of Directors on responsible corporate governance in the 2006 business year and decided on the dividend to be paid from the 2006 net income. The AGM also approved amendments to the Company's Articles of Association, the rules of procedure of the Supervisory Board, elected new Board, Supervisory Board and Audit Committee members and took a decision on their remuneration.**

The AGM heard the report of the Board of Directors on the management, business policy and financial situation of the Magyar Telekom Group and on the 2006 business operations of the Magyar Telekom Group and Magyar Telekom Plc. The reports of the Supervisory Board and the Auditor relating to the Company were also presented.

The General Meeting approved the 2006 consolidated annual report of the Magyar Telekom Group prepared according to the International Financial Reporting Standards (IFRS) with a 1,131,595 million HUF balance sheet total and a 87,464 million HUF profit after taxes (before deduction of 12,011 million HUF on minority shares).

The General Meeting approved Magyar Telekom Plc.'s 2006 annual report prepared according to the Hungarian Accounting Rules (HAR) with a 965,862 million HUF balance sheet total and an 88,399 million HUF profit after taxes.

The AGM reviewed and approved the report of the Board of Directors of Magyar Telekom Plc. on responsible corporate governance in the 2006 business year. The General Meeting, having evaluated the work of the members of the Board of Directors of the Company, decided to grant release to the members for the 2006 business year, with regard to §30 (5) of the Act on Business Associations.

The AGM decided to pay the shareholders a 70 HUF dividend on each equity share of 100 HUF face value and a 7,000 HUF dividend on each preference share of 10,000 HUF face value from the 2006 net income. The company will put in reserve the amount of 15,405,835,358 HUF remaining after payment of the dividend totaling 72,993,782,050 HUF from the profit after tax of 88,399,617,408 HUF calculated according to the Hungarian accounting rules. The starting date of the dividend payment is May 24, 2007. On May 7, 2007 the Company will publish a detailed announcement on the rules of dividend payment.

The General Meeting adopted the recommendation on the amendment to the Company's Articles of Association. As a result, the list of activities of the Company has been expanded. In addition, the provisions of the Act on Business Associations were amended concerning the transformation of companies and the Articles of Magyar Telekom was amended accordingly.

In order to improve compliance with the relevant stock exchange and other regulations, the rules of procedure of the Supervisory Board (SB) have been modified. In line with the modifications, in future, the SB will provide an orientation program for new members, a further training program for all members, and will annually undertake a comprehensive evaluation of its own performance.

The mandate of the members of the Board of Directors, Supervisory Board and the Audit Committee of Magyar Telekom Plc. expired on the day of the Annual General Meeting. As a result, the AGM elected new Board, Supervisory Board and Audit Committee members.

- The following people have been elected members of the Board of Directors: Dr. István Földesi, Dr. Mihály Gálik, Michael Günther, Dr. Klaus Hartmann, Horst Hermann, Thilo Kusch, Christopher Mattheisen, Frank Odzuck, Dr. Ralph Rentschler, and Rudolf Kemler.
- The following people have been elected members of the Supervisory Board: Gellért Kadlót, István Koszorú, György Varju, Péter Vermes, Attila Csizmadia, Dr. Ádám Farkas, Dr. János Illéssy, Dr. Sándor Kerekes, Konrad Kreuzer, Dr. László Pap, Dr. György Szapáry, and Jutta Burke.
- The following people have been elected members of the Audit Committee: Dr. Ádám Farkas, Dr. János Illéssy, Dr. Sándor Kerekes, Dr. László Pap, and Dr. György Szapáry.

In compliance with the relevant provisions of the Articles of Association, the mandate of the members of the Board of Directors, the Supervisory Board and the Audit Committee will last 3 years, until May 31, 2010. If the AGM closing the 2009 business year is held at an earlier date, their mandate will expire on the day of the AGM.

The AGM determined the remuneration of the Chairman of the Board of Directors as 546,000 HUF/month, the remuneration of the members of the Board as 364,000 HUF/month; the remuneration of the Chairman of the Supervisory Board as 448,000 HUF/month, and the remuneration of the members of the Supervisory Board as 294,000 HUF/month. The 2005 AGM took a decision on the remuneration of the Chairman and members of the Audit Committee, which remains in force.

Finally, the AGM approved the nomination by PricewaterhouseCoopers Ltd. of the auditor personally responsible for the audit of the Company and the deputy auditor.

This investor news contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, our Annual Report on Form 20-F for the year ended December 31, 2005 filed with the U.S. Securities and Exchange Commission.