

Magyar Telekom simplifies the ownership structure of its interest in MakTel

Budapest – November 24, 2005 – Magyar Telekom (Reuters: NYSE: MTA.N, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider, today announced that it is simplifying the ownership structure of its interest in Makedonski Telekomunikacii AD (MakTel) through the liquidation of Stonebridge Communications, its 100% owned subsidiary in Macedonia. Following the liquidation, Magyar Telekom will directly own its shares in MakTel.

Stonebridge owns 51% of the shares of MakTel and was established during the privatization process by Magyar Telekom Rt. (formerly known as Matáv Rt.) with a 86.5% interest, SEEF Holdings (a subsidiary of Soros Investment Capital) with a 6.1% interest and CosmoTelco (7.4%) to harmonize and represent the interests of the shareholders. Since then, Magyar Telekom has increased its ownership to 100% in Stonebridge, which means that the subsidiary structure is no longer necessary. As a result, Magyar Telekom has commenced a liquidation procedure in accordance with the relevant Macedonian laws. Once the process is complete, Magyar Telekom will directly own its shares in MakTel, thus simplifying the ownership structure.

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, 2004 filed with the U.S. Securities and Exchange Commission.