

Contacts

Krisztina Förhécz

Rita Walfisch

investor.relations@telekom.hu

Magyar Telekom IR

Magyar Telekom IR

+36 1 457 6029

+36 1 457 6036

Earn-out payment relating to KFKI acquisition paid

Budapest – May 14, 2007 – Magyar Telekom (Reuters: NYSE: MTA.N, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces that it has paid the HUF 1.5bn earn-out payment to the previous owners of KFKI as defined in the Share Purchase Agreement.

According to the Share Purchase Agreement signed on June 16, 2006, the previous owners of KFKI were entitled to an earn-out payment of HUF 1.5 billion depending on the 2006 financial performance. As reported in the company's full year 2006 consolidated financial statements, KFKI delivered HUF 19.8 billion revenues and HUF 2.0 billion EBITDA, reaching the predefined thresholds.

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.