

**Investor Release****Magyar Telekom**

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Magyar Telekom transfers treasury shares to the ESOP Organization

Budapest – July 19, 2017 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB, hereinafter the “Company”), the leading Hungarian telecommunications service provider, hereby announces the transfer of 1,605,068 treasury shares on July 19, 2017 to the employee share ownership organization (ESOP Organization) to enable the operation of the incentive program based on the new remuneration policy announced in the interim financial report on May 10, 2017. Following this transaction the number of treasury shares held by Magyar Telekom decreased to 40,625.

This investor news may contain 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 Reports for the year ended December 31, 2016 available on our website at <http://www.telekom.hu>.