

Magyar Telekom Telecommunications Public Limited Company

Submission and resolution proposals  
to the General Meeting of Magyar Telekom Plc.

Subject:	Election of Members of the Audit Committee and determination of their remuneration
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Budapest, April 7, 2010

The General Meeting shall elect a new Audit Committee, as the mandate of Magyar Telekom Plc.'s Audit Committee members terminates on the day of the AGM, April 7, 2010 in accordance with Sections 8.2.1. and 8.7.1. of the Articles of Association.

In accordance with the provisions of the Articles of Association the General Meeting elects a 3-5 member Audit Committee from the independent members of the Supervisory Board (SB) for the same period as the membership of the relevant members in the SB.

The Board of Directors proposes the following persons to be elected by the General Meeting with respect to agenda item no. 13. (Election of Members of the Audit Committee and determination of their remuneration):

1. **dr. János Bitó**
2. **dr. János Illéssy**
3. **dr. Sándor Kerekes**
4. **dr. László Pap**
5. **dr. Károly Salamon**

#### **Biographies of the candidates:**

**Dr. János Bitó** (born in 1936) graduated from the faculty of natural sciences at József Attila University of Sciences (Szeged) in 1958, then got a Dr. Rer. Nat. in 1960. In 1967 he gained a PhD, and in 1971 a D. Sc. in technical sciences. He taught in many universities. Between 1971 and 2002 he worked as a technical, research and development director, managing director or chief officer at a number of companies and institutions, and as senior advisor to the minister in a ministry. He accomplished considerable achievements in robotics, and between 1965 and 2005 in the foundation and introduction of scientific researches and developments in Hungary. He is a member of a number of scientific organizations, he is the member of the Hungarian Academy of Sciences Committee on Information Science and of the Hungarian Academy of Sciences Committee on Automation and Computer Science. He was a member of the board of directors or the supervisory board, or the chairman of the supervisory board, at many companies. At present he is the chairman of the Thesis and Final Examination Board at Pázmány Péter Catholic University, Information Technology Faculty. A lot of publications are connected to his name (articles, university notes, books), he is the owner of many prizes and awards.

**Dr. János Illéssy** (born in 1962) is an electric engineer (BME) with an MBA and PhD from the University of Pittsburgh, USA. He spent over a 15 years with Pannonplast, a plastics producer listed on the Budapest Stock Exchange, in consultant, controller, Chief Financial Officer and Chairman and Chief Executive Officer positions. Between 2001 and 2003 he worked as CFO of the Hungarian subsidiary bank of BNP Paribas. Between 2004 and 2007 he was the Chief Financial Officer and member of the Board of Directors of Borsodchem. Currently he is managing director of Lebona Ltd, and teaching Financial Economics at the Institute of International Business Relations and the Business School of Central European University, as adjunct professor.

**Dr. Sándor Kerekes** (born in 1948) holds an MSc in chemistry and economics. He got a PhD Degree in Economics in 1984 and a Doctor of Sciences (top degree awarded by the Hungarian Academy of

Sciences) in 2003. In 1994 he participated in the Advanced Management Program of Harvard Business School. For 15 years, he was the member or the Chairman of the Board of Directors or Supervisory Boards of various Hungarian mid-size companies. Since 1986, he served as the Head of Department and later as the director of Corvinus University and its legal predecessors. Between 1994-97 and 2002-2006 for 8 years he served as the Dean of Business Administration Faculty of the Corvinus University of Budapest. He is the Director of the Institute of Environmental Sciences of Corvinus University. From 2008 he is the vice rector of academic affairs of CUB. He is the member of the editorial boards of various papers, among them the Economy and Society and the Vezetéstudomány ('science of management') and the author of many books and articles.

**Dr. László Pap** (born in 1943) graduated from the Technical University of Budapest as a Telecommunications major. He earned his Ph.D. in 1980 and Doctor of Sciences (top degree awarded by the Hungarian Academy of Sciences) in 1992. He is a full member of the Hungarian Academy of Sciences. He has been a professor of the Faculty of Electrical Engineering and Informatics since 1992. He was the Head of the Department of Telecommunications at the Budapest University of Technology and Economics from 1992 to 2008, between 2001 and 2004 he was strategic vice rector of the University. He has obtained numerous patents for his inventions. He is Honorary President of the Scientific Society of Telecommunications, a member of the Telecommunications Systems Committee of the Hungarian Academy of Sciences, a member of the editorial board of the periodical World of Nature and Wireless Networks, an expert of the Hungarian Space Research Governmental Committee, and the president of the Scientific Committee of Space Research.

**Dr. Károly Salamon** (born in 1954) graduated in 1977 at the Kandó Kálmán College as a bachelor of science of Electrical Engineering, and in 1983 at Eötvös Lóránd University of Sciences as a master of science of Mathematics. He participated at an MBA training at the University of Pittsburgh (USA) in 1991, then he got a PhD at the University of Economics in 1993. Between 1977 and 1995 he worked as a design engineer, then as a development engineer and later as a project leader, and a partner, at different companies. Between 1995 and 2006, he was the chief financial officer, then from 2006 to 2008 the chairman-chief executive officer of Allianz Hungária Biztosító Zrt. At present he is the general director of MIS Ltd. Between 2003 and 2008 he was a member or the chairman of the Board of Directors, or a member of the supervisory board of a number of banks. Since 2006 he is a member of the Board of Directors of the Hungarian Mortgage Bank, and from 2007 a member of the Board of the German - Hungarian Chamber of Commerce.

#### **Resolution proposals:**

**The General Meeting elects dr. János Bitó to the members of the Audit Committee 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 their assignment lasts until the date of the General Meeting.**

**The General Meeting elects dr. János Illéssy to the members of the Audit Committee 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 their assignment lasts until the date of the General Meeting.**

**The General Meeting elects dr. Sándor Kerekes to the members of the Audit Committee 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 their assignment lasts until the date of the General Meeting.**

The General Meeting elects dr. László Pap to the members of the Audit Committee 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 their assignment lasts until the date of the General Meeting.

The General Meeting elects dr. Károly Salamon to the members of the Audit Committee 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 their assignment lasts until the date of the General Meeting.

The remuneration of the Audit Committee was last determined in 2007 for Magyar Telekom Plc. Proposal shall be made by the Board of Directors to the General Meeting regarding the remuneration of the Audit Committee.

**Resolution proposal:**

The General Meeting determines the remuneration of the members of the Audit Committee as follows:

<b>Chairman of the Audit Committee:</b>	<b>HUF 440,000 /month</b>
<b>Members of the Audit Committee:</b>	<b>HUF 220,000 /month</b>