



SUBMISSION
TO THE GENERAL MEETING OF MAGYAR TELEKOM PLC.

**DECISION ON THE AMENDMENTS OF THE
ARTICLES OF ASSOCIATION OF MAGYAR
TELEKOM PLC.** (Sections affected with the amendment:
5.2. Matters within the Exclusive Scope of Authority of the
General Meeting; 6.4. Scope of authority of the Board of
Directors; 6.5. Quorum, Passing Resolutions; 7.8. Audit
committee (7.8.2.))



According to Section 3:276(1) of the Civil Code and Section 5.2. (a) of the Articles of Association the decision on the amendment of the Articles of Association falls into the exclusive scope of authority of the General Meeting of the Company.

The amendments to the Articles of Association are highlighted with track changes in the attached Annex as follows: the red coloured strikethrough text indicate the deleted text, while the bold, italics blue coloured underlined text indicates the new text.

The Board of Directors proposes to the General Meeting to approve the changes – Sections by Sections – as set out in this submission.

The Articles of Association shall be amended due to the following reasons:

1. Section 5.2. (Matters within the Exclusive Scope of Authority of the General Meeting) (r) of the Articles of Association is amended to be in consistency with other subsections as follows. The modification does not affect the unofficial English translation.

„(r) decision concerning the guidelines for a long term salary and incentive scheme for the members of the Board of Directors, Supervisory Board and executive employees (that is Remuneration Guidelines);”

Resolution proposal:

The General Meeting approves the amendment of Section 5.2. (r) of the Articles of Association according to the submission.

2. Section 6.4. (Scope of authority of the Board of Directors) (b) of the Articles of Association is amended to be in harmony with Section 6.4. (c) of the Articles of Association, as follows. The unofficial English translation is affected only by minor technical correction.

„(b) cause the report including the balance sheet and the profit and loss statement of the Company to be prepared pursuant to the Accounting Act together with a proposal on the utilisation of after-tax earnings;”

Resolution proposal:

The General Meeting approves the amendment of Section 6.4. (b) of the Articles of Association according to the submission.

3. Provisions regarding the quorum of Section 6.5. (Quorum, Passing Resolutions) is amended to ensure flexible operation of the Board of Directors as follows:

“The ~~quorum for meetings of the~~ Board of Directors shall ~~be at least six (6) Directors~~ have a quorum if at least the majority of the members of the Board of Directors are present at the meeting.”

Resolution proposal:

The General Meeting approves the amendment of Section 6.5. of the Articles of Association according to the submission.

4. Section 7.8.2 (Audit Committee) is amended to be more precisely align with the text of the laws, as follows:

„7.8.2. At least one Audit Committee member must have a qualification in accountancy ~~and~~ or be a qualified auditor. The Chairman of the Audit Committee shall be elected by the members of the Audit Committee out of themselves.”

Resolution proposal:

The General Meeting approves the amendment of Section 7.8.2. of the Articles of Association according to the submission.

Annex:

Articles of Association of Magyar Telekom Plc. indicating the amendments with track changes



Relevant part of the Report of the Supervisory Board related to this agenda item:

The Supervisory Board examined the amendments to the Company's Articles of Association proposed by the Board of Directors, and agrees with them.



Annex

UNOFFICIAL TRANSLATION OF THE AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF MAGYAR TELEKOM TELECOMMUNICATIONS PUBLIC LIMITED COMPANY

The actual changes proposed to the General Meeting for adoption are included with track changes (colored), while technical corrections to improve the unofficial English translation compared to the Hungarian version are indicated with underlined / strikethrough text (where applicable).

~~September 17, 2014~~ April 15, 2015

~~According to the authorization in Section 6.4. (p) of the Articles of Association, modifications based on the resolution of the Board of Directors of Magyar Telekom Plc. are indicated with bold and italic fonts.~~



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1. THE COMPANY DATA

1.1. The Name of the Company

The Company's name: Magyar Telekom Távközlési Nyilvánosan Működő Részvénytársaság
The Company's abbreviated name: Magyar Telekom Nyrt.

1.2. The Company's name in English

The Company's name in English: Magyar Telekom Telecommunications Public Limited Company
The Company's abbreviated name: Magyar Telekom Plc.

1.3. The Registered Office of the Company

1013 Budapest, Krisztina krt. 55.

1.4. Sites and Branch Offices of the Company

(a) Sites of the Company:

1117 Budapest, Magyar tudósok krt. 9.
1073 Budapest, Dob u. 76-78.
1051 Budapest, Petőfi Sándor u. 17-19.
1117 Budapest, Kaposvár u. 5-7.
1117 Budapest, Budafoki u. 103-107.
1107 Budapest, Száva u. 3-5.
1077 Budapest, Kéthly Anna tér 1.
1117 Budapest, Szerémi út 4.
1117 Budapest, Budafoki út 56.
1106 Budapest, Őrs vezér tere 25. 1. em.
1106 Budapest, Őrs vezér tere 25. mélyföldszint
1138 Budapest, Váci út 178.
1195 Budapest, Üllői út 201.
1191 Budapest, Vak Bottyán u. 75. a-c.
1024 Budapest, Lövéház u. 2-6. 2. em.
1024 Budapest, Lövéház u. 2-6. fszt.
1123 Budapest, Alkotás út 53.
1152 Budapest, Szentmihályi út 131.
1062 Budapest, Váci út 1-3.
1117 Budapest, Október huszonharmadika utca 8-10.

(b) Branch Offices of the Company:

4026 Debrecen, Bethlen u. 1.
3525 Miskolc Régiposta u. 9.
9400 Sopron, Széchenyi tér 7-10.
7601 Pécs, Rákóczi út 19.
8174 Balatonkenese, Parti sétány 51.
6722 Szeged, Tisza Lajos krt. 41.
5600 Békéscsaba, Andrássy u. 44.



6723 Szeged, Etelka sor 1.
6721 Szeged, Csongrádi sgt. 12.
8400 Ajka, Sport utca 1.
7622 Pécs, Bajcsy-Zsilinszky út 11.
7100 Szekszárd, Arany János u. 31.
7400 Kaposvár, Széchenyi tér 1.
7400 Kaposvár, Áchim András u. 4.
8600 Siófok, Szabadság tér 10/A.
7633 Pécs, Esztergár Lajos u. 1/1.
8200 Veszprém, Kossuth u. 3.
8000 Székesfehérvár, Palotai út 1.
2400 Dunaújváros, Dózsa György út 4/C.
9700 Szombathely, Fő tér 17.
9400 Sopron, Major köz 1.
9021 Győr, Baross Gábor u. 7.
9021 Győr, Budai út 1.
8800 Nagykanizsa, Deák tér 12.
8900 Zalaegerszeg, Eötvös u. 1-3.
8900 Zalaegerszeg, Kossuth u. 11.
6720 Szeged, Feketesás u. 25.
6722 Szeged, Londoni krt. 3.
6000 Kecskemét, Szabadság tér 2.
6000 Kecskemét, Korona utca 2. 2. emelet
5600 Békéscsaba, Andrássy út 37-43.
4025 Debrecen, Piac u. 26.
4400 Nyíregyháza, Nagy Imre tér 1.
4400 Nyíregyháza, Országzászló tér 10.
5000 Szolnok, Baross út 4.
3525 Miskolc, Széchenyi u. 36.
3525 Miskolc, Szentpáli u. 2-6.
3300 Eger, Bajcsy Zsilinszky u. 3.
4029 Debrecen, Csapó u. 30.

1.5. Term of operation of the Company

The Company is established for an indefinite period of time.

1.6. The Scope of Activities of the Company

1.6.1. Main activity:

61.10 '08 **Wired telecommunications activities**

1.6.2. Other activities:

18.13 '08	Pre-press and pre-media services
18.14 '08	Binding and related services
18.20 '08	Reproduction of recorded media
26.30 '08	Manufacture of communication equipment
33.20 '08	Installation of industrial machinery and equipment
35.11 '08	Production of electricity
35.14. '08	Trade of electricity
35.23 '08	Trade of gas through mains
35.30 '08	Steam and air conditioning supply
41.10 '08	Development of building projects
41.20 '08	Construction of residential and non-residential buildings
42.21 '08	Construction of utility projects for fluids

42.22 '08	Construction of utility projects for electricity and telecommunications
42.99 '08	Construction of other civil engineering projects n.e.c.
43.11 '08	Demolition
43.12 '08	Site preparation
43.21 '08	Electrical installation
43.22 '08	Plumbing, heat and air-conditioning installation
43.29 '08	Other construction installation
43.99 '08	Other specialised construction activities n.e.c.
45.11 '08	Sale of cars and light motor vehicles
45.19 '08	Sale of other motor vehicles
46.14 '08	Agents involved in the sale of machinery, industrial equipment, ships and aircraft
46.43 '08	Wholesale of electrical household appliances
46.49 '08	Wholesale of other household goods
46.52 '08	Wholesale of electronic and telecommunications equipment and parts
46.69 '08	Wholesale of other machinery and equipment
46.90 '08	Non-specialised wholesale trade
47.19 '08	Other retail sale in non-specialised stores
47.41 '08	Retail sale of computers, peripheral units and software in specialised stores
47.42 '08	Retail sale of telecommunications equipment in specialised stores
47.43 '08	Retail sale of audio and video equipment in specialised stores
47.54 '08	Retail sale of electrical household appliances in specialised stores
47.59 '08	Retail sale of furniture, lighting equipment and other household articles in specialised stores
47.61 '08	Retail sale of books in specialised stores
47.62 '08	Retail sale of newspapers and stationery in specialised stores
47.63 '08	Retail sale of music and video recordings in specialised stores
47.65 '08	Retail sale of games and toys in specialised stores
47.78 '08	Other retail sale of new goods in specialised stores
47.91 '08	Retail sale via mail order houses or via Internet
47.99 '08	Other retail sale not in stores, stalls or markets
52.10 '08	Warehousing and storage
55.10 '08	Hotels and similar accommodation
55.20 '08	Holiday and other short-stay accommodation
55.90 '08	Other accommodation
56.10 '08	Restaurants and mobile food service activities
56.21 '08	Event catering activities
56.29 '08	Other food service activities
58.11 '08	Book publishing
58.12 '08	Publishing of directories and mailing lists
58.13 '08	Publishing of newspapers
58.14 '08	Publishing of journals and periodicals
58.19 '08	Other publishing activities
58.21 '08	Publishing of computer games
58.29 '08	Other software publishing
59.20 '08	Sound recording and music publishing activities
60.10 '08	Radio broadcasting
60.20 '08	Television programming and broadcasting activities
61.20 '08	Wireless telecommunications activities
61.30 '08	Satellite telecommunications activities
61.90 '08	Other telecommunications activities
62.01 '08	Computer programming activities
62.02 '08	Computer consultancy activities
62.03 '08	Computer facilities management activities

62.09 '08	Other information technology and computer service activities
63.11 '08	Data processing, hosting and related activities
63.12 '08	Web portals
63.99 '08	Other information service activities n.e.c.
64.20 '08	Activities of holding companies
66.19'08	Other activities auxiliary to financial services
66.22'08	Activities of insurance agents and brokers
68.20 '08	Renting and operating of own or leased real estate
68.31 '08	Real estate agencies
68.32 '08	Management of real estate on a fee or contract basis
69.20 '08	Accounting, bookkeeping and auditing activities; tax consultancy
70.21 '08	Public relations and communication activities
70.22 '08	Business and other management consultancy activities
71.11 '08	Architectural activities
71.12 '08	Engineering activities and related technical consultancy
71.20 '08	Technical testing and analysis
72.19 '08	Other research and experimental development on natural sciences and engineering
72.20 '08	Research and experimental development on social sciences and humanities
73.11 '08	Advertising agencies
73.12 '08	Media representation
74.30 '08	Translation and interpretation activities
74.90 '08	Other professional, scientific and technical activities n.e.c.
77.11 '08	Renting and leasing of cars and light motor vehicles
77.12 '08	Renting and leasing of trucks
77.21 '08	Renting and leasing of recreational and sports goods
77.22 '08	Renting of video tapes and disks
77.29 '08	Renting and leasing of other personal and household goods
77.33 '08	Renting and leasing of office machinery and equipment (including computers)
77.39 '08	Renting and leasing of other machinery, equipment and tangible goods n.e.c.
79.11 '08	Travel agency activities
79.12 '08	Tour operator activities
79.90 '08	Other reservation service and related activities
80.10 '08	Private security activities
80.20 '08	Security systems service activities
81.10 '08	Combined facilities support activities
82.11 '08	Combined office administrative service activities
82.19 '08	Photocopying, document preparation and other specialised office support activities
82.20 '08	Activities of call centres
82.30 '08	Organisation of conventions and trade shows
82.91 '08	Activities of collection agencies and credit bureaus
82.99 '08	Other business support service activities n.e.c.
85.32 '08	Technical and vocational secondary education
85.51 '08	Sports and recreation education
85.59 '08	Other education n.e.c.
85.60 '08	Educational support activities
95.11 '08	Repair of computers and peripheral equipment
95.12 '08	Repair of communication equipment



1.7. The corporate form of the Company

The Company is a public limited company, its shares are listed at stock exchange.

1.8 Legal Succession

The Company is the legal successor of Magyar Távközlési Vállalat (registration no.: 01-01-002413, registered seat: 1122 Budapest, Krisztina krt. 6-8.) established by the decree no. 965.292/1989 of the Traffic, Communication and Construction Minister. The Company was transformed from a state company to a business association effective from December 31, 1991 in accordance with the Act XIII of 1989.

1.8.1. The Company is the general legal successor of T-Mobile Hungary Telecommunications Company Limited by Shares (registered seat: 1117 Budapest, Kaposvár u. 5-7.; Corporate Registry No.: Cg. 01-10-042361) that was merged into the Company on February 28, 2006.

1.8.2. The Company is the general legal successor in respect of the demerged corporate assets of T-Online Hungary Internet Service Provider Private Company Limited (registered seat: 1117 Budapest, Neumann J. u 1/b.; Corporate Registry No.: Cg. 01-10-044389) that was merged into the Company on September 30, 2007.

1.8.3. The Company is the general legal successor of EMITEL Telecommunications Company Limited (registered seat: 6722 Szeged, Tisza Lajos krt. 41.; Corporate Registry No.: Cg. 06-10-000154) that was merged into the Company on September 30, 2007.

1.8.4. The Company is the general legal successor of T-Kábel Magyarország Kábeltelevíziós Szolgáltató Korlátolt Felelősségű Társaság (registered seat: 1089 Budapest, Baross u. 133.; Corporate Registry No.: Cg. 01-09-674638) that was merged into the Company on September 30, 2009.

1.8.5. The Company is the general legal successor of Dél-Vonal Informatikai Fejlesztő és Szolgáltató Korlátolt Felelősségű Társaság (registered seat: 1089 Budapest, Baross u. 133.; Corporate Registry No.: Cg. 01-09-908030) that was merged into the Company on September 30, 2009.

2. THE SHARE CAPITAL AND THE SHARES OF THE COMPANY

2.1. Share capital and shares

The share capital of the Company is HUF 104,274,254,300 (that is one hundred and four billion two hundred and seventy-four million two hundred and fifty-four thousand three hundred forint), comprised of 1,042,742,543 series "A" ordinary shares, each with the face value of HUF 100.

The shares of the Company are dematerialized shares.

Dematerialized shares are registered shares that have no serial number, do not contain the signature of the authorized representatives of the Company and the name of the owner. The owner's identification data are contained in the securities account in accordance with the respective law.

A certificate with the content required by the law – which does not qualify as a security - was issued of the dematerialized share and deposited at the central depository as required by the law.

2.2. Transfer of Shares

For the transfer of dematerialized share a contract for transfer or other legal title is required and, in that context, the transferor's securities account shall be debited and the new holder's securities account shall be credited with the transferred dematerialized shares. The holder of dematerialized share shall be considered the holder of the securities account on which the dematerialized shares are recorded.



2.3. Share Register

2.3.1. The keeper of the Share Register is the Board of Directors of the Company or its agent appointed to be the keeper of the Share Register. The keeper of the Share Register maintains the Share Register of the shareholders, including holders of interim shares, and the nominees, in which the name and the address or registered seat of shareholders, and the nominees, or in the case of jointly owned shares the joint representative, the number of shares or interim shares, and the ownership ratio of shareholders for each series of shares.

2.3.2. Shareholder who has been formally identified must be registered in the Share Register upon shareholder's request made to the keeper of the Share Register. A registered shareholder shall be deleted from the Share Register upon the shareholder's request. The keeper of the Share Register may refuse the registration request of a formally identified shareholder, if such shareholder has acquired its shares in violation of the regulations on the transfer of shares set out by law or the Articles of Association.

2.3.3. Anyone may inspect the Share Register. The keeper of the Share Register provides access for inspection to the Share Register at its registered office during working hours continuously. Those who are subject of any data, current or deleted, contained in the Share Register may request a copy of the section which pertains to them from the keeper of the Share Register. Such copies shall be supplied free of charge within five days to the entitled.

2.4. Interim shares

Following the registration of the increase of the share capital of the Company by the Court of Registration, interim shares (ideiglenes részvény) shall be made out for the amount of contribution provided on shares subscribed or undertaken to be received by shareholders, for the period up to the full payment of the increased share capital or the par value of the shares. The interim shares are securities, subject to the same rules that are applicable to shares. The transfer of interim shares are effective toward the Company only when the holder of the interim share is registered in the Share Register. Interim shares entitle their holders to exercise shareholders' rights in proportion to the contribution which they have already provided. Subsequent to the full contribution and the production of new shares, the Board of Directors shall dispose of the deletion of the interim shares from the central and other securities account.

3. METHOD OF PROVIDING CONTRIBUTION IN CONSIDERATION FOR SHARES

3.1. Providing cash contribution

In case of share capital increase by way of cash contribution the consideration of the shares shall be provided as detailed in the resolution of the General Meeting deciding on the capital increase.

3.2. Contribution in Kind

Subscribers shall be obliged to transfer any asset comprising contribution in-kind to the Company or place such assets at the Company's disposal before the request for the registration of the Company is filed with the Court of Registration.

3.3. Full Payment for Shares

Subject to the provisions of Section 3.1., shareholders shall be obliged to pay up the full amount of the cash contribution covering the par value of the shares subscribed by them to the Company within one year from the registration date of the capital increase by the Court of Registration following, that the Board of Directors call them to do so by means of a public announcement. In such cases shareholders shall perform their obligations to pay up the cash contribution covering the issue value of shares within the applicable



deadline set forth in such notice. Any notice issued under this paragraph shall be published by the Company in accordance with these Articles governing the publication of notices and advertisements. The stipulated period for payment shall commence upon the publication of the related notice.

Any notice issued under this paragraph shall contain a warning to shareholders of the consequences of delay in payment, non-payment or the failure to make a contribution in kind as set out in Section 3.2.

The shareholder rights with respect to shares not fully paid for shall be exercised proportionately to the amount of the payment already made, subject to the provisions of Section 3.5.

3.4. Delay in providing contribution

Should a shareholder fail to make the contribution due to be paid to the Company as stipulated in Section 3.3., the Board of Directors shall set a 30-day deadline and call on the shareholder for compliance.

3.5. Termination of Shareholders' rights

Should any shareholder fail to observe the 30-day deadline set under Section 3.4., his membership (respectively his shareholder rights on the share(s) not paid up) shall cease on the following day of the deadline. The former shareholder shall be held liable for damages caused to the Company by virtue of his failure to provide the contribution in accordance with the rules pertaining to damages caused by breach of contract. If no other person assumes the obligation of the shareholder to provide contribution for the shares undertaken to be subscribed, the share capital of the company shall be decreased by the amount of the contribution committed by such shareholder in default.

The conditions of assuming such obligation shall be determined at the same time when adopting a General Meeting resolution on capital increase, considering the provisions of Section 10 of the Company's Articles of Association.

The defaulting shareholder is entitled to the value of the contribution when his successor shareholder has paid his contribution in full to the Company or after the decrease of the share capital.

4. SHAREHOLDERS' RIGHTS

Shareholders shall be entitled to exercise shareholders' rights in dealing with the Company based on a certificate of ownership, following their entry into the Share Register.

No certificate of ownership is required for exercising shareholders' rights when this entitlement is verified by way of the identification procedure ordered by the Company.

Where the identification procedure is requested by the Company, the keeper of the Share Register shall delete all data contained in the Share Register at the time of the identification procedure, and shall simultaneously enter the data obtained upon the identification procedure into the Share Register.

Shareholders whose names have not been entered into the Share Register and shareholders who acquired their shares in violation of the restrictions to the transfer and the acquisition of shares shall not be allowed to exercise their rights attached to such shares vis-à-vis the Company.

Shareholders may exercise shareholders' rights through representatives. Members of the Board of Directors, the Supervisory Board and the Statutory Auditor may not function as a representative of a shareholder.

A shareholder may appoint a nominee - after being registered in the register of shareholders - to exercise some or all rights of that shareholder before the Company in his own name and for the benefit of the shareholder.



4.1. Participation at the General Meeting, voting rights

Shareholders shall have the right to participate at the General Meeting, and if holding shares with voting rights, to vote.

Shareholders may exercise their shareholders' right in person or through their duly authorized representatives. The proxy given to a duly authorized representative shall be set forth in a notarized document or a private document with full probative force. The proxy, in accordance with the effective law from time to time, shall contain clearly and expressively:

- a) the shareholder's statement for authorization for the representative,
- b) the shareholder as Principal and the representative as proxy,
- c) the proxy is valid for one general meeting or a fixed period of time, but not exceeding twelve months,
- d) whether it covers the resumption of the suspended general meeting and the general meeting re-convened due lack of quorum,
- e) any further possible limitation of the proxy.

Where a shareholder is represented by more than one representatives, and if these representatives are contradicted in their votes or statements, all such votes and statements shall be considered null and void.

The names of shareholders and nominees who intend to participate at the General Meeting shall be registered in the Share Register on the second working day prior to the starting date of the General Meeting.

Shareholders' rights may be exercised at the General Meeting only by the persons whose names are contained in the Share Register at the time it was closed. Transfer of shares prior to the starting date of the General Meeting does not affect the right of persons registered in the Share Register to participate at the General Meeting and to exercise their shareholders' rights thereat.

Shareholders and authorised representatives shall identify themselves during the registration of the General Meeting.

The holder of each Series "A" ordinary share shall be entitled to one vote at the General Meeting of the Company.

Persons who certify their share ownership prior to the General Meeting, during registration by way of a securities account statement, issued to the name of the person but are not registered in the Share Register, may participate at the General Meeting but may not exercise shareholders' rights.

4.2. Rights to information

Shareholders shall have the right to request information, make remarks and motions at the General Meeting.

The Board of Directors shall provide the necessary information, at the latest three days before the date of the General Meeting, to all shareholders with respect to the agenda items of the General Meeting, upon written request submitted at least eight days prior to the date of the General Meeting.

The Company shall publish on its web site at least 21 days prior to the General Meeting:

- (a) the total number of shares and voting rights at the date of the convocation (including separate totals for each class of shares);
- (b) submissions relating to the items on the agenda and the related reports of the Supervisory Board, together with the resolution proposals.

Public General Meeting materials may be sent at the time of publication of such General Meeting materials by way of electronic means (only via email) to the shareholders who specifically requested it.

If shareholders together controlling at least one per cent of the votes in the Company notify the Board of Directors - in accordance with the provisions on setting the items of the agenda - of the supplementation of the agenda, or the resolution proposal with respect to the items on or to be added to the agenda within eight days following the publication of the notice for the convocation of the General Meeting, the Board of Directors publishes a notice on the supplemented agenda and the resolution proposals submitted by shareholders following the receipt of such proposal. The matter published in the notice shall be construed to have been placed on the agenda.



4.3. Dividend

Shareholders shall be entitled to receive a share from the Company's taxed profit that is available and has been ordered for distribution by the General Meeting in proportion with the nominal value of their shares.

Shareholders shall be entitled to dividend who are registered in the Share Register at the record date of the dividend payment identification process ordered by the Company. The record date of dividend payment identification of beneficial owner shall not be earlier than the fifth stock market trade day subsequent to the date of the General Meeting.

The Company pays the dividends to the shareholders from the date specified by the relevant resolution of the General Meeting via wire transfer. The dividend payment period commences at the date specified by the resolution of the General Meeting that decides on the approval of the report according to the Accounting Act and the use of the profit after tax, however, at least 10 working days must lapse between the first publication of the General Meeting resolution regarding the commencement date of the dividend payment and the first day of paying the dividends.

Shareholders may claim dividends during the lapse period specified in the law (five years). After that time their claim for dividends will lapse.

The General Meeting or, by authorization of these Articles of Association, the Board of Directors may adopt a decision for the payment of interim dividends between the approval of two consecutive financial reports if:

- (a) according to the interim balance sheet, the Company has funds sufficient to cover such interim dividends;
- (b) the amount distributed does not exceed the amount of profits earned after the closing of the books of the financial year to which the last financial report pertains, and/or the amount supplemented with the available profit reserves; and
- c) the payment of such interim dividends may not result in the Company's adjusted equity capital to decrease below its share capital.

Payment of interim dividends may be resolved upon the proposal of the Board of Directors. The consent of the Supervisory Board is required to such proposal of the Board of Directors.

If according to the annual financial statements prepared after the distribution of interim dividends there was no justification for the payment of dividends, such distribution must be returned by the shareholders when so requested by the Company.

Any dividend that is payable on the Company's own shares shall be taken into account at nominal value as pertaining to shareholders with respect to the dividends payable on their shares.

The Company shall not be liable for interest on the payment of dividends.

4.4. Minority rights

Shareholders of the Company together controlling at least one per cent of the voting rights may, at any time, request that the Company's General Meeting be convened, indicating the reason and the purpose thereof. If the Board of Directors fails to comply with such request within eight days of the date of receipt, and fails to convene the General Meeting at the earliest possible date, the Court of Registration shall convene the General Meeting at the request of the shareholders making the proposal, or shall empower the requesting shareholders to convene the meeting. The expected costs shall be covered by the requesting shareholders. The Company's General Meeting shall decide in a meeting convened at the request of minority stakeholders whether the costs incurred be borne by the Company or the persons convening such meeting.

If the General Meeting of the Company has refused - or did not present for decision - a proposal that the last financial report, or any economic event which has occurred in connection with the activities of management during the last two years, or any commitment be examined by an auditor to be engaged specifically for this purpose, such examination shall be ordered, and the auditor shall be appointed, at the Company's expense by the Court of Registration upon a request by any one shareholder or shareholders controlling at least one per cent of the votes submitted within a 30-day preclusive period calculated from the General Meeting. The Court of Registration shall refuse the request in the event of abuse of minority rights by the shareholders presenting the request. The



Company's Statutory Auditor may not be appointed to carry out such special audits. The costs of the audit shall be advanced and borne by the Company. The Company shall be able to charge the costs upon the shareholder affected if requesting the audit was manifestly unfounded.

If the General Meeting of the Company has refused - or did not present for decision - a motion to enforce a claim against a shareholder, members of the Board of Directors, the Supervisory Board or against the Statutory Auditor of the Company, any one shareholder or shareholders controlling at least one per cent of the votes may move within a 30-day preclusive period calculated from the General Meeting to enforce such claim themselves on behalf and for the benefit of the Company.

5. THE GENERAL MEETING OF THE COMPANY

5.1. Supremacy of the General Meeting

The General Meeting is the highest decision-making body of the Company. The decisions of the General Meeting, which are referred to as resolutions, are binding upon the shareholders, the other organs and the officers of the Company.

5.2. Matters within the Exclusive Scope of Authority of the General Meeting

The following matters shall be within the exclusive scope of authority of the General Meeting:

- (a) to draw up and amend these Articles, unless otherwise provided by the law or these Articles;
- (b) the increase of the registered capital of the Company, unless otherwise provided by the law;
- (c) the decrease of the registered capital of the Company, unless otherwise provided by the law;
- (d) to amend the rights attached to individual series of shares;
- (e) any merger into, consolidation with another company or de-merger of the Company, or any termination, dissolution, liquidation, or transformation of the Company into another operational or corporate form. In the process of transformation if the Board of Directors prepares the documents necessary for the transformation, the General Meeting of the Company - according to the applicable law - may adopt a final decision on the transformation with holding only one meeting. In this case, draft terms of transformation including draft transformation asset balance- and asset inventory pertaining to the date specified by the Board of Directors, within the preceding six months, and controlled by the auditor, shall be presented for the meeting;
- (f) decision on issuing convertible, equity or subscription right bonds, unless otherwise provided by the law;
- (g) to elect, remove and determine the remuneration of the members of the Supervisory Board, the Audit Committee and the Board of Directors and enforcement of claims for damages against the members of the Supervisory Board and the Board of Directors;
- (h) to elect, remove and determine the remuneration of the Statutory Auditor of the Company and to define the contents of the essential elements of the contract to be concluded with the Statutory Auditor and enforcement of claims for damages against the Statutory Auditor;
- (i) to approve the financial statements pursuant to the Accounting Act, and to decide on the utilisation of the after-tax earnings;
- (j) to approve the corporate governance and management report;
- (k) subject to Section 10.3., to appoint the person(s), pursuant to the provisions of law, that are authorized to take over for shares in any private increase of the Company's capital;
- (l) to approve the registering of the Company's shares on a stock exchange with the exception of the transfer of shares admitted to trading belonging to the scope of authority of the Board of Directors;



- (m) decision on request to delist the Company's shares from a stock exchange;
- (n) decision on granting relief to the members of the Board of Directors;
- (o) decision on the payment of interim dividends, unless otherwise provided by these Articles of Association;
- (p) decision on the acquisition of the Company's own shares, unless otherwise provided by the law;
- (q) decision on the exclusion of preference right regarding subscription or commitment for subscription of shares;
- (r) decision concerning the guidelines for a long term salary and incentive scheme for the members of the Board of Directors, Supervisory Board and executive employees (that is Remuneration Guidelines);
- (s) decision on any other issue that is referred to the authority of the General Meeting by the law or these Articles.

5.3. Passing Resolutions

The General Meeting shall adopt its resolutions by a simple majority vote except for resolutions on issues listed in Section 5.2. (a), (c)-(f), (l), (m) which shall require at least a three-quarters majority of the votes of the shareholders present.

5.4. Right to Convene General Meetings

- (a) The General Meeting shall be convened by persons authorized by law and these Articles.
- (b) In addition to cases stipulated by the law, the General Meeting also shall be convened:
 - (i) if the number of the members of the Board of Directors falls below six (6);
 - (ii) if the number of the members of the Supervisory Board falls below six (6); and
 - (iii) if the number of the members of the Audit Committee falls below three (3);
 - (iv) if the Statutory Auditor and the Board of Directors fails to conclude the assignment contract regarding the auditing activities within ninety days upon the date of the General Meeting that elects the Statutory Auditor.

5.5. Occurrence of a General Meeting

The Company shall hold a General Meeting at least once each year (the "Annual General Meeting") where the financial statements prepared according to the Accounting Act of the Company are approved. The Annual General Meeting shall occur no later than April 30 of the year immediately subsequent to the business year in question.

In addition to the Annual General Meeting, the Company may hold extraordinary General Meetings at any time, if necessary.

5.6. Convocation of the General Meeting

Notice of the General Meeting of the Company shall be published in the manner stipulated by the applicable law and these Articles of Association for the publication of the Company's notices and advertisements thirty days prior to the date of the General Meeting, unless otherwise provided by law. The public notice of the General Meeting of the Company shall be published by the body responsible for or entitled to the convocation of the General Meeting either by law or by these Articles of Association.

The members of the Board of Directors and the Supervisory Board as well as the Statutory Auditor of the Company shall also be notified of the convocation of any General Meeting in writing by registered mail within eight days after the publication of the announcement of such General Meeting.

The public notice of the General Meeting shall contain:

- (a) the name and the registered office of the Company;



- (b) the date and the venue of such General Meeting;
- (c) the way of holding the General Meeting;
- (d) the items on the agenda of such General Meeting;
- (e) the place and the date of the reconvened General Meeting to be held if the General Meeting does not have a quorum;
- (f) the conditions for the exercise of the voting rights at the General Meeting set out in the Articles of Association and the detailed conditions and information regarding the participation at the General Meeting, identification of the shareholders and the certification of the method of the representation;
- (g) the conditions regarding the exercise of the right to supplement to the agenda of the general meeting, and includes the place of the availability of the original and full text of the resolution proposals and documents to be submitted to the General Meeting.

5.7. Attendance List

The Company shall draw up an attendance list of shareholders attending the General Meeting. The attendance list shall contain the names of shareholders or their proxies or representatives, their addresses or registered offices, the number of shares of each series held by them and the number of votes that he is entitled to cast and any changes during the General Meeting in the persons of those present. The attendance list shall be certified by the signature of the Chairman of the General Meeting as well as the minute keeper of such meeting.

5.8. Quorum

The General Meeting shall be properly constituted with a quorum if shareholders representing more than half of the shares carrying voting rights at the General Meeting are present in person or by proxy at the time stipulated in the public notice convening the General Meeting. If the General Meeting fails to have a quorum, the reconvened General Meeting shall have a quorum for the issues of the original agenda irrespective of the voting rights represented by those present, if called for a date following the original time by not less than ten days and not more than twenty-one days.

5.9. Opening of the General Meeting

The Chairman of the General Meeting shall be elected by the General Meeting on the basis of the submission of the Board of Directors. Until the election of the Chairman of the General Meeting, the person proposed to be the Chairman in the Board of Directors' submission shall chair the General Meeting.

5.10. Chairman of the General Meeting

The Chairman of the General Meeting:

- (a) shall determine the quorum;
- (b) shall make recommendations for the minute keeper of the General Meeting, for the shareholder, or its proxy to certify the minutes, and, in the event of non-computerised voting, for the tellers. In the event of computerised voting, the Chairman of the General Meeting shall act as teller;
- (c) shall have the General Meeting adopt the sequence in which items on the agenda, including items duly added to the agenda, shall be discussed;
- (d) shall chair the General Meeting, its discussions, grant or revoke speakers right to contribute;
- (e) may stipulate a time limit for contributions to the discussion;



- (f) shall state the result of the votes and shall declare the resolution of the General Meeting;
- (g) shall call for breaks;
- (h) may propose the suspension of the General Meeting;
- (i) shall declare the General Meeting closed if each resolution on the agenda has been voted on.

5.11. Election of the Officials of the General Meeting

The General Meeting shall elect the keeper of the minutes, the person who shall certify the minutes, and, in case of non-computerised voting, the tellers, and the Chairman of the General Meeting based on the proposal of the Board of Directors.

5.12. Order and Discussion of Items on the Agenda

By the vote of a simple majority of the holders of voting shares cast at the General Meeting, shareholders may change the order in which items on the agenda are discussed but may not eliminate any item from the agenda.

5.13. Suspended General Meeting

The General Meeting may suspend its meeting once for a period of not more than thirty days. The adjourned meeting shall reconvene subject to the same quorum requirement as the original general meeting. When the adjourned meeting reconvenes, the provisions on calling the general meeting and on the election of the officers of the general meeting shall not apply.

5.14. Voting Procedures

5.14.1. At the General Meeting the voting shall be computerised. The Chairman of the General Meeting may propose that some or all of the items of the agenda be voted upon in lieu of computerised voting by the show of the voting cards. The Chairman's motion shall be decided by a simple majority vote of the General Meeting.

5.14.2. At the venue of the General Meeting, during the registration, the Company shall issue a voting card or provide a voting device for computerised voting to each holder of voting shares after verification that the shareholder is duly registered in the Share Register.

Voting devices or voting cards shall also be issued at the General Meeting to any shareholder in respect of newly-issued shares who has paid the subscription price in accordance with the resolution of the General Meeting and has been registered in the Share Register in connection with a capital increase approved by the General Meeting. Holders of interim share may exercise their voting rights only in proportion to the consideration already contributed. If any shareholder fails to meet the above conditions, such a shareholder shall not be issued a voting card or a voting device.

5.14.3 In the event of computerised voting, the tally of the votes shall proceed electronically. Prior to the voting taking place, the General Meeting shall be advised by the Chairman or the person designated by him with respect to the technical details of the computerised voting. The shareholders shall be advised of the results of the vote by the Chairman.

5.14.4 In the event of non-computerised voting, each shareholder shall receive a voting card. Voting cards shall contain the name of the shareholder or nominee, address or seat, as well as the number and series of shares held by such shareholder and the votes such shareholder is entitled to cast. The voting shall proceed by the show of the voting cards.

5.15. Minutes of the General Meeting

5.15.1. Minutes shall be taken of the General Meeting which shall contain:



- the business name and registered seat of the Company;
- the venue and date and the way of holding the General Meeting;
- the names of the Chairman of the General Meeting, the minute keeper, the shareholder certifying the minutes and the tellers;
- material events of the General Meeting and the proposals made;
- the resolution proposals, for all resolution the number of shares, where valid votes were cast and proportion of the share capital represented by these votes, the number of votes in favour, against and the number of abstentions;
- the objections of shareholders, members of the Board of Directors or Supervisory Board against a resolution if so requested by the objecting person, and all matters expressly requested by the shareholders, the Chairman of the Supervisory Board or the Statutory Auditor.

5.15.2. The minutes shall be signed by the minute keeper and the Chairman of the General Meeting and shall be certified by one shareholder present elected for such purpose.

5.15.3. Any shareholder may request a copy of the minutes or an extract of the minutes of the General Meeting from the Board of Directors.

6. BOARD OF DIRECTORS

6.1. Status of the Board of Directors

The Board of Directors shall be the management body of the Company and the Board of Directors shall represent the Company with regard to third parties, in court and before other authorities.

6.2. Members of the Board of Directors

The Board of Directors shall be comprised of a minimum of six (6), and a maximum of eleven (11) members. The members of the Board of Directors shall be elected by the General Meeting. The assignment of the members of the Board of Directors, unless otherwise provided by the General Meeting, lasts for a term of three years until May, 31 of the third year subsequent to the date of the said General Meeting with the exception, that if the General Meeting in the third year is held prior to May 31 than their assignment lasts until the date thereof. Members of the Board of Directors can be removed or re-elected at any time by the General Meeting. Unless otherwise provided by a separate arrangement, the removal of, or failure to re-elect, a member of the Board of Directors shall not affect the employment rights of such person in respect of the Company where such member of the Board of Directors is also an employee of the Company.

6.3. Rules of Procedure and Chairman of the Board of Directors

Subject to the provisions of applicable law and these Articles, the Board of Directors shall draw up its own Rules of Procedure. Member of the Board of Directors shall elect the Chairman of the Board in accordance with the provisions of the Rules of Procedure of the Board of Directors. The Chairman shall perform such duties as described in the law, these Articles and the Rules of Procedure of the Board of Directors.

6.4. Scope of authority of the Board of Directors

The Board of Directors shall

- (a) be responsible for all matters relating to the Company's management and course of business not otherwise reserved to the General Meeting or to other corporate bodies by these Articles or by the law;



- (b) cause the report including the balance sheet and the profit and loss statement of the Company to be prepared pursuant to the Accounting Act together with a proposal on the utilisation of after-tax earnings;
- (c) prepare the corporate governance and management report and submits it to the General Meeting;
- (d) have the books of the Company, including among others accounting records and the Shareholders' Register, maintained in compliance with applicable regulations;
- (e) make such filings with the Court of Registration and publish such information as may be required by applicable law and these Articles;
- (f) draw up, at the end of each business year, a report for the General Meeting on the management of the Company, the assets of the Company, the financial situation of the Company and the business policy of the Company;
- (g) adopt the annual business plan of the Company which shall contain specific authorisations to the management that are necessary for the operation of the business of the Company;
- (h) have the authority to create committees of the Board consisting exclusively of Board members and to delegate part of its authority to such committees;
- (i) have the authority to create committees of Board members and non-Board members and to delegate authority to such committees;
- (j) exercise employer's rights towards the employees of the Company pursuant to the Rules of Organisation and Operation as defined by the Board;
- (k) prepare quarterly reports for the Supervisory Board on the management, financial status and the business policy of the Company;
- (l) ensure the purchase of own shares on the basis of the authorization of the General Meeting, and in connection with this approve the interim statement of financial position if necessary, and arrange for the alienation of the Company's own shares;
- (m) decide on such increasing of the registered capital of the Company, and in connection with this approve the interim statement of financial position if necessary, that is allocated to its scope of authority and the related amendment of the Articles of Association;
- (n) conclude the relevant contract with the Statutory Auditor to carry out the relevant activities within 90 days upon making the resolution on the election of the Statutory Auditor by the General Meeting;
- (o) decide on termination of trading of shares on a given regulated market by transfer between trading venues;
- (p) be entitled to make decisions regarding any change in the sites, branch offices and – except for the main activity – the scope of activities of the Company and in relation to this, to modify the Articles of Association;
- (q) on the basis of the authorization of the General Meeting decide on interim dividend payment and in connection with this approve the interim statement of financial position if necessary.

6.5. Quorum, Passing Resolutions

The ~~quorum for meetings of the~~ Board of Directors shall ~~be at least six (6) Directors~~ have a quorum if at least the majority of the members of the Board of Directors are present at the meeting.

Each member of the Board of Directors shall have one vote. The rules of the voting procedure shall be described in details by the Rules of Procedure of the Board of Directors.

6.6. Minutes

- (a) Minutes shall be kept of each meeting of the Board of Directors, in accordance with the provisions of the Rules of Procedure of the Board of Directors.
- (b) The minutes shall be signed by the Chairman of the meeting of the Board of Directors as well as the keeper of the minutes. The minutes shall be certified by another participating Director. The minutes of each meeting shall be distributed to the members of the Board of Directors and the Chairman of the Supervisory Board irrespective of whether or not they attended the meeting.

6.7. Liability of the members of the Board of Directors

The members of the Board of Directors shall conduct the management of the Company based on of the primacy of the interest of the Company. The members of the Board of Directors shall be held liable for damages caused to the Company resulting from its management activities in accordance with the rules pertaining to damages for loss caused by breach of contract.

If the members of the Board of Directors of the Company cause damage to a third party in connection with their office, liability in relation to the injured person lies with the members of the Board of Directors and the Company jointly and severally.

7. THE SUPERVISORY BOARD

7.1. Status of the Supervisory Board

The Supervisory Board oversees the management in order to protect the interests of the Company. Within its scope of authority provided by the laws, the Supervisory Board may request information from members of the Board of Directors or from employees of the Company and may examine the documents, accounting records and books of the Company, inspect the Company's payment account, cash desk, securities portfolio, inventories and contracts, or may have them inspected by an expert.

7.2. Members of the Supervisory Board

7.2.1. The Supervisory Board shall be comprised of 3-15 members. The members shall be elected by the General Meeting. The assignment of the members of the Supervisory Board, unless otherwise provided by the General Meeting, lasts for a term of three years until May, 31 of the third year subsequent to the date of the said General Meeting with the exception, that if the General Meeting in the third year is held prior to May 31 than their assignment lasts until the date thereof.

7.2.2. The majority of the members of the acting Supervisory Board must be independent. The Supervisory Board member is independent if he has no other legal relationship with the Company than his Supervisory Board membership and any transaction conducted within the Company's usual activities aiming to satisfy the Supervisory Board member's personal needs.

7.2.3. The Supervisory Board member shall not be regarded as an independent member, if

- a) he is an employee or an ex-employee of the Company, in the latter case the conflict of interest exists for five years from the termination of the employment;
- b) provides advisory services or other activities as a retained advisor for the Company or its senior managers in return of remuneration;
- c) he is a shareholder of the Company who either directly or indirectly owns at least 30% of the votes or is a close relative or domestic partner to such person;
- d) he is a close relative or domestic partner of any non-independent executive officer or executive employee of the Company;
- e) on the basis of his membership in the Supervisory Board he is entitled to receive remuneration in case of the profitable operation of the Company or receives any other remuneration besides his fee as a Supervisory Board member from the Company or an affiliated business association to the Company;
- f) he is in a legal relationship with a non-independent member of the Supervisory Board in another business association on the basis of which the non-independent member has controlling or supervisory rights;
- g) he is the Statutory Auditor of the Company or a member or an employee thereof for three years from the termination of this legal relationship;
- h) he is an executive officer or executive employee in a business association whose independent Board member is also an executive officer of the public limited company.

7.2.4. The employee representatives in the Supervisory Board are nominated by the Central Workers' Council considering the opinion of the trade unions operating at the Company. Persons nominated by the Central Workers' Council shall be elected by the General Meeting to the member of the Supervisory Board, except if disqualification exist in respect of the nominated persons.



7.3. Rules of Procedure of the Supervisory Board, Chairman of the Supervisory Board

The Supervisory Board acts as a body. The Supervisory Board elects a chairman (if necessary, a deputy chairman) from among its members. The Supervisory Board sets its own Rules of Procedure, which is approved by the General Meeting. The Chairman shall perform such duties as described in the law, these Articles of Association and the Rules of Procedure of the ~~Board of Directors~~ Supervisory Board.

7.4. Scope of authority of the Supervisory Board

The Supervisory Board shall examine all submissions to be submitted to the General Meeting and present its opinion thereof at the General Meeting. The General Meeting may pass a resolution on a report pursuant to the Accounting Act and the use of the profit after income tax only upon receipt of the written report of the Supervisory Board. The Supervisory Board makes a proposal directly to the General Meeting regarding the election, remuneration and removal of the Statutory Auditor.

The Supervisory Board may convene the General Meeting to discuss that issue and to take the necessary decisions, if, in its opinion, the activities of the management infringe the law, the Articles of Association or the resolutions passed by the General Meeting, or otherwise interfere with the interests of the Company.

7.5. Quorum, Passing Resolutions

The Supervisory Board shall have a quorum if 2/3 (two-thirds) of its elected members but at least 3 members are present. Each member of the Supervisory Board shall have one vote. The rules of the voting procedure shall be described in details by the Rules of Procedure of the Supervisory Board.

7.6. Minutes

Minutes shall be kept of each meeting of the Supervisory Board, in accordance with the provisions of the Rules of Procedure of the Supervisory Board.

The Chairman of the Supervisory Board shall appoint the keeper of the minutes and that Supervisory Board member who will certify the minutes of the meeting, will put issues to the vote, and will declare the result of votes.

7.7. Liability of Members of the Supervisory Board

Members of the Supervisory Board shall be held liable for damages caused to the Company resulting from their omission of supervisory responsibilities in accordance with the provisions on liability for damages for loss caused by non-performance of an obligation liable in accordance with the rules pertaining to damages caused by breach of contract.

7.8. Audit Committee

7.8.1. The General Meeting elects a 3-5 member Audit Committee from the independent members of the Supervisory Board for the same period as the membership of the relevant members in the Supervisory Board.

7.8.2. At least one Audit Committee member must have a qualification in accountancy ~~and~~ or be a qualified auditor. The Chairman of the Audit Committee shall be elected by the members of the Audit Committee out of themselves.



7.8.3. If the number of the Audit Committee members falls below three, the Board of Directors shall convene the General Meeting to restore the proper operation of the body. The Audit Committee shall establish its own Rules of Procedure which shall be approved by the Supervisory Board. The Audit Committee shall inform the Supervisory Board about its activity in accordance with its Rules of Procedure.

7.8.4. The Audit Committee shall provide assistance to the Supervisory Board in supervising the financial report regime, in selecting Statutory Auditor, and in working with the Statutory Auditor.

7.8.5. The Audit Committee may, if it deems necessary for the fulfillment of its duties, engage external advisor(s).

7.8.6. The Audit Committee makes a proposal to the Supervisory Board regarding the election, remuneration and removal of the Statutory Auditor.

8. THE STATUTORY AUDITOR

8.1. Election of the Statutory Auditor

The General Meeting of the Company elects the Statutory Auditor for a definite period not exceeding two years in duration. The Board of Directors shall conclude the contract with the Statutory Auditor within ninety days following the date of the election, subject to the terms and conditions and remuneration specified by the General Meeting. If the contract is not concluded within the time limit specified above, the General Meeting shall elect a new auditor.

8.2. Duties of the Statutory Auditor

The Statutory Auditor shall be responsible for carrying out the audits of accounting documents according to the relevant regulations, and to provide an independent audit report to determine as to whether the financial statements of the Company is in conformity with legal requirements, and whether it provides a true and fair view of the Company's assets and liabilities, financial position and profit or loss.

8.3. The rights and the responsibilities of the Statutory Auditor

In connection with the performance of its duties, the Statutory Auditor:

- (a) shall have access to the documents, accounting records and books of the Company;
- (b) may request information from the members of the Board of Directors, of the Supervisory Board and from the employees of the Company;
- (c) may examine the cash in hand, ledgers, the securities portfolio, the inventory, the contracts and the bank accounts of the Company;
- (d) shall attend the General Meeting that discusses the report of the Company prepared according to the Accounting Act, however, in its absence the General Meeting will be held nonetheless;
- (e) if required, may attend the meetings of the Board of Directors and the Supervisory Board with the right to confer;
- (f) shall be obliged to request the Board of Directors to convene a General Meeting without delay, if:
 - (i) detects any changes in the Company's assets that are likely to jeopardize its ability to satisfy any claims filed against the Company;
 - or
 - (ii) the Auditor becomes aware of a circumstance that entails the liability of the Board of Directors or the Supervisory Board with respect to their activities performed in that capacity;
- (g) in the event of non-compliance with the request set out in subsection (f) the Statutory Auditor shall inform the Court of Registration carrying out legality supervision about the revealed circumstances.



8.4. Statutory Auditor's Conflict of Interest

Shareholders of the Company, members of the Board of Directors, members of the Supervisory Board of the Company, and their close relatives may not serve as the Statutory Auditor. An employee of the Company may not serve as the Statutory Auditor during the period of employment and for a period of three years thereafter.

The Statutory Auditor may not provide any service to the Company, and may not collaborate with the Board of Directors in a way that may imperil his ability to carry out his auditing duties objectively and independently.

Persons included in the register of auditors in accordance with the relevant legal regulations may be elected as a Statutory Auditor. Further requirements for the Statutory Auditors in terms of qualifications and conduct and conflict of interest not stipulated in these Articles of Association shall be laid down in specific other legislation.

9. SIGNATURE ON BEHALF OF THE COMPANY

The Company shall be bound by the signature of (i) two members of the Board of Directors, or (ii) by a member of the Board of Directors and an employee of the Company authorized for this purpose by two members of the Board of Directors, or (iii) by two employees of the Company authorised for this purpose by two members the Board of Directors. Such authorized signatories shall jointly sign their full names under the stamped, hand-written, typed or printed name of the company in the same way, that such signature appears in their specimen of signature deposited with the Court of Registration.

10. INCREASE OF THE REGISTERED CAPITAL OF THE COMPANY

10.1. Cases of the Increase in the Registered Capital

The General Meeting decides on the increase of the share capital of the Company by means of issue of new shares from assets other than the share capital, conditional capital increase or through issue of convertible (átváltoztatható) or equity (átváltozó) bonds into shares.

The General Meeting may authorize the Board of Directors to increase the share capital. The amount limit by which the Board of Directors is allowed to increase the Company's share capital and a period of up to five years during which the increase of capital is to be executed shall be specified in the authorization. The authorization granted to the Board of Directors for the increase of share capital also constitutes an entitlement for the Board of Directors to adopt decisions relating to the increase of share capital, which otherwise fall within the competence of the General Meeting by law or according to the Articles of Association.

10.2. Subscription preference right

10.2.1. Where the share capital is increased by way of contribution of cash, within the company's shareholders first the holders of shares belonging to the same series of issue, and then the holders of convertible bonds and the holders of bonds with subscription rights in tandem shall be granted preferential rights – in this sequence – for the subscription of shares subject to the conditions laid down in these Articles of Association. The General Meeting may exclude such preferential rights for subscription or take-over the shares.

10.2.2. The Board of Directors of the Company shall inform the shareholders and the holders of convertible bonds and bonds with subscription rights concerning their options and the procedure to exercise the preferential right for the subscription of shares, including the face value or issue price of shares which may be acquired, and the first and last days of the 15 days period during which such right can be exercised.

10.3. Private issue of new shares

The resolution of the General Meeting for increasing the share capital through the private offering of new shares shall indicate the persons the General Meeting has authorized to subscribe for the shares, provided that the persons otherwise eligible do not intend to exercise their pre-emptive subscription rights concerning the shares in question. Also the quantity of shares that may be subscribed by any one person must be specified in the General Meeting's resolution. Subscription right to the shares may be granted if the person designated made a preliminary statement of commitment to subscribe for the shares and to provide the appropriate consideration. The Company shall abide by the statement of commitment above-specified. The share capital increase shall be considered to have failed if the persons eligible refuse to undertake the commitment for the subscription of shares in the nominal value or accounting par value sufficient to cover the planned or lowest increase of share capital, or if the shares have not been subscribed.

10.4. Conversion of assets other than the share capital into Registered Capital

The Company may increase the share capital by transferring all or part of its assets other than the share capital, if, according to the balance sheet of the financial statements for the previous financial year or the interim balance sheet of the current year there are sufficient additional funds available for the capital increase, and if the Company's share capital will not exceed its adjusted equity capital. The financial statements or the interim balance sheet may be taken into consideration for determining the size of funds in excess of the share capital within the six-month period following the balance sheet date.

Shares embodying the increased registered capital shall be granted to the shareholders of the Company free of charge, in proportion to the nominal value of their shares.

10.5. Conditional increase in the registered capital by means of converting the convertible or equity bonds to shares

10.5.1. The Company may decide on a conditional capital increase through the issue of convertible or equity bonds. At the bond holder's request, convertible bonds shall be exchanged for shares under the conditions set out in these Articles of Association. Equity bonds shall be converted into shares upon the subsequent occurrence of certain objective requirements.

The requests must be forwarded in writing to the Board of Directors with a simultaneous submission of the bonds, identifying the number and face value of the stocks applied for. Within the maturity time of the convertible bonds, convertible bond holders may demand in writing shares in exchange for their bonds within a period of time set forth by the General Meeting, upon the submission of such bonds - in the case of printed bonds - to the Board of Directors. Upon the provision of such statement on the exchange of converting bonds the converting bond holder shall be entitled to receive share certificates.

Upon the making the statement on the conversion, and upon the occurrence of certain objective requirements the equity bond holder shall be entitled to receive share certificates.

During the maturity of the bonds may be converted into shares once every year at a time defined in advance. Following the announcement of converting intents the Board of Directors shall decide annually about the actual amount of the capital increase and the number of shares to be issued and the related modification of the Articles of Association.

Specific terms for issuing bonds shall be set forth in a resolution by the General Meeting.

10.5.2. The resolution of the General Meeting accepting the conditional capital increase shall specify:

- a) the method of issuing bonds (closed, public),
- b) the number and face value of the bonds to be issued, as well as the value at issue, the series of bonds and the place and time of subscription,
- c) the terms under which the bonds can be converted into shares and the date,
- d) maturity of the bond, terms of payment of interest and other yields,
- e) procedures to be followed in the case of under or over subscription as well as the rules of allocation,
- f) in case of issuing privately held bonds the persons, the number of bonds that they can subscribe and other features thereof.



11. DECREASE OF THE REGISTERED CAPITAL OF THE COMPANY

The Company may decrease its registered capital, in the cases defined in the respective laws reduction of the share capital is mandatory.

The prevailing rules of decreasing the registered capital are set out in the respective laws.

The detailed conditions of exercising shareholder rights must be included in the resolution of the General Meeting regarding the decrease of the registered capital.

12. CONFLICT OF INTEREST

Disqualification (conflict of interest) rules set out in Section 3:115(1) of the Civil Code shall not be applicable for the members of the Board of Directors and the Supervisory Board. Instead thereof the following disqualification rules shall be applied to the members of the Board of Directors and the Supervisory Board.

Members of the Board of Directors and the Supervisory Board may not acquire any share - except for the shares of public limited companies – and may not accept executive office or supervisory board membership in such domestic or foreign business associations whose main business activity is the same as the main activity of the Company, unless otherwise provided by the law or by these Articles of Association.

Despite the restrictions set out in the above section members of the Board of Directors and the Supervisory Board may be elected as executive officer or members of the supervisory board in domestic or foreign businesses associations whose main business activity is the same as the main activity of the Company, and which

- (i) has a direct or indirect majority influence in the Company, or
- (ii) in which the Company or any person having a direct or indirect majority influence in the Company hold at least 25 % ownership stake and/or voting rights.

13. INDEMNIFICATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD

13.1. Indemnification

The Company shall, to the fullest extent permitted by law, indemnify any member or former member of the Board of Directors or any member or former member of the Supervisory Board who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative, by reason of the fact of his current or former position at the Company against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.



13.2. Advancing Expenses

Expenses (including reasonable attorney's fees) incurred by a member of the Board of Directors or the Supervisory Board in defending any civil, criminal or administrative action, suit or proceeding may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company pursuant to Section 13.1.

13.3. Insurance

The Company shall have the power to purchase and maintain insurance on behalf of any person who is or was a member of the Board of Directors or the Supervisory Board against any liability asserted against him and incurred by him in any such capacity, whether or not the Company would have the right to indemnify him against such liability under the provisions of Sections 13.1. and 13.2. or any other provisions of law.

14. OTHER PROVISIONS

14.1. Business Year

The financial year of the Company shall correspond to the calendar year.

14.2. Notices

Notices, invitations to the shareholders and announcements of the Company shall be published on the home page of the Company (www.telekom.hu) and in the official publication space of the Budapest Stock Exchange Closed Limited Company (i.e. home page of the Stock Exchange) and the Official Gazette ("Céggazettség") in cases required by applicable law.

14.3. Miscellaneous

These Articles of Association shall supersede and replace the former Articles of Association of the Company. Consequently, on the effective date of these Articles of Association, prior version of the Articles of Association shall have no effect. Issues not regulated herein shall be subject to the effective provisions of the Civil Code and other relevant laws.

Budapest, ~~September 17, 2014~~ April 15, 2015

This consolidated version of the Articles of Association reflects the prevailing version of the Articles of Association based on the modifications thereof. This consolidated version of the Articles of Association has been prepared, and the amendments countersigned by:

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dr. Balázs Máthé
Chief Legal Counsel