



## Investor Release

## Magyar Telekom

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## Magyar Telekom held its Annual General Meeting

**Budapest – April 10, 2018 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB, hereinafter “Magyar Telekom” or the “Company”), the leading Hungarian telecommunications service provider, announces that the Company held its Annual General Meeting (the “AGM”) on April 10, 2018. The AGM approved the audited consolidated and standalone financial statements of the Company for the year 2017, accepted the Corporate Governance and Management Report of the Company for the business year of 2017, and it decided to pay a dividend of HUF 25 per ordinary share from the profit of 2017. A member of the Supervisory Board resigned effective on April 10, 2018. The AGM elected an employee representative member of the Supervisory Board, furthermore elected the Statutory Auditor of the Company.**

The report of the Board of Directors on the management of the Company, on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2017 was presented to the shareholders. The relevant reports of the Supervisory Board, the Audit Committee and the Statutory Auditor were also presented.

The AGM approved the 2017 Consolidated Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Balance Sheet Total Assets of HUF 1,109,661 million and Profit for the year 2017 of HUF 49,772 million.

The AGM approved the 2017 Standalone Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Balance Sheet Total Assets of HUF 1,038,673 million and Profit for the year 2017 of HUF 41,857 million.

Following the above, the AGM decided on the use of the profit for the year earned in 2017. The Company will pay a dividend of HUF 25 per ordinary share with a face value of HUF 100 to the shareholders from the profit of 2017. The actual rate of dividend paid to shareholders is calculated and paid based on the Articles of Association, so the Company distributes the dividends for its own shares among the shareholders who are entitled for dividends. The HUF 26,068,563,575 to be disbursed as dividends will be paid from the HUF 41,857,229,317 profit for the year based on the standalone financial statements, and the remaining amount of HUF 15,788,665,742 of the profit for the year based on the standalone financial statements shall be allocated to retained earnings. The first day of dividend payment is May 25, 2018. The record date of the dividend payment shall be May 15, 2018. The Board of Directors will publish a detailed announcement on the order of dividend payment on April 17, 2018 on the websites of the Company and the Budapest Stock Exchange.

The AGM acknowledged the Board of Directors' informative on the purchase of treasury shares following the Annual General Meeting in 2017, furthermore, authorized the Board of Directors to purchase Magyar Telekom ordinary shares through the stock exchange or through an OTC transaction for a period of 18 months from the General Meeting decision. The purpose of the authorization is to supplement the



current shareholder remuneration policy of Magyar Telekom with this form, in accordance with the international practice, and to operate share-based incentive systems.

The AGM approved the Corporate Governance and Management Report of the Company for the business year of 2017, and, having ascertained the appropriateness of the management activities of the Board of Directors members of the Company in the previous business year, decided to grant the relief from liability to the members of the Board of Directors regarding the 2017 business year.

Éva Óz resigned as an employee representative member of the Supervisory Board effective on April 10, 2018. Pursuant to the shareholders' decision, Attila Bujdosó was newly elected as an employee representative member of the Supervisory Board. His assignment will expire on May 31, 2019, provided that if in the year of expiry the General Meeting is held prior to May 31, then the assignment shall expire on the day of the General Meeting. Attila Bujdosó does not hold any Magyar Telekom shares.

The General Meeting amended the Company's Articles of Association.

The AGM elected PricewaterhouseCoopers Könyvvizsgáló Kft., as the Statutory Auditor of the Company to perform audit services for the year 2018, for the period ending on May 31, 2019, or on the day of the Annual General Meeting closing the 2018 business year. The AGM approved the contents of the material elements of the contract to be conducted with the Statutory Auditor.

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>.