

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

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Magyar Telekom's Board of Directors' announcement regarding 2016 dividend

Budapest – February 22, 2017 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces that the Board of Directors has reviewed the 2016 financial statements of Magyar Telekom Plc. prepared in accordance with Hungarian Accounting Act (HAR), and those of Magyar Telekom Group prepared in accordance with IFRS, and proposes them for approval to the Annual General Meeting. The Board of Directors also proposes a dividend payment of HUF 25 a share for the business year 2016 for approval at the Annual General Meeting.

The Company's dividend policy seeks to maintain its net debt ratio (net debt to total capital) within the 30-40% range, whilst also taking into account the Group's future financial position.

Magyar Telekom will hold its Annual General Meeting on April 7, 2017. The Board of Directors proposes the record date of the dividend payment to be on May 12, 2017 and the first day of dividend disbursement on May 23, 2017.

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, 2015 available on our website at <http://www.telekom.hu>.