

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

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Magyar Telekom purchased treasury shares

Budapest – July 20, 2016 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB, hereinafter the “Company”), the leading Hungarian telecommunications service provider, hereby announces that on July 19, 2016, for the purpose of the Employee Share Ownership Program (ESOP) announced on May 2, 2016, the Company purchased 300,000 Magyar Telekom ordinary shares (HU0000073507) at an average price of HUF 447 per share. The share purchase was carried out on the Budapest Stock Exchange through UniCredit Bank Hungary Zrt., as investment service provider. Following this transaction Magyar Telekom holds 1,381,767 treasury shares.

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>.