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Change in the ownership structure of PRO-M

Budapest – May 22, 2006 – Magyar Telekom (Reuters: NYSE: MTA.N, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider, today announced that the Court of Registry had registered the ownership change in PRO-M Zrt., the EDR (Unified Digital Radio Network) service company. Following the merger of Magyar Telekom Plc. and T-Mobile Hungary, Magyar Telekom Plc. gained direct ownership of 100% of PRO-M Zrt shares.

The rollout of the EDR service started this year and, in line with the contract deadline, the Budapest unified digital radio communication system network was completed in April. The company has so far deployed 14,000 of terminal equipment for public safety and security services organizations, and the work on the project continues with the expertise and active support of T-Mobile . Following the completion of the Budapest network, the rollout of the EDR system will continue throughout the country and will be finished by the end of January 2007.

In order to finance investments needed for the network rollout and operation during the first years, a HUF 8 bn capital increase (HUF 5 bn of common stock and HUF 3 bn additional paid-in capital) and a HUF 15 bn credit facility were granted to the company. EDR-related investments are expected to amount to around HUF 20-22bn in 2006.

EDR is a 380-400MHz-band nation-wide Professional Mobile Radio (PMR) network used by public safety and security services in Hungary. The main users of EDR will be the Police, Fire Departments and Ambulance Services. The EDR network will be a high quality substitute for the analogue radios currently used by these services.

This investor news contains 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 Report on Form 20-F for the year ended December 31, 2004 filed with the U.S. Securities and Exchange Commission.