

Investor Release

Magyar Telekom

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Magyar Telekom acquires cable company in Western Hungary

Budapest –July 6, 2010 – Magyar Telekom (Reuters: NYSE: MTA.N, BÉT: MTEL.BU and Bloomberg: NYSE: MTA US, BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider announces that it has signed an agreement to buy 100% of Modultechnika Kft.

Magyar Telekom signed an agreement to buy 100% of Modultechnika Kft. on 6 July, 2010. The purchase price is approximately HUF 1.5bn on a cash and debt free basis. The agreement contains rescission rights.

Modultechnika is a cable TV and Internet service provider with an up-to-date cable TV infrastructure in areas in which Magyar Telekom currently does not provide fixed line services on its traditional network (Ajka and the surrounding area in Western Hungary). With this acquisition Magyar Telekom aims to further strengthen its fixed line business positions.

The closing of the transaction is expected in the third quarter of 2010.

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, 2009 filed with the U.S. Securities and Exchange Commission.