



REGULATORY ENVIRONMENT AND LATEST DEVELOPMENTS

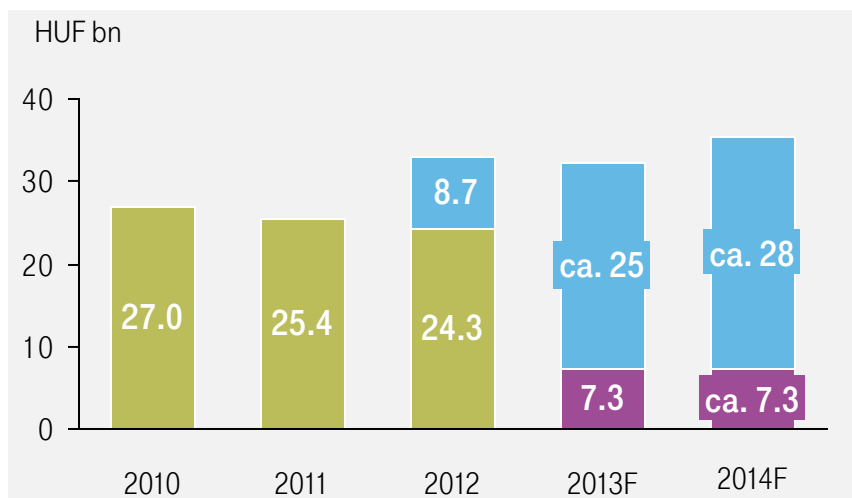
BALÁZS MÁTHÉ

Chief Legal and Corporate Affairs Officer



LIFE IS FOR SHARING.

TAXES PUTTING PRESSURE ON EBITDA



SPECIAL TAX

TELECOM TAX

UTILITY TAX

	SPECIAL TAX	TELECOM TAX	UTILITY TAX
DURATION	3 years ending 2012	indefinite	indefinite
BASIS	revenue-based sector tax	traffic-based tax	fixed infrastructure based tax
CALCULATION METHODOLOGY	6.5% of telecom revenues	Private individuals: HUF 2/min & SMS Other subscriptions: HUF 3/min & SMS	HUF 125/metre on length of ducts



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CURRENT SPECTRUM SITUATION

BAND

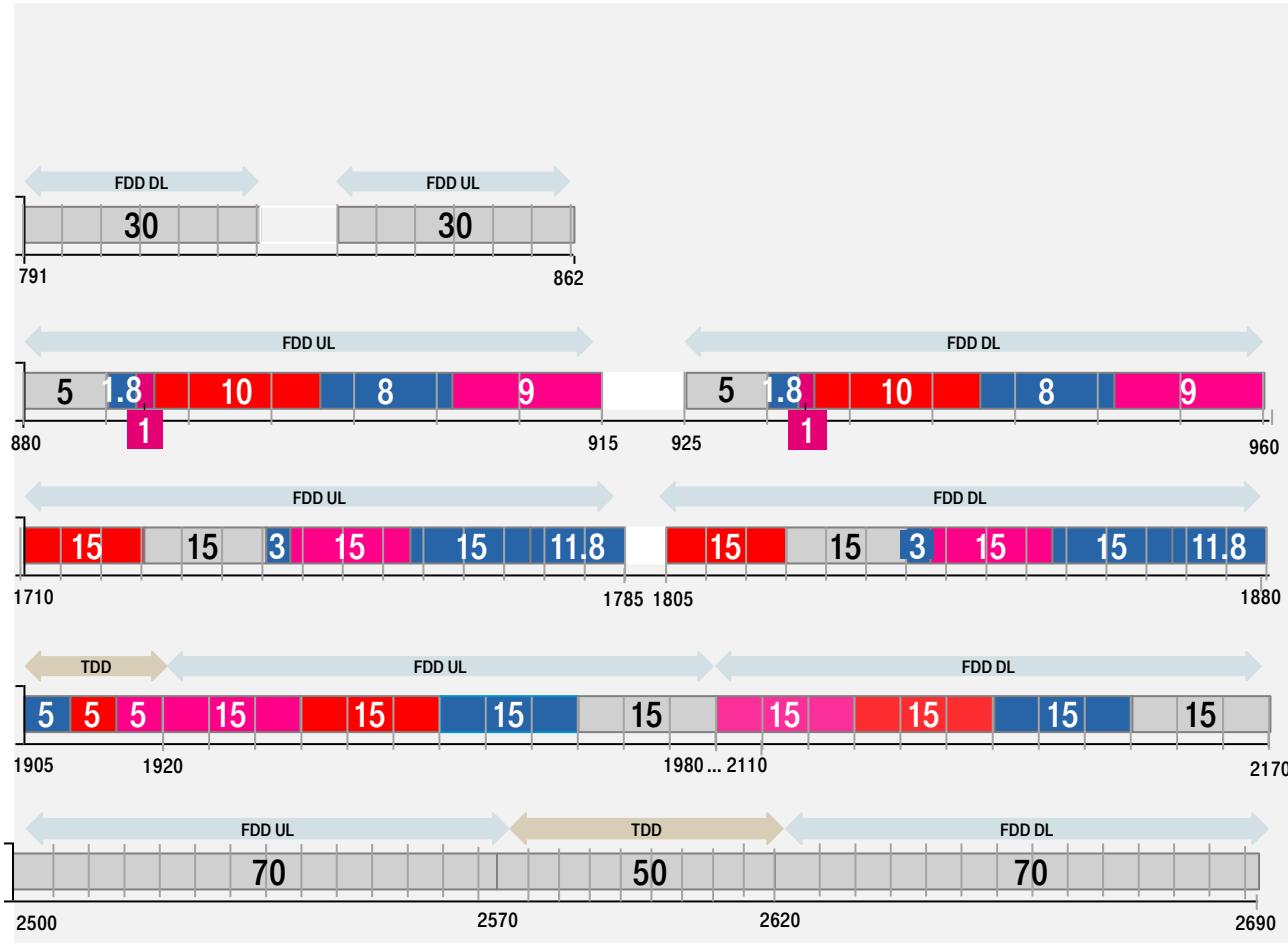
800 MHz

900 MHz

1800 MHz

2100 MHz

2600 MHz



UNUSED FREQUENCIES

2 × 30 MHz

2 × 5 MHz

2 × 15 MHz

2 × 15 MHz

2 × 70 MHz FDD
50 MHz TDD



■ Magyar Telekom
 ■ Vodafone
 ■ Telenor
 ■ Unused




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ENERGY REGULATION DEVELOPMENTS

CURRENT SITUATION

- Magyar Telekom offers the same retail energy services to universal service customers as universal service providers (USPs), providing a discount from regulated universal service prices
- Retail price reduction since January 1, 2013 partially compensated via regulation for USPs

SUSTAINABLE SOLUTION TO SERVE UNIVERSAL CUSTOMERS

- Elements of regulation to apply to Magyar Telekom to provide level playing field:
 - access to gas sources as offered for universal service providers from July 1, 2014 
 - exemption from membership fee to the Hungarian Hydrocarbon Stockpiling Association from October 1, 2013 
 - exemption from obligation to take over of "green" electricity from October 1, 2013 



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This presentation 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 financial statements for the year ended December 31, 2012, available on our website at <http://www.telekom.hu> which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and adopted by the European Union.

Abbreviations: #: Number, 2G: Second Generation, 3G: Third Generation, 4G: Fourth Generation, ADSL: Asymmetric Digital Subscriber Line, App.: Application, ARPU: Average Revenue Per User, AVG: Average, B2B2C: Business to Business to Consumer, BB: Broadband, Bn: Billion, CAGR: Compound Annual Growth Rate, CAPEX: Capital Expenditures, COAX: Coaxial Cable, CRM: Customer Relationship Management, DL: Downlink, DPS: Dividend per Share, DT: Deutsche Telekom, E2E: End-to-End, EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization, EDGE: Enhanced Data for Global Evolution, ERP: Enterprise Resource Planning FCF: Free Cash Flow, FDD: Frequency-Division Duplexing, FTTB: Fiber to the Building, FTTC: Fiber to the Cabinet, FTTH: Fiber to the Home, GDP: Gross Domestic Product, GSM: Global System for Mobile communication, GPRS: General Pocket Radio Service, H1: First half, HH: Household, HSPA: High-Speed Packet Access, HUF: Hungarian Forint, HW: Hardware, ICT: Info-Communication Technology, IMS: IP Multimedia Subsystem, IP: Internet protocol, IT: Information technology, K: Thousand, KPI: Key Performance Indicator, LTE: Long Term Evolution, Min: minute, M2M: Machine-to-Machine, M-: Mobile-, Mbps: Mega Bit Per Second, MHz: Mega Hertz, Mn: Million, OPEX: Operating Expenses, OS: Operating System, OTT: Over The Top, PSTN: Public Switched Telephone Network, SAT: Satellite, SI: System Integration, SIM: Subscriber Identity Module, SMB: Small Medium Enterprises, SOHO: Small office home office, SW: Software, T2M: Time to Market, TDD: Time-Division Duplexing, TV: Television, TWM: Total Workforce Management, UL: Uplink, UMTS: Universal Mobile Telecommunication System, USP: Universal Service Provider, VDSL: Very high bit rate Digital Subscriber Line, yr: year

