

Magyar Telekom holds Extraordinary General Meeting

Budapest – October 9, 2006 – 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 an Extraordinary General Meeting was held today. The shareholders were informed about Magyar Telekom's business activities and current situation, and about the investigation being conducted into certain contracts. The General Meeting approved the amended and consolidated Articles of Association of Magyar Telekom Plc., and the amended and consolidated rules of procedure of the Supervisory Board. After that the General Meeting suspended discussion of other agenda items.

Chief Financial Officer Thilo Kusch informed the shareholders' meeting about Magyar Telekom's business activities and current situation. He also mentioned that by end-September HUF 3.1bn expenses were incurred at Magyar Telekom relating to the investigation. This was followed by a report on the current status of the investigation into certain contracts read by Dr. Bálint Nagy, Director of Group Communication Branch of Magyar Telekom. As a result of the investigation, two additional contracts have been called into question. Thus the total amount of the four contracts under investigation is around HUF 2bn. This investigation is still ongoing. The Company expects the Board of Directors to consider what further action should be taken including with respect to the conduct of members of management.

The General Meeting approved the amended and consolidated Articles of Association of Magyar Telekom Plc., and the amended and consolidated rules of procedure of the Supervisory Board. The reason for the amendments was to comply with the provisions of the new company law that entered into force on July 1, 2006, and in the case of the Articles of Association, the changes in the sites and activities of the Company.

It became clear during consultation with shareholders that preparation of the other agenda items required more time, so the General Meeting suspended their discussion. The EGM will resume on November 6, 2006.

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.