

Investor Release

Magyar Telekom

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Parliament of Hungary enacts tax on utility networks

Budapest – November 20, 2012 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: BÉT: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces that today the Parliament of Hungary adopted an act imposing tax on utility networks, effective from January 1, 2013 for an indefinite period of time.

The act provides that a tax of HUF 125 per meter will be levied on the owners of ducts providing for electricity, telecommunication, natural gas, heating, water and wastewater services. For telecommunication networks, the level of tax levied will depend on the length of ducts: 20% of the HUF 125 per meter is levied on the first 170,000 meter length of ducts, 40% is levied between 170,000 and 250,000 meters, 80% is levied between 250,000 and 300,000 meters, while the total HUF 125 per meter has to be paid for all ducts above 300,000 meters.

The estimated annual utility tax payable by Magyar Telekom from 2013 onwards will be in the range of HUF 9 to 11 billion, according to our preliminary assessment and based on the current text of the law. The tax will be booked among other operating expenses.

The act on the tax on utility networks adopted by the Parliament will become valid if the President of Hungary executes it and orders its promulgation.

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, 2011 available on our website at <http://www.telekom.hu>.