



PRESS RELEASE

DATE February 25, 2015

Magyar Telekom to acquire GTS Hungary

Magyar Telekom will be the new owner of GTS Hungary as the Board of Directors of the leading Hungarian telecommunications service provider approved the decision on the share purchase agreement today. Magyar Telekom acquires 100% stake in the leading alternative ICT provider from Deutsche Telekom for a purchase price of approximately EUR 42mn (ca. HUF 13.2bn).

The Magyar Telekom's primary aim with the acquisition of GTS Hungary is to further strengthen its market positions in the business segment – including international wholesale customers – in the business services market. Currently GTS Hungary provides fixed voice, data and IT services to ca. 7 thousand business customers and also provides fixed telephony and internet services to ca. 11 thousand residential clients across Hungary. Magyar Telekom now focuses on to successfully integrate GTS Hungary's operation to the Magyar Telekom Group within a couple of years. Magyar Telekom plans to provide opportunities for fixed and mobile cross-selling possibilities, for the expansion of the information technology services market, and also cost synergies thanks to process, network and headcount rationalization in the medium and long term.

Completion of the intra-group transaction is anticipated in the second quarter of 2015.

MAGYAR TELEKOM TELECOMMUNICATIONS PUBLIC LIMITED COMPANY

Registered office: H-1013 Budapest, Krisztina krt. 55.

Commercial register: The Company was registered on number 01-10-041928 by the Budapest Metropolitan Court as Companies Registry

