

Copy of the Audit Certificate

MagyarCom Holding GmbH

Bonn

Annual financial statements as of December 31, 2008

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This copy of the audit certificate shall only be used for the intended purpose as specified in §§ 325 et seq. of the German Commercial Code (*Handelsgesetzbuch* – HGB).

**Annual financial statements for the financial year
from January 1 to December 31, 2008**

MagyarCom Holding GmbH, Bonn

Balance sheet as of December 31, 2008

Assets

	Dec. 31, 2008	Dec. 31, 2007
A. Noncurrent assets	€	€
Financial assets		
Investments in subsidiaries	2,037,000,000.00	2,342,139,380.90
B. Current assets		
I. Receivables and other assets		
1. Receivables from subsidiaries	307,461,408.72	2,411,538.53
2. Other assets	0.00	7,981.35
II. Bank balances	65,419.16	74,510.10
	307,526,827.88	2,494,029.98
	2,344,526,827.88	2,344,633,410.88

Shareholders' equity and liabilities

	Dec. 31, 2008	Dec. 31, 2007
A. Shareholders' equity	€	€
I. Capital stock	316,009,000.00	316,009,000.00
II. Additional paid-in capital	2,028,511,427.88	2,028,511,427.88
	2,344,520,427.88	2,344,520,427.88
B. Accruals		
1. Tax accruals	0.00	89,613.00
2. Other accruals	6,400.00	23,370.00
	6,400.00	112,983.00
	2,344,526,827.88	2,344,633,410.88

**Statement of income for the period from
January 1 to December 31, 2008**

	2008	2007
	€	€
1. General and administrative costs	17,994.45	194,905.71
2. Other operating income	6,825,350.65	433,540.82
3. Other operating expenses	323,216.11	2,857,392.31
4. Income related to subsidiaries, associated and related companies (of which: from subsidiaries €180,671,994.25; previous year €175,754,902.69)	180,671,994.25	175,754,902.69
5. Other interest and similar income (of which: from subsidiaries €4,474,014.54; previous year €4,269,707.94)	4,474,015.11	4,269,707.94
6. Write-downs on financial assets	305,139,380.90	0.00
7. Other interest and similar expenses (of which: from subsidiaries €14,860.00; previous year €210,235.09)	14,860.00	227,605.09
8. Results from ordinary business activities	-113,524,091.45	177,178,248.34
9. Income taxes	77,433.48	-80,550.23
10. Loss transferred (prior-year profit) on the basis of a profit/loss transfer agreement	113,601,524.93	-177,258,798.57
11. Net income	0.00	0.00

MagyarCom Holding GmbH, Bonn**Notes to the 2008 annual financial statements****I. General disclosures and remarks****Summary of accounting policies**

The object of the Company is the acquisition, ownership, and administration of holdings and shares of stock in companies working in the area of telecommunications in the Republic of Hungary.

MagyarCom Holding GmbH (MagyarCom) is a subsidiary of Deutsche Telekom AG, Bonn (DTAG), within the meaning of § 271 (2) German Commercial Code (*Handelsgesetzbuch – HGB*) and is fully consolidated in the consolidated financial statements of its parent, Deutsche Telekom AG, Bonn, as of December 31, 2008. DTAG's consolidated financial statements are filed with the operator of the electronic Federal Gazette (*Bundesanzeiger*).

Accounting policies

The annual financial statements of MagyarCom as of December 31, 2008 have been prepared based on the provisions of the German Commercial Code relating to accounting for corporations as well as the supplementary provisions of the German Act on Limited Liability Companies (*GmbH-Gesetz*). The statement of income was prepared using the cost of sales method.

The accounting policies applied in previous years were retained.

Investments in subsidiaries are carried at cost. Write-downs are charged only if the impairment of financial assets is assumed to be permanent.

Receivables and cash and cash equivalents are measured at nominal value.

Accruals are recognized in the amount deemed necessary according to prudent commercial judgment.

Liabilities are recognized at their repayment amount.

II. Notes to the balance sheet

Financial assets

The carrying amount of investments in subsidiaries of EUR 2,037,000 thousand relates to the shares of Magyar Telekom Távközlési Nyilvánosan Működő Részvénytársaság (Magyar Telekom Telecommunications Public Limited Company), which are stated at cost and reduced by impairment losses.

The decrease in investments in subsidiaries of MagyarCom was attributable to the write-down of the investment in Magyar Telekom.

Receivables from subsidiaries

Receivables from subsidiaries (EUR 307,461 thousand) relate to the credit balance of MagyarCom on the clearing account with DTAG.

Bank balances

Bank balances of EUR 65 thousand principally relate to credit balances at Deutsche Bank in Budapest (EUR 63 thousand).

Shareholders' equity

DTAG holds 100 percent of the capital stock of MagyarCom with share capital of EUR 316,009 thousand.

Additional paid-in capital

Additional paid-in capital remained unchanged at EUR 2,028,511 thousand.

Accruals

Accruals exclusively comprise the accrual for expenses for year-end closing costs (EUR 6 thousand). The tax accruals and accruals for interest expense from the previous year in connection with the tax audit were utilized and reversed.

III. Notes to the statement of income

General and administrative costs

General and administrative costs are almost exclusively comprised of expenses for year-end closing costs (EUR 8 thousand) and accounting costs (EUR 10 thousand).

Other operating income

Other operating income results from currency translation gains (EUR 6,825 thousand).

Other operating expenses

Other operating expenses principally comprise expenses from currency translation (EUR 194 thousand) and bank charges (EUR 99 thousand). Bank charges mainly relate to the securities deposit account at Citibank Budapest where the holdings in Magyar Telekom are held in safe custody.

Income related to subsidiaries, associated and related companies

Income related to subsidiaries, associated and related companies comprises the proportionate dividend payment by Magyar Telekom for the 2007 financial year.

Interest income

Interest income is attributable to the interest on the clearing account with DTAG (EUR 4,474 thousand).

Interest expense

Interest expense relates to a tax audit conducted in the reporting year (EUR 15 thousand).

Write-downs on financial assets

Write-downs on financial assets related exclusively to write-downs on the investments in Magyar Telekom, Bonn (EUR 305,139 thousand).

Income taxes

Trade income tax expense from previous years of EUR 93 thousand is reported under income taxes in connection with the findings of a tax audit conducted in the reporting year. This item also includes income of EUR 15 thousand from the reversal of an accrual recognized in the previous year for tax audit risks.

Personnel costs

MagyarCom does not have any staff of its own. No compensation was paid to the Company's directors in the reporting year. As a result, no personnel costs were incurred.

Net income

Net income for the full financial year amounted to EUR 0 thousand. This is attributable to the profit and loss transfer agreement concluded with DTAG in 2005. MagyarCom is obligated to transfer all profits/losses to DTAG.

IV. Supplementary disclosures**1. Managing Board**

Roman Zitz

Head of Legal Affairs Foreign Subsidiaries, Associated and Related Companies,
Deutsche Telekom AG, Bonn

Dipl.-Ing. Wolfgang Hauptmann

Head of International Business, Deutsche Telekom AG, Bonn

2. List of investment holdings

MagyarCom Holding GmbH held 617,438,581 shares of Magyar Távközlési Rt., Budapest (Magyar Telekom) at the balance sheet date. This represents an ownership interest of 59.30 percent.

Name and registered office	Shareholders' equity	Proportion of voting rights	Proportion of capital stock		Net profit/loss
	millions of HUF	%	%	Nom. value in millions of HUF	millions of HUF
Magyar Távközlési Rt., Budapest	318,917	59.30	59.30	61,744	101,925

Bonn, May 22, 2009

Roman Zitz
Managing Director

Wolfgang Hauptmann

Statement of accruals

	Jan. 1, 2008	Addition	Utilization	Reversal	Dec. 31, 2008
	€	€	€	€	€
Tax accruals					
Income tax - tax audit	89,613.00	136,862.83	207,975.46	18,500.27	0.00
	89,613.00	136,862.83	207,975.46	18,500.27	0.00
Other accruals					
Interest - tax audit	17,370.00	34,396.12	46,972.00	4,794.12	0.00
Accrual for tax audit	6,000.00	6,400.00	6,000.00	0.00	6,400.00
	23,370.00	40,796.12	52,972.00	4,794.12	6,400.00
Total	112,983.00	177,658.95	260,947.46	23,294.39	6,400.00

Statement of noncurrent assets

	Acquisition costs			
	Jan. 1, 2008	Additions	Disposals	Dec. 31, 2008
	€	€	€	€
Financial assets Investments in subsidiaries	2,342,139,380.90	0.00	0.00	2,342,139,380.90

Changes in cumulative depreciation, amortization, and write-downs				Net carrying amount	
Jan. 1, 2008	Additions	Disposals	Dec. 31, 2008	Dec. 31, 2008	Dec. 31, 2007
€	€	€	€	€	€
0.00	305,139,380.90	0.00	305,139,380.90	2,037,000,000.00	2,342,139,380.90

Auditors' report

We have audited the annual financial statements, consisting of the balance sheet, the statement of income, and the notes to the financial statements, together with the bookkeeping system, of MagyarCom Holding GmbH, Bonn, for the financial year from January 1 to December 31, 2008. The maintenance of books and records and the preparation of the annual financial statements in accordance with German commercial law are the responsibility of the Company's Managing Director. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position, and results of operations in the annual financial statements in accordance with the German principles of proper accounting are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Managing Director, as well as evaluating the overall presentation of the annual financial statements. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on our findings from our audit, the annual financial statements are in line with statutory requirements and give a true and fair view of the net assets, financial position, and results of operations of the Company in accordance with German principles of proper accounting.

Dusseldorf, May 22, 2009

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Thomas Tandetzki
Wirtschaftsprüfer

ppa. Michael Ziajka
Wirtschaftsprüfer

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