



J. Dp 01-158377/

30-04-2008

To: Securities and Exchange Commission of the RoM

Subject: Financial reporting for the first quarter of 2008

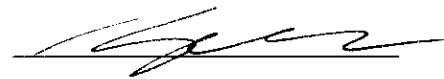
Dear Sirs/Madams,

Pursuant to Articles 157 and 164 of the Law on Securities (Official Gazette of the RoM No. 95/2005, 25/2007 and 7/2008), as well as the respective by-laws, please find attached the consolidated non-audited income statement for the period from 01.01.2008 until 31.03.2008, prepared in accordance with the International Financial Reporting Standards, the Explanation on the operation of AD Makedonski Telekomunikacii, as well as the Statement for the accuracy of the foregoing.

Yours faithfully,


Zarko Lukovski
President of the Board of Directors




Nikolai Beckers
Chief Executive Officer

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Subject: Explanation on the operation of AD Makedonski Telekomunikacii - Skopje for the period from 01.01.2008 until 31.03.2008

AD Makedonski Telekomunikacii is the largest company which provides services in the field of the fixed telephony in Macedonia. AD Makedonski Telekomunikacii owns 100% of T-Mobile Macedonia which is leading provider in the field of mobile telephony in Macedonia.

The telecommunication sector in Macedonia has been regulated with the implementation of the new Law on Electronic Communications which was adopted in March 2005. AD Makedonski Telekomunikacii has a Concession Contract on the basis of which the foregoing services may be provided until 31 December 2018. As of 2007, the fixed telephony market shall commence to be liberalized in practice.

During the first quarter of 2008, the revenues mark an increase as a result of the revenue growth from the mobile telephony, where there is a continuous increase of the number of customers, despite the competition. The revenues from the fixed telecommunication services mark a slight decrease compared to the same period of the previous year. The Internet revenues still mark a continuous growth as a result of the continuous trend of increase of the number of ADSL Internet subscribers. In addition, revenues growth is also achieved in terms of the revenues generated from the equipment sale and leased lines. There is also a positive impact on the revenues growth from the sale of the subsidiary Montmak in Montenegro, in the first quarter of this year, which was completely owned by the AD Makedonski Telekomunikacii.

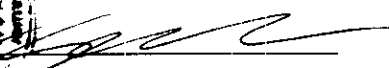
On the costs side, there is increase in the costs related to the equipment sale followed by the increase of the revenues from the same activity. The depreciation cost also mark a decrease compared to the same period of the previous year. The other costs mark a slight increase as a result of the increase in the intensity of the marketing campaigns, as well as the increase of the FX losses as compared to the same period of the previous year.

As announced earlier, Magyar Telekom, which owns 51.00% of AD Makedonski Telekomunikacii - Skopje (the Company) through Stonebridge Communications AD Skopje under liquidation, is still investigating any possible violations of the Group's policy or the applicable laws and regulations, which investigation includes the Company.

This investigation, which is being conducted by an independent law firm and supervised by the Audit Committee of Magyar Telekom, is still ongoing. As a result of the investigation, the Consolidated Financial Statements for 2005, 2006 and 2007 prepared in accordance with the International Financial Reporting Standards (IFRS) have not been audited yet.

No assurance can be given that as a result of the investigation the Consolidated Financial Statements for 2005, 2006 and 2007 prepared in accordance with the IFRS and the financial statements or financial information referring to any other period, including any period of 2008, will not vary from those submitted and published prior to the completion of the investigation and




Nikola Beckers
Chief Executive Officer

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CONSOLIDATED INCOME STATEMENT ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)AD Makedonski Telekomunikacii - Skopje
ID 5168660

(in thousands of MKD)

| | 01.01- 31.03.2008 | 01.01- 31.03.2007 |
|---|----------------------|----------------------|
| Position | | |
| Sales revenues | 4,332,503 | 4,145,913 |
| Other operating revenues | 318,150 | 69,333 |
| Movement in inventories | - | - |
| Capitalized own work and products | - | - |
| Materials, spare parts and office supplies | (18,903) | (15,279) |
| Employee expenses | (372,056) | (371,185) |
| Depreciation and revaluation (indexation) of depreciation | (772,500) | (810,049) |
| Other operating expenses | (1,348,454) | (1,157,125) |
| Cost of goods sold | (392,748) | (253,575) |
| Profit from operations | 1,745,992 | 1,608,033 |
| Financial income | 138,627 | 168,515 |
| Financial expenses | (7,542) | (7,572) |
| Profit from operating activities before tax | 1,877,077 | 1,768,976 |
| Income tax expense | (228,673) | (225,424) |
| Profit after tax | 1,648,404 | 1,543,552 |
| Minority interest | - | - |
| Net profit from operating activities | 1,648,404 | 1,543,552 |
| Extraordinary income | - | - |
| Extraordinary expenses | - | - |
| Net profit | 1,648,404 | 1,543,552 |

Nikolai Beckers
Chief Executive Officer



To: Securities and Exchange Commission of the RoM

STATEMENT

In accordance with the Law on Securities of the RoM, I, Nikolai Beckers, Chief Executive Officer of AD Makedonski Telekomunikacii – Skopje, hereby affirm that the delivered consolidated non-audited income statement prepared in accordance with the International Financial Reporting Standards (IFRS) and the related explanation on the operation for the period 01.01.2008 – 31.03.2008 is accurate and reliable.

As announced earlier, Magyar Telekom, which owns 51.00% of AD Makedonski Telekomunikacii - Skopje (the Company) through Stonebridge Communications A.D. Skopje under liquidation, is still investigating any possible violations of the Group's policy or the applicable laws and regulations, which investigation includes the Company.

This inquiry, which is being conducted by an independent law firm and supervised by the Audit Committee of Magyar Telekom, is still ongoing. As a result of the investigation, the IFRS Consolidated Financial Statements for 2005, 2006 and 2007 have not been audited yet.

No assurance can be given that as a result of the investigation the IFRS Consolidated Financial Statements for 2005, 2006 and 2007 and the financial statements or financial information referring to any other period, including any period of 2008, will not vary from those submitted and published prior to the completion of the investigation and the audit of such financial statements and data.




Nikolai Beckers
Chief Executive Officer

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