

## **Press Release**

**April 5, 2001**

Release + 4 pages

### **Telia's Annual General Meeting**

Please find attached an english translation of the announcement regarding the Annual General Meeting of Telia AB (Publ), Thursday May 10, 2001, at 4:00 p.m. at the Globe Arena, Stockholm.

Telia intends to publish the notification of the Annual General Meeting in Post- och Inrikes Tidningar, Svenska Dagbladet and Dagens Nyheter Monday April 9, 2001 when the call center will be open from 9.00 a.m. for notification of attendance.

Stockholm April 5, 2001

TELIA AB (publ)

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**For further information journalists can contact:  
Telia's Press Office, ph +46 8 713 58 30**

<p>Telia is the leading Nordic communications company challenging technology to liberate you in life and business. In 2000, Telia's sales totalled SEK 54,064 million and the number of employees was 29,868. Telia is quoted on the A-list of the Stockholm Stock Exchange.</p>
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# Annual General Meeting of Telia AB (publ.)

The shareholders of TELIA AB (publ.) are hereby summoned to the ordinary Annual General Meeting in the Globe Arena, Stockholm, Sweden, at 4 p.m. on Thursday, May 10, 2001.

The doors will open at 2 p.m., and coffee will be served until 3 p.m.  
3 p.m. – 3:40 p.m. Presentation of recently launched Telia services.

## Right to participate

Shareholders wishing to participate in the Annual General Meeting must

- be listed as shareholders in the printout of the register of shareholders issued by VPC AB on Monday, April 30, 2001, and
- have notified Telia AB of their intent to participate in the Annual General Meeting not later than 4 p.m. on Friday, May 4, 2001.

## Notice, etc.

Notice of participation can be furnished in writing to Telia AB, Box 999, SE-171 74 Solna, Sweden, by telephone +46 (0)8-470 8120 or, for private individuals, via the Internet at [www.telia.com/agm](http://www.telia.com/agm). Notice may be provided by phone on weekdays between 9 a.m. and 5 p.m. The notice must include name, social security/corporate registration number and number of accompanying assistants. To facilitate admission to the Annual General Meeting, powers of attorney, registration certificates and other authorizing documents should be sent to the Company at the above address by Tuesday, May 8, 2001. Please note that any powers of attorney must be submitted in the original, and thus cannot be sent via the Internet. In order to be able to participate in the Annual General Meeting, shareholders who have allowed their shares to be registered in trust must temporarily re-register their shares in the register of shareholders under their own names by Monday, April 30, 2001. These shareholders must notify their trustees of this well in advance of Monday, April 30, 2001 so that the shares can be re-registered.

As a service to those who are unable to attend, the President's speech and the presentation materials furnished at the Annual General Meeting will be posted on our homepage at [www.telia.com](http://www.telia.com), Investor Relations, as of the day after the meeting.

## Proposed Agenda

Opening of the Annual General Meeting

1. Election of meeting chairperson
2. Election of two people to check the meeting minutes along with the chairperson
3. Preparation and approval of voting register
4. Adoption of agenda
5. Confirmation that the meeting has been duly and properly convened
6. Presentation of the Annual Report and Auditor's Report, Consolidated Financial Statements and Group Auditor's Report for 2000. Speech by President Marianne Nivert in connection herewith
7. Resolution to adopt the Income Statement, Balance Sheet, Consolidated Income Statement and Consolidated Balance Sheet for 2000
8. Resolution concerning appropriation of the Company's profits as per the adopted Balance Sheet, and setting of record date for the stock dividend

9. Resolution concerning discharging of members of the Board of Directors and the President from personal liability for the administration of the Company in 2000
10. Resolution concerning number of board members and deputy board members to be elected by the Annual General Meeting
11. Resolution concerning compensation for the Board of Directors
12. Election of Board of Directors. The election will be preceded by information from the chairperson concerning positions held in other companies by the candidates
13. Board of Director's proposed resolution regarding an employee options program to include the issue of debentures with options to subscribe for new shares
14. Board of Director's proposal to establish a nominating committee.

Closing of the meeting

#### **Item 8 – Dividend**

The Board of Directors proposes that a dividend of SEK 0.50 per share be distributed to the shareholders, and that May 15, 2001 be set as the record date for the dividend. If the Annual General Meeting adopts this proposal, it is estimated that disbursement from VPC AB will take place on May 18, 2001.

#### **Item 13 – Employee options program**

The Board of Directors proposes that the Annual General Meeting approve an employee options program, subject to the following main terms and conditions: It is estimated that the employee options program will include roughly 16,000 employees. This includes all employees holding posts with conditional tenure in the Telia Group, except for employees in the Equity division, which is subject to ownership expansion. The employee options program will also include employees who are holding posts with conditional tenure in companies in which no ownership expansion has occurred by January 1, 2002. A maximum of roughly 5,000 employees can be added in these companies. The offer does not target employees in those countries where the issuance of employee options is not deemed appropriate for legal, tax-related or administrative reasons. The options will be allocated free of charge, with each employee receiving 1,000 employee options.

The option program will comprise a maximum total of 21,000,000 options. Each option will entitle the bearer to exercise a subscription option to subscribe for one new share in Telia AB at a subscription price to be set as specified below. The options shall not constitute securities, and are not transferable to any third party. The options are to be exercisable from May 31, 2003 – May 31, 2005, subject essentially to the condition that the individual in question is still an employee of the Telia Group as of the date the option is exercised.

The Board of Directors further proposes that the Annual General Meeting, in the interests of implementing the aforementioned employee options program, resolve to issue debentures

with options to subscribe for new shares, and approve the transfer of options to employees subject to the following main terms and conditions:

A Debentures with a maximum face value of SEK 275,000 associated with a maximum of 27,500,000 options to subscribe new shares shall, in order to effect the further transfer of option rights to employees in accordance with B below, and, in deviation from the shareholders' preemptive rights, be capable of subscription by wholly owned subsidiaries of Telia AB. Debentures shall be issued at a price corresponding to their face value, and are to run interest-free and fall due payable

on June 30, 2001. Each option shall entitle the holder to subscribe for one new share in Telia AB as of May 31, 2003 through May 31, 2005 at a subscription price to be set at an amount corresponding to 115% of the average exchange price for shares of Telia AB as of May 14 through May 18, 2001. The subscription price and number of shares to which the option confers the right to subscribe shall be adjusted in connection with new issues of shares, etc. in accordance with the customary rules.

**B** The subsidiary shall, after subscribing debentures with options, detach the options and, upon exercise of the employee options, transfer a maximum of 21,000,000 options, on the condition that they be exercised immediately to subscribe shares, to employees in the Telia Group, so as to fulfill the obligations pursuant to the employee options program as described above. Such transfer shall be made free of charge.

The subsidiary shall further retain and have the right to dispose of a maximum of 6,500,000 options in order to cover the social welfare costs incurred by the company in connection with the fulfillment of its obligations pursuant to the employee options program as described above.

The reasons for such deviation from the shareholders' preemptive rights are as follows: Personal, long-term ownership commitment on the part of the employees can be expected to stimulate greater interest in the company and improved earnings, increase motivation and cultivate a greater sense of belonging to the company. As a result, the Board believes that the offer will be beneficial to both the Company and its shareholders.

Fully exercised, the options will increase capital stock by SEK 88,000,000. The number of options will total 0.9% of the number of shares, if they are fully exercised.

Resolutions of the Annual General Meeting under Item 13 are valid only if they have the support of shareholders representing at least nine-tenths of both the votes cast and the stock represented at the meeting.

#### **Item 14 – Nominating Committee**

The Board of Directors proposes that the Annual General Meeting resolve to establish a nominating committee, and that this committee consist of representatives from the four largest shareholders in the Company from time to time, plus the Chairman of the Board. The primary purpose of the committee will be to nominate board members and present proposals regarding board member compensation. The committee's proposal should be published in summons to Annual General Meetings at which board elections are to be held.

#### **Complete proposed resolutions and Annual Report**

The Board of Directors' complete proposed resolution concerning the establishment of an employee options program and the associated proposed issue of new shares will be available at the Company as of Thursday, May 3, 2001. The Annual Report and Auditor's Report for fiscal 2000 will be available at the Company as of Thursday, April 26. All the documents will be kept available at Telia AB, Investor Relations, Mårbackagatan 11 in Farsta, Sweden, and are available by request to anyone who wishes to obtain them by writing to: Telia AB, Box 999, SE-171 74 Solna, Sweden.

#### **Items 1, 10, 11 and 12 concerning board members and compensation, etc.**

A nominating committee comprising representatives from Telia's major owners: the Swedish state, Alecta, SEB Fonder/SEB Trygg Liv and Robur, plus Telia's

Chairman of the Board has prepared certain items of business in advance of the meeting. Shareholders representing roughly 76% of the stock and votes in the company have stated their support for the following proposals:

- Meeting chairperson: Claes Beyer.
- Number of board members: Nine members, with no deputy members.
- Board compensation: Compensation unchanged, i.e. SEK 500,000 for the Chairman and SEK 200,000 to each of the other board members who are elected by the Annual General Meeting and who are not employees of the Telia Group.
- Board election: Re-election of Carl Bennet, Anders Igel, Birgitta Johansson-Hedberg, Ingvar Carlsson and Lars-Eric Petersson, plus election of new candidates Peter Augustsson, Marianne Nivert, Lars Olofsson and Caroline Sundewall.

Stockholm, April 2001

## **The Board of Directors**

### **INTERPRETATION INTO ENGLISH**

For the convenience of non-Swedish-speaking shareholders the proceedings of the Annual General Meeting will be simultaneously interpreted into English, if so requested in connection with notice of attendance at the Annual General Meeting.