

Tele1 Europe Holding AB: Invitation Extraordinary General Shareholders Meeting

The shareholders in **Tele1 Europe Holding AB**, No. 556512-7031, are hereby invited to an extra general shareholders meeting on Tuesday February 27, 2001, at 1.00 PM (Swedish time), at Hotel Ariadne, Södra Kajen 37, Frihamnen, Stockholm

Notification etc.

To be entitled to attend the meeting a shareholder must:

- a) be registered as a shareholder in the share ledger kept by VPC AB no later than on Friday February 16, 2001, and
- b) give notice of his or hers intention to attend the meeting no later than February 21, 2001, at 12.00 AM (Swedish time).

A notice of attendance may be made in writing to Tele1 Europe Holding AB, Att: Ulrika Grauers Kullberg, Positionen 146, 115 74 Stockholm, by e-mail: ulrika.kullberg@tele1europe.se, by fax +46-8-5631 01 01 or by phone +46-8-5631 00 00. The notice should also state the number of advisors attending. Shareholders holding their shares through a nominee have to have their shares temporarily registered in their own name in due time before February 16, 2001, in order to be entitled to attend the meeting. The depository will contact holders of ADSs with further instructions on how to vote.

Agenda

1. Opening of the meeting.
2. Election of the chairman of the meeting.
3. Preparation and approval of the voting list.
4. Election of one or two persons to approve the minutes.
5. Approval of the agenda.
6. Determination whether the meeting has been duly convened.
7. Proposal from the board to issue debentures with detachable warrants to subscribe for new shares, with deviation from the shareholders' preemptive rights, as well as approval of transfer of warrants.
8. Proposal from the board to issue debentures with detachable warrants to subscribe for new shares directed to the company's Finnish subsidiary, as well as approval of transfer of warrants.
9. End of the meeting.

Complete proposals in respect of sections 7-8 above as well as documents according to chapter 4 § 4 and chapter 5 § 3 of the Swedish Companies Act will be available at the company's offices at Hangövägen 29, Stockholm, from February 20, 2001 and will also be presented at the meeting. Copies of these documents will also be sent to shareholders who so requests and states their postal address.

Proposals

7. Proposal from the board to issue debentures with detachable warrants to subscribe for new shares, with deviation from the shareholders' preemptive rights, as well as approval of transfer of warrants.

The board proposes that the general meeting shall decide that Tele1 Europe Holding AB (the "Company") shall raise a subordinated loan in a total nominal amount of SEK 170,000, by issuing debentures with a total of 1,700,000 warrants to subscribe for new shares in the Company. As a consequence the share capital of the Company may increase with up to SEK 85,000, which, assuming full exercise, corresponds to approximately 1.1% of the total number of shares and votes.

Subscriptions may be made by employees of the Company and its subsidiaries, who are permanently employed on February 1, 2001, and whose employment at the end of the subscription period has not been terminated by the employee or the employer, as well as the wholly owned subsidiary Tele1 Europe AB.

Employees entitled to subscribe shall be offered to subscribe for debentures with warrants according to the following: Category I – group management and CEOs – debentures with no more than 25,000 warrants per person, Category II – executive officers – debentures with no more than 5,000 warrants per person, Category III – group chiefs / specialists – debentures with no more than 2,000 warrants per person, Category IV – other employees – debentures with no more than 1,000 warrants per person.

Further, Tele1 Europe AB shall be offered to subscribe for debentures with warrants that have not been offered to employees as described above and debentures with warrants that have been offered to employees as described above but not subscribed for. Tele1 Europe AB shall however not be offered to subscribe for more than 170,000 warrants. After subscription of debentures with warrants, Tele1 Europe AB shall be entitled to detach the warrants and transfer these to persons that are not included in the abovementioned offer and who are permanently employed by the Company or any of its subsidiaries after February 1, 2001. Such transfer shall be made on market terms and in accordance with the abovementioned principles for allocation.

The debentures, each having a nominal value of SEK 10 and having 100 warrants to subscribe for 100 new shares, shall be issued at a price corresponding to the value of the warrants according to the so called Black & Scholes model and shall be based on the market price of the shares, plus the nominal amount of the debentures. The debentures carry a 3% interest and are due on March 28, 2002.

Exercise of the warrants, where each warrants entitles the holder to subscribe of one (1) share, may be made during the period September 3, 2001 – March 15, 2004. The exercise price per share shall correspond to 125% of the average bid price for the Company's shares on the Stockholm Stock Exchange during the period February 27 2001 – March 12, 2001. Day without quotations shall not be included in the calculation. The average price shall be rounded to the nearest even SEK amount, where 50 öre shall be rounded down. Regular recalculation terms are applicable on the issue.

Employees entitled to subscribe shall make their subscription and pay no later than March, 19, 2001, and March 30, 2001, respectively. Tele1 Europe AB shall subscribe and pay no later than March 20, 2001, and March 30, 2001, respectively.

The board or such person that the board appoints shall have the right to make such minor changes to the general meetings decision that may be necessary in connection with the registration thereof with the PRV and, if applicable, VPC.

The reasons for the deviation from the shareholders' preemptive rights are that the Company believes that a long term personal ownership interest in the Company can be expected to increase the interest for the business and the results of the Company, increase motivation and the bond to the group. It is therefore advantageous for the Company to be able to offer the employees an opportunity to take part in the development of the group in a way that at the same time favors the shareholders.

The decision requires approval by at least nine tenths of both the votes as well as nine tenths of the shares represented at the meeting to be valid.

8. Proposal from the board to issue debentures with detachable warrants to subscribe for new shares directed to the company's Finnish subsidiary, as well as approval of transfer of warrants.

The board proposes that the Company shall decide to raise two subordinated loans in a nominal amount of SEK 1 each, by issuing 2 debentures, referred to as N-S no. 31:2, with a total of 20,000 detachable warrants to subscribe for new shares, and N-S no. 32:2, with a total of 20,000 detachable warrants to subscribe for new shares. As a consequence, the share capital of the Company may increase with up to SEK 2,000, which, assuming full exercise, corresponds to less than 0.1% of the total number of shares and votes.

With deviation from the preemptive rights of the shareholders, the debentures shall be subscribed for by the Company's Finnish subsidiary Tele1 Europe in Finland OY for subsequent transfer to employees in the Tele1 group according to the terms of previously issued so-called employee options issued under option plans in inter alia Norway.

The debentures are issued at their nominal amount. The debentures, which shall be subscribed for and paid no later than March 30, 2001, shall carry a 3% interest and are due March 28, 2002. Over subscription may not occur. Each warrant entitles the holder to subscribe for one share, having a nominal amount of SEK 0.05, in the Company. Regular recalculation terms etc. are applicable on the issue.

For the 20,000 warrants attached to debenture N-S 31:2, exercise may be made during the period starting on the date of the registration of the issue by the PRV until September 1, 2003. The exercise price per share shall, at the date of exercise, be an amount in SEK corresponding to NOK 3.65, increased by 1% per month from September 1, 1998 including the month of exercise.

For the 20,000 warrants attached to debenture N-S 32:2, exercise may be made during the period starting on the date of the registration of the issue by the PRV until January 14, 2004. The exercise price per share shall, at the date of exercise, be an amount in SEK corresponding to NOK 4, increased by 1% per month from January 15, 1999, including the month of exercise.

The board or such person that the board appoints shall have the right to make such minor changes to the general meetings decision that may be necessary in connection with the registration thereof with the PRV.

The reason for the deviation from the preemptive rights of the shareholders is to make sure that the Company's foreign subsidiaries are able to fulfill their obligations under the previously issued employee options by way of transferring warrants to the employees. The transfer shall according to the terms relating to the employee options be made without any compensation being paid by the employee.

The decision to approve the transfer of these options requires approval by at least nine tenths of both the votes as well as nine tenths of the shares represented at the meeting.

As a consequence of the board's proposal under section 7 and 8, the Company's share capital may increase in total with up to SEK 87,000, which, assuming full exercise, corresponds to approximately 1.1% of the total number of shares and votes.

The total dilution, taken into account all previously issued and outstanding warrants, corresponds to approximately 9.6% of the total number of shares and votes.

Stockholm in Januari 2001

Tele1 Europe Holding AB

Styrelsen