

Press Release

April 5, 2001

Telia proposes incentive programme for all employees

Telia's Board of Directors will propose to the Annual General Meeting of Telia on May 10 to approve a stock option plan for the employees of the Telia Group. The proposed plan aims to enhance Telia's possibilities to attract and retain personnel and to strengthen employee commitment and involvement in the Group's operations.

The stock option plan is expected to cover 16,000 employees equalling all employees on a permanent employment basis in the Group excluding employees in the companies of the Equity business area whose ownership will be broadened. The following is a summary of the proposal.

All employees of the Telia Group, with certain exceptions of special nature, will be offered so-called stock options. As the main rule, each employee will be offered 1,000 options. The options will be received free of charge and give an employee the right to subscribe for one new Telia share for each option held during a period of two years beginning two years after grant. The options are not transferable and can be exercised for shares only if the holder remains an employee of the Telia Group.

The dilution effect of the stock option plan is expected to be less than 0,9 percent.

An annual bonus program will be established for management and certain other key employees, a total of between 200 and 300 people. Bonuses will be paid only if the Telia share price outperforms a peer group consisting of a number of comparable Swedish and foreign companies during the respective measurement period. The amount of the bonus is never to exceed 20 percent of the base salary.

The Board of Directors is not covered by this proposed incentive programme.

Further information will be given in the announcement regarding the Annual General Meeting.

For further information journalists can contact:

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<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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