X-pand into the Future

e u r e x *circular 033/04*

Date: Frankfurt, March 15, 2004
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

⚠ **Action Required** ⚠ **High Priority**

TeliaSonera (TLSN) – Extraordinary Dividend

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Content may be most important for:

- Front Office / Trading
- Middle + Back Office
- IT /System Administration
- Auditing / Security Coordination

Attachments:
None

Summary:

At the Annual General Meeting of TeliaSonera on April 28, 2004, the payment of an extraordinary dividend will be suggested to the shareholders. This extraordinary dividend of SEK 0.20 is in addition to the ordinary dividend of SEK 0.80. You were already informed on February 11, 2004 via the Market Supervision Messages window that an adjustment to the Eurex options on shares of TeliaSonera for existing series would be required.

This circular contains a description of the adjustment procedure.

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Management Board:
Rudolf Ferscha (CEO), Jürg Spillmann,
Daniel Gisler, Thomas Lenz,
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TeliaSonera (TLSN) – Extraordinary Dividend

At the Annual General Meeting of TeliaSonera on April 28, 2004, the payment of an extraordinary dividend will be suggested to the shareholders. This extraordinary dividend of SEK 0.20 is in addition to the ordinary dividend of SEK 0.80.

The ex day is planned for April 29, 2004.

As a result of this extraordinary dividend, an adjustment to the Eurex option on shares of TeliaSonera pursuant to Section 2.3.7 (2) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required.

Eurex already informed members on February 11, 2004 via the Market Supervision Messages window that an adjustment to the Eurex options on shares of TeliaSonera for existing series would be required. This circular contains a description of the adjustment procedure, if the proposal is passed at the Annual General Meeting on April 28, 2004. The procedure is as follows:

The closing price of the share on April 28, 2004, quoted on the OMHEX, is the basis for the adjustment. The price will firstly be reduced by the amount of the regular dividend (converted into euro using the SEK/EUR reference exchange rate on April 28, 2004). The resulting price will be used to calculate the adjustment factor (R-factor).

S1 = Closing price of the share TLSN

S2 = S1 - regular dividend

S3 = S2 - extraordinary dividend (again converted to euro using the SEK/EUR reference exchange rate on April 28, 2004)

R-factor = S3/S2

Adjustment of the strike price will be made by multiplying by the R-factor. The contract size will be increased accordingly, so that the original contract value is maintained.

C1 = old contract size

C2 = new contract size

X1 = old strike price

X2 = new strike price

C2 = (C1 * X1)/X2

The strike prices and contract sizes resulting from the adjustment will be published immediately after close of trading on the last cum trading day, April 28, 2004, via the Market Supervision Messages window. The version number of adjusted series will be increased by 1. New series with version number 0 and the standard contract size of 100 will be introduced with effect from the ex day, April 29, 2004. All outstanding orders and quotes will be deleted after close of trading on April 28, 2004.

On exercise of an adjusted series, a cash payment will be made for the number of shares over and above the standard contract size.

On the days before payment of the extraordinary dividend the Contract Cover Assignment Entry window should be used to delete all allocations of shares covering short call positions for the product TLSN.

Please contact the Functional Help Desk on +49-69-211-1 12 10, should you have any further questions.

Frankfurt, March 15, 2004

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