

NORSK TILLITSMANN

NORWEGIAN TRUSTEE

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To the bondholders in:

ISIN: NO 001067454.2 - FRN Telio Holding ASA Senior Unsecured Bond Issue 2013/2017

Oslo, 22 January 2014

Summons to Bondholders' Meeting – request for early redemption

Norsk Tillitsmann ASA acts as bond trustee (the “**Bond Trustee**”) for the above mentioned issue with ISIN NO0010674542 (the “**Bond Issue**”) issued by Telio Holding ASA (“**Telio**” or the “**Issuer**”).

Capitalized terms used herein shall have the meaning assigned to them in the bond agreement dated 9 April 2013 (the “**Bond Agreement**”), unless otherwise stated herein.

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

1.1 Introduction

Telio is in a solid financial position, where it believes it makes sense to distribute dividends to the shareholders. However, the Bond Agreement includes substantial restrictions for the Issuer on the ability to distribute dividends.

The Bond Agreement does not include any rights for the Issuer to call the Bonds before 10 April 2016. As a consequence, the Issuer will therefore propose for the Bondholders that an early redemption is approved, on the terms and conditions set forth herein (the “**Proposal**”).

1.2 Further information

For further information about Telio, please see the company webpage www.teliholding.no.

The Issuer has engaged Nordea Markets, Nordea Bank Norge ASA, as its financial advisors (the “**Advisors**”) with respect to the Proposal. Accordingly, Bondholders may contact the Advisors as follows for further information:

Erich Normann, Tel.: +47 22 48 77 82, Email: erich.normann@nordea.com

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2. PROPOSAL

In accordance with Clause 16.2 of the Bond Agreement, the Issuer has approached the Bond Trustee to convene a Bondholders' Meeting for the Bonds in order to consider the Issuer's request for an early redemption of the Bonds.

The Issuer proposes that the Issuer shall have a right and obligation to redeem the Bonds in full at 108.50% of par value, plus accrued unpaid interests (the "Early Redemption Price"), on or about 7 March 2014.

3. EVALUATION OF THE PROPOSAL

In the Issuer's opinion, the Proposal represents an attractive solution for the Bondholders. The Early Redemption Price implies a price premium compared to the trading levels of the Bonds in the secondary market.

4. NON-RELIANCE

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly.

To enable the Issuer to conduct the proposed change of the Bond Agreement, the Issuer has requested the Bond Trustee to summon a Bondholders' meeting to consider the approval of the proposed changes.

5. BONDHOLDERS' MEETING:

Bondholders are hereby summoned to a Bondholders' meeting:

Time: 5 February 2014 at 13:00 hours (Oslo time),
Place: The premises of Norsk Tillitsmann ASA,
Haakon VIIs gt 1, 0161 Oslo - 5th floor

Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of proposal:

It is proposed that the Bondholders' meeting resolve the following:

"The Bondholders' Meeting approves the Proposal as described in section 2 of the summons for the Bondholders' Meeting.

The Bond Trustee is hereby authorized to complete the negotiation of form, terms, conditions and timing in relation to the Proposal, without any obligation to notify the Bondholders as provided for in Clause 16.2 of the Bond Agreement. Further, the Bond Trustee is given power of attorney to enter into the necessary agreements in connection with documenting the decisions made by the Bondholders' Meeting as well as to carry out the necessary completion of work, including making amendments to the Bond Agreement and enter into an addendum agreement to the Bond Agreement."

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To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least 5/10 of the voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Norsk Tillitsmann to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Norsk Tillitsmann to vote, must then be returned to Norsk Tillitsmann in due time before the meeting is scheduled (by scanned e-mail, telefax or post - please see the first page of this letter for further details).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the bondholders' meeting, either in person or by proxy other than to Norsk Tillitsmann, to notify Norsk Tillitsmann by telephone or by e-mail (www.mail@trustee.no) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely
Norsk Tillitsmann ASA



Karianne E. Bruland

Enclosed: Bondholder's Form