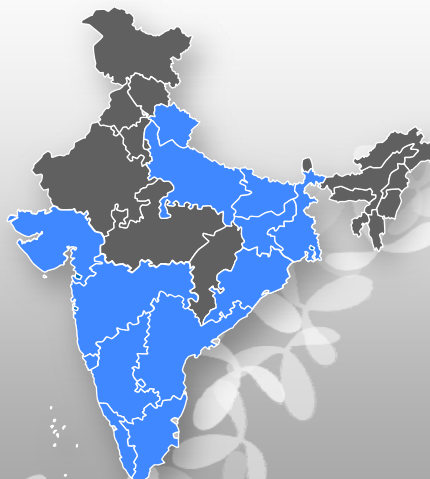
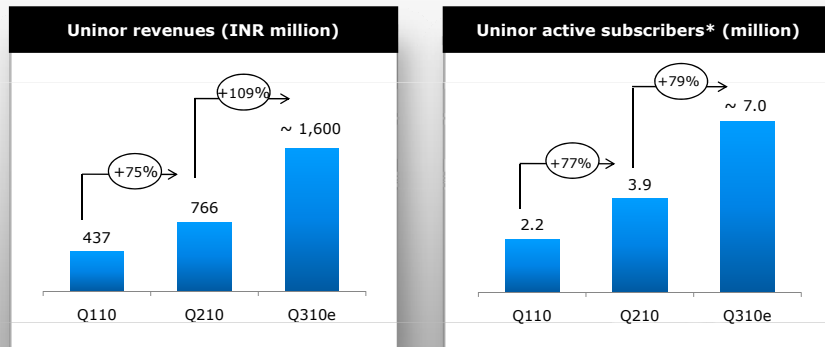


Uninor – from launch to operational phase

- 13 circles – 900 million people - 35-40% population coverage
- Challenges in transition from launch to operational phase
- Corrective actions taken



Subscriber and revenue growth picking up



*Active subscribers is defined as : Rolling 30 days sub base, with either OG / IC voice or SMS, recharges but excluding calls to call centre & incoming A2P SMS

3



A competitive cost model

- Asset light
- Low upfront cost
- No legacy issues
- 100% tower sharing
- IT outsourcing – IT costs expected to be best-in-class
- Favourable vendor agreements

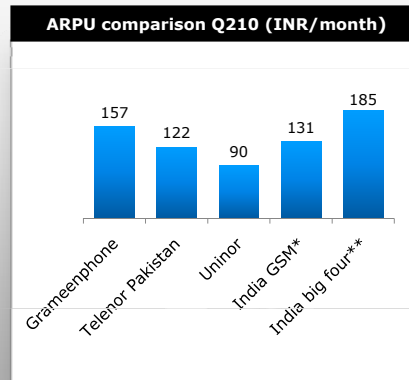


4



Competitive intensity remains high

- Not all new entrants have launched
- Competitive landscape varies from circle to circle
- Typically 3 strong players and 3 medium-sized players per circle
- India ARPU level in line with other markets in the region

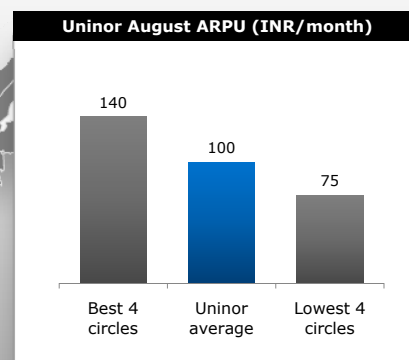
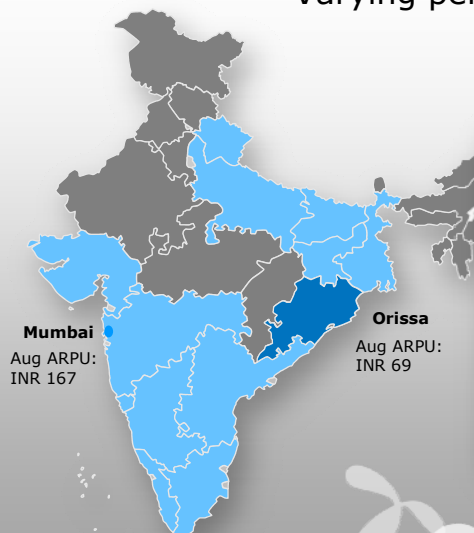



* India GSM = average as per TRAI report for quarter ending Mar 2010

**India big four = average ARPU reported by Vodafone, Bharti Airtel, Reliance and Idea for quarter ending Mar 10



Varying performance across circles





Uncertainty on regulatory issues

- 2G spectrum scarcity continues
 - Uninor still lacking spectrum in Delhi
- TRAI recommendations
 - Clarity in Q111 at the earliest
 - Main concern is proposed rollout requirements
- Security clearance for telecom equipment

TRAI= Telecom Regulatory Authority of India

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Corrective actions

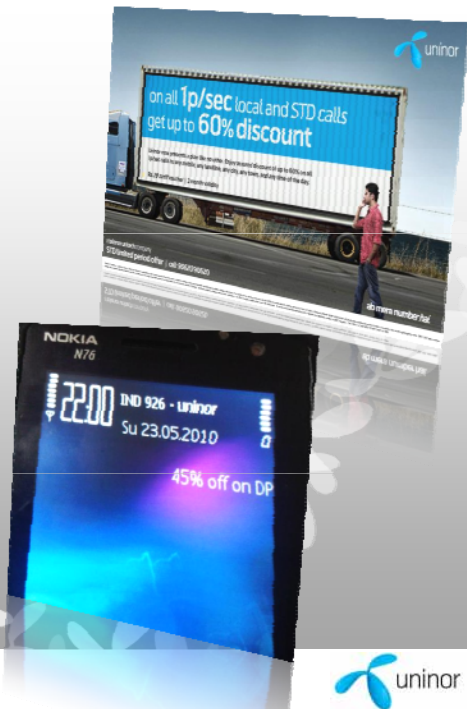
- Simplified product message
- Focus on street-level market activities
- Improved distribution model
- Cross-circle sharing of best practice
- Strategy and know-how from Telenor Asia
- Delay capex until improvement in revenues

8



First-mover with Dynamic Pricing

- First operator to launch Dynamic Pricing in India
- Discounts from 5% to 60%, depending on time and location
- Around 55% of customer base on Dynamic Pricing
- Objectives:
 - Establish Uninor as an innovator
 - Become the primary SIM
 - Be geographically precise in pricing and promotions
 - Stimulate usage elasticity
 - Optimise network utilisation



9

Strengthening the distribution model

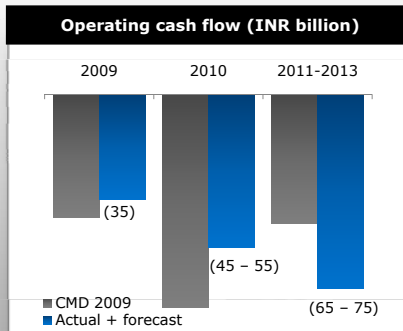
- Sales Tracking System – unique for India
- Daily performance tracking – e.g. daily SMS
- Spend on trade and acquisitions, vs. advertising
- Improved channel servicing
- Commissions aligned to business goals – no arbitrage
- Value based incentives for retailers – for revenue earning customers



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Financial targets unchanged

- Outlook for 2010 :
 - EBITDA loss of NOK 4.5-5.0 bn
 - Capex of NOK 2.0-2.5 bn
- EBITDA breakeven in ~3 years from launch
- OCF* breakeven in ~5 years from launch
- Peak funding below INR 155 bn**



*) Operating cash flow (OCF), defined as EBITDA before other items – Capex
 **) Peak funding defined as accumulated OCF before OCF breakeven

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Summary

- Revenue and subscriber growth picking up
- Focus on
 - Dynamic Pricing
 - Distribution and street-level initiatives
 - Cost efficiency
 - Cross-circle and Asia sharing of best practice
- Peak funding below INR 155 bn unchanged

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