



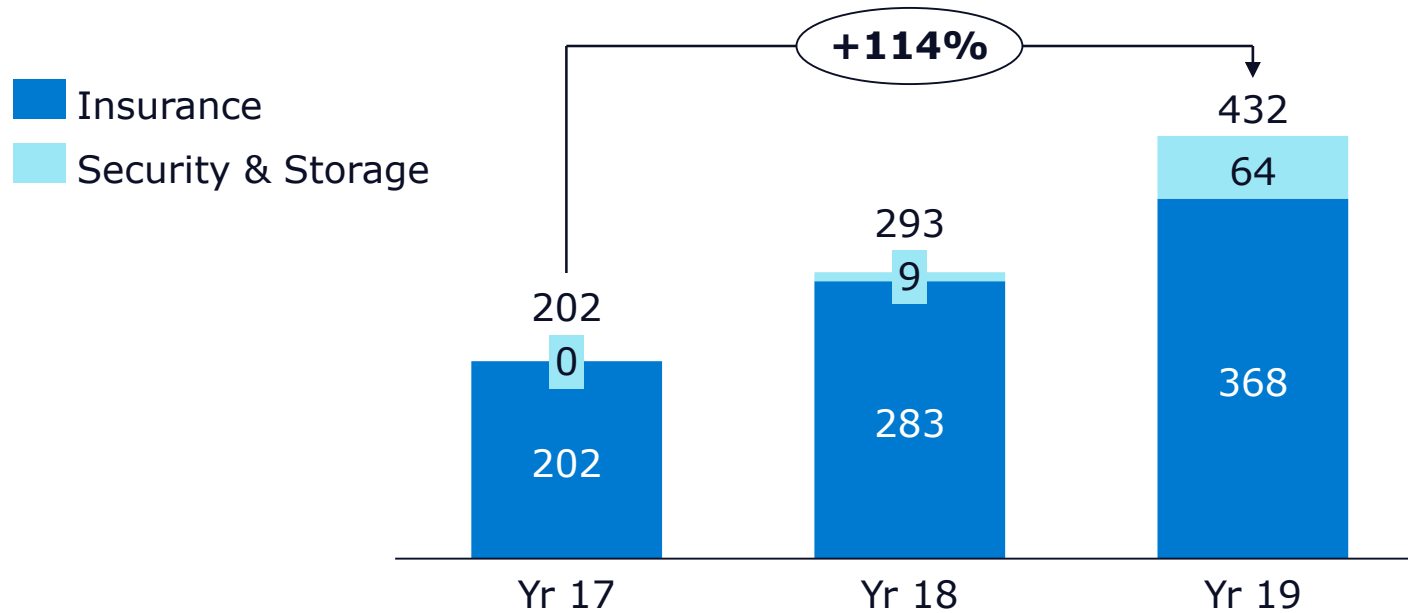
CMD²⁰/₂₀
CAPITAL MARKETS DAY

Service growth in the Nordics.

Consumer mobile market in Norway

Ric Brown,
CMO Mobile, Telenor Norway

Telenor Norway is growing ARPU by adding service revenue



Consumer adjacent service revenue (mNOK)



Insurance



Security



ARPU Growth

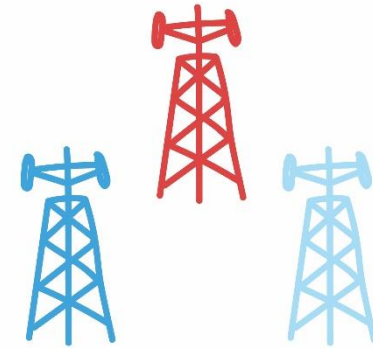
5%

5% consumer mobile ARPU growth 2018 to 2019,
similar ARPU growth continuing in Q1 2020.



Despite strong industry fundamentals, growth is limited

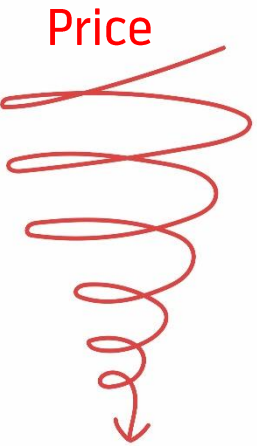
Indispensable



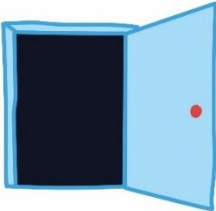
Very tough price competition.
YoY fall in unit prices of about 20%¹ negates positive effect from data growth.



2 arenas of tough competition in the market



Close to Commodity



Easy to switch



100% Saturated market



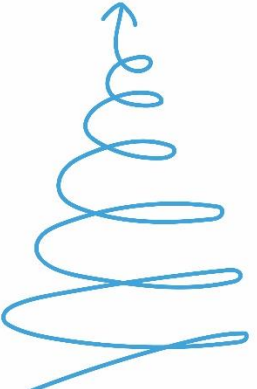
Clearly differentiated



Many reasons to stay



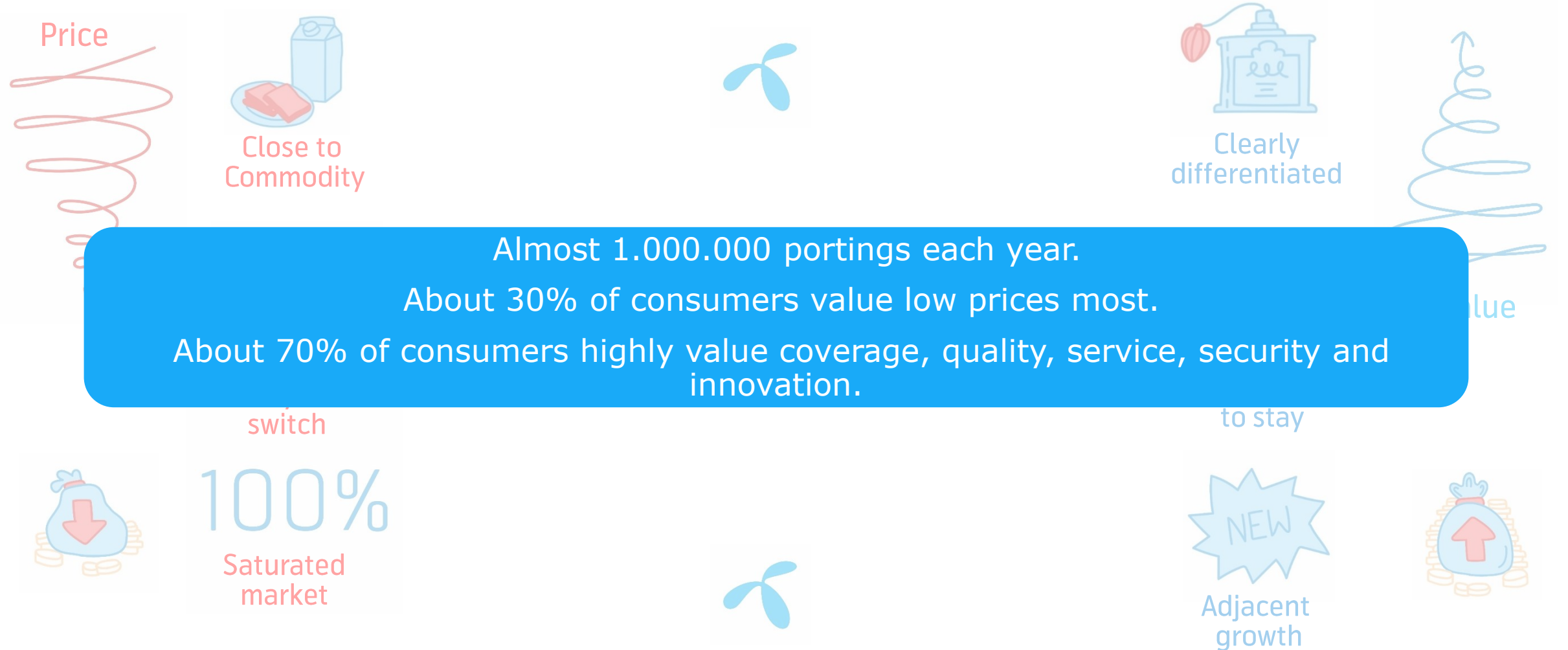
Adjacent growth



Value



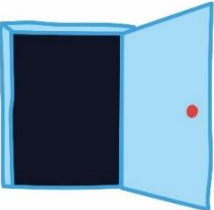
2 arenas of tough competition in the market



Strong pressure towards «price-focused» competition



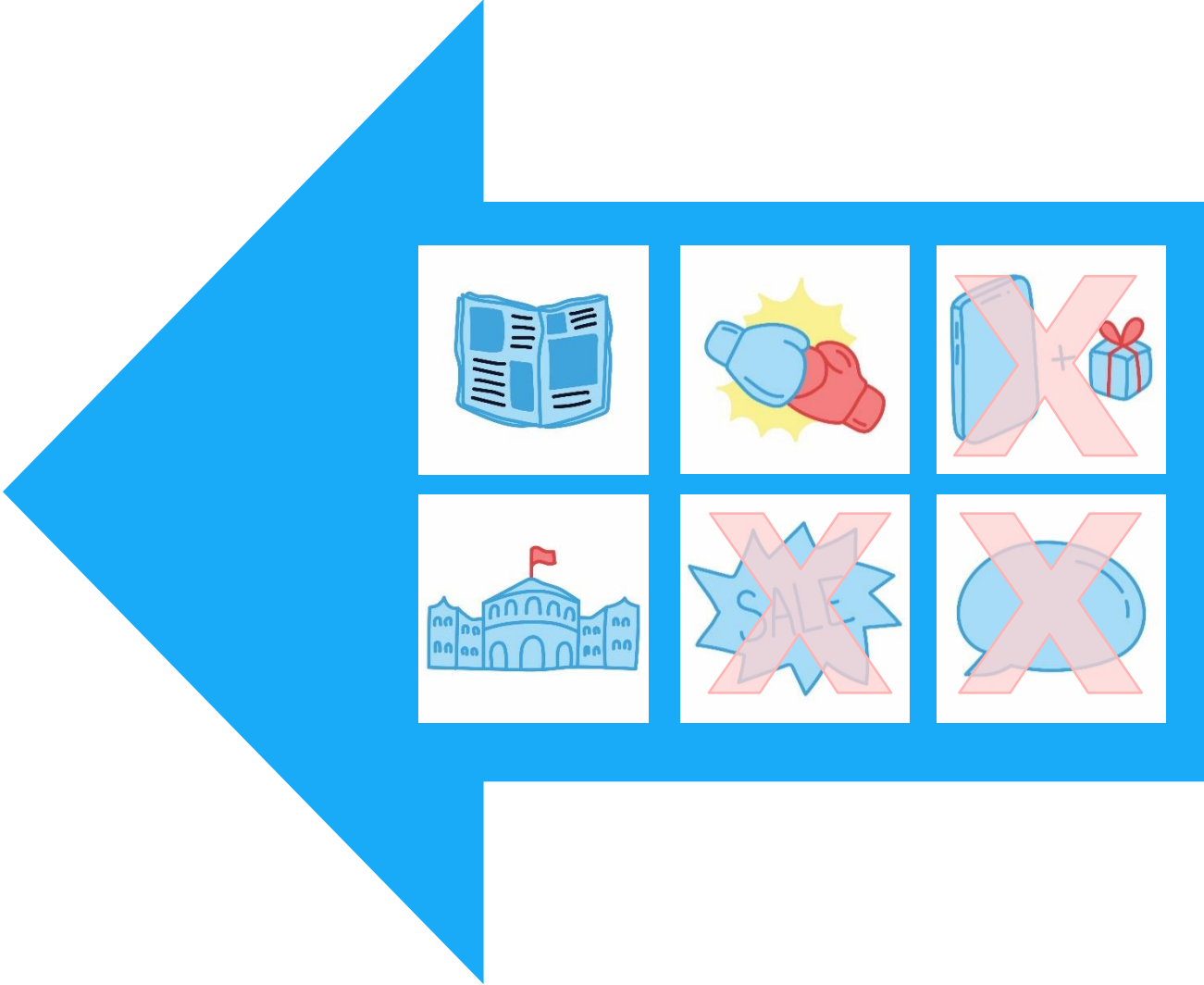
Close to
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Saturated
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Clearly
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Many reasons
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Adjacent
growth



Strong pressure towards «price-focused» competition



Close to Commodity



Clearly differentiated

Telenor serves price-focused customers primarily with the Talkmore sub-brand.



Easy switch

Many reasons to stay

100%

Saturated market



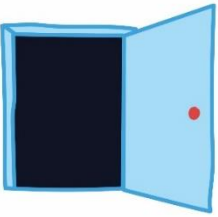
Adjacent growth



Many customers also want «value-focused» competition



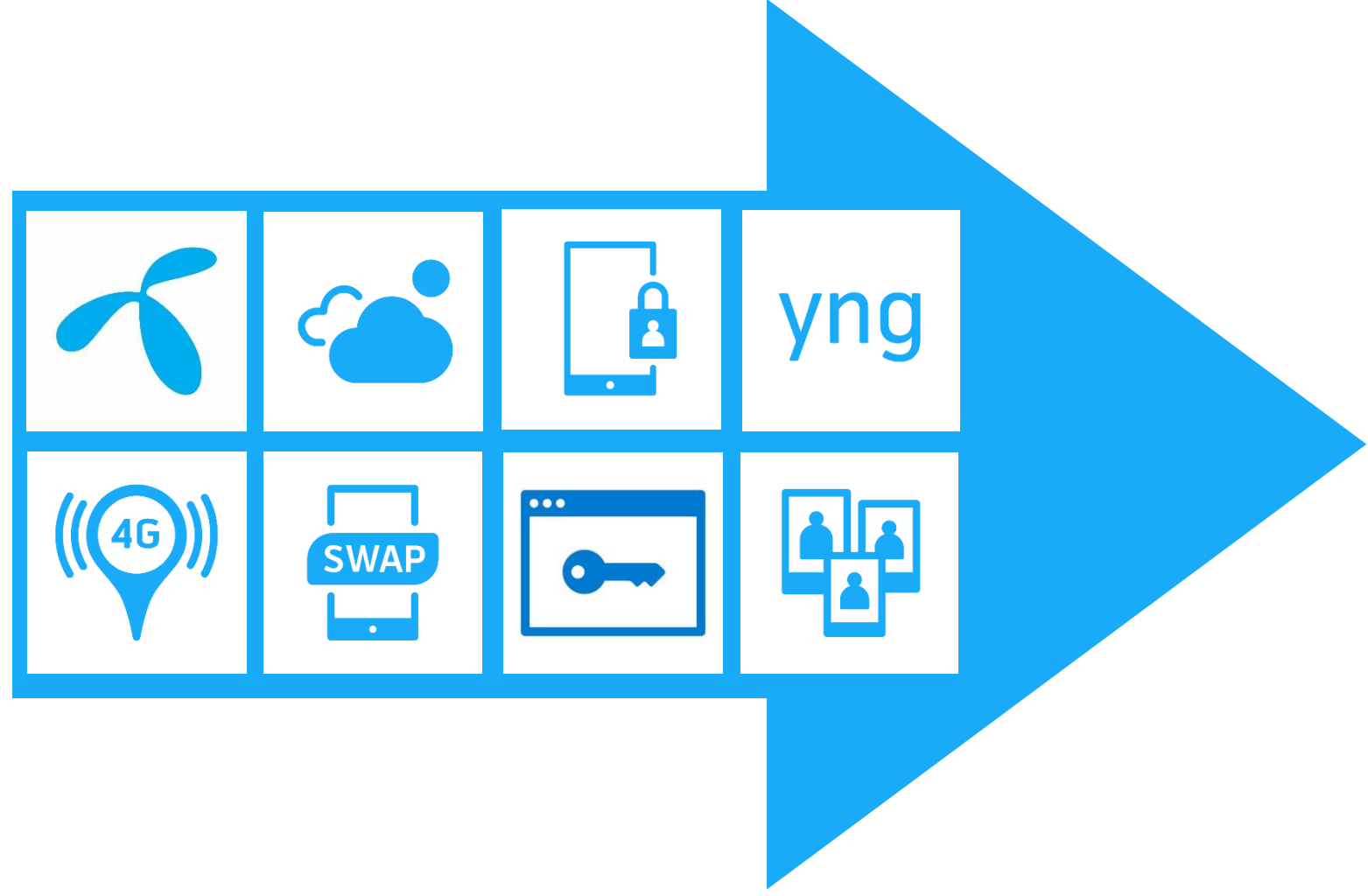
Close to Commodity



Easy to switch

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Saturated market



Clearly differentiated



Many reasons to stay



Adjacent growth



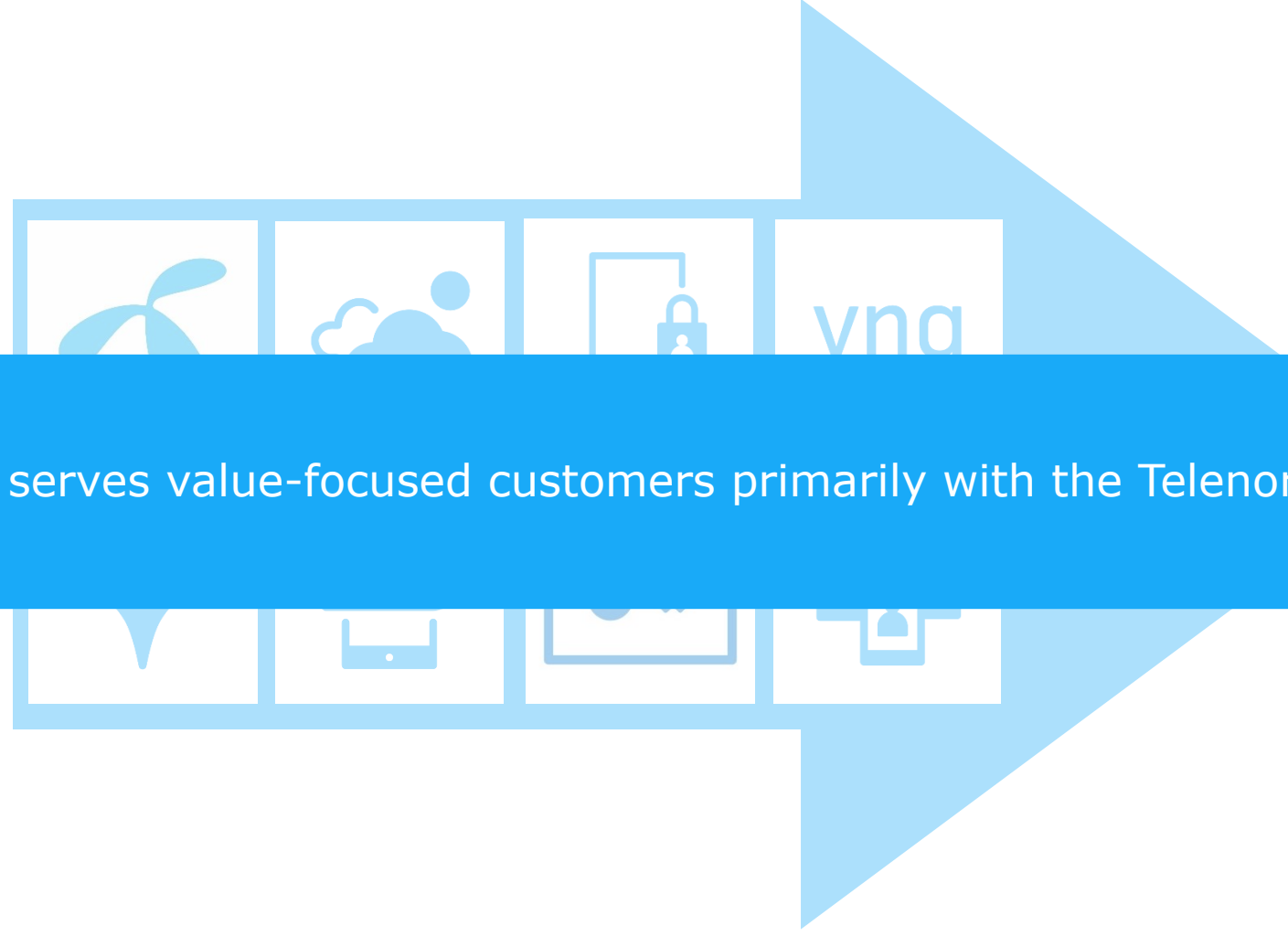
Many customers also want «value-focused» competition



Close to Commodity



Clearly differentiated



Telenor serves value-focused customers primarily with the Telenor brand.



Easy switch



Reasons to stay

100%

Saturated market



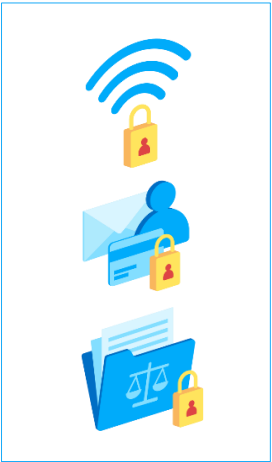
Adjacent growth



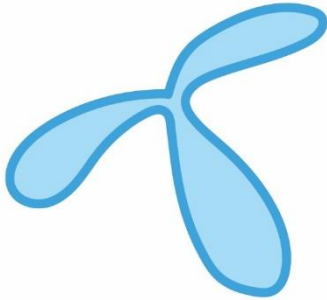
Strong brand and sales channels give high sales volumes and healthy margins



Handset Insurance



Security services



Channels

Service Bundling

700m

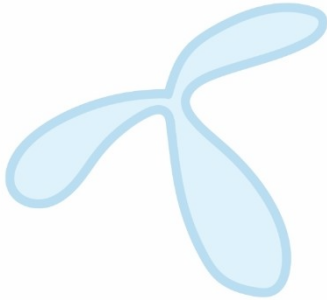
2020 revenue



Strong brand and sales channels give high sales volumes and healthy margins



Handset



3.000 SAFE sales per week since launch in January at price of 129kr/month. Together with handset insurance we expect about 300mkr YoY growth in revenue to about 700mkr in 2020.



Security services

Service Bundling



5G will drive growth, value-optimized roll out over 4-5 years

Enhanced experience for smartphones



Fixed Wireless Access



Sector & corporate specific networks



A myriad of new use cases and devices



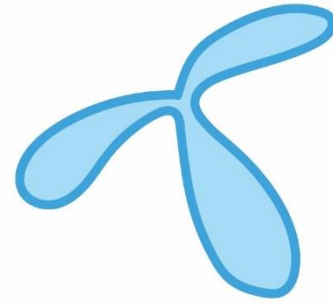
*High speed; Low latency; Slicing; Huge #devices
Reliable connectivity; "Guaranteed" QoS*



Summary

- With tough price pressure, growth primarily comes from delivering more value to each customer
- Adjacent services drive revenue
- Local presence is critical tool in competition vs global players
- 5G offers substantial growth opportunity, initially for FWA & premium smartphone experience
- 5G accelerates digitalization and opens new opportunities for adjacent service growth





Thank you

