

**Ernst & Young AS**  
Oslo Atrium  
Postboks 20  
NO-0051 Oslo

Tel. +47 24 00 24 00  
Fax +47 24 00 24 01  
www.ey.no

Telenor ASA  
Mr. Trond Westlie  
Chief Financial Officer  
Snarøyveien 30  
1331 Fornebu

Medlemmer av Den norske Revisorforening

Oslo, December 17, 2007

Dear Mr. Westlie:

Enclosed is a manually signed copy of our reports on the consolidated financial statements of Telenor ASA as of December 31, 2006 and 2005, and for each of the three years in the period ended December 31, 2006. Please retain this letter and the enclosures in your files as evidence of our authorization to publish the attached reports on your web-site.

If you have any questions regarding the form or use of these reports, please call me.

Very truly yours,



Erik Mamelund  
Engagement Partner

## Report of Independent Registered Public Accounting Firm

The Board of Directors of Telenor ASA

We have audited the accompanying consolidated balance sheets of Telenor ASA and subsidiaries ("Telenor Group") as of December 31, 2006 and 2005, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the Telenor Group's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of GrameenPhone Ltd., a 62% owned subsidiary, which statements reflect total assets constituting 4% and 4% of the consolidated totals as of December 31, 2006 and 2005, respectively, and total revenues constituting 5%, 4% and 4% of the consolidated totals, for each of the three years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for GrameenPhone Ltd., is based solely on the report of the other auditors.

Except as discussed in the following paragraph, we conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

We have not been able to perform sufficient audit procedures on the financial information relating to Kyivstar G.S.M. ("Kyivstar"), as of December 31, 2006, initially as a result of injunctions issued in Ukrainian courts (see Note 26) and, subsequently, after the injunctions were lifted, a continuing dispute between the shareholders partly resulting in a lack of a quorum at Kyivstar's Shareholders meetings necessary to elect a board that can appoint an auditor in Kyivstar in order to permit the completion of audit procedures. Kyivstar is a Ukrainian company in which Telenor has a 56.5% ownership interest and which represents 12% of the Telenor Group revenue, 19% of the Telenor Group profit from total operations and 8% of equity attributable to equity holders of Telenor ASA.

In our opinion, based on our audits and the report of other auditors, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding the Kyivstar investment and earnings, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Telenor Group at December 31, 2006 and 2005, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2006, in conformity with International Financial Reporting Standards as adopted by the European Union.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of the Telenor ASA's internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated December 17, 2007 expressed a qualified opinion thereon.

*Ernst & Young AS*  
Oslo, Norway

December 17, 2007

## Report of Independent Registered Public Accounting Firm

The Board of Directors of Telenor ASA

We have audited Telenor ASA's and subsidiaries ("Telenor Group") internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Telenor Group's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's report on internal control over financial reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

Except as described below, we conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

We have not been able to perform sufficient audit procedures on the financial information relating to Kyivstar G.S.M. ("Kyivstar"), as of December 31, 2006, initially as a result of injunctions issued in Ukrainian courts (see Note 26) and, subsequently, after the injunctions were lifted, a continuing dispute between the shareholders partly resulting in a lack of a quorum at Kyivstar's Shareholders meetings necessary to elect a board that can appoint an auditor in Kyivstar in order to permit the completion of audit procedures. Kyivstar is a Ukrainian company in which Telenor has a 56.5% ownership interest and which represents 12% of the Telenor Group revenue, 19% of the Telenor Group profit from total operations and 8% of equity attributable to equity holders of Telenor ASA. As a result, the carrying value of the investment in Kyivstar as of December 31, 2006 which includes the results of operations attributable to Kyivstar for the year then ended are based on Kyivstar financial information but excluding audited financial statements and, accordingly, we have not been able to examine all of the relevant controls that would operate relating to the financial information from Kyivstar.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management's report on internal control over financial reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Telenor Mobile (Sweden) and Telenor d.o.o (Serbia), both of which were acquired during 2006 and are included in the 2006 consolidated financial statements of the Telenor Group and constituted NOK 25.6 million and NOK 20.5 million of total and net assets, respectively, as of December 31, 2006 and NOK 6.6 million and NOK 0.3 million of revenues and net loss, respectively, for the year then ended. Our audit of internal control over financial reporting of the Telenor Group also did not include an evaluation of the internal control over financial reporting of Telenor Mobile (Sweden) and Telenor d.o.o (Serbia).

In our opinion, except for the effect of matters we may have discovered had we been able to audit all of the relevant controls relating to Kyivstar, the Telenor Group maintained, in all material respects, effective internal control over financial reporting as of December 31, 2006, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the 2007 consolidated financial statements of the Telenor Group and our report dated December 17, 2007 expressed a qualified opinion thereon in respect of Kyivstar financial information.

  
Oslo, Norway

December 17, 2007

## Management's report on internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over Telenor's financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with generally accepted accounting principles ("GAAP"). Internal control over financial reporting includes those policies and procedures that:

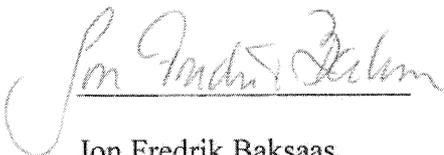
- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of their inherent limitations, internal control over financial reporting may not prevent or detect misstatements or fraud.

Management has assessed the effectiveness of internal control over financial reporting based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"). This assessment did not include two subsidiaries, Telenor Mobile (Sweden) and Telenor d.o.o (Serbia), which were acquired on January 5, 2006 and August 31, 2006, respectively. In aggregate, these subsidiaries constituted NOK 25.6 million and NOK 20.5 million of total and net assets, respectively, as of December 31, 2006 and NOK 6.6 million and NOK 0.3 million of revenues and net loss, respectively, for the year then ended. Pursuant to guidance issued by the SEC, management's assessment does not include an assessment of the internal control over financial reporting of these acquisitions. Based on this assessment under the COSO framework, management concluded that Telenor's internal control over financial reporting was effective as of December 31, 2006.

Management's assessment of the effectiveness of Telenor's internal control over financial reporting as of December 31, 2006 has been audited by Ernst & Young AS, an independent registered public accounting firm, as stated in their report dated December 17, 2007.

Fornebu, 2007.12.17



Jon Fredrik Baksaas  
Chief Executive Officer



Trond Ø. Westlie  
Chief Financial Officer