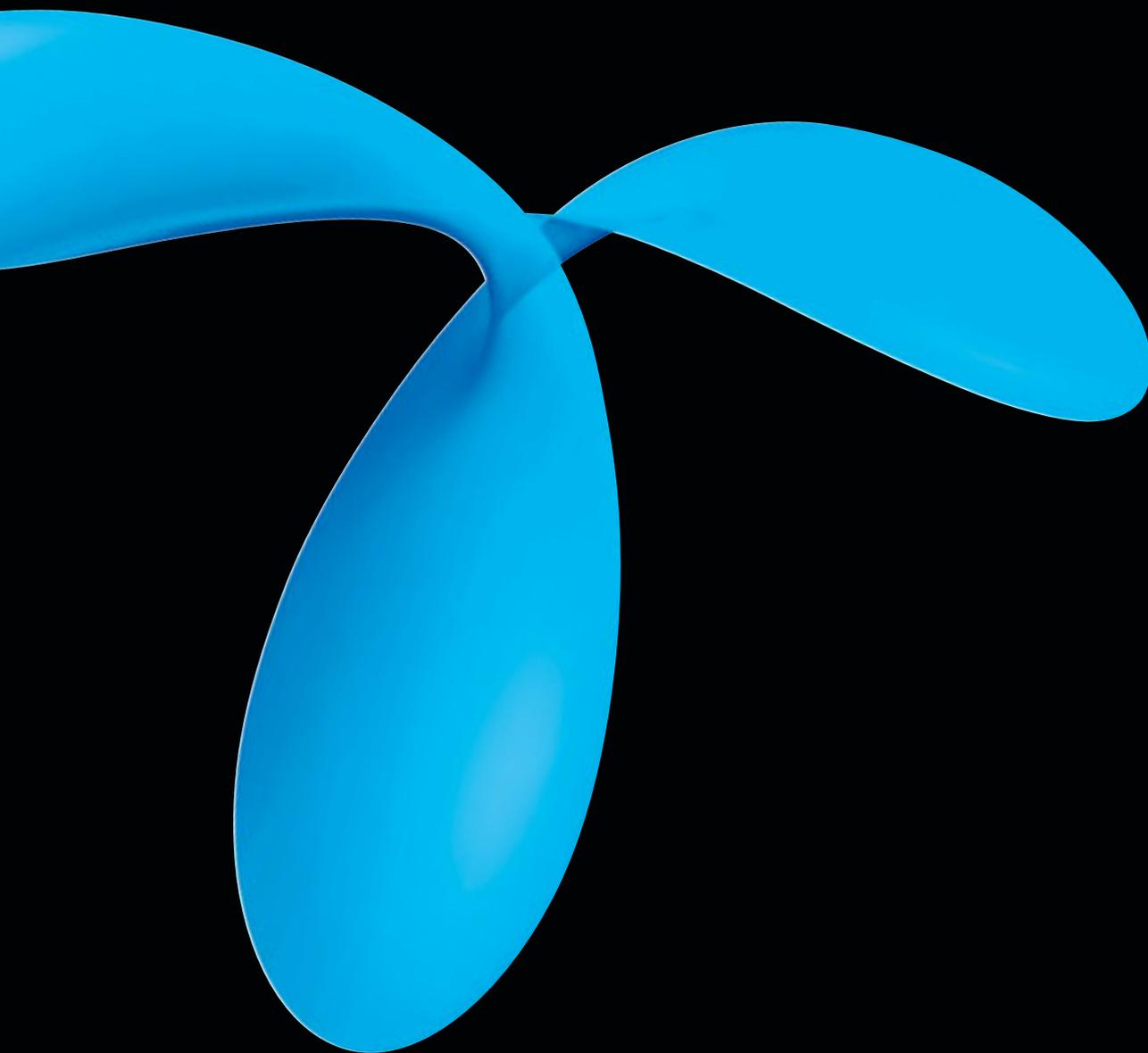
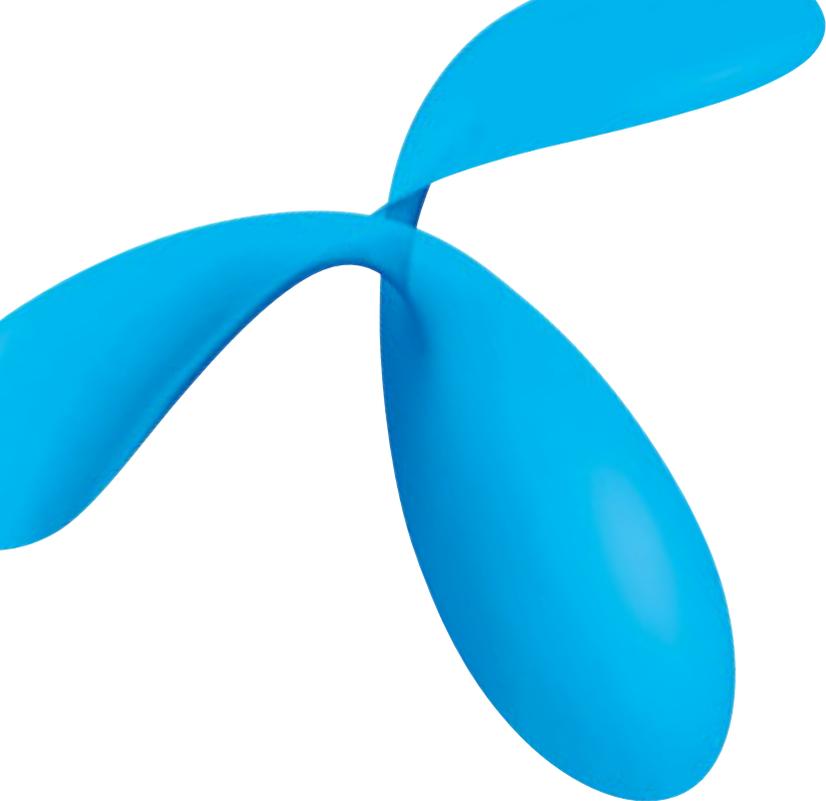


Q1 2009

Interim report January–March 2009





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Strong cash flow in a challenging environment

Highlights first quarter 2009

Figures including Kyivstar:

- Stable organic revenue development
- EBITDA margin of 34%
- Cash flow margin of 22%
- Earnings per share of NOK 0.98



"In the first quarter of 2009, the Telenor Group delivered stable organic revenues and an EBITDA margin in line with our outlook for 2009. We have managed to reduce capex and costs, resulting in a strong cash flow margin in a challenging business environment. Particularly Telenor Norway and Grameenphone in Bangladesh are delivering strong performance.

The business environment continues to be turbulent and we now experience some impact on the telecom sector, in particular influencing international traffic. However, the total traffic volumes are relatively stable. Among our markets, the Ukrainian economy is being the most affected by the financial crisis. In spite of negative revenue development, Kyivstar continues to deliver high margins and defend its strong revenue market share.

During the first quarter of 2009 there was an escalation in the conflict with Alfa Group, resulting in the arrest of our VimpelCom shares. On 3 April 2009

Telenor was officially served with a claim to pay USD 1.7 billion in alleged damages. Telenor regards the claim to be unfounded, and expects to be fairly treated by higher courts.

The closing of the Unitech Wireless deal in India on 20 March 2009 marks a milestone for the Telenor Group. An experienced management team is in place, and is currently preparing for launch of services during the second half of 2009.

Going forward we expect the trends in the macro economic environment to continue and we are therefore highly focused on scaling our business activities accordingly. We are currently evaluating and implementing efficiency programmes across the value chain to achieve sustainable cash flow improvements. We maintain our outlook for 2009."

KEY FIGURES¹⁾

	First quarter		Year
	2009	2008	2008
(NOK in millions except earnings per share)	Proforma Group	Proforma Group	Proforma Group
Revenues	27 119	26 292	110 997
EBITDA before other income and expenses	9 268	9 230	38 362
EBITDA before other income and expenses/Revenues (%)	34.2	35.1	34.6
Adjusted operating profit	5 035	5 545	22 495
Adjusted operating profit/Revenues (%)	18.6	21.1	20.3
Profit after taxes and non-controlling interests	1 622	4 571	13 065
Earnings per share from total operations, basic, in NOK	0.98	2.72	7.83
Capex	3 291	5 089	22 715
Capex excl. licences and spectrum	3 291	5 089	20 680
Cashflow ²⁾	5 977	4 141	15 647
Net interest-bearing liabilities	35 783	31 340	39 309

EXTRACT FROM OUTLOOK FOR 2009

Based on the proforma group structure including Kyivstar, excluding India and currency rates as of 31 March 2009, Telenor expects organic revenues³⁾ in line with 2008, with an EBITDA margin before other income and expenses around 34%. Capital expenditure as a proportion of revenues, excluding licences and spectrum, is expected to be in the range of 15–17%.

Telenor expects that the operation in India will contribute with marginal increase in organic revenues, an EBITDA loss in the range of NOK 2–2.5 billion and capex in the range of NOK 5.5–6.5 billion for 2009.

Please refer to page 9 for the full outlook for 2009, and page 16 for definitions.

¹⁾ Kyivstar was deconsolidated and accounted for as an associated company from 29 December 2006. From the fourth quarter of 2007 Kyivstar resumed its financial reporting to Telenor. Kyivstar's figures are reflected in the line "Net result from associated companies". Proforma figures for 2008 and 2009, assuming Kyivstar was still consolidated, are included in the table.

²⁾ Cash flow is defined as EBITDA before other income and expenses – Capex, excluding licences and spectrum

³⁾ Organic revenue is defined as revenue adjusted for the effects of acquisition and disposal of operations and currency effects

Management interim report

Telenor's operations

Unless otherwise stated, the statements below are related to Telenor's development in the first quarter of 2009 compared to the first quarter of 2008. All comments on EBITDA are made on development in EBITDA before other income and expenses (other items). Please refer to page 8 for comments on other income and expenses.

Additional information is available at: www.telenor.com/ir

As a consequence of Alfa Group's previous collusive litigation in Ukraine and boycott of Kyivstar's board and shareholder meetings in defiance of an international arbitration award and two court orders, Telenor has been unable to consolidate Kyivstar's financial results since 29 December 2006.

Kyivstar was deconsolidated, due to injunctions in Ukraine prohibiting Kyivstar's management from providing financial information to Kyivstar's external auditors and its shareholders, including Telenor. In response to the termination of the last of the three injunctions by a Ukrainian court on 23 November 2007 Kyivstar was no longer presented on a separate line, but included in the line associated companies. After the termination of the injunctions, Kyivstar has provided Telenor with unaudited financial information.

To restore corporate governance in Kyivstar, Telenor filed on 23 January 2008 a contempt motion with the federal court in New York against Storm LLC, its two direct shareholders Alpren Ltd. and Hardlake Ltd., and Altimo Holdings & Investments Ltd. The court ruled on 19 November 2008, finding for Telenor on all accounts and ordering Storm to take all steps necessary to restore corporate governance in Kyivstar.

On 16 December 2008 the shareholders met at two Extraordinary General Meetings of Shareholders (EGMS) to bring the charter in compliance with Ukrainian law. Furthermore the EGMSs elected a new company Board, appointed the Auditing Commission and declared dividends for the years 2004 and 2005. The company board met and elected Ernst & Young as the company's external auditor. There is a possibility that when external auditors have completed the audit of Kyivstar's financial statements, discrepancies may emerge between the unaudited financial information for 2006, 2007 and 2008 that has been provided by Kyivstar and the final audited financial statements.

On 13 March 2009 Telenor initiated arbitration against Storm and Alfa entities under the Kyivstar shareholder agreement with a claim for compensation for losses occurred as a consequence of the Storm/Alfa boycott of corporate governance in Kyivstar since 2005.

NORDIC

Telenor Mobile – Norway

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	2 233	2 180	9 154
Interconnect revenues	467	447	1 841
Other mobile revenues	378	380	1 390
Non-mobile revenues	141	113	492
Total revenues	3 219	3 120	12 877
EBITDA before other items	1 249	1 127	4 610
Operating profit	1 026	912	3 774
EBITDA before other items/Total revenues (%)	38.8	36.1	35.8
Capex	252	237	994
No. of subscriptions (in thousands) *):	2 900	2 745	2 893
ARPU – monthly (NOK)	310	320	327

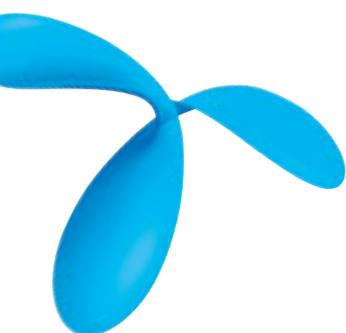
*) The number of subscriptions has been restated back to the first quarter of 2006 due to a reclassification of subscriptions, resulting in an accumulated reduction of 127,000. Revenues, ARPU and AMPU were restated accordingly.

- The total number of voice and data subscriptions increased by 7,000 during the quarter. The estimated voice subscription market share remained stable at 54%. Mobile broadband subscriptions increased by 27,000 to 186,000.
- Average revenue per user (ARPU) decreased by 3% driven by lower average prices not fully compensated for by increased average usage (AMPU).
- Total revenues increased by 3%, mainly due to increased handset revenues and larger subscription base. During the quarter wholesale revenues from Network Norway offset the decrease in wholesale revenues following the migration of Tele2.
- The EBITDA margin increased by 3 percentage points due to increased revenues and reduced operating expenses primarily related to sales and marketing.

Fixed – Norway

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Telephony	1 126	1 229	4 678
xDSL/Internet	676	665	2 674
Data services	176	182	712
Other	390	249	1 379
Total retail	2 368	2 325	9 443
Wholesale	1 313	1 306	5 264
Total revenues	3 681	3 631	14 707
EBITDA before other items	1 333	1 281	5 279
Operating profit	848	673	3 009
EBITDA before other items/Total revenues (%)	36.2	35.3	35.9
Capex	478	518	2 071
No. of subscriptions (in thousands):			
Telephony	1 273	1 362	1 301
– of which PSTN	824	880	841
– of which ISDN	304	349	317
– of which VoIP	145	133	143
xDSL	642	645	647

- The estimated market share for telephony, measured in traffic minutes, was down 1 percentage point to 60%, compared to the previous quarter, while the estimated market share for xDSL in the retail market remained stable.



- Datamatrix was consolidated from 2 September 2008, and contributed with NOK 102 million in revenues in the first quarter of 2009.
- Adjusted for the effects from consolidating Datamatrix and from a NOK 50 million in reversal of leased line revenues in the first quarter of 2008, total revenues decreased by 2.8% due to volume reductions.
- Telephony revenues decreased due to continued reduction in the number of subscriptions and lower traffic volumes per subscription. The decline in the number of PSTN/ISDN subscriptions increased slightly compared to previous quarters.
- Revenues from xDSL/Internet increased mainly due to increase in ARPU.
- Wholesale revenues from international interconnect and transit traffic increased, but were partly offset by declining revenues from telephony and xDSL.
- Organic EBITDA increased in the first quarter due to decreased operating expenses.

Telenor Sweden

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues mobile operation			
Subscription and traffic	1 026	1 093	4 452
Interconnect revenues	196	214	863
Other mobile revenues	60	91	398
Non-mobile revenues	181	143	647
Total revenues mobile operation	1 463	1 541	6 360
Revenues fixed operation	715	831	3 258
Eliminations	(18)	(12)	(86)
Total revenues	2 160	2 360	9 532
EBITDA before other items	385	514	2 040
Operating profit (loss)	(126)	25	(149)

EBITDA before other items/Total revenues (%)	17.8	21.8	21.4
Capex	243	250	1 528

Mobile ARPU – monthly (NOK)	214	235	238
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No. of subscriptions (in thousands):

Mobile	1 912	1 853	1 900
Telephony	438	450	438
– of which PSTN	205	241	214
– of which VoIP	233	209	224
xDSL	427	468	438
LAN	183	183	182

Exchange rate	0.8185	0.8464	0.8548
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- The number of mobile subscriptions increased by 12,000 during the quarter, driven by growth in contract and mobile broadband subscriptions. The estimated subscription market share decreased slightly to 17%.
- Fixed broadband subscriptions decreased by 10,000 mainly due to lower focus on broadband services based on third party wholesale xDSL as well as high market focus on mobile broadband. The estimated subscription market share for fixed broadband in the consumer market remained stable at 23%.
- Total revenues in local currency decreased by 5%.
- Mobile revenues in local currency decreased by 2% mainly due to lower roaming and interconnect revenues. Interconnect fees were reduced from 1 July 2008 and roaming charges from 1 September 2008.
- Fixed revenues in local currency decreased by 11% primarily driven by the decreased number of telephony and broadband subscriptions in addition to lower ARPU from both telephony and broadband.
- EBITDA margin decreased by 4 percentage points mainly due to lower gross margin from mobile roaming and interconnect, lower revenues from fixed and increased sales and marketing expenses.
- On 14 April 2009, Telenor Sweden announced an agreement to build joint 2G and 4G networks with Tele 2 in Sweden. Please refer to note 4 on page 15 for further comments.

Telenor Denmark

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues mobile operation			
Subscription and traffic	961	799	3 449
Interconnect revenues	382	342	1 420
Other mobile revenues	103	79	431
Non-mobile revenues ^{*)}	128	130	514
Total revenues mobile operation	1 574	1 350	5 814
Revenues fixed operation^{*)}	458	482	1 904
Eliminations	(16)	(14)	(91)
Total revenues	2 016	1 818	7 627
EBITDA before other items	466	386	1 793
Operating profit	35	119	441

EBITDA before other items/Total revenues (%)	23.1	21.2	23.5
Capex	272	258	1 290

Mobile ARPU – monthly (NOK)	246	226	234
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No. of subscriptions (in thousands):

Mobile	1 833	1 683	1 813
Telephony ^{*)}	309	342	326
– of which PSTN ^{*)}	176	235	192
– of which VoIP	133	107	134
xDSL	268	278	272

Exchange rate	1.2008	1.0674	1.1024
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^{*)} There has been a reclassification between non-mobile revenues and fixed revenues back to the first quarter of 2007. In the first quarter a total of 72,000 PSTN subscriptions previously not reported have been included. Previous periods have been updated accordingly.

- The number of mobile subscriptions increased by 20,000 during the first quarter. The estimated subscription market share remained stable at 27%.
- The number of xDSL subscriptions declined slightly during the quarter, primarily due to increased market pressure and new taxation of xDSL connections.
- Mobile ARPU in local currency decreased by 2%, mainly due to reduced SMS usage, change in calling patterns and declining usage of international traffic.
- Total revenues in local currency decreased by 1%. Mobile revenues increased by 4% primarily due to higher number of subscriptions, while fixed revenues decreased by 15% due to declining number of subscriptions and lower ARPU on xDSL subscriptions.
- The EBITDA in local currency increased by 7% mainly resulting from obtaining synergies from merging the fixed and mobile divisions into one organisation.



CENTRAL EASTERN EUROPE

Kyivstar – Ukraine

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	1 787	2 408	10 607
Interconnect revenues	479	617	2 911
Other mobile revenues	48	42	171
Non-mobile revenues	34	26	145
Total revenues	2 348	3 093	13 834
EBITDA before other items	1 370	1 872	8 058
Operating profit	991	1 439	6 077
EBITDA before other items/Total revenues (%)	58.3	60.5	58.2
Capex	296	340	2 096
No. of subscriptions (in thousands):	23 052	23 687	23 531
ARPU – monthly (NOK)	32	42	48
Exchange rate	0.8465	1.0533	1.0794

The figures for Kyivstar are included under associated companies. For further information, please see page 2 and page 8. At the end of the first quarter of 2009 Telenor's ownership interest in Kyivstar was 56.5%.

- Kyivstar maintained its position as the market leader in Ukraine, with a stable estimated revenue market share around 52% at the end of the first quarter.
- The number of subscriptions decreased by 479,000 during the quarter, due to the continued pressure from competitors. Estimated subscription market share remained stable at 42%.
- ARPU in local currency decreased by 5% due to lower pricing to combat competitors' activities, slightly offset by higher usage.
- Total revenues in local currency decreased by 6% primarily as a result of decreased ARPU, also reflecting the overall decline in the market.
- In local currency, EBITDA decreased by 9% mainly driven by the decline in revenue as well as an increase in operating expenses due to inflationary pressure.
- Capital expenditure in local currency was marginally above first quarter last year and reflects commitments made during the third and fourth quarters of 2008 related to capacity and network improvements and upgrades.

Pannon – Hungary

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	987	985	4 404
Interconnect revenues	277	318	1 421
Other mobile revenues	15	23	84
Non-mobile revenues	43	54	250
Total revenues	1 322	1 380	6 159
EBITDA before other items	558	584	2 516
Operating profit	393	416	1 800
EBITDA before other items/Total revenues (%)	42.2	42.3	40.9
Capex	91	107	600
No. of subscriptions (in thousands):	3 594	3 401	3 731
ARPU – monthly (NOK)	115	128	140
Exchange rate	0.0305	0.0307	0.0327

- The number of subscriptions decreased by 137,000 during the quarter, mainly due to churn from seasonal campaigns in the consumer segment in 2008. The subscription market share decreased slightly to 33%.
- ARPU measured in local currency decreased by 9% primarily due to lower interconnect fees from 1 January 2009 and reduced roaming charges from 30 August 2008 as well as a slight reduction in average usage.
- Measured in local currency, total revenues decreased by 4% mainly as a result of the reduction in ARPU and lower handset sales, partially offset by

the higher subscription base and increased non-voice revenues.

- EBITDA in local currency decreased by 4% leaving the EBITDA margin unchanged compared to the first quarter of 2008. An increase in nominal gross margin following reduced interconnect fees and handset costs, was offset by increased operating expenses mainly related to contractual agreements in foreign currencies being affected by adverse exchange rate development.
- Capital expenditure in local currency decreased by 11% mainly due to reduced network investments.

Telenor – Serbia

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	517	501	2 277
Interconnect revenues	146	150	663
Other mobile revenues	37	32	145
Non-mobile revenues	20	15	81
Total revenues	720	698	3 166
EBITDA before other items	310	284	1 433
Operating profit	138	125	737
EBITDA before other items/Total revenues (%)	43.1	40.7	45.3
Capex	66	139	517
No. of subscriptions (in thousands):	2 863	2 730	2 844
ARPU – monthly (NOK)	77	79	89
Exchange rate	0.0953	0.0963	0.1010

Telenor Serbia is part of 'Other mobile operations' in Note 5.

- The number of subscriptions increased by 19,000 during the quarter, while the estimated subscription market share remained stable at 35%.
- Total revenues in local currency increased by 4% driven by a higher number of contract subscriptions and higher non-voice revenues.
- The EBITDA margin increased by 2 percentage points driven by reduced sales and marketing expenses as well as consultancy costs.
- Capital expenditure decreased due to reduced network investments.
- The Government in Serbia has approved a sales tax on mobile communication of 10% for a limited time period. Introduction is planned from 1 May 2009. The introduction is subject to approval from the Parliament.

Promonte – Montenegro

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	166	164	775
Interconnect revenues	68	57	326
Operating profit	44	6	157
EBITDA before other items/Total revenues (%)	41.0	34.8	42.1
Capex	6	10	67
No. of subscriptions (in thousands):	413	460	431
Exchange rate	8.9472	7.9555	8.2194

Promonte is part of 'Other mobile operations' in Note 5.

- The number of subscriptions decreased by 18,000 during the quarter, while the subscription market share increased slightly to 39%.
- Revenues in local currency decreased by 10% mainly due to lower prepaid subscription base in a competitive market and lower handset sales.
- EBITDA in local currency increased by 5%. Reduced sales and marketing expenses as well as lower handset costs more than offset the fall in revenues. The EBITDA margin increased by 6 percentage points to 41%.

ASIA

DTAC – Thailand

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	2 376	2 152	8 331
Interconnect revenues	687	723	2 738
Other mobile revenues	132	143	849
Non-mobile revenues	24	18	82
Total revenues	3 219	3 036	12 000
EBITDA before other items	937	1 014	3 980
Operating profit	532	673	2 635
EBITDA before other items/Total revenues (%)	29.1	33.4	33.2
Capex	262	378	1 921
No. of subscriptions (in thousands):	18 945	16 656	18 682
ARPU – monthly (NOK)	54	59	53
Exchange rate	0.1944	0.1716	0.1703

At the end of the first quarter of 2009, Telenor's economic stake in DTAC was 65.5%.

- The number of subscriptions increased by 263,000 during the quarter and the estimated subscription market share remained at around 30%.
- Total revenues in local currency decreased by 6% as a result of deteriorating macro environment affecting both domestic spending as well as in- and outbound roaming, combined with a continued decline in interconnect revenues.
- EBITDA in local currency decreased by 18% mainly due to lower revenues, a less favourable interconnect balance and a one-time provision for a potential settlement of numbering fee dispute with CAT Telecom Public Company Limited (CAT).
- The Dispute Resolution Committee (DRC) recommended to the National Telecommunications Commission (NTC) that the interconnect rate between DTAC and Hutch should be THB 0.56 per minute. The rate is not binding until it is confirmed by NTC.

DiGi – Malaysia

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	2 006	1 693	7 109
Interconnect revenues	242	183	804
Other mobile revenues	31	25	103
Non-mobile revenues	28	20	96
Total revenues	2 307	1 921	8 112
EBITDA before other items	1 032	918	3 666
Operating profit	721	635	2 575
EBITDA before other items/Total revenues (%)	44.7	47.8	45.2
Capex	277	208	2 675
No. of subscriptions (in thousands):	7 155	6 553	7 062
ARPU – monthly (NOK)	105	96	99
Exchange rate	1.8939	1.6472	1.6850

At the end of the first quarter of 2009 Telenor's ownership interest in DiGi was 49.0%.

- The number of subscriptions increased by 93,000 during the quarter.
- ARPU measured in local currency decreased by 5% primarily due to reduced spending by price sensitive segments.
- Total revenues in local currency increased by 4% mainly due to a higher subscription base, partly offset by lower ARPU.
- In spite of increased revenues, EBITDA in local currency decreased by 2% primarily resulting from increased traffic costs driven by higher traffic volume and adverse development in the settlement currency of international direct dial cost. The EBITDA margin decreased by 3 percentage points to 45%.
- Increased capital expenditure was mainly related to strategic network investments and roll-out of 3G broadband coverage.
- Mobile broadband services were officially launched in March 2009.



Grameenphone – Bangladesh

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	1 350	1 055	4 486
Interconnect revenues	215	90	536
Other mobile revenues	5	4	14
Non-mobile revenues	4	4	13
Total revenues	1 574	1 153	5 049
EBITDA before other items	934	545	2 342
Operating profit	530	289	1 111
EBITDA before other items/Total revenues (%)	59.3	47.3	46.4
Capex	281	433	2 258
No. of subscriptions (in thousands):	21 057	17 805	20 993
ARPU – monthly (NOK)	25	22	22
Exchange rate	0.0997	0.0775	0.0822

At the end of the first quarter of 2009, Telenor's ownership interest in Grameenphone was 62.0%.

- The number of subscriptions increased by 63,000 during the quarter, resulting in a subscription market share of 46%. Net additions were lower compared to last year mainly as a result of higher prices for start-up packages introduced at the end of the third quarter of 2008.
- Measured in local currency, total revenues increased by 6% mainly due to higher subscription base, higher average usage per subscription and increased interconnect revenues due to the introduction of International Gateway (IGW) from the fourth quarter of 2008. Despite higher usage and interconnect revenues ARPU in local currency decreased by 13%, primarily due to decreased average prices.
- The EBITDA margin improved compared to last year mainly due to higher revenue combined with lower subscription acquisition costs.
- Lower capital expenditure during the quarter was mainly a result of adjusting investments plans in line with current traffic demand.
- With effect from 26 March 2009 the Bangladesh Telecommunication Regulatory Commission (BTRC) lowered the interconnect rates in Bangladesh from BDT 0.36 to BDT 0.18 for incoming traffic and from BDT 0.40 to BDT 0.22 for outgoing traffic.

Telenor – Pakistan

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Subscription and traffic	914	847	3 243
Interconnect revenues	185	183	691
Other mobile revenues	4	3	18
Non-mobile revenues	18	9	59
Total revenues	1 121	1 042	4 011
EBITDA before other items	232	179	709
Operating loss	(90)	(56)	(310)
EBITDA before other items/Total revenues (%)	20.7	17.2	17.7
Capex	341	638	3 061
No. of subscriptions (in thousands):	19 985	16 702	19 388
ARPU – monthly (NOK)	19	22	19
Exchange rate	0.0863	0.0859	0.0796

- The number of subscriptions increased by 597,000 during the quarter, resulting in a subscription market share of 22%. Subscription growth slowed down compared to the previous quarter and was affected by a new subscription registration procedure implemented by the regulator.
- ARPU in local currency decreased by 15% as both average usage and prices declined due to intense competition and general economic slowdown in Pakistan.
- Total revenues in local currency increased by 7% as a result of a subscription growth of close to 3.3 million, partially offset by lower ARPU.
- EBITDA increased by 29% in local currency mainly due to higher revenues.
- Capital expenditure in local currency decreased as a result of adjusting network investments to the growth in number of subscriptions and traffic volumes.

Unitech Wireless – India

Unitech Wireless is part of 'Other mobile operations' in Note 5.

- On 20 March 2009, Telenor acquired a 33.5% ownership stake in Unitech Wireless, through a capital injection of NOK 1.7 billion. During 2009 Telenor is scheduled to inject an additional NOK 6.4 billion, which will result in a total shareholding of 67.25%. The injected capital will mainly be deployed as working capital in Unitech Wireless. Increasing the shareholding above 49% is subject to Foreign Investment Promotion Board (FIPB) approval related to foreign ownership.
- Unitech Wireless is consolidated from 20 March 2009. Due to immaterial transactions in the period from consolidation to 31 March 2009, no profit and loss items or capital expenditure were included in Telenor's accounts in the first quarter 2009. Please refer to note 3 on page 15 for further comments related to the transaction.
- On 2 April 2009, Unitech Wireless submitted an application to the FIPB to allow for increasing foreign investment beyond 49%.
- The present value of total minimum contractual obligation from the tower and transmission agreements with Wireless-TT Info Services Limited (Tata Teleservices' tower company) and Quippo Telecom Infrastructure Limited is around NOK 3 billion.

BROADCAST

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
Canal Digital Group	1 632	1 477	6 392
Transmission & Encryption	593	554	2 265
Other/Eliminations	(123)	(109)	(487)
Total revenues	2 102	1 922	8 170
EBITDA before other items			
Canal Digital Group	137	124	474
Transmission & Encryption	312	311	1 245
Other/Eliminations	(14)	(12)	(89)
Total EBITDA before other items	435	423	1 630
Operating profit (loss)			
Canal Digital Group	57	61	174
Transmission & Encryption	199	206	791
Other/Eliminations	(36)	(57)	(220)
Total operating profit	220	210	745
EBITDA before other items/Total revenues (%)	20.7	22.0	20.0
Capex	245	1 398	2 365
No. of subscriptions (in thousands):			
DTH TV	1 096	1 124	1 113
Cable TV	739	710	746
Cable TV Internet access	204	140	188

- The number of DTH subscribers decreased by 17,000, and the number of Cable TV Internet access subscriptions increased by 16,000 during the quarter.
- Total revenues increased by 9%, mainly driven by increased revenues in the Canal Digital Group.
- Revenues in the Canal Digital Group increased primarily as a result of a higher number of cable TV subscribers, higher sales of additional services including hardware to cable TV and DTH subscribers as well as positive currency effects. The increase in EBITDA was mainly due to increased revenues only partly offset by higher hardware, CRM and logistics cost related to more complex add on products and hardware. EBITDA was affected by a one time accrual of NOK 27 million related to replacement of cable TV decoders in Canal Digital Norway.
- Revenues in Transmission & Encryption increased due to higher revenues from satellite transmission related to increased capacity from Thor 5 and positive currency effects, partly offset by lower revenues from terrestrial transmission due to analogue shut off in Norway.
- In the first quarter of 2009 Norkring acquired a 49% stake in a terrestrial TV operator in Belgium for NOK 88 million.

OTHER UNITS

(NOK in millions)	First quarter		Year
	2009	2008	2008
Revenues			
EDB Business Partner	1 933	1 826	7 807
New Business	201	71	1 146
Corporate functions and Group activities	563	535	2 193
Other/eliminations	(11)	(23)	(101)
Total revenues	2 686	2 409	11 045
EBITDA before other items			
EDB Business Partner	227	231	938
New Business	(51)	(42)	(295)
Corporate functions and Group activities	(186)	(143)	(586)
Other/eliminations	(24)	(1)	(39)
Total EBITDA before other items	(34)	45	18
Operating profit (loss)			
EDB Business Partner	133	132	422
New Business	(110)	(54)	(740)
Corporate functions and Group activities	(284)	(251)	(992)
Other/eliminations	(25)	(2)	(42)
Total operating profit (loss)	(286)	(175)	(1 352)
Capex	183	179	1 289

EDB Business Partner

- Revenues increased by 6%, mainly related to the acquisition of IS Partner AS. IS Partner AS was consolidated from 1 February 2008.

New Business

- Positive development in revenues was mainly related to increased revenues of NOK 115 million in Telenor Cinclus.
- Operating loss was affected by an estimated loss on contracts in Telenor Cinclus. Please refer to page 8 for further comments on other income and expenses.

Other

- The increased EBITDA loss within Corporate Functions is mainly related to higher legal fees and increased expenses related to corporate projects.



Group overview

The statements below are related to Telenor's development in the first quarter of 2009 compared to the first quarter of 2008, unless otherwise stated. The statements are based on reported figures, where Kyivstar is included as an associated company. We also refer to the section Telenor's operations, note 5 and Telenor's annual and interim reports from 2008 for further information.

REVENUES

- Revenues in the first quarter of 2009 increased by NOK 1,572 million, or 7%, mainly as a result of a positive currency effect from the general weakening of the Norwegian Krone, subscription growth in our Asian operations and the acquisitions of IS Partner in EDB and Datamatrix in Norway.

EBITDA

- EBITDA in the first quarter of 2009 increased by NOK 720 million compared to last year, mainly due to higher revenues.

SPECIFICATION OF OTHER INCOME AND EXPENSES

(NOK in millions)	First quarter		Year
	2009	2008	2008
EBITDA before other income and expenses	7 898	7 358	30 304
EBITDA margin before other income and expenses (%)	31.9	31.7	31.2
Gains (losses) on disposal of fixed assets and operations	5	(82)	(202)
Workforce reductions and loss contracts	(60)	(153)	(710)
EBITDA	7 843	7 123	29 392
EBITDA margin (%)	31.7	30.7	30.2

In the first quarter of 2009 other income and expenses mainly consisted of the following items:

- NOK 42 million in New Business mainly related to estimated loss on contracts in Telenor Cinclus.

OPERATING PROFIT

- Operating profit in the first quarter of 2009 increased by NOK 124 million compared to last year. In addition to the factors mentioned above, the operating profit was affected by higher depreciation and amortisation due to increased investments in 2008.

ASSOCIATED COMPANIES

(NOK in millions)	First quarter		Year
	2009	2008	2008
Telenor's share of ¹⁾			
Profit after taxes	(114)	1 451	5 515
Amortisation of Telenor's net excess values	(85)	(68)	(282)
Impairment losses of Telenor's net excess values	-	-	(17)
Gains (losses) on disposal of ownership interests	-	1 615	1 620
Profit (loss) from associated companies	(199)	2 998	6 836

¹⁾ For certain associated companies, financial statements as of the Group's balance sheet date are not available. In such instances, the most recent financial statements are used, and estimates for the last period are made based on publicly available information. Actual figures may deviate from the preliminary figures. The consolidated income statement contains only the line 'Profit (loss) from associated companies'.

- As of 31 March 2009, Telenor's voting interest in VimpelCom in Russia was 29.9%, with a corresponding share of 33.6% of the common stock. The value of Telenor's share of the company, based on the quoted share price as of 31 March 2009, was NOK 15 billion. According to telecom analysts, VimpelCom had approximately 63 million mobile subscriptions at the end of March 2009.
- In the first quarter of 2009 net result from associated companies was negatively affected mainly by estimated foreign exchange loss related to VimpelCom's loan portfolio. The financial statements of VimpelCom as of 31 December 2008 are not available at the date of publication of this report.
- On 27 February 2008 Telenor completed the disposal of its 18.3% ownership interest in Golden Telecom to VimpelCom. Telenor recognised a sales gain of NOK 1,610 million after elimination of the gain related to Telenor's ownership in VimpelCom.
- As a consequence of Kyivstar having resumed its financial reporting to Telenor, Kyivstar is included as an associated company using the equity method. For further information, see page 2.

FINANCIAL ITEMS

(NOK in millions)	First quarter		Year
	2009	2008	2008
Financial income	171	270	722
Financial expenses	(721)	(730)	(3 058)
Net foreign currency gains (losses)	(14)	(49)	(487)
Change in fair value of financial instruments	(46)	(91)	(452)
Net gains (losses) and impairment losses	(1)	(7)	260
Net financial items	(611)	(607)	(3 015)
Gross interest expenses	(708)	(735)	(3 060)
Net interest expenses	(627)	(586)	(2 580)

- The change in fair value of financial instruments was primarily related to derivatives used for economic hedges that do not fulfil the requirements for hedge accounting.
- The net foreign currency losses were primarily related to liabilities in other currencies than functional currencies.

TAXES

- The estimated effective tax rate for the first quarter is 33%, while the estimated annual effective tax rate for 2009 is 32%. Adjusted for associated companies, which are included in profit before taxes on an after tax basis, the underlying tax rate including Unitech Wireless is 36%. The effective tax rate for the first quarter of 2009 increased compared to last year, mainly due to the non-taxable gain from the sale of Golden Telecom in the first quarter of 2008.

INVESTMENTS

- Capital expenditure including new licences and spectrum decreased by NOK 1.8 billion mainly due to the investment in the satellite Thor 5 of approximately NOK 1.1 billion in the first quarter of 2008 combined with lower network investments in several operations.

BALANCE SHEET

- Net interest-bearing liabilities decreased by NOK 5.7 billion to NOK 39.9 billion during the first quarter of 2009. NOK 3.4 billion of the decrease is due to the appreciation of the Norwegian Krone.
- Translation differences decreased equity in the first quarter of 2009 by NOK 8.8 billion due to the appreciation of the Norwegian Krone compared to most of the functional currencies of Telenor's foreign subsidiaries and associated companies as of 31 March 2009, compared to 31 December 2008.

CASH FLOW

- The net cash inflow from operating activities in the first quarter of 2009 was NOK 9.1 billion, an increase of NOK 2.7 billion. Dividend received from Kyivstar amounted to NOK 1.4 billion. Income taxes paid in the first quarter of 2009 were 0.7 billion, a decrease of NOK 0.3 billion, mainly due to the jointly taxed Norwegian entities not being in a taxpaying position from the end of 2008. The positive change in working capital in the first quarter of 2009 was mainly related to revenue share accruals in DTAC and only one VAT period due in this quarter in Norway.
- The cash outflow from investing activities in the first quarter of 2009 was NOK 3.9 billion, an increase of NOK 2.5 billion. This is mainly due to the sale of shares in Golden Telecom of NOK 4.1 billion, partly offset by the acquisition of IS Partner of NOK 1.1 billion in 2008, as well as lower capex payments in 2009.
- The net cash outflow from financing activities in the first quarter of 2009 was NOK 2.3 billion, an increase of NOK 2.2 billion. The cash outflow in 2009 is related to repayment of debts.
- Cash and cash equivalents in the first quarter of 2009 increased by NOK 2.3 billion to NOK 11.2 billion as of 31 March 2009.

Outlook for 2009

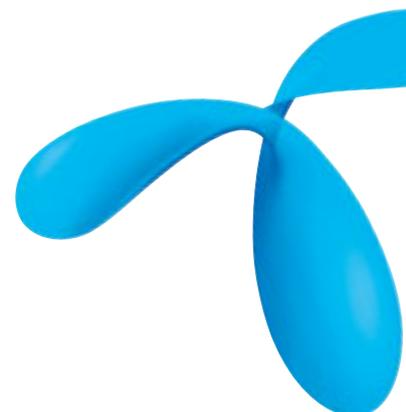
Based on the proforma group structure including Kyivstar, excluding India and currency rates as of 31 March 2009:

- Telenor's outlook for 2009 is affected by uncertainty in terms of future global growth. Our best estimate at this point is that organic revenues for 2009 will be in line with 2008.
- The EBITDA margin before other income and expenses is expected to be around 34%.
- We expect capital expenditure as a proportion of revenues, excluding licences and spectrum, to be in the range of 15–17%.
- Telenor expects that the investment in India will contribute with marginal increase in organic revenues, an EBITDA loss in the range of NOK 2–2.5 billion and capex in the range of NOK 5.5–6.5 billion for 2009.
- A growing share of Telenor's revenues and profits is derived from operations outside Norway. Currency fluctuations may to an increasing extent influence the reported figures in Norwegian Krone. Political risk, including regulatory conditions, may also influence the profits.

DISCLAIMER

This report contains statements regarding the future in connection with Telenor's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the section 'Outlook for 2009' contains forward-looking statements regarding the Group's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Fornebu, 4 May 2009
The Board of Directors of Telenor ASA



Condensed interim financial information

CONSOLIDATED INCOME STATEMENT

Telenor Group

(NOK in millions except earnings per share)	First quarter		Year
	2009	2008	2008
Revenues	24 777	23 205	97 194
Costs of materials and traffic charges	(6 482)	(6 146)	(26 356)
Salaries and personnel costs	(3 630)	(3 295)	(13 400)
Other operating expenses	(6 767)	(6 406)	(27 134)
Other income and (expenses)	(55)	(235)	(912)
EBITDA	7 843	7 123	29 392
Depreciation and amortisation	(3 852)	(3 259)	(14 104)
Impairment losses	(5)	(2)	(106)
Operating profit	3 986	3 862	15 182
Profit (loss) from associated companies	(199)	2 998	6 836
Net financial items	(611)	(607)	(3 015)
Profit before taxes	3 176	6 253	19 003
Taxes	(1 058)	(1 227)	(4 193)
Profit from continuing operations	2 118	5 026	14 810
Profit (loss) from discontinued operations	-	-	-
Net income	2 118	5 026	14 810

Net income attributable to:

Non-controlling interests (Minority interests)	496	455	1 745
Equity holders of Telenor ASA	1 622	4 571	13 065

Earnings per share in NOK

From continuing operations:

Basic	0.98	2.72	7.83
Diluted	0.98	2.72	7.82

From total operations:

Basic	0.98	2.72	7.83
Diluted	0.98	2.72	7.82

The interim financial information has not been subject to audit or review.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Telenor Group

(NOK in millions)	First quarter		Year
	2009	2008	2008
		(Restated)	(Restated)
Net income	2 118	5 026	14 810
Translation differences on net investment in foreign operations	(9 587)	(2 417)	10 806
Income tax	(527)	126	552
Net gain (loss) on hedge of net investment	1 858	(187)	(2 665)
Income tax	(534)	52	746
Available-for-sale investments valuation gains (losses)	(37)	-	(49)
Cash flow hedges valuation gains (losses)	(496)	(1)	(375)
Income tax	138	1	106
Share of other comprehensive income (loss) of associated companies	(1 307)	(19)	(1 493)
Other comprehensive income (loss) for the period, net of tax	(10 492)	(2 445)	7 628
Total comprehensive income for the period	(8 374)	2 581	22 438

Total comprehensive income attributable to:

Non-controlling interests (Minority interests)	28	90	2 720
Equity holders of Telenor ASA	(8 402)	2 491	19 718

The interim financial information has not been subject to audit or review.



CONSOLIDATED BALANCE SHEET
Telenor Group

(NOK in millions)	31 March 2009	31 March 2008	31 December 2008
Deferred tax assets	1 362	2 676	2 815
Goodwill	31 368	30 339	34 227
Intangible assets	31 483	24 936	31 153
Property, plant and equipment	56 258	48 739	59 772
Associated companies	18 345	18 478	20 811
Other non-current assets	4 955	3 503	6 020
Total non-current assets	143 771	128 671	154 798
Trade receivables	8 851	8 706	10 204
Other current assets	10 829	10 966	12 777
Other liquid assets	464	504	468
Cash and cash equivalents	11 235	11 476	8 925
Total current assets	31 379	31 652	32 374
Total assets	175 150	160 323	187 172
Equity attributable to equity holders of Telenor ASA	72 334	70 536	80 947
Non-controlling interests (Minority interests)	8 979	5 809	7 621
Total equity	81 313	76 345	88 568
Pension obligations	2 537	2 352	2 634
Deferred tax liabilities	4 588	3 686	4 696
Other provisions	1 662	1 089	1 681
Provisions and obligations	8 787	7 127	9 011
Non-current interest-bearing financial liabilities	39 865	39 276	40 452
Non-current non-interest-bearing liabilities	1 129	993	944
Total non-current liabilities	40 994	40 269	41 396
Current interest-bearing financial liabilities	12 803	8 642	15 581
Trade payables	6 857	7 296	7 354
Current non-interest-bearing liabilities	24 396	20 644	25 262
Total current liabilities	44 056	36 582	48 197
Total equity and liabilities	175 150	160 323	187 172
Equity ratio including non-controlling interests (%)	46.4	47.6	47.3
Net interest-bearing liabilities	39 874	35 665	45 547

Kyivstar is included in the line Associated companies in the balance sheet.

The interim financial information has not been subject to audit or review.

CONSOLIDATED CASH FLOW STATEMENT

Telenor Group

(NOK in millions)	First quarter		Year
	2009	2008	2008
Profit before taxes	3 176	6 253	19 003
Income taxes paid	(655)	(961)	(3 870)
Net (gains) losses from disposals, and change in fair value of financial items incl. impairment losses	41	180	394
Depreciation, amortisation and impairment losses	3 857	3 261	14 210
Profit and loss from associated companies	199	(2 998)	(6 836)
Dividends received from associated companies	1 427	-	1 258
Currency (gains) losses not related to operating activities	(84)	64	441
Change in other operating working capital assets and liabilities	1 138	574	1 029
Net cash flow from operating activities	9 099	6 373	25 629
Purchases of property, plant and equipment (PPE) and intangible assets	(3 804)	(4 421)	(17 465)
Purchases of subsidiaries and associated companies, net of cash acquired	(25)	(1 193)	(1 321)
Sales of PPE, intangible assets and businesses, net of cash disposed	17	4 177	4 291
Sales and purchases of other investments	(76)	1	(308)
Net cash flow from investing activities	(3 888)	(1 436)	(14 803)
Proceeds from and repayments of borrowings	(2 256)	686	(534)
Proceeds from issuance of shares, incl from non-controlling interests in subsidiaries	-	(21)	338
Purchase of treasury shares	-	(761)	(2 108)
Dividends paid and repayment of equity to non-controlling interests in subsidiaries	-	-	(1 514)
Dividends paid to shareholders of Telenor ASA	-	-	(5 678)
Net cash flow from financing activities	(2 256)	(96)	(9 496)
Effects of exchange rate changes on cash and cash equivalents	(645)	(206)	754
Net change in cash and cash equivalents	2 310	4 635	2 084
Cash and cash equivalents at the beginning of the period	8 925	6 841	6 841
Cash and cash equivalents at the end of the period ¹⁾	11 235	11 476	8 925

¹⁾ The 2009 figure includes restricted cash of NOK 527 million.

The interim financial information has not been subject to audit or review.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Telenor Group

(NOK in millions)	Attributable to equity holders of Telenor ASA					Non-controlling interests	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences	Total		
Balance as of 31 December 2007	14 406	9 428	48 803	(3 840)	68 797	5 858	74 655
Total comprehensive income for the period	-	(1 765)	13 065	8 418	19 718	2 720	22 438
Business combinations and increased ownership interests in subsidiaries	-	(9)	-	-	(9)	-	(9)
Transactions with non-controlling interests	-	493	-	-	493	631	1 124
Income tax on items taken directly to equity	-	(5)	-	-	(5)	-	(5)
Equity adjustments in associated companies	-	(282)	-	-	(282)	-	(282)
Transfer from share premium account	(3 000)	3 000	-	-	-	-	-
Cancellation of shares	(1 274)	1 274	-	-	-	-	-
Dividends	-	-	(5 678)	-	(5 678)	(1 590)	(7 268)
Share buy back	(116)	(1 992)	-	-	(2 108)	-	(2 108)
Sale of shares, share issue, and share options to employees	-	21	-	-	21	2	23
Balance as of 31 December 2008 (Restated)	10 016	10 163	56 190	4 578	80 947	7 621	88 568
Total comprehensive income for the period	-	(1 703)	1 622	(8 321)	(8 402)	28	(8 374)
Transactions with non-controlling interests	-	(3)	-	-	(3)	1 391	1 388
Equity adjustments in associated companies	-	(132)	-	-	(132)	-	(132)
Dividends	-	-	-	-	-	(61)	(61)
Share buy back	(13)	(70)	-	-	(83)	-	(83)
Sale of shares, share issue, and share options to employees	-	7	-	-	7	-	7
Balance as of 31 March 2009	10 003	8 262	57 812	(3 743)	72 334	8 979	81 313

(NOK in millions)	Attributable to equity holders of Telenor ASA					Non-controlling interests	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences	Total		
Balance as of 31 December 2007	14 406	9 428	48 803	(3 840)	68 797	5 858	74 655
Total comprehensive income for the period	-	(16)	4 571	(2 064)	2 491	90	2 581
Transactions with non-controlling interests	-	3	-	-	3	3	6
Dividends	-	-	-	-	-	(143)	(143)
Share buy back	(44)	(717)	-	-	(761)	-	(761)
Sale of shares, share issue, and share options to employees	-	6	-	-	6	1	7
Balance as of 31 March 2008 (Restated)	14 362	8 704	53 374	(5 904)	70 536	5 809	76 345

The interim financial information has not been subject to audit or review.

Notes to the consolidated interim financial statements

NOTE 1 – GENERAL ACCOUNTING PRINCIPLES

Telenor (the Group) consists of Telenor ASA (the Company) and its subsidiaries. Telenor ASA is a limited company, incorporated in Norway. The condensed consolidated interim financial statements consist of the Group and the Group's interest in associated companies and joint ventures.

These interim condensed consolidated financial statements for the period ending 31 March 2009 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with Telenor's Annual Report 2008.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's Annual Financial Statements for the year ended 31 December 2008, except for the adoption of new standards and interpretations as of 1 January 2009 noted below.

IAS 1 Revised Financial statement presentation

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details on transactions with owners, with non-owners changes in equity presented as a single line. In addition the standard introduces a statement of comprehensive income presenting income and expenses of non-owner transactions either as addition in the income statement or as a separate statement of comprehensive income. The Group has elected to present two statements.

IFRS 7 Financial Instruments – disclosure. The amendments require enhanced disclosures about fair value measurements and liquidity risk. The amendments will impact Telenor's disclosures for the year 2009.

Other standards and interpretations as mentioned in Telenor's Annual Report 2008 note 1 and effective from 1 January 2009 have no impact on Telenor's financial statement.

NOTE 2 – CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to note 3 in Telenor's Annual Report 2008 for critical accounting judgements and key sources of estimation uncertainty.

As of 31 March 2009, Telenor's assessment is that corporate governance and control has still not been restored in Kyivstar. Significant influence still exists and Kyivstar continues to be accounted for as an associated company.

At the date of issuance of this report, VimpelCom has not issued its financial statements as of 31 December 2008 and the most recent available financial statements are as of 30 September 2008. Telenor's share of profits from VimpelCom in the first quarter 2009 is estimated based on publicly available information.



NOTE 3 – BUSINESS COMBINATIONS

Unitech Wireless

On 17 March 2009 Telenor announced the acquisition of a 33.5% ownership interest in Unitech Wireless. The acquisition was completed 20 March 2009 by a capital contribution in Unitech Wireless of NOK 1.7 billion paid in cash. Telenor gains control through the share agreement. The value was set based on fair value after negotiations between the parties.

Unitech Wireless will offer mobile services to residential and business customers in India.

The initial purchase price allocation, which is performed with assistance from third-party valuation experts, has been determined to be provisional. The carrying values at the date of acquisition are reported according to IFRS. The preliminary net assets acquired in the transaction, and the goodwill arising, are as follows:

	Unitech Wireless carrying amount at acquisition date	Fair value adjustments	Preliminary fair values 20.03.2009	Preliminary fair values included in annual report 2008
Licences	2 353	1 227	3 580	3 581
Property, plant and equipment	3	-	3	4
Other financial non-current assets	1	-	1	-
Trade and other receivables	47	-	47	26
Cash and cash equivalents	1 749	-	1 749	1 758
Non-current interest-bearing financial liabilities	-	-	-	(2 320)
Deferred tax liabilities	-	(417)	(417)	(478)
Provisions and obligations	(1)	-	(1)	-
Trade and other payables	(188)	-	(188)	(60)
Current non-interest-bearing liabilities	(366)	-	(366)	(447)
Current interest-bearing liabilities	(2 352)	-	(2 352)	-
Net assets	1 246	810	2 056	2 064
Non-controlling interests	829	538	1 367	1 372
Net assets acquired	417	272	689	692
Goodwill			980	974
Total consideration for the shares, satisfied by cash			1 669	1 666
Liabilities assumed			-	-
Total consideration, satisfied by cash			1 669	1 666

Useful life of licences at the date of acquisition was estimated to 19 years. The goodwill arising on the acquisition of Unitech Wireless is a residual value and is attributable to assembled workforce, anticipated profitability of the operations and includes deferred tax liabilities related to the excess values.

Unitech Wireless has no impact on Telenor's income statement for the period between consolidation and 31 March 2009.

NOTE 4 – EVENTS AFTER THE BALANCE SHEET DATE

Telenor and Tele2 announced at 14 April 2009 an agreement to build joint 2G and 4G networks in Sweden. The agreement includes the formation of a joint venture for network construction and sharing of spectrum for mobile communication. The roll-out will start this year with the intent of launching high-speed mobile broadband services based on LTE technology in the end of 2010.

NOTE 5 – SEGMENT TABLE AND RECONCILIATION OF EBITDA BEFORE OTHER INCOME AND EXPENSES

The operations first quarter

(NOK in millions)	Total revenues			of which internal		EBITDA before other income and expenses *)			
	2009	2008	Growth	2009	2008	2009	Margin	2008	Margin
Mobile – Norway	3 219	3 120	3.2%	185	185	1 249	38.8%	1 127	36.1%
Fixed – Norway	3 681	3 631	1.4%	547	533	1 333	36.2%	1 281	35.3%
Sweden	2 160	2 360	(8.5%)	43	26	385	17.8%	514	21.8%
Denmark	2 016	1 818	10.9%	54	41	466	23.1%	386	21.2%
Kyivstar – Ukraine	2 348	3 093	(24.1%)	6	6	1 370	58.3%	1 872	60.5%
Pannon – Hungary	1 322	1 380	(4.2%)	3	5	558	42.2%	584	42.3%
DTAC – Thailand	3 219	3 036	6.0%	9	25	937	29.1%	1 014	33.4%
DiGi – Malaysia	2 307	1 921	20.1%	2	2	1 032	44.7%	918	47.8%
Grameenphone – Bangladesh	1 574	1 153	36.5%	-	-	934	59.3%	545	47.3%
Telenor – Pakistan	1 121	1 042	7.6%	10	2	232	20.7%	179	17.2%
Other mobile operations	886	862	2.8%	23	17	378	42.7%	341	39.6%
Broadcast	2 102	1 922	9.4%	24	23	435	20.7%	423	22.0%
Other operations	2 686	2 409	11.5%	616	590	(34)	nm	45	1.9%
Eliminations	(1 522)	(1 455)	-	(1 522)	(1 455)	(7)	-	1	-
Operating segments	27 119	26 292	3.1%	-	-	9 268	34.2%	9 230	35.1%
Kyivstar reclassified as associated company	2 342	3 087				1 370		1 872	
Group	24 777	23 205	6.8%			7 898	31.9%	7 358	31.7%

*) The segment profit is EBITDA before other income and expenses

Reconciliation

(NOK in millions)	First quarter		Year
	2009	2008	2008
Net income	2 118	5 026	14 810
Profit (loss) from discontinued operations	-	-	-
Profit from continuing operations	2 118	5 026	14 810
Taxes	(1 058)	(1 227)	(4 193)
Profit before taxes	3 176	6 253	19 003
Net financial items	(611)	(607)	(3 015)
Associated companies	(199)	2 998	6 836
Depreciation and amortisation	(3 852)	(3 259)	(14 104)
Impairment losses	(5)	(2)	(106)
EBITDA	7 843	7 123	29 392
Gains (losses) on disposal of fixed assets and operations	5	(82)	(202)
Workforce reductions and loss contracts	(60)	(153)	(710)
EBITDA before other income and expenses	7 898	7 358	30 304
Kyivstar presented as an operating segment	1 370	1 872	8 058
EBITDA before other income and expenses in operating segments	9 268	9 230	38 362

Definitions

- Organic revenue is defined as revenue adjusted for the effects of acquisition and disposal of operations and currency effects.
- Capital expenditure (Capex) is investments in tangible and intangible assets.
- Cash flow is defined as EBITDA before other income and expenses – Capex, excluding licences and spectrum.
- Investments in businesses comprise acquisitions of shares and participations, including acquisitions of subsidiaries and businesses not organised as separate companies.

MOBILE OPERATIONS

Revenues

Subscription and traffic

– consist of subscription and connection fees, revenues from voice outgoing airtime, non-voice traffic, outbound roaming and other mobile service revenues. Subscription and traffic includes only revenues from the company's own subscriptions.

Interconnect

– consist of revenues from incoming traffic. Revenues from incoming traffic related to service provider subscriptions are not included.



EBITDA				Operating profit (loss)				Total assets as of	
2009	Margin	2008	Margin	2009	Margin	2008	Margin	2009	2008
1 244	38.6%	1 104	35.4%	1 026	31.9%	912	29.2%	9 490	9 079
1 328	36.1%	1 167	32.1%	848	23.0%	673	18.5%	19 220	18 436
385	17.8%	514	21.8%	(126)	nm	25	1.1%	29 385	29 121
463	23.0%	386	21.2%	35	1.7%	119	6.5%	12 834	11 920
1 370	58.3%	1 864	60.3%	991	42.2%	1 439	46.5%	12 509	16 060
558	42.2%	581	42.1%	393	29.7%	416	30.1%	8 874	9 473
936	29.1%	980	32.3%	532	16.5%	673	22.2%	21 315	18 693
1 040	45.1%	909	47.3%	721	31.3%	635	33.1%	9 752	7 183
934	59.3%	545	47.3%	530	33.7%	289	25.1%	10 224	6 643
232	20.7%	179	17.2%	(90)	nm	(56)	nm	11 220	8 468
377	42.6%	341	39.6%	182	20.5%	131	15.2%	31 150	25 606
425	20.2%	386	20.1%	220	10.5%	210	10.9%	16 147	15 228
(72)	nm	30	1.2%	(286)	nm	(175)	nm	47 842	46 271
(7)	-	1	-	1	-	10	-	(58 434)	(52 551)
9 213	34.0%	8 987	34.2%	4 977	18.4%	5 301	20.2%	181 528	169 630
1 370		1 864		991		1 439		6 378	9 307
7 843	31.7%	7 123	30.7%	3 986	16.1%	3 862	16.6%	175 150	160 323

Other mobile

– consist of inbound roaming, national roaming and revenues related to service providers and MVNOs (Mobile Virtual Network Operators).

Non-mobile

– consist of revenues from customer equipment and businesses that are not directly related to mobile operations.

Key Figures

Subscriptions

Contract subscriptions are counted until the subscription is terminated.

Prepaid subscriptions are counted as active if there has been outgoing or incoming traffic or if the SIM card has been reloaded during the last three months. Service provider and MVNO subscriptions are not included. Data only SIM cards are included, but SIM cards used for telemetric applications are excluded. Telemetric is defined as machine-to-machine SIM cards (M2M), for example, vending machines and meter readings.

Average traffic minutes per subscription per month (AMPU)

Traffic minutes per subscription per month are calculated based on total outgoing and incoming rated minutes from the company's own subscriptions. This includes zero rated minutes and outgoing minutes from own subscriptions while roaming. Outgoing and incoming minutes related to inbound roaming, national roaming, service providers and MVNOs are not included.

Average revenue per subscription per month (ARPU)

ARPU is calculated based on mobile revenues from the company's own subscriptions, divided by the average number of subscriptions for the relevant period.

Mobile revenues from company's own subscriptions

– consist of 'Subscription and traffic' and 'Interconnect revenues' and do not include revenues from inbound roaming, national roaming, service providers, MVNOs, sale of customer equipment and incoming traffic related to service provider subscriptions.

FIXED – NORWAY

Revenues

Telephony

– consist of subscription and connection fee, traffic (fixed to fixed, fixed to mobile, to other countries, value added services, other traffic) for PSTN/ISDN and Voice over Internet Protocol (VoIP).

xDSL/Internet

– consist of subscription fee for xDSL and Internet and traffic charges for Internet traffic (810/815).

Data services

– consist of Nordicom, Frame relay and IP-VPN.

Other

– consist of leased lines, managed services and other retail products.

Wholesale

– consist of sale to service providers of telephony (PSTN/ISDN) and xDSL, national and international interconnect, transit traffic, leased lines, other wholesale products and contractor services.

BROADCAST

Revenues

Canal Digital Group

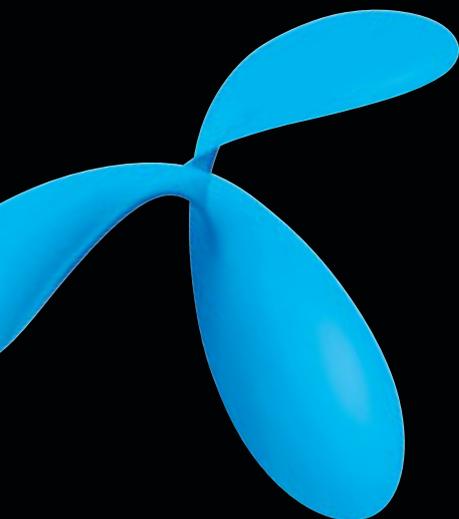
– consists of revenues from our DTH subscribers, cable TV subscribers, households in SMATV networks and DTT subscribers in the Nordic region.

Transmission & Encryption

– consist of revenues from satellite services from satellite position 1-degree west, and revenues from terrestrial radio and TV transmission in Norway and revenues from conditional access systems.

Other

– consist of revenues not directly related to the Canal Digital Group and Transmission & Encryption.



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