

Telenor – First Quarter 2011

Jon Fredrik Baksaas, President and CEO

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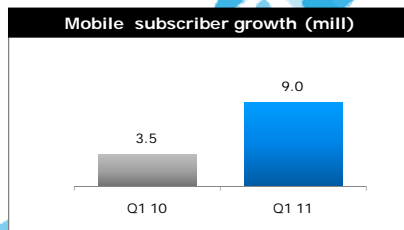
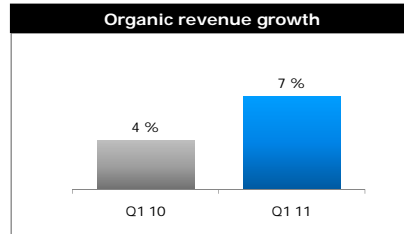
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Q1 2011

Growth and modernisation

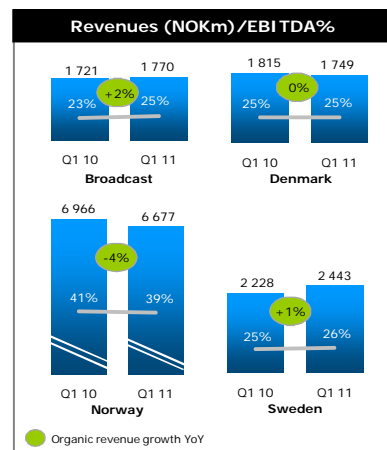
- 7% organic revenue growth
- 9 million mobile subscriber growth
- Operating cash flow of NOK 5 bn
- Mobile network modernisation
- Outlook for 2011 maintained



Q1 2011 – Nordic

Price pressure in Norway and Denmark

- Stable mobile voice usage, while data usage continues to increase
- Competition in Norway fuelled by asymmetric MTRs
- Introducing new service offerings
- Removing handset subsidies in Denmark
- Comprehensive cost reductions required
- Mobile network swaps on track

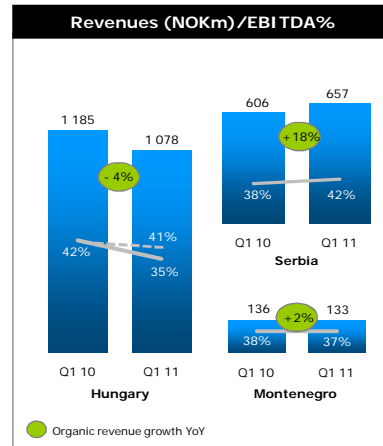


Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

Q1 2011 – CEE

Revenue growth and margin expansion in Serbia

- 18% organic revenue growth in Serbia
- 41% EBITDA margin excl telco tax in Hungary
- Good execution on operational excellence
- Network modernisation projects in Hungary and Serbia



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

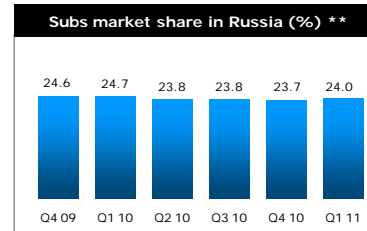
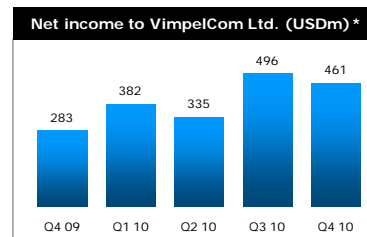
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Q1 2011

VimpelCom completing Wind Telecom acquisition

- Net income of USD 461 million in Q410
- Total dividend for 2010 of USD 1.1 bn, in line with dividend policy
- Acquisition of Wind Telecom completed on 15 April
- Telenor's ownership interest diluted post transaction:
 - Economic stake 31.67% (39.6%)
 - Voting stake 25.01% (36.0%)
- Arbitration proceedings initiated to protect shareholder right to maintain position



*) Company data
**) Company data, AC&M Consulting

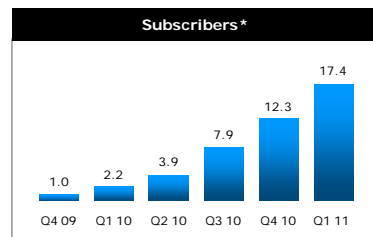
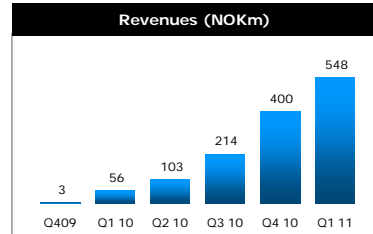
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Q1 2011

Gaining market share in India

- 5.2 million net subscriber growth, reaching 17.4 million
- Operational focus on distribution and cost efficiency
- Investigations of 2G licence process prior to Telenor's entry, continue
- Clarity on licence and regulatory issues required



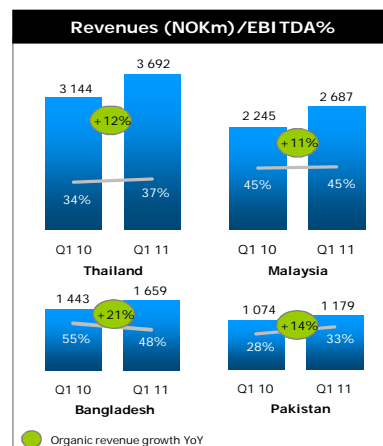
*) Million subscribers, based on 30 days definition of active subscribers



Q1 2011 – Asia

Strong performance in established Asian operations

- 3.9 million net subscriber growth
- Data and smartphones fuelling revenues in Malaysia and Thailand
- Subsidies deflating margin in Bangladesh
- 26% operating cash flow margin in Pakistan



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

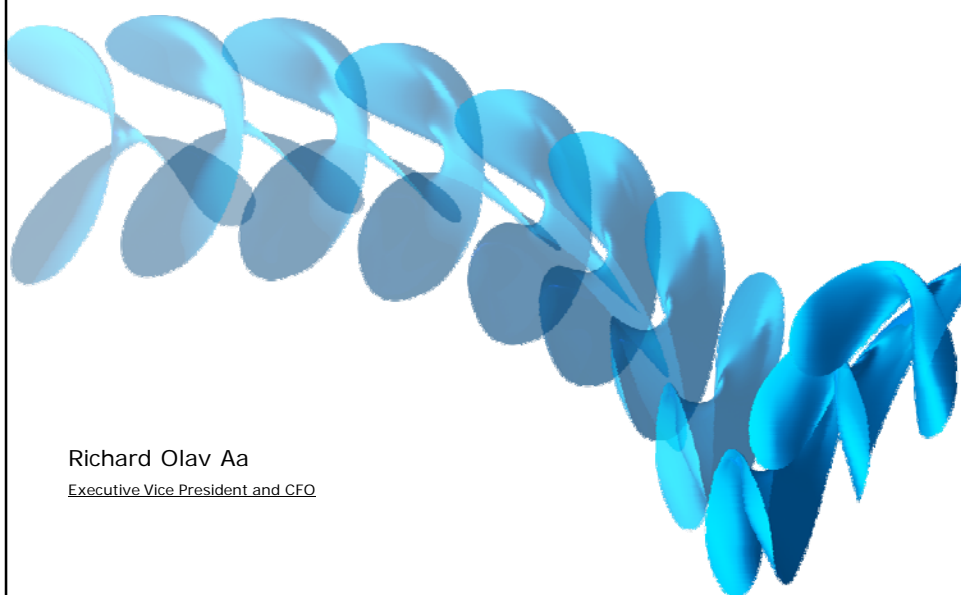


Looking ahead

- Strong top line momentum into 2011
- Manage transition from voice to data
- Become an ultra low-cost operator in India
- Operating focus in VimpelCom
- Speed-up of operational efficiency programmes
- Outlook for 2011 maintained



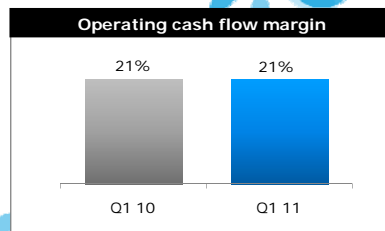
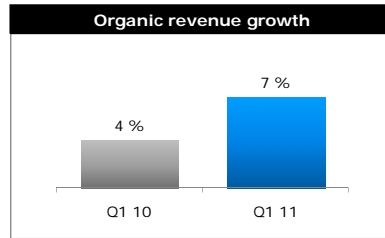
Richard Olav Aa
Executive Vice President and CFO



Q1 2011

Financial highlights

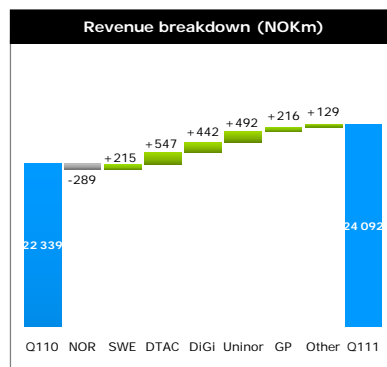
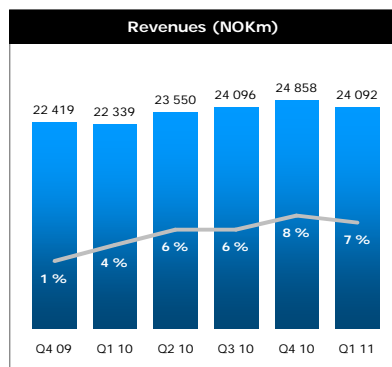
- 7% organic revenue growth
- 31% EBITDA margin
- 21% operating cash flow margin
- Net income to Telenor of NOK 2.8 bn
- Net debt reduced by NOK 4 bn
- Outlook for 2011 maintained



Operating cash flow from continuing operations, excluding licences and spectrum
 Operating cash flow defined as EBITDA before other items - capex

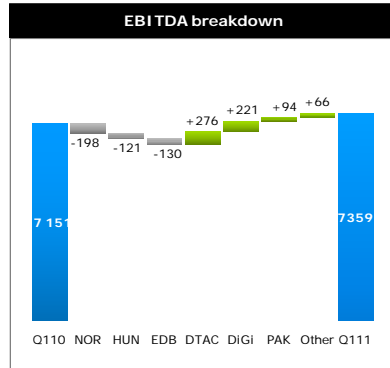
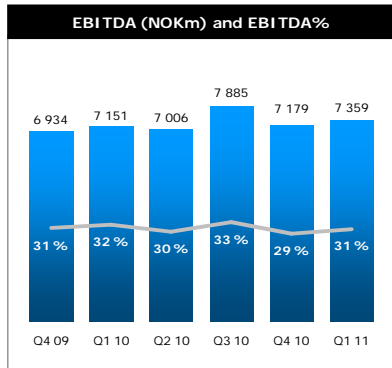
Q1 2011

7% organic revenue growth



Organic revenue growth in fixed currency, adjusted for acquisitions and disposals.

Q1 2011
31% EBITDA margin

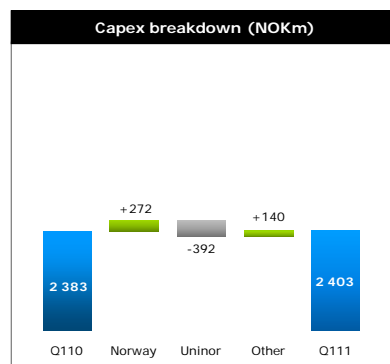
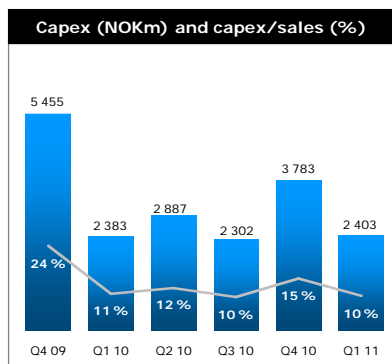


EBITDA and EBITDA margin before other items

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Q1 2011
10% capex/sales



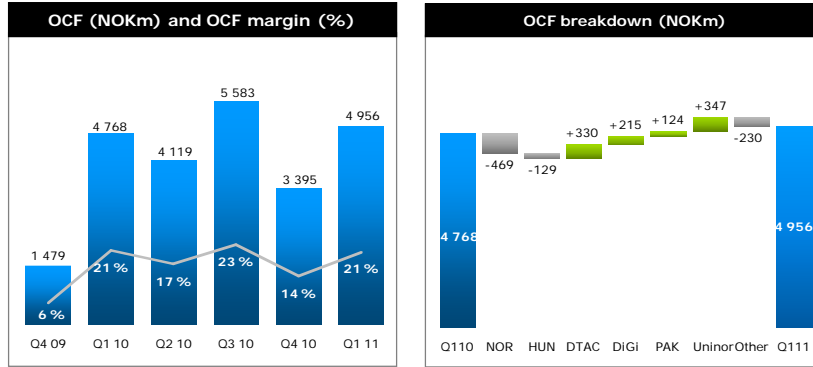
Capex from continuing operations
Capex and capex/sales ratio excluding licence fees.

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Q1 2011

21% operating cash flow margin



Operating cash flow from continuing operations, excluding licences and spectrum
 Operating cash flow defined as EBITDA before other items - capex

Q1 2011

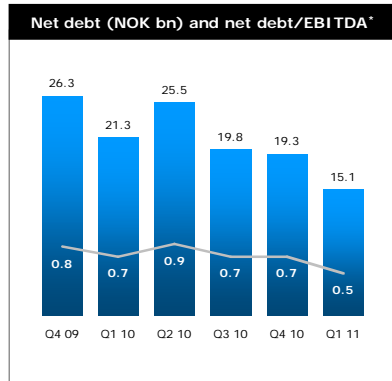
Net income to Telenor of NOK 2.8 billion

NOKm	Q1 11	Q1 10
Revenues	24 092	22 339
EBITDA before other items	7 359	7 151
Other items	42	-85
EBITDA	7 401	7 065
Depreciation	-3 705	-3 956
EBIT	3 696	3 107
Associated companies	1 100	-93
Net financials	-380	-859
Profit before taxes	4 416	2 155
Taxes	-1 412	-885
Profit from continuing operations	3 003	1 270
Net income to Telenor	2 793	1 038
Earnings per share (NOK)	1.71	0.70

- Workforce reductions and loss contracts (NOK -119m), gains on disposal of assets (NOK 146m)
- Net contribution from Q410 figures for VimpelCom of NOK 1,065m
- No Q1 contribution from VimpelCom and Kyivstar due to change to one quarter lag reporting
- NOK -375m in hedging effects related to equity injections into Uninor
- Higher taxes driven by increased profit before tax. Stable underlying tax rate vs Q110.

Q1 2011

Net debt reduced by NOK 4 billion



Change in net debt (NOK bn)

Net debt 31 Dec 2010	19.3
EBITDA	(7.4)
Net interests paid	0.3
Income taxes paid	1.5
Capex paid	2.9
Dividends paid to DiGi minorities	0.3
Interim dividend VimpelCom	(0.5)
Accrued revenue share in DTAC	(0.7)
Currency/Other	(0.6)
<i>Net change</i>	<i>(4.2)</i>
Net debt 31 Mar 2011	15.1

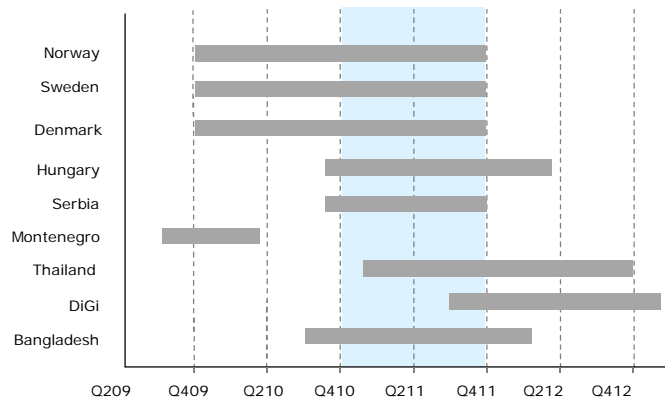
*) 12 months rolling EBITDA

17



Q1 2011

Network swaps inflating capex short term



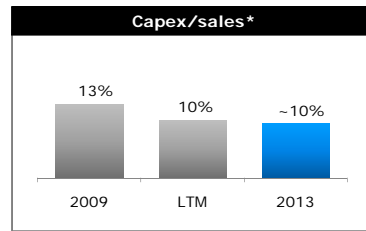
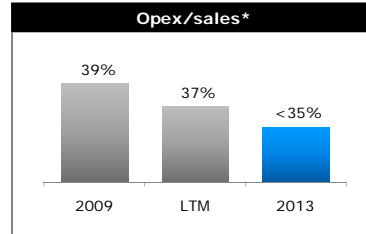
Estimated timelines.



Q1 2011

Speeding up operational excellence initiatives

- Price pressure in the Nordic region requiring comprehensive cost reductions
- Downsizing and outsourcing of functions
- Modernisation of networks
- Optimisation of customer service and distribution
- General improvement of business processes



*) Existing business not incl. India and spectrum fees
LTM = last twelve months (April 2010-March 2011)

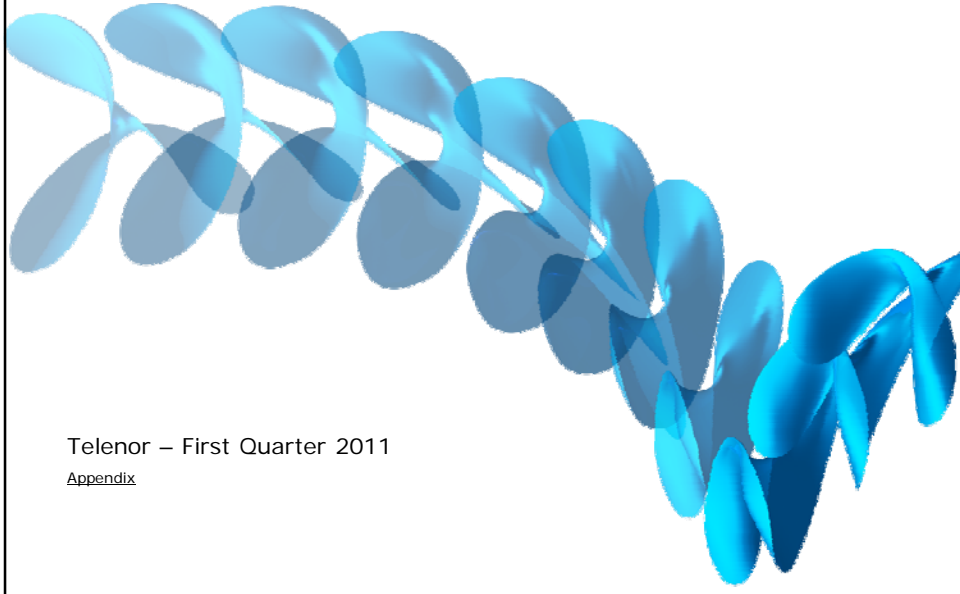
Q1 2011

Outlook for 2011 maintained

Group	2011	2011 YTD
Organic revenue growth	Above 5%	6.6%
EBITDA margin	Around 31%	30.5%
Capex / sales	12 - 13%	10.0%

India	2011	2011 YTD
EBITDA loss	Around NOK 4 bn	NOK 1.0 bn
Capex	NOK 1.0 - 1.5 bn	NOK 0.3 bn

Outlook assuming Group structure and exchange rates as of 31 March 2011.
EBITDA before other items. Capex excl. licences and spectrum.




Telenor – First Quarter 2011
Appendix

Telenor Group's operations

Nordic

- Norway 
- Sweden 
- Denmark 

Central and Eastern Europe

- Hungary 
- Serbia 
- Montenegro 

Asia

- Thailand 
- Malaysia 
- Bangladesh 
- Pakistan 
- India 

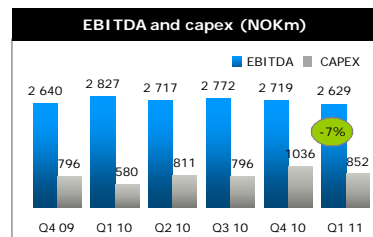
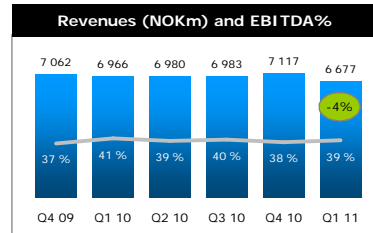
VimpelCom Ltd.

- Russia
- Ukraine
- Italy
- Kazakhstan
- Georgia
- Uzbekistan
- Tajikistan
- Armenia
- Kyrgyzstan
- Cambodia
- Vietnam
- Laos
- Pakistan
- Bangladesh
- Algeria
- Zimbabwe
- Burundi
- Namibia
- Central African Rep.
- Canada

Telenor Group holds 31.7% of the economic ownership in VimpelCom Ltd.

Q1 2011 Norway

- 18k net mobile subscriber loss
- Competitive pressure on mobile
- 5% mobile ARPU decline due to reduced MTR and roaming charges
- 50% of mobile network sites already swapped
- New mobile price plans launched in April



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

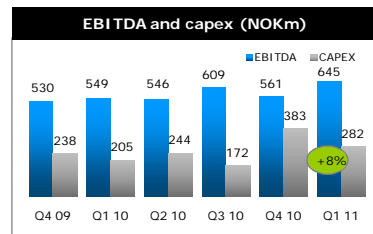
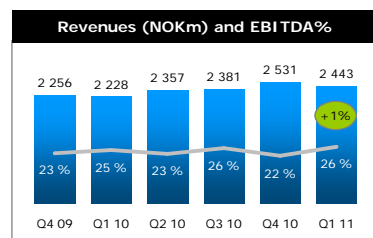
● Organic revenue / EBITDA growth YoY

23



Q1 2011 Sweden

- 13k net mobile subscriber growth
- 6% mobile revenue growth in local currency
- Fixed revenue decline in line with previous quarters
- Capex of 207 NOKm related to 800 MHz licence acquired through Net4Mobility



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

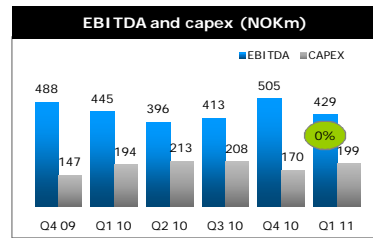
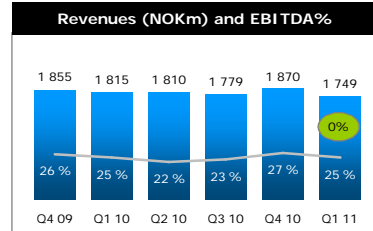
● Organic revenue / EBITDA growth YoY

24



Q1 2011
Denmark

- 32k net mobile subscriber loss
- Intense competition in SIM-only segment
- 4% mobile revenue growth in local currency, driven by wholesale
- Fixed revenue decline in line with previous quarters
- Removed handset subsidies and launched new price plans in April



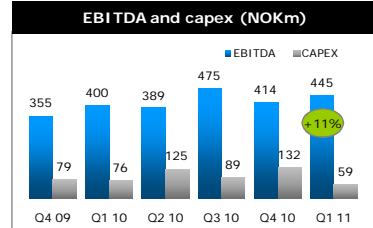
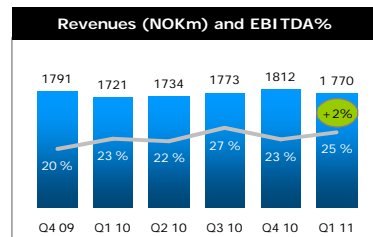
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY



Q1 2011
Broadcast

- 11k DTH subscriber loss offset by ARPU growth
- 21% revenue growth in Norkring
- 11% EBITDA growth
- 22% operating cash flow margin



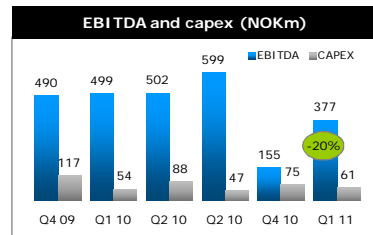
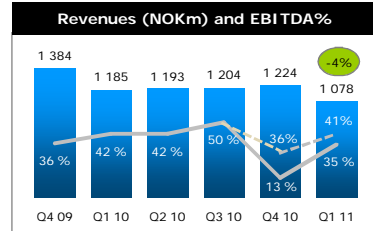
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl satellite in Q409

● Organic revenue / EBITDA growth YoY



Q1 2011
Hungary

- 40k net mobile subscriber loss due to seasonal prepaid churn
- Macro environment still challenging
- 41% EBITDA margin adjusted for crisis telecom tax
- Capex mainly related to network swap



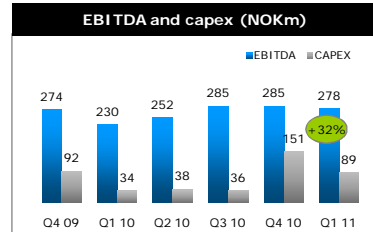
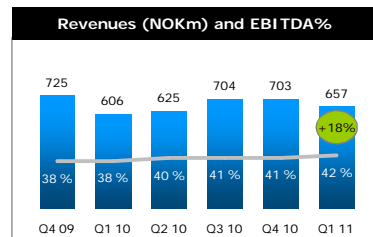
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY
--- EBITDA margin excl telco tax



Q1 2011
Serbia

- 52k net mobile subscriber growth
- 18% revenue growth and 32% EBITDA growth in local currency
- 9% ARPU growth in local currency
- Good execution of operational excellence driving down costs
- Capex mainly related to network swap



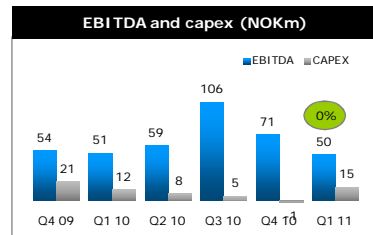
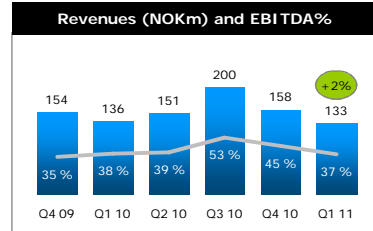
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY



Q1 2011 Montenegro

- 45k net mobile subscriber loss
- Seasonal churn from Christmas campaigns
- 5% ARPU growth in local currency
- Increased usage in prepaid segment
- Capex mainly related to service platform replacement



● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

29

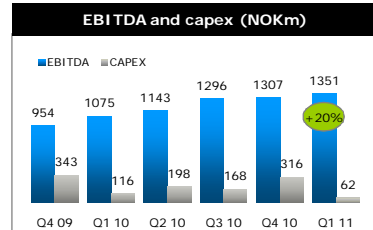
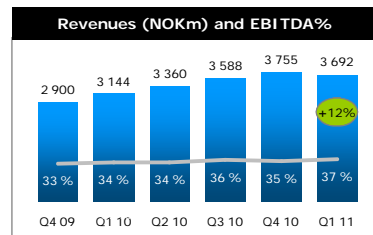


Q1 2011 Thailand (DTAC)

- 725k net subscriber growth
- 20% EBITDA growth in local currency
- Low capex, preparing for network swap
- 35% operating cash flow margin

Outlook for 2011*:

- High single digit revenue growth
- Capex of THB 6-7 million
- Operating cash flow approx THB 18 bn



● Organic revenue / EBITDA growth YoY

*) In local currency

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

30



Q1 2011 Malaysia (DiGi)

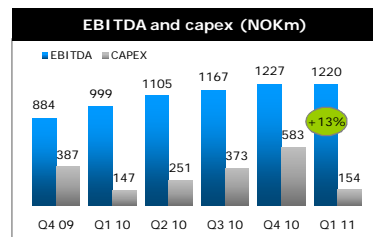
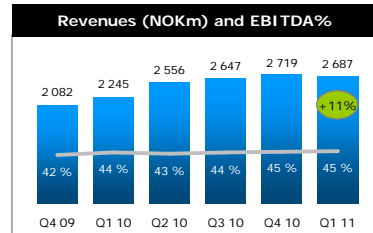
- 78k net subscriber growth
- Focus on mobile data and smartphones
- Strong opex management
- Network modernisation start-up in 2H11
- 40% operating cash flow margin

Outlook for 2011*:

- High single digit revenue growth
- Drive margin improvement
- Capex ~10% lower than 2010
- Targeting higher operating cash flow

*) In local currency

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees



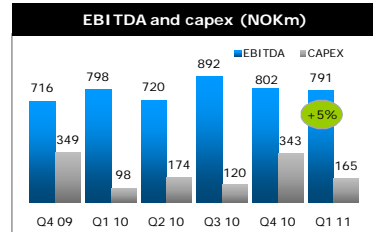
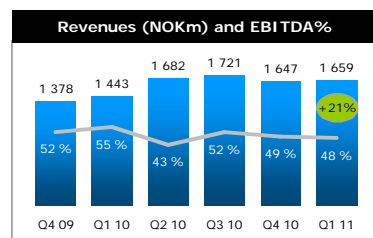
● Organic revenue / EBITDA growth YoY

31



Q1 2011 Bangladesh (Grameenphone)

- 2.0 million net subscriber growth
- 21% revenue growth in local currency
- ARPU decline from subscriber growth in low-income segments
- Continued high SIM tax subsidies
- 38% operating cash flow margin



● Organic revenue / EBITDA growth YoY

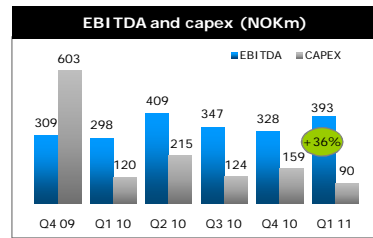
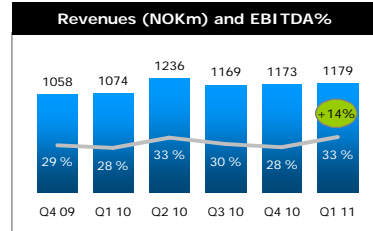
32



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

Q1 2011
Pakistan

- 1.1 million net subscriber growth
- 2% ARPU growth in local currency
- 36% EBITDA growth in local currency
- Increased gross margin and strong opex control
- 26% operating cash flow margin



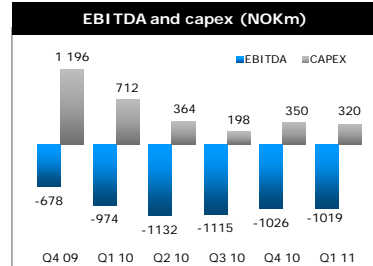
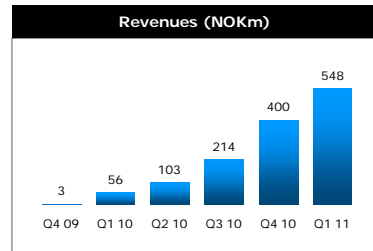
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY



Q1 2011
India (Uninor)

- 5.2 million net subscriber growth
- Total subscriber base of 17.4 million
- Stable ARPU from previous quarter
- 1,100 new sites put on air, reaching a total of 24,300 sites
- Accumulated operating cash flow loss of INR 89 bn



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees



Q1 2011

Changes in revenues and EBITDA

	Revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-4.2 %	-4.2 %	-7.0 %	-7.0 %
Sweden	9.6 %	1.2 %	17.4 %	8.3 %
Denmark	-3.6 %	0.0 %	-3.4 %	0.2 %
Hungary	-9.0 %	-4.3 %	-24.3 %	-20.4 %
Serbia	8.5 %	18.2 %	20.9 %	31.6 %
Montenegro	-1.7 %	1.8 %	-3.5 %	-0.1 %
Thailand	17.4 %	11.7 %	25.7 %	19.6 %
Malaysia	19.7 %	10.9 %	22.2 %	13.2 %
Grameenphone	15.0 %	21.3 %	-0.9 %	4.5 %
Pakistan	9.7 %	13.7 %	31.7 %	36.4 %
Broadcast	2.9 %	1.7 %	11.2 %	11.2 %
Telenor Group	7.8 %	6.6 %	2.9 %	1.8 %
Group ex. India	5.7 %	4.5 %	3.1 %	2.3 %

Organic growth YoY in fixed currency and adjusted for acquisitions and disposals. EBITDA before other items.

35



Q1 2011

Net debt in partly owned subsidiaries

(NOKm)		Q1 2011	Q4 2010	Q1 2010
DiGi	49.0%	150	430	804
DTAC	65.5%	-1 311	-893	662
Grameenphone	55.8%	-1 691	-1 296	-1 144
Uninor	67.3%	4 648	3 130	-2 104

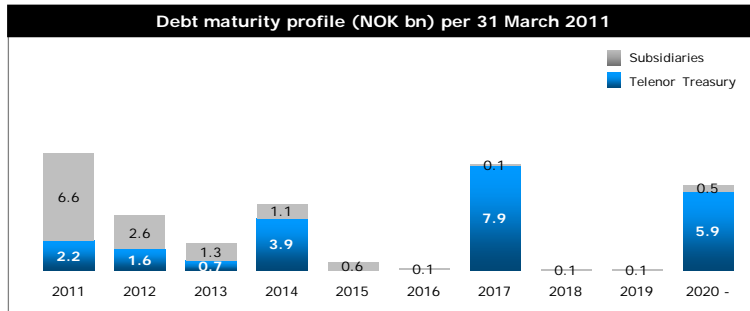
Net debt based on 100% figures

36



Q1 2011

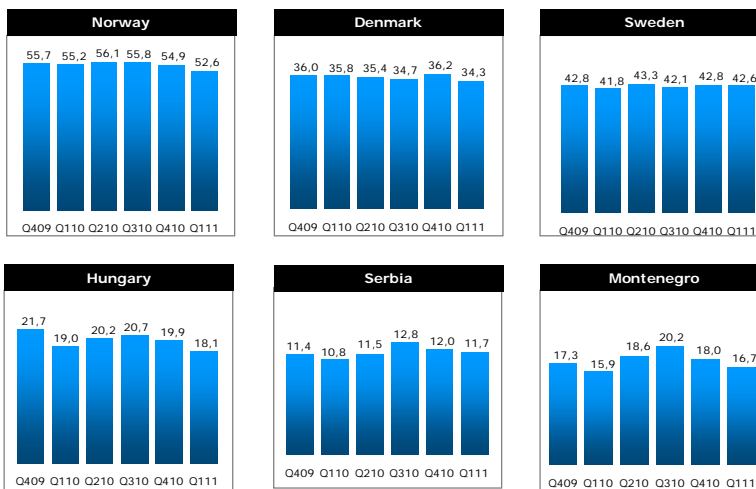
Debt maturity profile



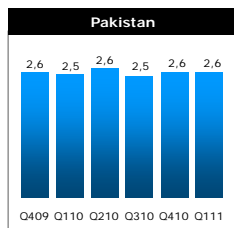
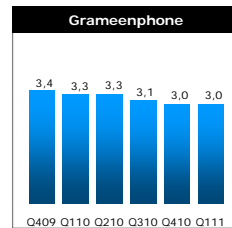
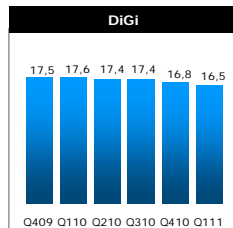
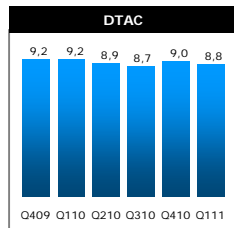
- Average life of debt portfolio 4.1 years vs 4.4 years last quarter
- Telenor ASA has committed and undrawn credit lines of EUR 2.5bn

Mobile operations

ARPU development (USD)



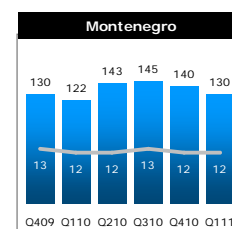
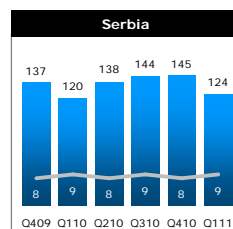
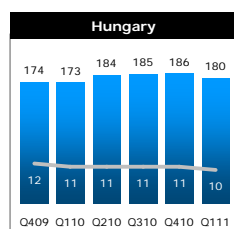
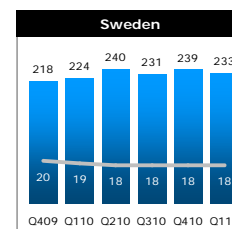
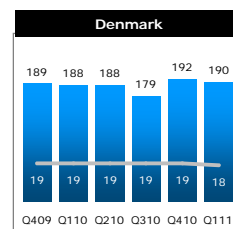
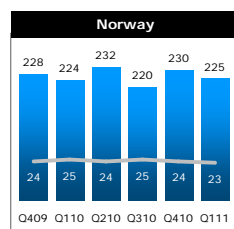
Mobile operations
ARPU development (USD)



FX as of 31 March 2011

Mobile operations
AMPU and APPM development

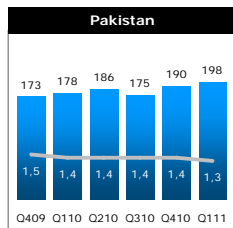
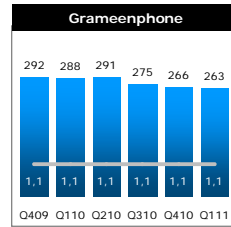
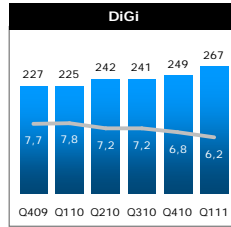
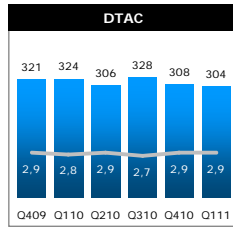
■ AMPU — APPM (USD cent)



FX as of 31 March 2011

Mobile operations
AMPU and APPM development

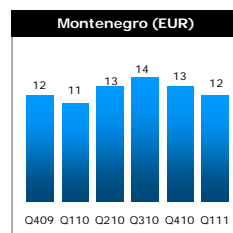
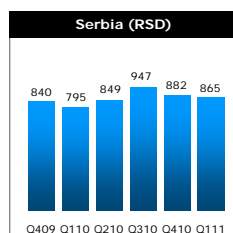
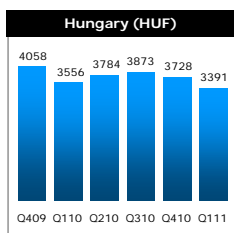
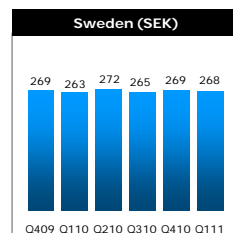
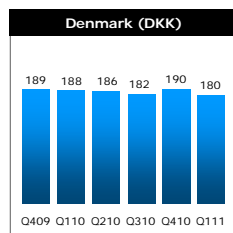
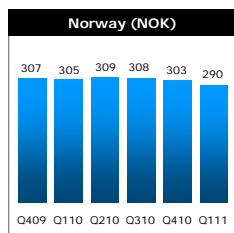
AMPU — APPM (USD cent)



FX as of 31 March 2011

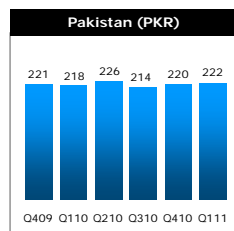
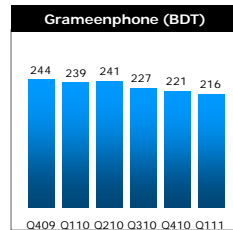
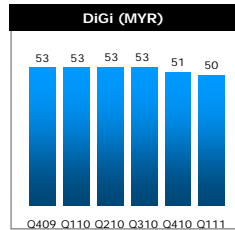
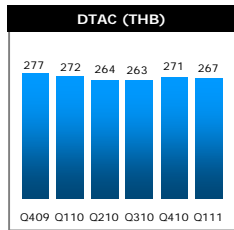


Mobile operations
ARPU development (local currency)



Mobile operations

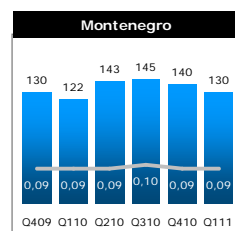
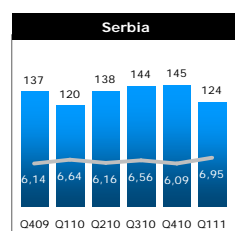
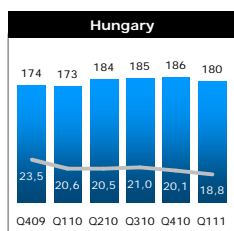
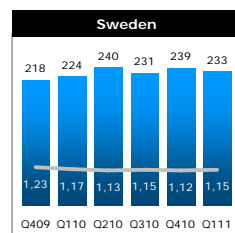
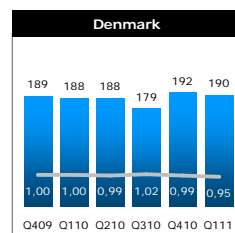
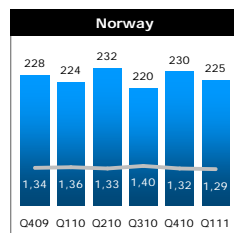
ARPU development (local currency)



Mobile operations

AMPU and APPM development

■ AMPU ■ APPM (local currency)



Mobile operations

AMPU and APPM development

AMPU — APPM (local currency)

