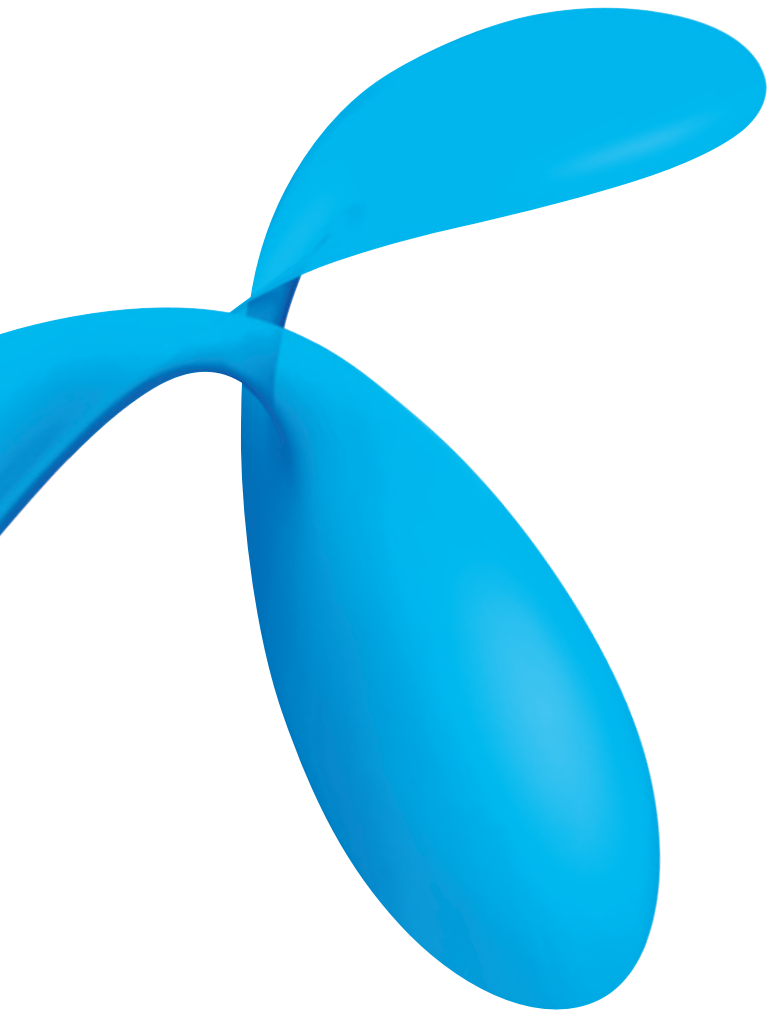


Q2 2006

In the second quarter of 2006, Telenor's revenues amounted to NOK 22.6 billion, which was an increase of 37% compared to the second quarter of 2005. Profit before taxes was NOK 3.9 billion.



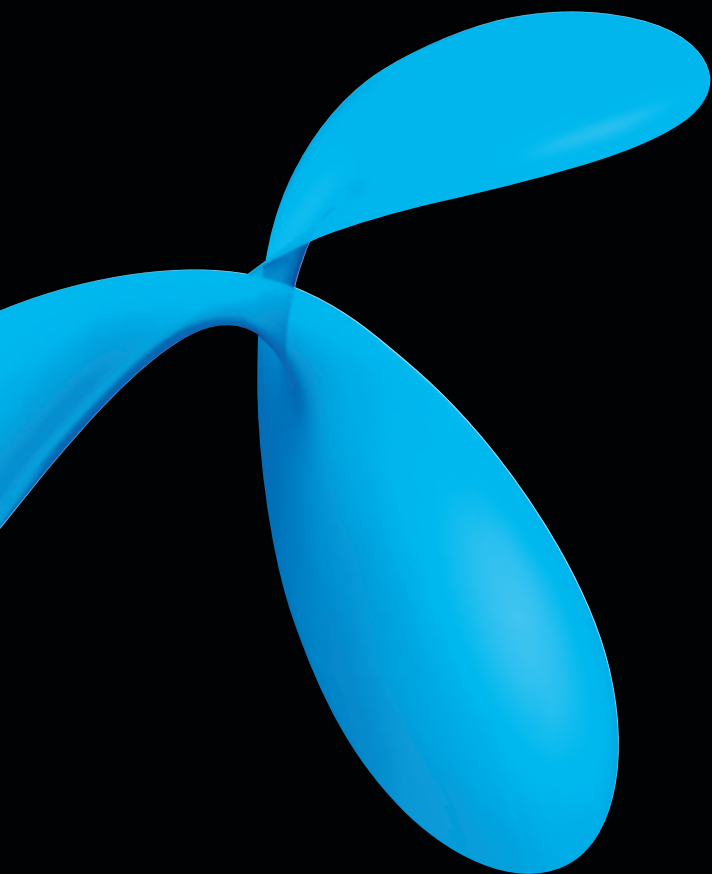
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Delivering a solid quarter

HIGHLIGHTS SECOND QUARTER 2006:

- 96 million mobile subscriptions
- Revenue growth of 37% – underlying growth of 12%
- EBITDA margin increased from 34% to 35%
- Strong operating cash flow



President and CEO
Jon Fredrik Baksaas

'We are delivering yet another solid quarter, with high growth in revenues and increased EBITDA margin. We are very satisfied that several of our mobile operations are performing so well in their markets. In particular, GrameenPhone improved its market position by increasing its customer base by more than 30% during this quarter alone. DTAC also increased its market share, but is facing price erosion in the Thai market. In the second quarter, the companies in which we have ownership interests increased the number of mobile subscriptions by 6 million, reaching a customer base of 96 million.

We are constantly evaluating how we can improve our performance. This can be seen in the strong margins within our mobile operations and the positive cost development in Fixed Norway. In Sweden, following recent acquisitions, we will reorganise the operations in order to reach our goal of becoming a leading provider of communication services', said President and CEO of Telenor, Jon Fredrik Baksaas.

KEY FIGURES

(NOK in millions except earnings per share)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues	22 580	16 542	44 452	31 812	68 927
EBITDA before other income and expenses	7 957	5 564	15 877	10 649	24 078
EBITDA before other income and expenses/Revenues (%)	35.2	33.6	35.7	33.5	34.9
Adjusted operating profit	4 414	2 813	8 788	5 194	12 534
Adjusted operating profit/Revenues (%)	19.5	17.0	19.8	16.3	18.2
Profit after taxes and minority interests (Net income)	2 284	2 041	5 934	3 751	7 646
Earnings per share from total operations, basic, in NOK	1.35	1.19	3.51	2.17	4.47
Capex	4 422	2 923	8 125	6 283	16 439
Investments in businesses	828	264	9 771	314	8 858
Net interest-bearing liabilities			38 210	17 814	30 858

EXTRACT FROM OUTLOOK FOR 2006

We are maintaining our outlook from the first quarter. For 2006, Telenor expects a revenue growth of around 30% with an EBITDA margin before other income and expenses above 34%. Capital expenditure as a proportion of revenues is expected to be above 20%.

Refer to page 9 for the full outlook for 2006, for definitions, refer to page 20.

Telenor's operations

Unless otherwise stated, the statements below are related to Telenor's development in the second quarter of 2006 compared to the second quarter of 2005.

Nordic Mobile Operations

Telenor Mobile – Norway

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	2 170	2 003	4 193	3 930	8 148
Interconnection revenues	474	452	920	859	1 754
Mobile revenues company's subscriptions	2 644	2 455	5 113	4 789	9 902
Other mobile revenues	505	453	1 037	815	1 825
Total mobile revenues	3 149	2 908	6 150	5 604	11 727
Non-mobile revenues	124	141	228	283	516
Total revenues¹⁾	3 273	3 049	6 378	5 887	12 243
¹⁾ Of which internal revenues	257	313	523	591	1 171
EBITDA	1 365	1 066	2 688	2 067	4 471
Depreciation and amortization ²⁾	215	230	431	443	889
Write-downs	33	12	33	10	16
Operating profit	1 117	824	2 224	1 614	3 566
²⁾ Of which amortization of Telenor's net excess values	1	1	2	2	4
EBITDA/Total revenues (%)	41.7	35.0	42.1	35.1	36.5
Operating profit/Total revenues (%)	34.1	27.0	34.9	27.4	29.1
Capex	143	343	272	537	1 218
ARPU – monthly (NOK)	324	308	314	303	309
No. of subscriptions (in thousands)			2 709	2 687	2 731

- The number of subscriptions decreased by 13,000 in the second quarter of 2006.
- Telenor Mobile's estimated market share was 55% in the second quarter compared to 56% in the first quarter of 2006.
- ARPU increased due to higher average usage per subscription (AMPU) as a result of a higher share of contract subscriptions reaching 58% up from 53%.
- Total mobile revenues increased by approximately 8% and were positively affected by an increase in the number of contract subscriptions and ARPU. Other mobile revenues increased due to higher revenues from the sale of capacity on a wholesale basis.
- Non-mobile revenues decreased due to lower sales of customer equipment.
- The EBITDA margin increased mainly due to higher total mobile revenues and lower costs, including sales and marketing costs.
- Capital expenditure decreased primarily due to completion of EDGE roll-out in 2005.
- Telenor Mobil won its case in the Appeal Court 3 April 2006, in which Telenor Mobil had been sued by Reitan group/Sense for charging excessive reseller prices in previous years. The case has been appealed to the Supreme Court.

Sonofon – Denmark

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	630	595	1 252	1 166	2 361
Interconnection revenues	338	328	686	628	1 300
Mobile revenues					
company's subscriptions	968	923	1 938	1 794	3 661
Other mobile revenues	152	158	297	301	638
Total mobile revenues	1 120	1 081	2 235	2 095	4 299
Non-mobile revenues	227	227	465	406	892
Total revenues¹⁾	1 347	1 308	2 700	2 501	5 191
¹⁾ Of which internal revenues	48	35	78	55	132
EBITDA	307	308	612	561	1 176
Depreciation and amortization ²⁾	271	328	557	681	1 285
Operating profit (loss)	36	(20)	55	(120)	(109)
²⁾ Of which amortization of Telenor's net excess values	132	134	269	291	555
EBITDA/Total revenues (%)	22.8	23.5	22.7	22.4	22.7
Operating profit/Total revenues (%)	2.7	nm	2.0	nm	nm
Capex	170	140	279	168	1 062
Investments in businesses	-	-	-	-	4
ARPU – monthly (NOK)	248	253	248	241	243
No. of subscriptions (in thousands)			1 310	1 250	1 284

Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Danish Krone by approximately 2% in the second quarter of 2006.

- The number of subscriptions increased by 11,000 in the second quarter of 2006.
- Sonofon's estimated market share was 27%, in line with the previous quarter.
- ARPU in local currency remained stable. Increased average usage driven by flat rate products was offset by a reduction of interconnect charges effective 1 May 2006.
- Total revenues in local currency increased by 6% primarily due to a higher contract subscription base.
- EBITDA measured in local currency increased by 2% mainly driven by higher revenues. This was partially offset by lower interconnect charges and higher handset subsidies as a result of the strong competition.
- Depreciation and amortization decreased mainly as a result of certain assets becoming fully depreciated.
- Increased capital expenditure was primarily related to roll-out of the UMTS network.

Telenor Mobile – Sweden

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	972	33	1 874	70	130
Interconnection revenues	235	18	441	33	60
Mobile revenues					
company's subscriptions	1 207	51	2 315	103	190
Other mobile revenues	96	14	185	25	54
Total mobile revenues	1 303	65	2 500	128	244
Non-mobile revenues	127	-	231	-	-
Total revenues¹⁾	1 430	65	2 731	128	244
¹⁾ Of which internal revenues	27	33	75	61	124
EBITDA	241	(18)	411	(28)	(476)
Depreciation and amortization ²⁾	395	-	753	-	-
Operating loss	(154)	(18)	(342)	(28)	(476)
²⁾ Of which amortization of Telenor's net excess values	64	-	116	-	-
EBITDA/Total revenues (%)	16.9	nm	15.0	nm	nm
Capex	137	-	272	-	-
Investments in businesses	8	-	7 747	-	-
ARPU – monthly (NOK)	242	167	234	166	158
No. of subscriptions (in thousands)			1 676	99	95

The provisionally purchase price allocation of Mobile Sweden has been revised during the second quarter of 2006, which has resulted in a negative adjustment of EBITDA and depreciation and amortization for the first quarter of 2006 of NOK 31 million and NOK 25 million, respectively. The provisionally purchase price allocation is still due for adjustments. Mobile Sweden is consolidated with effect from 5 January 2006. Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Swedish Krone by approximately 3% in the second quarter of 2006.

The following comments are related to the second quarter of 2006 compared to the whole first quarter of 2006.

- In the second quarter of 2006 the number of subscriptions increased by 16,000.
- Mobile Sweden's estimated market share was stable at 17%.
- ARPU in local currency increased by 7% mainly due to increased average usage of voice and SMS, which lead to a 6% increase in total revenues measured in local currency.
- EBITDA increased primarily due to growth in revenues. In addition, the first quarter of 2006 included costs related to workforce reductions.
- In 2004, the Swedish regulatory authorities decided to reduce the interconnection charges in the Swedish market for mobile telephony. The regulator stated that the price cap should be SEK 0.64 with effect from 1 July 2006. The new interconnection charge is applicable for TeliaSonera, Tele2 and Telenor. Telenor does not agree with the new rates and will give a response to the regulator.

Central Eastern European Operations

Kyivstar – Ukraine

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	1 952	1 158	3 701	1 965	5 122
Interconnection revenues	562	428	1 090	741	1 888
Mobile revenues					
company's subscriptions	2 514	1 586	4 791	2 706	7 010
Other mobile revenues	50	30	86	53	158
Total mobile revenues	2 564	1 616	4 877	2 759	7 168
Non-mobile revenues	16	27	32	47	104
Total revenues¹⁾	2 580	1 643	4 909	2 806	7 272
¹⁾ Of which internal revenues	1	2	1	3	6

EBITDA	1 596	911	3 028	1 543	4 050
Depreciation and amortization ²⁾	381	331	760	562	1 209
Write-downs	-	-	-	-	15
Operating profit	1 215	580	2 268	981	2 826

²⁾ Of which amortization of Telenor's net excess values

EBITDA/Total revenues (%)	61.9	55.4	61.7	55.0	55.7
Operating profit/Total revenues (%)	47.1	35.3	46.2	35.0	38.9
Capex	770	919	1 600	1 654	3 650
ARPU – monthly (NOK)	54	62	54	58	61
No. of subscriptions (100% in thousands)			16 005	9 335	13 925

At the end of the second quarter of 2006, Telenor's ownership interest in Kyivstar was 56.5%. Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Ukrainian Hryvnia by approximately 1% in the second quarter of 2006.

- The number of subscriptions increased by 1 million during the second quarter of 2006 and by 6.7 million from the second quarter of 2005.
- Kyivstar maintained its position as market leader with an estimated market share of 44%.
- ARPU in local currency decreased by 12% mainly due to lower average prices as a result of increased competition and penetration.
- Total revenues in local currency increased by 57% due to a significant increase in the number of subscriptions, partially offset by lower ARPU.
- The EBITDA margin increased by 6.4 percentage points. EBITDA in local currency increased by 75%, primarily due to higher revenues, while operating expenses increased by approximately 30%.
- Depreciation and amortization increased as a result of a higher level of capital expenditure in the intervening quarters and a reduction of the estimated useful life of certain assets from 2005.
- Capital expenditure was mainly related to increased capacity to accommodate the subscription growth. The decrease in capital expenditure compared to the second quarter of 2005 was primarily as a result of lower prices from suppliers.

Pannon – Hungary

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	913	903	1 839	1 783	3 768
Interconnection revenues	400	458	800	888	1 735
Mobile revenues company's subscriptions	1 313	1 361	2 639	2 671	5 503
Other mobile revenues	35	44	58	72	144
Total mobile revenues	1 348	1 405	2 697	2 743	5 647
Non-mobile revenues	79	93	143	170	414
Total revenues¹⁾	1 427	1 498	2 840	2 913	6 061
¹⁾ Of which internal revenues	2	2	5	4	10
EBITDA	567	484	1 107	1 001	2 185
Depreciation and amortization ²⁾	254	276	533	592	1 171
Write-downs	33	2	33	2	7
Operating profit	280	206	541	407	1 007
²⁾ Of which amortization of Telenor's net excess values	79	85	163	175	345
EBITDA/Total revenues (%)	39.7	32.3	39.0	34.4	36.1
Operating profit/Total revenues (%)	19.6	13.8	19.0	14.0	16.6
Capex	235	243	306	352	763
ARPU – monthly (NOK)	148	162	150	160	162
No. of subscriptions (in thousands)			2 947	2 824	2 929

Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Hungarian Forint by approximately 8% in the second quarter of 2006.

- The number of subscriptions increased by 8,000 in the second quarter of 2006.
- Pannon's market share was 33% compared to 34% at the end of the first quarter of 2006.
- ARPU in local currency remained stable. Lower average prices were offset by higher average usage.
- Total mobile revenues measured in local currency increased by 3% due to a higher number of contract subscriptions and increased average usage. The positive variance was somewhat offset by a decline in interconnection revenues as a result of price reductions, effective from the third quarter of 2005.
- The EBITDA margin improved primarily due to higher subscription and traffic revenues and lower costs related to sales and marketing activities. Measured in local currency, EBITDA increased by 25%.

ProMonte – Montenegro

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Total revenues	139	123	253	227	519
EBITDA	65	60	120	115	260
Operating profit¹⁾	27	18	43	30	95
Capex	7	4	11	9	38
No. of subscriptions (in thousands)	-	-	363	303	310
¹⁾ Includes amortization of Telenor's net excess values	20	20	40	40	80

Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Euro, which is the functional currency of Promonte, by approximately 2% in the second quarter of 2006. Promonte is part of 'Other mobile operations' in the table on page 17.

- In the second quarter of 2006 the number of subscriptions increased by 39,000.
- Promonte's estimated market share remained stable at 60% compared to the first quarter of 2006.

Asian Operations

DTAC – Thailand

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	1 760	-	3 612	-	1 074
Interconnection revenues	33	-	66	-	25
Mobile revenues company's subscriptions	1 793	-	3 678	-	1 099
Other mobile revenues	85	-	216	-	74
Total mobile revenues	1 878	-	3 894	-	1 173
Non-mobile revenues	15	-	31	-	18
Total revenues¹⁾	1 893	-	3 925	-	1 191
¹⁾ Of which internal revenues	8	-	19	-	6
EBITDA	698	-	1 417	-	445
Depreciation and amortization ²⁾	335	-	672	-	220
Write-downs	-	-	-	-	-
Operating profit	363	-	745	-	225
²⁾ Of which amortization of Telenor's net excess values	50	-	101	-	35
EBITDA/Total revenues (%)	36.9	-	36.1	-	37.4
Operating profit/Total revenues (%)	19.2	-	19.0	-	18.9
Capex	543	-	1 148	-	146
Investments in businesses	31	-	116	-	2 664
ARPU – monthly (NOK)	62	-	64	-	71
No. of subscriptions (100% in thousands)			10 622	-	8 677

At the end of the second quarter of 2006, Telenor's economic stake in DTAC was 70.6%. Compared to the first quarter of 2006, the Norwegian Krone appreciated against the Thai Baht by approximately 3% in the second quarter of 2006. The preceding table shows figures for DTAC from the time of consolidation, 26 October 2005.

The following comments are made against the first quarter of 2006.

- DTAC continued to grow its subscriptions in the second quarter of 2006 by 799,000 and is estimated to have increased its market share to around 31%.
- Despite a high increase in average usage per subscription, ARPU in local currency declined primarily due to lower average rates per minute. As a result, total revenues in local currency fell by 3%.
- Capital expenditure was high, but in line with the first quarter, and related to increased capacity to accommodate for higher usage as well as network expansion.
- The Thai regulator, NTC, has proposed new and more restrictive foreign ownership and management control rules, but states that the proposed draft regulations would need further public consultations.
- NTC issued the interconnection framework on 17 May and operators submitted their Reference Interconnect Offer (RIO) to the regulator on 1 June. There is now an interactive process with the regulator until 1 September before an eventual approval of the RIO. Once approved, the concessionaries' RIO, bilateral negotiations will start with the seven other mobile and fixed operators in Thailand.

DiGi – Malaysia

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	1 331	924	2 610	1 716	3 949
Interconnection revenues	127	143	293	280	594
Mobile revenues company's subscriptions	1 458	1 067	2 903	1 996	4 543
Other mobile revenues	20	15	41	29	65
Total mobile revenues	1 478	1 082	2 944	2 025	4 608
Non-mobile revenues	66	79	146	170	324
Total revenues ¹⁾	1 544	1 161	3 090	2 195	4 932
¹⁾ Of which internal revenues	1	-	3	1	4
EBITDA	700	499	1 400	950	2 142
Depreciation and amortization ²⁾	227	253	479	510	1 038
Write-downs	7	-	7	1	5
Operating profit	466	246	914	439	1 099
²⁾ Of which amortization of Telenor's net excess values	4	17	8	34	51
EBITDA/Total revenues (%)	45.3	43.0	45.3	43.3	43.4
Operating profit/Total revenues (%)	30.2	21.2	29.6	20.0	22.3
Capex	199	178	425	286	1 170
ARPU – monthly (NOK)	93	99	95	96	98
No. of subscriptions (100% in thousands)			5 440	3 765	4 795

At the end of the second quarter of 2006, Telenor's ownership interest in DiGi was 61.0%. Compared to the second quarter of 2005, the Norwegian Krone depreciated against the Malaysian Ringgit by approximately 2% in the second quarter of 2006.

- The number of subscriptions increased by 354,000 in the second quarter of 2006 and by 1.7 million from the second quarter of 2005.
- DiGi's market share was estimated at 25%, in line with the previous quarter.
- ARPU measured in local currency decreased by 8% primarily due to lower incoming traffic coupled with a reduction in the interconnect pricing.
- Total revenues measured in local currency increased by 31% driven by growth in subscriptions.
- The EBITDA margin improved by 2.3 percentage points mainly due to economy of scale gained from increase in revenue. Measured in local currency, EBITDA increased by 38%.
- Depreciation and amortization decreased due to certain fixed assets becoming fully depreciated.
- The increase in capital expenditure was related to network investments accommodating increased usage, a higher subscription base and improved coverage.

GrameenPhone – Bangladesh

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Subscription and traffic	911	659	1 782	1 257	2 741
Interconnection revenues	78	39	151	73	188
Mobile revenues company's subscriptions	989	698	1 933	1 330	2 929
Other mobile revenues	5	5	11	10	22
Total mobile revenues	994	703	1 944	1 340	2 951
Non-mobile revenues	3	2	8	5	19
Total revenues ¹⁾	997	705	1 952	1 345	2 970
¹⁾ Of which internal revenues	1	-	1	-	1
EBITDA	488	334	1 147	663	1 559
Depreciation and amortization	148	89	307	166	439
Operating profit	340	245	840	497	1 120
EBITDA/Total revenues (%)	48.9	47.4	58.8	49.3	52.5
Operating profit/Total revenues (%)	34.1	34.8	43.0	37.0	37.7
Capex	516	357	905	853	2 596
ARPU – monthly (NOK)	45	69	48	75	68
No. of subscriptions (100% in thousands)			8 459	3 704	5 542

At the end of the second quarter of 2006, Telenor's ownership interest in GrameenPhone was 62.0%. Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Bangladeshi Taka by approximately 10% in the second quarter of 2006.

- GrameenPhone experienced a record high subscriptions growth of more than 2 million during the second quarter of 2006. Compared to the second quarter of 2005, total net additional subscriptions were 4.8 million.
- GrameenPhone's estimated market share increased by 1 percentage point to 63% from the previous quarter.
- ARPU in local currency decreased by 29% primarily due to a reduction in average prices and dilution due to strong subscription growth.
- Measured in local currency, total revenues increased by 56% primarily due to the increased number of subscriptions. However, this was partially offset by a reduction in ARPU.
- The EBITDA margin increased mainly due to growth in revenues, partially offset by increased sales and acquisition costs as a result of strong subscription growth and strong competition. EBITDA measured in local currency increased by 64%.
- Depreciation and amortization increased as a result of higher capital expenditure in the intervening quarters.
- Increased capital expenditure was related to increased capacity to accommodate the growth in subscriptions.
- In the latest national budget of Bangladesh, tax on SIM cards was reduced by BDT 100 to BDT 800 with effect from 9 June 2006.

Telenor – Pakistan

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Total revenues	265	48	480	49	265
EBITDA	(117)	(172)	(194)	(305)	(572)
Operating loss	(220)	(232)	(395)	(379)	(798)
Capex	754	(91)	1 105	1 048	1 843
No. of subscriptions (in thousands)			3 205	836	1 868

Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Pakistani Rupee by approximately 3% in the second quarter of 2006. Pakistan is part of 'Other mobile operations' in the table on page 17.

- The number of subscriptions increased by 678,000 in the second quarter of 2006.
- Telenor Pakistan's estimated market share increased to 10%.
- ARPU in local currency increased by 2% compared to the first quarter driven by increase in average usage, partially offset by reduction in prices.
- Compared to the first quarter of 2006, total revenues in local currency increased by 31% mainly due to subscription growth and increase in ARPU.
- The EBITDA loss in the second quarter of 2006 was affected by high costs related to sales and marketing activities.
- Capital expenditure increased substantially due to strong coverage and capacity expansion in the network. In the second quarter of 2006, capital expenditure also included NOK 57 million related to acquisition of a license to offer mobile services in the Azad Jammu and Kashmir region. The licence period is 15 years.

Fixed

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues					
Norway	3 983	4 367	8 161	8 530	16 867
Other operations	1 047	418	1 966	854	2 581
Eliminations	(31)	(32)	(61)	(60)	(135)
Total revenues¹⁾	4 999	4 753	10 066	9 324	19 313
¹⁾ Of which internal revenues	471	522	989	983	2 173
EBITDA	1 567	1 504	3 126	2 912	5 885
Depreciation and amortization ²⁾	733	729	1 494	1 512	3 236
Write-downs ³⁾	15	2	15	(20)	587
Operating profit	819	773	1 617	1 420	2 062
²⁾ Of which amortization of Telenor's net excess values	33	2	66	3	66
³⁾ Of which write-downs of Telenor's net excess values	-	-	-	(31)	(24)
EBITDA/Total revenues (%)	31.3	31.6	31.1	31.2	30.5
Operating profit/ Total revenues (%)	16.4	16.3	16.1	15.2	10.7
Capex	643	556	1 260	937	2 776
Investments in businesses	75	1	536	44	5 816

Fixed – Norway

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues					
Telephony	1 627	1 867	3 330	3 738	7 232
xDSL/Internet	581	508	1 149	969	2 039
Data services	199	243	414	475	963
Other revenues	315	400	672	742	1 465
Total retail revenues	2 722	3 018	5 565	5 924	11 699
Wholesale revenues	1 261	1 349	2 596	2 606	5 168
Total revenues¹⁾	3 983	4 367	8 161	8 530	16 867
¹⁾ Of which internal revenues	510	522	1 055	985	2 190
EBITDA	1 417	1 532	2 807	2 970	5 701
Depreciation and amortization	561	658	1 163	1 363	2 707
Write-downs ²⁾	13	-	13	(22)	(25)
Operating profit	843	874	1 631	1 629	3 019
²⁾ Of which write-downs of Telenor's net excess values	-	-	-	(31)	(36)
EBITDA/Total revenues (%)	35.6	35.1	34.4	34.8	33.8
Operating profit/ Total revenues (%)	21.2	20.0	20.0	19.1	17.9
Capex	371	503	850	840	2 169
Investments in businesses	-	1	1	44	44
No. of subscriptions (in thousands):					
Telephony			1 545	1 705	1 622
– of which PSTN			1 017	1 139	1 089
– of which ISDN			454	562	509
– of which VoIP			74	4	24
xDSL			527	415	475

- The trend from previous quarters continued with an increase in the number of xDSL and VoIP subscriptions and a decrease in the number of PSTN/ISDN subscriptions.
- Telenor's estimated market share for xDSL in the retail market was 58%, in line with previous quarters. Measured in traffic minutes, Telenor's estimated market share was 65%, in line with the first quarter of 2006.
- Revenues decreased by 8.8%. Adjusted for the sale of contractor business in the second quarter of 2006, revenues decreased by 6.7%. Adjusted revenues in the first half year of 2006 decreased by 3.3% compared to the first half year of 2005.
- Revenues from telephony decreased due to a reduction in the number of subscriptions and lower traffic volumes. The number of subscriptions decreased primarily due to migration to VoIP telephony with other fixed network operators as well as a decrease in the total market for fixed telephony subscriptions. Decreased traffic volumes were due to the decrease in the number of telephony subscriptions and the number of voice minutes per subscription. The latter was mainly due to migration of voice traffic from fixed to mobile telephony.
- Revenues from xDSL/Internet increased due to growth in the number of xDSL subscriptions. This was partially offset by lower revenues per subscription and a reduction in revenues from Internet traffic and Internet subscriptions.
- The decrease in revenues from Data services was due to lower revenues per subscription partially offset by an increase in the number of subscriptions.
- Wholesale revenues decreased mainly as a result of a fall in contractor revenues due to outsourcing from 1 April 2006.
- The increase in EBITDA margin was due to a reduction in operating expenses as well as a shift in the revenue portfolio towards products with higher gross margin.
- The decrease in depreciation and amortization was primarily due to lower capital expenditure in recent years. This was partially offset by increased amortization for expenses associated with transactions that provide the rights to use assets, such as local loop unbundling.
- Capital expenditure decreased mainly due to reduced investments in broadband coverage and IS/IT.
- From 1 June 2006, the prices for unbundled access to the local loop were reduced in accordance with the instruction from the Ministry of Transport and Communications. The price for full access was reduced by NOK 30 to NOK 105 per month.

Fixed – Other operations

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues					
Fixed Sweden	866	374	1 593	766	2 096
Fixed Denmark	181	-	355	-	306
Other countries/eliminations	-	44	18	88	179
Total revenues¹⁾	1 047	418	1 966	854	2 581
¹⁾ Of which internal revenues	(9)	32	(6)	58	118

EBITDA

Fixed Sweden	100	(27)	209	(56)	158
Fixed Denmark	59	-	114	-	97
Other countries/eliminations	-	(1)	10	1	(70)
Total EBITDA	159	(28)	333	(55)	185
Depreciation and amortization ²⁾	172	70	331	148	528
Write-downs ³⁾	2	3	2	3	617
Operating loss	(15)	(101)	-	(206)	(960)
Of which:					
Fixed Sweden	(17)	(90)	(21)	(183)	(866)
Fixed Denmark	2	-	14	-	29
Other countries/eliminations	-	(11)	7	(23)	(123)
²⁾ Of which amortization of Telenor's net excess values	33	2	66	3	66
³⁾ Of which write-downs of Telenor's net excess values	-	-	-	-	12

Capex

Fixed Sweden	230	48	313	88	485
Fixed Denmark	42	-	97	-	97
Other countries	-	5	-	9	25

Fixed Sweden consists of Telenor AB, Bredbandsbolaget and Glocalnet. Bredbandsbolaget and Glocalnet are consolidated with effect from 8 July 2005 and 1 March 2006, respectively. As of 30 June 2006 Telenor's ownership interest in Glocalnet was 98.5%. Fixed Denmark consists of Cybercity, which is consolidated with effect from 5 July 2005. Compared to the second quarter of 2005, the Norwegian Krone appreciated against the Swedish Krone by approximately 3% and against the Danish Krone by approximately 2% in the second quarter of 2006. Operations in Other countries were sold with effect from 30 January 2006.

Fixed Sweden

- The number of xDSL and LAN subscriptions in Bredbandsbolaget increased by 15,000 to 400,000 in the second quarter of 2006, and the number of VoIP subscriptions increased by 15,000 to 134,000.
- The number of xDSL subscriptions in Glocalnet increased by 4,000 to 117,000 in the second quarter of 2006, and the number of telephony subscriptions decreased by 1,000 to 284,000.
- Revenues in Telenor AB decreased, primarily due to decreased revenues from wholesale telephony.
- In Telenor AB, EBITDA increased and turned positive as a result of increased gross margin for voice traffic and xDSL and a reduction in operating expenses. EBITDA was positively affected by the change in accounting treatment for transactions that provide the rights to use assets, which was implemented in the fourth quarter of 2005. Changes in estimated costs for termination of traffic in other networks in partially related to previous quarters affected EBITDA positively.

Fixed Denmark

- In the first quarter of 2006, the number of xDSL subscriptions increased by 14,000 to 152,000, and the number of VoIP subscriptions increased by 4,000 to 41,000.

Broadcast

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues					
Distribution	1 299	1 147	2 550	2 286	4 615
Transmission	317	298	629	595	1 207
Other/Eliminations	(52)	(44)	(98)	(90)	(173)
Total revenues¹⁾	1 564	1 401	3 081	2 791	5 649
¹⁾ Of which internal revenues	38	35	73	63	131

EBITDA

Distribution	251	242	485	455	818
Transmission	191	175	366	349	713
Other/Eliminations	(5)	(6)	(6)	(13)	(15)
Total EBITDA	437	411	845	791	1 516
Depreciation and amortization ²⁾	153	133	307	277	554
Write-downs ³⁾	-	4	3	4	(53)
Operating profit	284	274	535	510	1 015
Of which:					
Distribution	189	179	361	322	494
Transmission	110	107	199	213	564
Other/Eliminations	(15)	(12)	(25)	(25)	(43)
²⁾ Of which amortization of Telenor's net excess values	10	14	21	28	56
³⁾ Of which write-downs of Telenor's net excess values	-	-	-	-	75

EBITDA/Total revenues (%)	27.9	29.3	27.4	28.3	26.8
Operating profit/Total revenues (%)	18.2	19.6	17.4	18.3	18.0
Capex	106	96	198	143	392
Investments in businesses	98	-	98	-	42

No. of subscribers (in thousands):

DTH pay TV		921	853	906
Cable TV		687	619	681
Households in satellite master antenna TV networks		1 119	1 205	1 177
Cable TV Internet access		81	50	73

- The number of DTH pay TV subscribers increased by 3,000 in the second quarter of 2006, the number of Cable TV (CATV) subscribers increased by 3,000, and the number of Cable TV internet access subscribers increased by 3,000.
- Total revenues increased primarily due to higher number of subscribers in Distribution and higher revenues from satellite and terrestrial distribution in Transmission.
- The increase in EBITDA was primarily due to higher revenues, partially offset by increased content cost and higher costs related to sales and marketing activities.
- In the second quarter, Norsk Televisjon AS (NTV), which is jointly owned by Telenor, the TV2 Group and NRK, was awarded the licence for operation and maintenance of the digital terrestrial network (DTT) in Norway.
- On 14 July 2006, NTV announced that it had chosen Telenor as a full-range supplier of DTT network for television in Norway. The agreement involves development and operation of the transmission network for 15 years.
- Telenor has acquired 45% of the shares in the Norwegian TV channel TV2 Zebra. The remaining shares are owned by the TV2 Group.

Other Units

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues					
EDB Business Partner	1 449	1 285	2 784	2 516	4 991
Satellite Services	596	592	1 203	1 181	2 428
Venture	146	125	279	241	490
Corporate functions and Group activities	568	603	1 090	1 185	2 266
Other	1	9	1	27	25
Eliminations	(45)	(72)	(90)	(141)	(233)
Total revenues¹⁾	2 715	2 542	5 267	5 009	9 967
¹⁾ Of which internal revenues	657	803	1 295	1 591	2 907
EBITDA					
EDB Business Partner	141	187	332	364	785
Satellite Services	88	90	165	158	393
Venture	(4)	(1)	(21)	5	(2)
Corporate functions and Group activities	(131)	(34)	(235)	(40)	(77)
Other/eliminations	(10)	(10)	(21)	(13)	(8)
Total EBITDA	84	232	220	474	1 091
Depreciation and amortization ²⁾	277	262	520	512	1 033
Write-downs ³⁾	-	-	-	-	10
Operating profit (loss)	(193)	(30)	(300)	(38)	48
Of which					
EDB Business Partner	37	80	136	161	377
Satellite Services	25	26	39	30	125
Venture	(13)	(6)	(38)	(4)	(23)
Corporate functions and Group activities	(229)	(120)	(411)	(212)	(420)
Other/eliminations	(13)	(10)	(26)	(13)	(11)
²⁾ Of which amortization of Telenor's net excess values	3	2	6	4	8
³⁾ Of which write-downs of Telenor's net excess values	-	-	-	-	5
Capex	203	193	359	318	832
Investments in businesses	616	263	1 274	270	332

EDB Business Partner

- Revenues increased mainly due to acquisition of operations in the fourth quarter of 2005 and the first half year of 2006. In the second quarter of 2006, EDB acquired Guide Konsult for a total consideration of NOK 566 million.
- EBITDA decreased mainly due to lower sales of maintenance contracts partially offset by EBITDA from acquired operations.

Satellite Services

- Increased revenues were primarily due to growth within the VSAT business, partially offset by decreased revenues in the Inmarsat segment due to lower volumes and prices. Operating profit was in line with the second quarter of 2005.

Venture

- The increase in revenues was primarily due to acquisition of new business within Opplysningen in the second half of 2005. Operating profit decreased primarily due to the new business.

Corporate Functions and Group Activities

- The increased EBITDA loss is largely due to less gain on sales and lower intra-group revenues.

Other Profit and Loss Items for the Group

Depreciation, amortization and write-downs

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Depreciation ¹⁾	2 189	2 006	4 454	3 955	8 083
Amortization ²⁾	1 354	745	2 635	1 500	3 461
Total depreciation and amortization	3 543	2 751	7 089	5 455	11 544
Write-downs ¹⁾	74	20	77	28	488
Write-downs of goodwill	-	-	-	(31)	46
Write-downs ²⁾	14	-	14	-	53
Total write-downs	88	20	91	(3)	587
Total depreciation, amortization and write-downs	3 631	2 771	7 180	5 452	12 131

¹⁾ Tangible assets (property, plant and equipment)

²⁾ Other intangible assets and prepaid lease payments

See page 19 for more specifications.

- The increase in total depreciation and amortization was primarily due to acquired businesses and increased capital expenditure, partially offset by fully depreciated assets.
- In general, depreciation and amortization is also affected by changes in exchange rates and investment levels in the previous quarters.

Associated companies

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Telenor's share of¹⁾					
Profit after taxes	370	505	686	760	1 452
Amortization of Telenor's net excess values	(3)	(14)	(7)	(30)	(46)
Write-downs of Telenor's net excess values	(11)	-	(11)	-	(172)
Gains (losses) on disposal of ownership interests	6	3	6	3	(1)
Net result from associated companies	362	494	674	733	1 233

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 (as of a date not more than three months prior to the Group's balance sheet date) 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 profit and loss statement contains only the line 'Net result from associated companies'. The preceding table includes Telenor's share of profit after taxes from DTAC and UCOM until 1 November 2005. Thereafter DTAC is consolidated, while UCOM is treated as a discontinued operation. Glocalnet is included until 28 February 2006. Thereafter Glocalnet is consolidated as a subsidiary.

- At the end of the second quarter of 2006, Telenor's ownership interest in VimpelCom in Russia was 29.9%. The value of Telenor's share of the company, based on the quoted share price as of 30 June 2006, was NOK 17.5 billion. According to telecom analysts, VimpelCom had approximately 51 million mobile subscriptions at the end of the second quarter of 2006.
- On 6 July 2006 VimpelCom announced that it had received the final decision of the review of VimpelCom's 2003–2004 Russian tax filings. VimpelCom informed that of the total claim of RUB 1,809 million in taxes and fines, the total net amount to be paid is RUB 652 million. VimpelCom states that it does not agree with the claims and plans to subsequently appeal its position in court. Telenor cannot make any reliable estimate of the net effect of the tax claim and has not made any adjustments to the results from associated companies in Telenor's consolidated financial statements.
- On 1 June 2006 VimpelCom withdrew its proposal to both Telenor and Altimo to acquire 100% of Kyivstar for USD 5 billion. Telenor has stated that a market-based separation agreement between Telenor and Altimo and the associated Federal Anti-Monopoly Service (FAS) approvals are necessary conditions to the sale of Kyivstar to VimpelCom.

Financial items

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Financial income	114	138	231	215	447
Financial expenses	(608)	(373)	(1 195)	(717)	(1 639)
Net foreign currency gains (losses)	(16)	177	(129)	152	84
Change in fair value of financial instruments	(199)	(37)	(225)	(11)	243
Net gains (losses) and write-downs	(15)	67	1 800	484	518
Net financial items	(724)	(28)	482	123	(347)
Gross interest expenses	(609)	(383)	(1 185)	(737)	(1 594)
Net interest expenses	(519)	(314)	(1 019)	(605)	(1 309)

- Increased financial expenses were due to increased long term interest-bearing liabilities following the acquisition of businesses.
- Change in fair value of financial instruments was primarily related to interest rate derivatives used for economic hedge of interest-bearing liabilities that do not fulfil the requirements for hedge accounting.

Taxes

- The nominal Norwegian corporate income tax rate is 28%. The effective tax rate for the Telenor Group for the fiscal year 2006 is estimated at approximately 27% of profit before taxes and minority interests. The gain on sale of shares in Inmarsat in the first quarter of NOK 1.8 billion is not taxable. Adjusted for this gain, the effective tax rate for 2006 is estimated at approximately 30%. The effective tax rate is also affected by taxes related to companies outside Norway and non-deductible expenses.
- The actual effective tax rate for 2006 may deviate from the estimated rate.

Balance sheet

- Net interest-bearing liabilities increased by NOK 3.3 billion in the quarter to NOK 38.2 billion as of 30 June 2006. The Annual General Meeting (AGM) of Telenor at 23 May 2006 declared dividends of NOK 3.4 billion, of which NOK 3.2 billion was paid in the second quarter of 2006. In addition, shareholders equity was reduced and short-term interest-bearing liabilities increased by NOK 0.8 billion as a result of the AGM's approval of the redemption of shares owned by the Kingdom of Norway. The AGM decided further to cancel 12.1 million of Telenor's own shares. After the cancellation of these shares and the redemption of shares owned by the Kingdom of Norway, the total number of outstanding shares will be 1,680,274,570. The AGM

authorized the Board to acquire 165 million of Telenor's own shares. As of 30 June 2006, Telenor had not made any purchase of its own shares according to the new authorization.

- Translation differences reduced equity in the second quarter of 2006 by NOK 1.3 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 30 June 2006 compared to 31 March 2006, of which Pannon contributed the largest amount.

Outlook for 2006

We are maintaining our outlook from the first quarter.

- The strong growth in mobile subscriptions during 2005 gives Telenor a solid foundation for further growth in revenues. We expect a growth in reported revenues of around 30%.
- We expect a continued high growth in EBITDA, in particular driven by the international mobile operations. Telenor will continue previously introduced initiatives and identify new means of improving cost efficiency. We expect the EBITDA margin before other income and expenses for 2006 to be above 34%.
- We expect high capital expenditure to continue, and capital expenditure as a proportion of revenues is expected to be above 20%. Capital expenditure is expected to continue to be driven by high subscription growth within Telenor's mobile operations in emerging markets.
- 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. We expect seasonal variations between the quarters.

The accounts submitted with the report have not been audited. 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 2006" 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. These factors include the risk factors relating to Telenor's activities described in Telenor's 2005 Annual Report on Form 20-F filed with the Securities and Exchange Commission in the USA under the headings "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" (available at www.telenor.com/ir/).

Oslo, 20 July 2006

The Board of Directors of Telenor ASA

Profit and Loss Statement
Telenor Group

(NOK in millions except earnings per share)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Revenues	22 580	16 542	44 452	31 812	68 927
Costs of materials and traffic charges	5 826	4 355	11 447	8 351	17 711
Own work capitalized	(123)	(186)	(298)	(308)	(704)
Salaries and personnel costs	3 044	2 562	6 119	5 098	10 236
Other operating expenses	5 876	4 247	11 307	8 022	17 606
Other (income) and expenses	27	(66)	91	(87)	242
EBITDA	7 930	5 630	15 786	10 736	23 836
Depreciation and amortization	3 543	2 751	7 089	5 455	11 544
Write-downs	88	20	91	(3)	587
Operating profit	4 299	2 859	8 606	5 284	11 705
Associated companies	362	494	674	733	1 233
Net financial items	(724)	(28)	482	123	(347)
Profit before taxes	3 937	3 325	9 762	6 140	12 591
Taxes	(1 063)	(997)	(2 636)	(1 842)	(3 453)
Profit from continuing operations	2 874	2 328	7 126	4 298	9 138
Profit (loss) from discontinued operations	-	-	(22)	-	(4)
Profit from total operations	2 874	2 328	7 104	4 298	9 134
Attributable to:					
Non-controlling interests (Minority interests)	590	287	1 170	547	1 488
Equity holders of Telenor ASA (Net income)	2 284	2 041	5 934	3 751	7 646
Earnings per share in NOK					
From continuing operations:					
Basic	1.35	1.19	3.52	2.17	4.47
Diluted	1.35	1.19	3.52	2.17	4.47
From total operations:					
Basic	1.35	1.19	3.51	2.17	4.47
Diluted	1.35	1.19	3.51	2.17	4.47
US GAAP					
Net income	2 352	1 904	5 973	3 529	7 427
Net income per share in NOK (basic)	1.39	1.11	3.53	2.04	4.34
Net income per share in NOK (diluted)	1.39	1.11	3.53	2.04	4.34

The provisionally purchase price allocation of Mobile Sweden has been revised during the second quarter of 2006, which has resulted in adjustments of EBITDA, depreciation and amortization, and taxes for the first quarter of 2006. The provisionally purchase price allocation is still due for adjustments.

Balance Sheet

Telenor Group

(NOK in millions)	30 June 2006	31 March 2006	30 June 2005	31 December 2005
Deferred tax assets	1 908	2 501	1 951	3 052
Goodwill	22 969	22 648	12 816	20 700
Intangible assets	22 735	23 178	10 229	21 245
Tangible assets	48 767	49 132	39 292	43 958
Associated companies	7 616	7 501	7 832	7 424
Other financial assets	2 337	2 407	3 388	2 129
Total non-current assets	106 332	107 367	75 508	98 508
Accounts receivable	8 191	7 404	6 523	6 921
Other current assets	10 391	10 248	7 229	10 970
Assets held for sale	-	-	-	667
Liquid assets	7 983	9 691	10 900	7 191
Total current assets	26 565	27 343	24 652	25 749
Total assets	132 897	134 710	100 160	124 257
Shareholders equity	44 359	47 583	40 309	46 399
Minority interests	7 457	7 621	4 630	7 134
Total equity and minority interests	51 816	55 204	44 939	53 533
Pension obligations	2 543	2 645	2 286	2 440
Deferred tax liabilities	3 336	3 611	2 050	2 669
Other provisions	873	811	748	790
Provisions	6 752	7 067	5 084	5 899
Non-current interest-bearing liabilities	26 654	25 397	22 359	27 139
Non-current non-interest-bearing liabilities	583	590	556	580
Total non-current liabilities	27 237	25 987	22 915	27 719
Current interest-bearing liabilities	20 069	20 024	7 269	11 908
Accounts payable	6 572	6 448	4 471	6 215
Current non-interest-bearing liabilities	20 451	19 980	15 482	18 696
Current non-interest-bearing liabilities (held for sale)	-	-	-	287
Total current liabilities	47 092	46 452	27 222	37 106
Total equity and liabilities	132 897	134 710	100 160	124 257
Equity ratio including minority interests (%)	39.0	41.0	44.9	43.1
USGAAP				
Shareholders equity	45 669	48 536	42 670	47 457

Some reclassifications and adjustments have been made compared to previously reported balance sheet figures.

Consolidated Statement of Changes in Equity
Telenor Group

(NOK in millions)	Attributable to equity holders of Telenor ASA						Total equity
	Total paid capital	Other reserves	Retained earnings	Cumulative translation differences	Total	Minority interest	
Balance as of 1 January 2005	27 350	625	13 205	(605)	40 575	3 954	44 529
Translation differences	-	-	-	525	525	441	966
Business combinations and increased ownership interests in subsidiaries	-	1 829	-	-	1 829	-	1 829
Available-for-sale investments	-	1 052	-	-	1 052	(4)	1 048
Cash flow hedges	-	24	-	-	24	3	27
Equity adjustments in associated companies	-	1	-	-	1	-	1
Tax on items taken directly to or transferred from equity	-	(459)	-	(12)	(471)	(1)	(472)
Net income (loss) recognized directly in equity	-	2 447	-	513	2 960	439	3 399
Profit for the year 2005	-	-	7 646	-	7 646	1 488	9 134
Total recognized income and expense for the period	-	2 447	7 646	513	10 606	1 927	12 533
Dividends	-	-	(2 595)	-	(2 595)	(171)	(2 766)
Share buy back	(2 267)	-	-	-	(2 267)	-	(2 267)
Sale of shares, share issue, and share options to employees	74	6	-	-	80	5	85
Transactions with minorities in subsidiaries	-	-	-	-	-	1 419	1 419
Balance as of 31 December 2005	25 157	3 078	18 256	(92)	46 399	7 134	53 533
Translation differences	-	-	-	(1 933)	(1 933)	(363)	(2 296)
Business combinations and increased ownership interests in subsidiaries	-	(1)	-	-	(1)	-	(1)
Available-for-sale investments:							
- Valuation gains (losses) taken to equity	-	16	-	-	16	3	19
- Transferred to profit or loss on sale	-	(1 732)	-	-	(1 732)	(7)	(1 739)
Cash flow hedges:							
- Valuation gains (losses) taken to equity	-	(51)	-	-	(51)	1	(50)
Tax on items taken directly to or transferred from equity	-	14	-	(102)	(88)	-	(88)
Net income (loss) recognized directly in equity	-	(1 754)	-	(2 035)	(3 789)	(366)	(4 155)
Profit for the period	-	-	5 934	-	5 934	1 170	7 104
Total recognized income and expenses for the period	-	(1 754)	5 934	(2 035)	2 145	804	2 949
Dividends	-	-	(3 389)	-	(3 389)	(46)	(3 435)
Share buy back	(800)	-	-	-	(800)	(28)	(828)
Sale of shares, share issue, and share options to employees	37	9	-	-	46	8	54
Equity adjustments in associated companies	-	(42)	-	-	(42)	-	(42)
Transactions with minorities in subsidiaries	-	-	-	-	-	(415)	(415)
Balance as of 30 June 2006	24 394	1 291	20 801	(2 127)	44 359	7 457	51 816

(NOK in millions)	Attributable to equity holders of Telenor ASA						Total equity
	Total paid capital	Other reserves	Retained earnings	Cumulative translation differences	Total	Minority interest	
Balance as of 1 January 2005	27 350	625	13 205	(605)	40 575	3 954	44 529
Translation differences	-	-	-	(540)	(540)	303	(237)
Available-for-sale investments	-	965	-	-	965	(8)	957
Cash flow hedges	-	(174)	-	-	(174)	-	(174)
Tax on items taken directly to or transferred from equity	-	142	-	-	142	-	142
Net income recognized directly in equity	-	933	-	(540)	393	295	688
Profit for the period	-	-	3 751	-	3 751	547	4 298
Total recognized income and expenses for the period	-	933	3 751	(540)	4 144	842	4 986
Dividends	-	-	(2 595)	-	(2 595)	(169)	(2 764)
Share buy back	(1 842)	-	-	-	(1 842)	-	(1 842)
Sale of shares, share issue, and share options to employees	24	3	-	-	27	2	29
Transactions with minorities in subsidiaries	-	-	-	-	-	1	1
Balance as of 30 June 2005	25 532	1 561	14 361	(1 145)	40 309	4 630	44 939

Cash Flow Statement

Telenor Group

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Profit before taxes and minority interests	3 937	3 325	9 762	6 140	12 591
Taxes paid	(524)	(203)	(1 162)	(434)	(1 369)
Net (gains) losses, including write-downs and change in fair value of financial items	212	(118)	(1 605)	(584)	(929)
Depreciation, amortization and write-downs	3 631	2 771	7 180	5 452	12 131
Associated companies	(362)	(494)	(674)	(733)	(1 233)
Difference between expensed and paid pensions	(104)	(127)	52	42	211
Currency (gains) losses not related to operating activities	(14)	(187)	95	(162)	(18)
Change in other accruals	(461)	(449)	(561)	4	956
Net cash flows from operating activities	6 315	4 518	13 087	9 725	22 340
Purchases of property, plant and equipment and intangible assets	(4 465)	(3 267)	(8 562)	(5 538)	(14 213)
Purchases of subsidiaries and associated companies, net of cash received	(847)	(106)	(9 425)	(109)	(8 128)
Sales of property, plant and equipment, intangible assets and businesses, net of cash transferred	34	682	472	741	1 279
Sales and purchases of other investments	(489)	310	1 707	1 078	1 064
Net cash flows from investing activities	(5 767)	(2 381)	(15 808)	(3 828)	(19 998)
Proceeds from and repayments of interest-bearing liabilities	1 214	3 421	7 399	2 735	4 175
Proceeds from issuance of shares, including from minorities in subsidiaries	25	2	86	24	74
Share buy-back	(87)	(328)	(87)	(657)	(2 267)
Dividends paid and repayment of equity to minority interests in subsidiaries	(426)	(184)	(426)	(209)	(219)
Dividends paid to Telenor's shareholders	(3 202)	(2 460)	(3 202)	(2 460)	(2 595)
Net cash flows from financing activities	(2 476)	451	3 770	(567)	(832)
Effect on cash and cash equivalents of changes in foreign exchange rates	(221)	83	(321)	130	215
Net change in cash and cash equivalents	(2 149)	2 671	728	5 460	1 725
Cash and cash equivalents at the beginning of the period	9 683	7 870	6 806	5 081	5 081
Cash and cash equivalents at the end of the period	7 534	10 541	7 534	10 541	6 806

Analytical Information

	2004				2005				2006	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
MOBILE OPERATIONS										
Telenor Mobile – Norway										
No. of mobile subscriptions (in thousands)	2 378	2 451	2 562	2 645	2 635	2 687	2 736	2 731	2 722	2 709
– of which prepaid	1 091	1 118	1 178	1 228	1 218	1 267	1 285	1 222	1 185	1 133
Average traffic minutes per subscription per month (AMPU) in the quarter	179	187	187	182	175	191	186	184	186	196
Average revenue per subscription per month (ARPU) in the quarter	315	332	328	318	297	308	314	317	305	324
– of which contract	464	491	499	491	453	465	475	472	446	461
– of which prepaid	147	146	129	119	117	129	133	136	126	141
Sonofon – Denmark										
No. of mobile subscriptions (in thousands)	987	1 203	1 253	1 275	1 232	1 250	1 261	1 284	1 299	1 310
– of which prepaid	250	451	485	462	413	420	420	425	429	436
Average traffic minutes per subscription per month (AMPU) in the quarter	147	157	139	151	153	182	183	195	200	209
Average revenue per subscription per month (ARPU) in the quarter	250	233	219	207	229	253	243	246	250	248
– of which contract	287	291	281	267	284	306	292	285	292	290
– of which prepaid	135	111	120	111	126	146	146	166	164	163
Telenor Mobile – Sweden										
No. of mobile subscriptions (in thousands)	84	92	96	105	107	99	97	95	1 660	1 676
– of which prepaid	48	55	56	57	56	51	50	48	575	571
Average traffic minutes per subscription per month (AMPU) in the quarter	73	96	104	108	113	141	144	129	160	185
Average revenue per subscription per month (ARPU) in the quarter	169	181	182	169	164	167	164	136	229	242
– of which contract	252	262	265	241	215	216	215	183	330	340
– of which prepaid	106	122	125	117	121	121	115	90	49	54
Kyivstar – Ukraine										
No. of mobile subscriptions (100% in thousands)	3 221	3 610	4 856	6 252	7 662	9 335	10 943	13 925	14 965	16 005
– of which prepaid	2 675	3 031	4 211	5 532	6 892	8 500	10 021	12 901	13 895	14 886
Average traffic minutes per subscription per month (AMPU) in the quarter	68	74	95	95	91	90	103	108	110	118
Average revenue per subscription per month (ARPU) in the quarter	84	93	95	68	53	62	66	64	53	54
– of which contract	191	213	223	184	165	187	200	197	175	180
– of which prepaid	62	69	72	52	40	49	53	53	43	45
Pannon – Hungary										
No. of mobile subscriptions (in thousands)	2 596	2 588	2 595	2 770	2 792	2 824	2 856	2 929	2 939	2 947
– of which prepaid	1 977	1 935	1 886	1 991	1 955	1 915	1 894	1 904	1 878	1 854
Average traffic minutes per subscription per month (AMPU) in the quarter	111	121	127	131	125	143	145	149	143	159
Average revenue per subscription per month (ARPU) in the quarter	165	170	184	171	157	162	166	162	150	148
– of which contract	399	389	400	356	327	316	314	299	272	254
– of which prepaid	92	96	103	96	84	89	89	86	80	86

Analytical Information (cont.)

	2004			2005			2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
DTAC – Thailand										
No. of mobile subscriptions (100% in thousands)	-	-	-	-	-	-	-	8 677	9 823	10 622
– of which prepaid	-	-	-	-	-	-	-	7 212	8 185	8 806
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	-	-	-	-	-	231	295	327
Average revenue per subscription per month (ARPU) in the quarter	-	-	-	-	-	-	-	71	70	62
– of which contract	-	-	-	-	-	-	-	161	157	132
– of which prepaid	-	-	-	-	-	-	-	54	53	45
DiGi – Malaysia										
No. of mobile subscriptions (100% in thousands)	2 413	2 583	2 804	3 239	3 461	3 765	4 187	4 795	5 086	5 440
– of which prepaid	2 301	2 453	2 653	3 067	3 259	3 525	3 880	4 441	4 704	5 018
Average traffic minutes per subscription per month (AMPU) in the quarter	167	164	170	165	163	170	175	169	162	163
Average revenue per subscription per month (ARPU) in the quarter	113	107	110	98	92	99	100	102	97	93
– of which contract	312	312	297	238	233	216	192	174	172	180
– of which prepaid	104	97	100	90	84	93	93	97	92	86
GrameenPhone – Bangladesh										
No. of mobile subscriptions (100% in thousands)	1 520	1 795	2 024	2 388	2 928	3 704	4 215	5 542	6 427	8 459
– of which prepaid	1 258	1 501	1 730	2 092	2 625	3 375	3 860	5 159	6 030	8 015
Average traffic minutes per subscription per month (AMPU) in the quarter	239	246	249	241	237	223	223	250	196	213
Average revenue per subscription per month (ARPU) in the quarter	120	106	103	87	81	69	65	56	51	45
– of which contract	331	287	302	257	288	284	282	258	258	234
– of which prepaid	71	69	67	60	54	47	45	39	37	33
Telenor – Pakistan										
No. of mobile subscriptions (in thousands)	-	-	-	-	344	836	1 200	1 868	2 527	3 205
– of which prepaid	-	-	-	-	342	829	1 183	1 836	2 495	3 165
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	-	-	-	74	93	131	136	146
Average revenue per subscription per month (ARPU) in the quarter	-	-	-	-	-	22	25	30	32	30
– of which contract	-	-	-	-	-	154	99	72	59	59
– of which prepaid	-	-	-	-	-	21	24	29	31	30
Promote – Montenegro										
No. of mobile subscriptions (in thousands)	-	-	340	279	279	303	394	310	324	363
– of which prepaid	-	-	297	234	235	263	352	265	276	309
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	113	87	91	105	109	92	104	121
Average revenue per subscription per month (ARPU) in the quarter	-	-	139	107	115	129	126	95	111	120
– of which contract	-	-	309	284	288	338	339	269	284	297
– of which prepaid	-	-	111	79	82	97	103	71	81	90
Associated companies										
No. of mobile subscriptions (100% in thousands)	21 028	24 594	28 662	33 763	38 645	42 328	46 615	40 593	41 869	43 042

Analytical Information (cont.)

	2004				2005				2006	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
FIXED – Norway										
Retail market										
No. of Telephony subscriptions (in thousands)	1 932	1 886	1 838	1 800	1 757	1 705	1 664	1 622	1 577	1 545
– of which PSTN subscriptions (in thousands)	1 248	1 219	1 196	1 182	1 165	1 139	1 118	1 089	1 054	1 017
– of which ISDN subscriptions (in thousands)	684	667	642	618	592	562	538	509	479	454
– of which VoIP subscriptions (in thousands)	-	-	-	-	-	4	8	24	44	74
No. of xDSL subscriptions (in thousands)	208	235	270	326	385	415	444	475	511	527
Telephony generated traffic (million minutes)	3 725	3 279	2 851	3 171	2 848	2 644	2 289	2 502	2 277	1 997
Wholesale market										
No. of Telephony subscriptions (in thousands)	227	266	285	301	309	316	316	314	316	308
– of which PSTN subscriptions (in thousands)	151	170	180	188	192	200	202	202	203	201
– of which ISDN subscriptions (in thousands)	76	96	105	113	117	116	114	112	113	107
No. of xDSL subscriptions (in thousands)	76	86	90	91	77	87	97	109	117	123
No. of LLUB (in thousands)	96	108	123	145	172	192	209	235	254	265
FIXED – Sweden										
Bredbandsbolaget										
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	200	214	229	242
No. of LAN subscriptions (in thousands)	-	-	-	-	-	-	156	155	156	158
No. of VoIP subscriptions (in thousands)	-	-	-	-	-	-	91	104	119	134
Globalnet										
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	-	-	113	117
No. of PSTN subscriptions (in thousands)	-	-	-	-	-	-	-	-	285	284
FIXED – Denmark										
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	109	122	138	152
No. of VoIP subscriptions (in thousands)	-	-	-	-	-	-	18	26	37	41
BROADCAST										
No. of television subscribers in the Nordic region										
– DTH pay TV subscribers (in thousands)	778	782	800	824	851	853	876	906	918	921
– Cable TV subscribers (in thousands)	605	611	614	624	616	619	636	681	684	687
– Households in satellite master antenna TV networks (in thousands)	1 132	1 161	1 190	1 212	1 197	1 205	1 184	1 177	1 120	1 119
– Cable TV Internet access (in thousands)	34	35	38	44	48	50	53	73	78	81
GROUP										
No. of man-years	20 600	20 200	20 700	20 900	21 900	22 400	23 400	27 600	30 450	31 750
– of which outside Norway	8 650	8 750	9 450	9 500	10 600	11 100	12 400	16 700	19 400	21 000

The Operations

Second Quarter

(NOK in millions)	Revenues		Growth	EBITDA		Operating profit (loss)		Profit (loss) before taxes and minority interests					
	2006	2005		Margin	2005	Margin	2005		Margin				
Telenor Mobile – Norway	3 273	3 049	7.3%	1 365	41.7%	1 066	35.0%	1 117	34.1%	824	27.0%	1 156	849
Sonofon – Denmark	1 347	1 308	3.0%	307	22.8%	308	23.5%	36	2.7%	(20)	nm	(19)	(59)
Telenor Mobile – Sweden	1 430	65	nm	241	16.9%	(18)	nm	(154)	nm	(18)	nm	(174)	(25)
Kyivstar – Ukraine	2 580	1 643	57.0%	1 596	61.9%	911	55.4%	1 215	47.1%	580	35.3%	1 155	642
Pannon – Hungary	1 427	1 498	(4.7%)	567	39.7%	484	32.3%	280	19.6%	206	13.8%	274	226
DTAC – Thailand	1 893	-	nm	698	36.9%	-	nm	363	19.2%	-	nm	-	-
DiGi – Malaysia	1 544	1 161	33.0%	700	45.3%	499	43.0%	466	30.2%	246	21.2%	476	238
GrameenPhone – Bangladesh	997	705	41.4%	488	48.9%	334	47.4%	340	34.1%	245	34.8%	327	236
Other mobile operations	404	171	136.3%	(52)	nm	(112)	nm	(193)	nm	(214)	nm	154	227
Fixed	4 999	4 753	5.2%	1 567	31.3%	1 504	31.6%	819	16.4%	773	16.3%	742	682
Broadcast	1 564	1 401	11.6%	437	27.9%	411	29.3%	284	18.2%	274	19.6%	210	274
Other operations	2 715	2 542	6.8%	84	3.1%	232	9.1%	(193)	nm	(30)	nm	(554)	121
Eliminations	(1 593)	(1 754)	nm	(68)	nm	11	nm	(81)	nm	(7)	nm	(83)	(86)
Total	22 580	16 542	36.5%	7 930	35.1%	5 630	34.0%	4 299	19.0%	2 859	17.3%	3 937	3 325

First half-year

(NOK in millions)	Revenues		Growth	EBITDA		Operating profit (loss)		Profit (loss) before taxes and minority interests					
	2006	2005		Margin	2005	Margin	2005		Margin				
Telenor Mobile – Norway	6 378	5 887	8.3%	2 688	42.1%	2 067	35.1%	2 224	34.9%	1 614	27.4%	2 285	1 658
Sonofon – Denmark	2 700	2 501	8.0%	612	22.7%	561	22.4%	55	2.0%	(120)	nm	(56)	(201)
Telenor Mobile – Sweden	2 731	128	nm	411	15.0%	(28)	nm	(342)	nm	(28)	nm	(362)	(41)
Kyivstar – Ukraine	4 909	2 806	74.9%	3 028	61.7%	1 543	55.0%	2 268	46.2%	981	35.0%	2 125	948
Pannon – Hungary	2 840	2 913	(2.5%)	1 107	39.0%	1 001	34.4%	541	19.0%	407	14.0%	569	446
DTAC – Thailand	3 925	-	nm	1 417	36.1%	-	nm	745	19.0%	-	nm	541	-
DiGi – Malaysia	3 090	2 195	40.8%	1 400	45.3%	950	43.3%	914	29.6%	439	20.0%	934	403
GrameenPhone – Bangladesh	1 952	1 345	45.1%	1 147	58.8%	663	49.3%	840	43.0%	497	37.0%	781	481
Other mobile operations	733	276	165.6%	(74)	nm	(190)	nm	(352)	nm	(349)	nm	259	371
Fixed	10 066	9 324	8.0%	3 126	31.1%	2 912	31.2%	1 617	16.1%	1 420	15.2%	1 447	1 231
Broadcast	3 081	2 791	10.4%	845	27.4%	791	28.3%	535	17.4%	510	18.3%	2 196	825
Other operations	5 267	5 009	5.2%	220	4.2%	474	9.5%	(300)	nm	(38)	nm	(815)	189
Eliminations	(3 220)	(3 363)	nm	(141)	nm	(8)	nm	(139)	nm	(49)	nm	(142)	(170)
Total	44 452	31 812	39.7%	15 786	35.5%	10 736	33.7%	8 606	19.4%	5 284	16.6%	9 762	6 140

Special Items

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Gains on disposal of fixed assets and operations					
Sonofon – Denmark	-	-	-	-	1
Pannon – Hungary	1	1	5	6	10
GrameenPhone – Bangladesh	1	-	1	-	-
Fixed	-	50	5	53	88
Broadcast	4	-	4	1	1
EDB Business Partner	-	-	-	-	31
Other business units	21	12	38	12	22
Corporate functions and Group activities	12	57	17	79	163
Eliminations	-	-	-	-	4
Total gains on disposal of fixed assets and operations	39	120	70	151	320
Losses on disposal of fixed assets and operations					
Telenor Mobile – Norway	-	3	-	7	16
Telenor Mobile – Sweden	2	-	4	-	-
Kyivstar – Ukraine	1	-	1	-	-
Pannon – Hungary	2	1	4	5	19
DiGi – Malaysia	-	-	-	-	5
GrameenPhone – Bangladesh	1	-	1	-	10
Other mobile operations	-	-	-	-	1
Fixed	1	-	(11)	-	65
Broadcast	-	-	2	-	1
Other business units	-	-	-	-	1
Corporate functions and Group activities	30	28	39	28	33
Eliminations	-	-	-	-	1
Total losses on disposal of fixed assets and operations	37	32	40	40	152
Expenses for workforce reductions and loss contracts					
Telenor Mobile – Norway	3	-	12	(1)	(2)
Sonofon – Denmark	2	3	5	3	12
Telenor Mobile – Sweden	(8)	-	40	-	414
Pannon – Hungary	-	-	-	-	10
Fixed	22	9	47	16	159
EDB Business Partner	-	5	-	5	18
Other business units	2	1	8	-	15
Corporate functions and Group activities	9	5	10	2	29
Eliminations	(1)	(1)	(1)	(1)	(245)
Total workforce reductions and loss contracts	29	22	121	24	410
Total other (income) and expenses	27	(66)	91	(87)	242

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Write-downs					
Telenor Mobile – Norway	33	12	33	10	16
Kyivstar – Ukraine	-	-	-	-	15
Pannon – Hungary	33	2	33	2	7
DiGi – Malaysia	7	-	7	1	5
Fixed	15	2	15	(20)	587
Broadcast	-	4	3	4	(53)
Other business units	-	-	-	-	8
Corporate functions and Group activities	-	-	-	-	2
Total write-downs	88	20	91	(3)	587
Special items associated companies					
(Gains) losses on disposal of ownership interests	(6)	(3)	(6)	(3)	1
Write-downs associated companies	11	-	11	-	172
(Gains) losses on disposal and write-downs of associated companies	5	(3)	5	(3)	173
Net (gains) losses and write-downs financial items	15	(67)	(1 800)	(484)	(518)

Reconciliations

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Profit from total operations	2 874	2 328	7 104	4 298	9 134
Profit (loss) from discontinued operations	-	-	(22)	-	(4)
Profit from continuing operations	2 874	2 328	7 126	4 298	9 138
Taxes	(1 063)	(997)	(2 636)	(1 842)	(3 453)
Profit before taxes	3 937	3 325	9 762	6 140	12 591
Net financial items	(724)	(28)	482	123	(347)
Associated companies	362	494	674	733	1 233
Depreciation and amortization	3 543	2 751	7 089	5 455	11 544
Write-downs	88	20	91	(3)	587
EBITDA	7 930	5 630	15 786	10 736	23 836
EBITDA	7 930	5 630	15 786	10 736	23 836
Other (income) and expenses	27	(66)	91	(87)	242
EBITDA before other income and expenses	7 957	5 564	15 877	10 649	24 078
Operating profit	4 299	2 859	8 606	5 284	11 705
Write-downs	88	20	91	(3)	587
Other (income) and expenses	27	(66)	91	(87)	242
Adjusted operating profit	4 414	2 813	8 788	5 194	12 534
Profit before taxes	3 937	3 325	9 762	6 140	12 591
Net (gains) losses and write-downs financial items	15	(67)	(1 800)	(484)	(518)
(Gains) losses on disposal and write downs of associated companies	5	(3)	5	(3)	173
Write-downs	88	20	91	(3)	587
Other (income) and expenses	27	(66)	91	(87)	242
Adjusted profit before taxes	4 072	3 209	8 149	5 563	13 075

Specification of Depreciation and Amortization

(NOK in millions)	2nd quarter		1st half-year		Year
	2006	2005	2006	2005	2005
Depreciation of tangible assets					
Telenor Mobile – Norway	138	174	297	331	661
Sonofon – Denmark	96	111	187	222	416
Telenor Mobile – Sweden	248	-	490	-	-
Kyivstar – Ukraine	262	247	527	410	868
Pannon – Hungary	123	152	260	308	594
Promonte – Montenegro	16	18	33	37	70
DTAC – Thailand	32	-	65	-	26
DiGi – Malaysia	210	214	442	438	912
GrameenPhone – Bangladesh	138	83	287	154	410
Telenor – Pakistan	70	32	134	36	117
Fixed	504	652	1 077	1 357	2 689
Broadcast	136	117	273	244	486
Other operations	218	209	414	419	837
Eliminations	(2)	(2)	(32)	-	(3)
Total depreciation of tangible assets	2 189	2 007	4 454	3 956	8 083
Amortization of other intangible assets and prepaid lease payments					
Telenor Mobile – Norway	77	56	134	112	228
Sonofon – Denmark	175	217	370	459	869
Telenor Mobile – Sweden	147	-	263	-	-
Kyivstar – Ukraine	119	85	233	152	341
Pannon – Hungary	131	124	273	284	577
Promonte – Montenegro	22	24	44	48	95
DTAC – Thailand	303	-	607	-	194
DiGi – Malaysia	17	39	37	72	126
GrameenPhone – Bangladesh	10	7	20	13	29
Telenor – Pakistan	33	28	67	38	109
Fixed	229	77	417	155	547
Broadcast	17	17	34	33	68
Other operations	59	51	106	93	196
Eliminations	15	20	30	41	82
Total amortization of other intangible assets and prepaid lease payments	1 354	745	2 635	1 500	3 461

Definitions

- Underlying growth is defined as revenue growth adjusted for the effects of acquisition and disposal of operations and currency effects.
- For reconciliation of EBITDA before other income and expenses and adjusted operating profit, see the table “Reconciliations” on page 19.
- Capital expenditure (Capex) is investments in tangible and intangible assets.
- Investments in businesses comprise acquisitions of shares and participations, including acquisitions of subsidiaries and businesses not organised as separate companies.
- Operating cash flow is defined as EBITDA – Capex.

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.

Interconnection revenues

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

Other mobile revenues

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

Non-mobile revenues

– 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 company’s subscriptions” consist of “Subscription and traffic” and “Interconnection 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 revenue

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

Wholesale revenues

– 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

Distribution

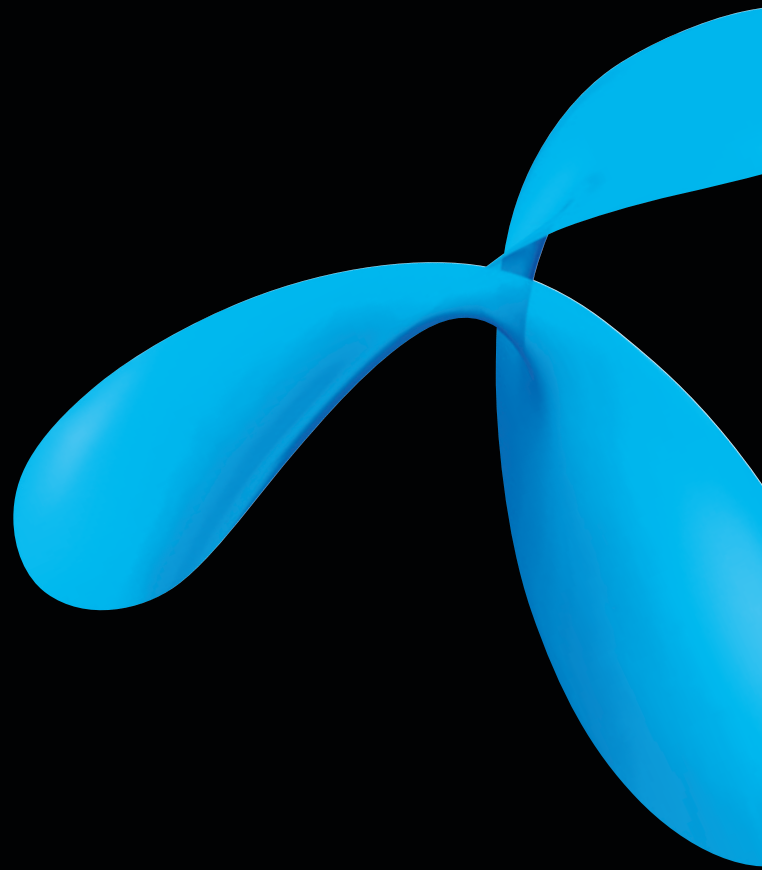
– consist of revenues from Pay TV subscribers and basic tier households on DTH (direct to home), cable TV subscribers, households in SMATV networks and DTT (Digital terrestrial TV) Pay TV subscribers.

Transmission

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

Other

– consist of revenues from conditional access systems and revenue not directly related to Distribution and Transmission services.



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