

first quarter
+ second quarter
+ third quarter
+ fourth quarter

= year 2001

TELENOR ASA FOURTH QUARTER 2001

› KEY POINTS OF THE FOURTH QUARTER 2001 COMPARED WITH THE FOURTH QUARTER 2000

- 11 % growth in revenues excluding gains to NOK 10,874 million.
- 42 % growth in EBITDA adjusted for special items to NOK 2,417 million.
- 64 % growth in EBITDA in Telenor Mobile to NOK 1,011 million; 25 % growth excluding DiGi.com
- EBITDA margin in Telenor Networks of 36 %, representing growth of five percentage points
- EBITDA margin in mNorway was unchanged. Adjusted for one time effects the EBITDA margin increased by three percentage points to 37 %
- 3 % ARPU reduction in mNorway
- NOK 5 billion gain from the sale of Telenor Media
- Write-down of DTAC and UCOM by NOK 3.4 billion to the quoted price as of 31/12/2001
- The Board of Directors will propose a dividend of NOK 0.35 per share for 2001, which is an increase from NOK 0.30 pr share in 2000.

› KEY FIGURES

(NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Revenues	15,920	10,273	46,040	37,572
Revenues excluding gains	10,874	9,824	40,604	36,530
Revenues excluding gains - growth (%)	11 %	17 %	11 %	11 %
EBITDA	7,348	2,107	14,250	9,563
EBITDA excluding gains and losses	2,287	1,706	8,877	8,579
Operating profit	4,412	412	3,177	3,629
Associated companies	(3,665)	75	8,237	(692)
Profit before taxes and minority interests	708	32	10,255	2,003
Net interest bearing liabilities			13,171	40,496
Investments :				
- Capex ¹⁾	3,849	3,736	11,634	10,421
- Acquisition of businesses ²⁾	1,281	1,794	7,212	40,251

¹⁾ Capex is investments in tangible fixed assets and intangible assets

²⁾ Acquisition of business is purchase of shares and participations including acquisition of subsidiaries and business not organized as separate companies.

The table below shows key figures that have been adjusted for special items (gains and losses, write-downs, and restructuring expenses etc) ¹⁾

(NOK in millions)	4th quarter			Year		
	2001	2000	growth	2001	2000	growth
Revenues	10,874	9,824	11 %	40,604	36,530	11 %
EBITDA	2,417	1,706	42 %	9,502	8,569	11 %
Operating profit	439	104	322 %	2,251	2,748	(18 %)
Associated companies	(363)	(850)	nm	(1,746)	(1,862)	nm
Profit/loss before taxes and minority interests	(31)	(1,209)	nm	(396)	(271)	nm

¹⁾ Refer to the table at the end of the report for more details about special items

› SELECTED DATA FOR THE BUSINESS AREAS

Revenues excluding gains (NOK in millions)	4th quarter			Year		
	2001	2000	Growth	2001	2000	Growth
Mobile	3,550	2,661	33 %	12,299	9,776	26 %
Networks	4,260	4,089	4 %	16,562	16,365	1 %
Plus	993	802	24 %	3,374	2,862	18 %
Business Solutions	1,732	1,409	23 %	5,940	4,316	38 %
Other units	3,098	4,123	(25 %)	12,915	17,002	(24 %)
Eliminations	(2,759)	(3,260)	nm	(10,486)	(13,791)	nm
Total	10,874	9,824	11 %	40,604	36,530	11 %

EBITDA excluding gains and losses ¹⁾ (NOK in millions)	4th quarter				Year			
	2001	Margin	2000	Margin	2001	Margin	2000	Margin
Mobile	1,011	28 %	617	23 %	3,808	31 %	2,700	28 %
Networks	1,540	36 %	1,276	31 %	5,660	34 %	5,354	33 %
Plus	37	4 %	119	15 %	254	8 %	614	21 %
Business Solutions	(58)	(3 %)	(161)	(11 %)	(822)	(14 %)	(595)	(14 %)
Other units	(176)	(6 %)	46	1 %	192	1 %	1,043	6 %
Eliminations	(67)	nm	(191)	nm	(215)	nm	(537)	nm
Total	2,287	21 %	1,706	17 %	8,877	22 %	8,579	23 %
Cost for restructuring etc ²⁾	130	-	-	-	625	-	(10)	-
EBITDA adjusted for special items	2,417	22 %	1,706	17 %	9,502	23 %	8,569	23 %

¹⁾ Operating profit excluding depreciation, amortization and write-downs and excluding gains and losses on disposal of fixed assets and operations.

²⁾ Refer to table at the end of the report for more details about special items.

- Telenor presents the best results in the group's history with a preliminary profit before tax and minority interests of NOK 10.3 billion.
- Telenor realised gains from the sales of VIAG Interkom, Esat Digifone and Media totalling NOK 26.4 billion before tax.
- Telenor has undertaken write-downs totalling NOK 16 billion. The largest write-downs were Sonofon, to the amount of NOK 7.5 billion in the second quarter, and of DTAC and UCOM amounting to NOK 3.4 billion in the fourth quarter. The reduction in value of Sonofon will give basis for a tax deduction.
- The underlying development in operations has been good. Adjusted for special items EBITDA increased by 11 % to NOK 9.5 billion for the year.
- It is primarily the fixed network and mobile business in Norway which has contributed to a higher EBITDA.
- Mobile activities both within Norway and abroad contributed positively to revenues and EBITDA, including the consolidation of DiGi.com. The revenue growth in mNorway during the fourth quarter was declining.
- The increase in EBITDA in fixed-network activity was especially strong in the fourth quarter and is largely the result of reduced traffic costs as well as other cost reductions.
- The development of content services, the marketing of ADSL and digitalisation of cable TV activities have resulted in lower EBITDA in Plus.
- A weak market and restructuring has meant lower EBITDA in Business Solutions in 2001. The improvement in the fourth quarter is attributable to the international portfolio.
- Positive development in Telenor's international portfolio of mobile subsidiaries and associated companies resulted in Telenor at the beginning of 2002 having a total of 16.6 million subscriptions (100 % of the subscriptions included mNorway).
- Telenor decided to close certain divisions within Customer Service and Teleservice in January 2002.

- Telenor will continue to work on rationalisation of operations and cost-cutting during 2002 in all parts of the organisation. Investments within fixed and mobile networks in Norway will be reduced.
- Telenor has commenced a more extensive programme of operational rationalisation. The aim is to reduce Telenor's cost-base in 2004 by NOK 4 billion gross compared to the 2001 cost-base.
- Net interest bearing liabilities at the end of 2001 was NOK 13.2 billion. This is a reduction over the year of NOK 27.3 billion. The acquisitions of Pannon, Comsat and Canal Digital will contribute to an increase in net interest bearing liabilities.

› BUSINESS AREAS

In the fourth quarter of 2001 Telenor made changes in the composition of its business areas. Revenue and expenses are adjusted for gross/net reporting for some content services and payment to distributors of prepaid cards. A description of the new business areas and revised figures for 1999 and by quarter for 2000 and 2001 are available on Telenor's Internet site. Quarterly reporting for Telenor has also been adjusted, with the analyses now essentially for the quarter rather than for the year.

› MOBILE

Revenues (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues	3,238	2,268	11,001	8,244
Internal revenues	312	393	1,298	1,532
Gains on disposal of fixed assets and operations	-	-	259	23
Total revenues	3,550	2,661	12,558	9,799
EBITDA	1,011	615	4,067	2,720
EBITDA excl. gains and losses	1,011	617	3,808	2,700
EBITDA excl. gains and losses – margin	28 %	23 %	31 %	28 %
Operating profit	494	324	2,495	1,594
Investments:				
– Capex	1,109	984	2,716	1,978
– Acquisition of businesses	466	647	4,495	30,865

EBITDA increased in the fourth quarter of 2001 compared with the same period in 2000 as a result of growth in revenue without a corresponding growth in expenses. In addition, the accounts are affected by the consolidation of DiGi.com as of 1 September 2001. As a result of this, however, depreciation and amortization have increased, so that the operating profit for the fourth quarter of 2001 did not increase in proportion to EBITDA.

mNorway (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues				
Traffic	1,225	1,186	5,212	4,536
SMS/MobilInfo/CPA	315	202	1,076	733
Other revenues	624	654	2,458	2,295
Total external revenues	2,164	2,042	8,746	7,564
Internal revenues	312	386	1,310	1,532
Gains on disposal of fixed assets and operations	-	-	-	-
Total revenues	2,476	2,428	10,056	9,096
EBITDA excl. gains and losses	850	829	3,731	3,190
EBITDA excl. gains and losses – margin	34 %	34 %	37 %	35 %
Operating profit	583	575	2,626	2,216
ARPU (NOK)	331	340	340	338
Capex	566	645	1,674	1,485
No. of subscribers (in thousand)	-	-	2,307	2,199

A moderate increase in revenue from the fourth quarter of 2000 to the fourth quarter of 2001 is attributed to the general increase in traffic, increased number of subscriptions and increased use of SMS and related services. This was partly offset by the reduction in termination charges and reduced roaming revenue (Norwegians abroad and foreigners in Norway). Reduced roaming revenue is related to the generally low travel activity towards the end of the year, particularly regarding Norwegians travelling abroad, who contribute to the major part of roaming revenue. This development also explains the decline in revenue in relation to the third quarter, after allowing for seasonal variations. A reduction in the average monthly revenue per GSM subscription (ARPU) from the fourth quarter 2000

to the fourth quarter 2001 is essentially caused by the conditions mentioned above.

The increase in the number of GSM subscriptions more than compensated for the decline in NMT subscriptions following the closure of the NMT 900 net in March 2001. mNorway's estimated market share for GSM in Norway fell from 66 % to 61 % throughout the year as a result of increased competition. During the same period the estimated mobile density in Norway increased from 72 % to 80 %.

EBITDA excluding gains and losses increased in the fourth quarter 2001 compared to the same period in 2000, with the EBITDA margin excluding gains and losses remaining at the same level. Adjusted for one time expenses of NOK 87 million, the EBITDA margin in the fourth quarter of 2001 was 37 %. Of this amount, NOK 42 million is associated with changed method of accounting for payments to distributors of prepaid cards related to previous years, while NOK 45 million is accrual between the quarters in 2001.

DiGi.com – Malaysia ¹⁾ (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Revenues excluding gains	692	-	906	-
EBITDA excl. gains and losses	237	-	306	-
EBITDA excl. gains and losses – margin	34 %	-	34 %	-
Operating profit (excl amortization of Telenors net excess values)	150	-	181	-
Capex	459	-	459	-
No. of subscribers (100% in thousand)	-	-	1,039	-

¹⁾ Consolidated from 1 September

In the fourth quarter 2001, DiGi.com had an underlying growth in both revenue and EBITDA of approximately 30 % compared to the fourth quarter 2001. At the same time the number of subscriptions increased by 216,000 (25 %). There was no growth in the subscription base in the fourth quarter 2001 due to the low activity of the Malaysian mobile market. The average monthly revenue per GSM subscription (ARPU) for 2001 was estimated to be NOK 187 .

Grameen Phone – Bangladesh (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Revenues excluding gains	354	190	1,185	537
EBITDA excl. gains and losses	168	47	457	124
EBITDA excl. gains and losses – margin	47 %	25 %	39 %	23 %
Operating profit (excl amortization of Telenors net excess values)	130	24	328	41
Capex	48	151	425	266
No. of subscribers (100% in thousand)	-	-	464	191

Grameen Phone achieved solid growth in 2001. In spite of expenses associated with a growth in the number of subscriptions by almost 150 %, the EBITDA margin for the year was 39 %. The increase in the number of subscriptions has resulted in revenues almost doubling in the fourth quarter 2001 compared to the fourth quarter 2000. Increased revenue from traffic and customer equipment together with low customer acquisition costs contributed to the high EBITDA margin in the fourth quarter. Average monthly revenue per GSM subscription (ARPU) in 2001 is estimated at NOK 190.

Other units include mFuture, mobile activities in Sweden (djuice.se)

and expenses related to direction and management of the international portfolio. The combined EBITDA loss from these units was NOK 244 million in the fourth quarter 2001, representing a reduction in the loss from NOK 259 million in the same period in 2000. Total expenses for the year 2001 increased from 2000, however, on account of the fact that not all activities were in full operation throughout 2000. The annual EBITDA from other units, as these are presented for 2001, are expected to improve in comparison to the 2001 level.

> Associated companies and joint ventures abroad

(NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Telenor's share of ¹⁾				
Revenues	3,030	3,456	11,678	8,915
EBITDA	964	721	3,544	1,388
Net income	147	(213)	421	(690)
Amortization of Telenor's net excess values	(235)	(336)	(1,276)	(689)
Write-downs of Telenor's excess values	(3,400)	-	(10,900)	-
Gain on the disposal of ownership interests	-	920	21,432	920
Net result from associated companies	(3,488)	371	9,677	(459)
No. of subscriptions (Telenor's share in thousand)	-	-	4,017	3,303

¹⁾ The figures are partly based on the management's estimates in connection with the preparation of the consolidated financial statements. Telenor's share of the revenues and EBITDA is not included in the consolidated financial statements. The consolidated profit and loss statement contains only the line "net results from associated companies". Sales between the associated companies and sales to group companies are included in revenues in the table.

Adjusted for DiGi.com, which is now a subsidiary, and disposal of VIAG Interkom and Esat Digifone, there has been a growth in Telenor's share of total subscriptions of 1.75 million (or 77 %) since the end of the fourth quarter 2000. There has been particularly solid growth in DTAC in Thailand, VimpelCom in Russia, Pannon GSM in Hungary, and Kyivstar in the Ukraine, where Telenor's share of subscriptions has increased by 120 % to just over 2.6 million in total.

In the fourth quarter there was an increase in Telenor's share of revenue adjusted for sale and purchase of companies, of NOK 0.9 billion (or 43 %) compared with the same period in 2000. The corresponding growth in EBITDA was NOK 0.4 billion (or 69 %).

As a result of the substantial discrepancy between the quoted price and the book value of Telenor's shares in DTAC and UCOM, Telenor has written down DTAC and UCOM NOK 3.4 billion in the fourth quarter to the market value as of 31/12/2001 in accordance with generally accepted accounting principles.

On 4 February 2002, Telenor completed the purchase of shares in Pannon GSM (Hungary), increasing Telenor's ownership share from 25.8 % to 100 %. From this point the company is consolidated as a wholly-owned subsidiary. The company had revenues of approximately NOK 4.2 billion in 2001 and an EBITDA margin just below 35%. The total number of subscriptions approached 2 million at the end of the fourth quarter 2001.

> NETWORKS

Revenues (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues				
Business market				
– Subscriptions and connections fee (PSTN/ISDN)	328	271	1,313	1,362
– Traffic (PSTN/ISDN)	580	557	2,278	2,327
Residential market				
– Subscriptions and connections fee (PSTN/ISDN)	707	767	2,916	2,991
– Traffic (PSTN/ISDN)	982	978	3,896	4,074
Wholesale market				
– Domestic interconnect	180	145	722	497
– International interconnect	71	136	418	558
– Transit traffic	275	192	953	736
Leased lines	276	220	1,040	884
Other	157	206	570	569
Total external revenues	3,556	3,472	14,106	13,998
Internal revenues	704	617	2,456	2,367
Gains on disposal of fixed assets and operations	6	-	6	320
Total revenues	4,266	4,089	16,568	16,685
EBITDA	1,561	1,274	5,666	5,672
EBITDA excl. gains and losses	1,540	1,276	5,660	5,354
EBITDA excl. gains and losses – margin	36 %	31 %	34 %	33 %
Operating profit:	824	602	2,175	3,047
Investments:				
– Capex	1,109	1,108	3,694	3,597
– Acquisition of businesses	-	-	25	6

- Stabilisation of end user revenue for PSTN/ISDN in the fourth quarter as compared to that of 2000 is essentially a result of change in the traffic structure towards higher price traffic, which have counteracted the decline in the number of traffic minutes. The reduction in the total number of subscriptions has resulted in a decline in subscriber revenue in the residential market
- Total market growth has been declining throughout the year. In the fourth quarter there was a general flattening out of the market. Together with the transfer to ADSL, this resulted in a decline in traffic minutes of 1.9 % in the fourth quarter, resulting in a growth of 4.7 % for the whole year.
- Telenor's market share (including internet traffic) measured in traffic minutes at the end of 2001 was 73 %, whereas Networks' market share was 68 %. Telenor's market share remained stable throughout the year.
- At the end of 2001, there were 414,000 accesses with carrier pre-selection in competing companies, about the same as at the close of the previous year.
- Reduced revenue from interconnections during the fourth quarter as compared to the corresponding period in 2000 is essentially the result of a decline in traffic from abroad. This results from the fact that it is no longer profitable to send traffic from a fixed telephone to a mobile telephone in Norway via another country. The increased revenue from transit traffic is related to increased domestic transit traffic, including traffic between mobile operators via the fixed net.
- EBITDA growth in the fourth quarter as compared to the corre-

sponding period in 2000 is primarily attributable to improved contribution margin for traffic from the fixed network to the mobile networks as a result of the reduced prices for termination in the mobile networks. Wholesale activity has also made a positive contribution as a result of changes in the composition of services, while there has been an increase in the volume of leased lines (internal and external). In addition, rationalisation of the production process has made a positive contribution to EBITDA.

› PLUS

Revenues (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues				
Broadcast	633	573	2,231	2,072
Content & Interactive	46	29	188	72
Internett	194	77	508	306
Other	2	8	15	37
Total external revenues	875	687	2,942	2,487
Internal revenues	118	115	432	375
Gains on disposal of fixed assets and operations	2	-	12	13
Total revenues	995	802	3,386	2,875
EBITDA	38	103	248	611
EBITDA excl. gains and losses				
Broadcast	150	176	537	680
Content & Interactive	(51)	(18)	(128)	(47)
Internett	(54)	(6)	(76)	58
Other	(8)	(33)	(79)	(77)
Total EBITDA excl. gains and losses	37	119	254	614
Operating profit/loss	(621)	(34)	(841)	135
Investments:				
– Capex	369	237	835	573
– Acquisition of businesses	353	332	906	1,540

- Increased external revenues within Broadcast in the fourth quarter are due to the increased number of subscribers, increased revenues from distribution of digital TV signals via satellite, and from terrestrial broadcasting.
- The Swedish activity Telenordia Privat is included in Internett as of 1 October 2001, with external revenues of NOK 70 million. The sale of ADSL subscriptions commenced in Sweden in the middle of November 2001, and 6,400 subscriptions were sold during the year. Internett Norway launched ADSL early in 2001 and, together with revenue growth from dial-up Internet, this contributed to the increase in external revenues. The number of connected ADSL subscribers in Norway increased during the quarter by 13,000 to 23,000. The number of subscriptions sold by the end of the year was 28,000.
- Reduced EBITDA within Broadcast in the fourth quarter is partly due to the development of a call-centre and marketing in connection with digitalisation of cable TV activity. Furthermore, in the fourth quarter there was a decline in revenue with the transfer from analogue to digital TV distribution via satellite. One off items had a positive effect on EBITDA in the fourth quarter 2000 of NOK 25 million. Provisions for loss contracts in the fourth quarter 2001 was more than offset by revenue related to termination of contracts for analogue TV distribution.
- Within Content & Interactive the lower EBITDA was the result of the

development and launching of interactive content services for TV together with the content services for broadband users. In the fourth quarter 2001, Zonavi, among other things, launched games and SMS services which are available to all Canal Digital's Nordic subscribers.

- Expenses linked to the sales of ADSL subscriptions in 2001 contributed to the reduction of EBITDA for the Internett in both Sweden and Norway. Telenordia Privat had a negative EBITDA of NOK 36 million in the quarter.
- In the fourth quarter Telenor has undertaken write-downs of satellites and satellite equipment in the amount of NOK 490 million. The write-down is the result of lower capacity usage arising from the transfer from analogue to digital TV distribution and concentration on satellite activity focussed on the Nordic market.

Associated companies (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Telenors share ¹⁾				
Revenues	521	370	1,717	858
EBITDA	(74)	(16)	(191)	(90)
Net income	(128)	(84)	(464)	(191)
Amortization of Telenor's net excess values	(11)	(11)	(58)	(18)
Write-downs of Telenor's excess values	(22)	-	(22)	-
Gain/loss on the disposal of ownership interests	(4)	-	(3)	229
Net result from associated companies	(165)	(95)	(547)	20

¹⁾ The figures are partly based on the management's estimates in connection with the preparation of the consolidated financial statements. Telenor's share of the revenues and EBITDA is not included in the consolidated financial statements. The consolidated profit and loss statement contains only the line "net results from associated companies". Sales between the associated companies and sales to group companies are included in revenues in the table.

- The largest associated companies in Plus are Canal Digital, A-Pressen ASA (from the fourth quarter 2000) and OTRUM Electronics ASA (from the second quarter 2001).
- Telenor's share of Canal Digital's revenues for the fourth quarter increased by 40 % to NOK 273 million compared to the fourth quarter 2000.
- Increased losses in Canal Digital is due to the digitalization and increased number of subscribers.
- Sale and write-downs of activities in OTRUM had a negative effect on net income in the fourth quarter 2001.

› BUSINESS SOLUTIONS

Revenues (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues				
ASP, operating services, software consulting services	189	305	1,077	917
Access, network and communication services	374	392	1,378	1,402
Total Business Solutions Norway	563	697	2,455	2,319
Nextra international	309	269	1,271	818
Business Solutions Sweden	283	3	310	4
Comincom/Combella	158	133	580	217
Total external revenues	1,313	1,102	4,616	3,358
Internal revenues	419	307	1,324	958
Gains on disposal of fixed assets and operations	-	-	-	-
Total revenues	1,732	1,409	5,940	4,316
EBITDA	(59)	(161)	(828)	(600)
EBITDA excl. gains and losses				
Business Solutions Norway	(44)	117	59	49
Business Solutions International	(14)	(278)	(881)	(644)
Total EBITDA excl. gains and losses	(58)	(161)	(822)	(595)
Operating loss	(646)	(429)	(2,968)	(1,173)
Investments				
– Capex	112	510	1,041	1,806
– Acquisition of businesses	323	443	531	2,858

- The decline in external revenues in Business Solutions Norway in the fourth quarter, is mainly due to lower sales of operational service-related software together with somewhat lower revenue from access, network and communication services. The decline has been offset by increased internal revenues from the sale of operation services and data communication services, such that the total revenue is at the same level as the fourth quarter 2000.
- The growth in external revenues in the international portfolio in the fourth quarter originates primarily from the consolidation of Telenordia from 1 October 2001 with an effect of NOK 274 million.
- Norwegian activity during the fourth quarter has also been negatively affected by weak market conditions. A down-scaling of the organisation was undertaken in the fourth quarter. This has resulted in extra costs amounting to NOK 53 million. Additional reduction in EBITDA compared with the fourth quarter 2000 is due to lower sales of operation service-related software with no cost of material.
- In the international portfolio, agreements were entered into during the fourth quarter on the sale of activities in Germany and Switzerland. Mainly as a result of this, restructuring costs of NOK 115 million were reversed in the fourth quarter. Furthermore, reduction in the number of employees and other cost-cutting measures in the other countries also contributed to an improved EBITDA. Comincom/Combella had an EBITDA margin excluding gains and losses of about 32 % in the fourth quarter compared with about 34 % in the same period in 2000.
- The expected continued weak market development together with the reorganisation of activities resulted in the business area undertaking further write-downs in the fourth quarter amounting to NOK 278 million, essentially associated with activities abroad.

The remaining goodwill in Business Solutions balance sheet is mainly limited to Comincom/Combella.

- Business Solutions includes a major part of the activity of the former business area Internet. The activity in the former business area Internet was characterised by weak growth and poor results throughout the entire year. The EBITDA loss in 2001 was about NOK 1 billion prior to special items of about NOK –250 million.

Associated companies (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Telenors share of ¹⁾				
Revenues	5	246	600	725
EBITDA	-	37	(57)	18
Net income	(20)	(14)	(125)	(37)
Amortization of Telenor's net excess values	-	(27)	(76)	(43)
Write-downs of Telenor's excess values	-	-	(665)	-
Gain/loss on the disposal of ownership interests	(8)	-	(8)	11
Net result from associated companies	(28)	(41)	(874)	(69)

¹⁾ The figures are partly based on the management's estimates in connection with the preparation of the consolidated financial statements. Telenor's share of the revenues and EBITDA is not included in the consolidated financial statements. The consolidated profit and loss statement contains only the line "net results from associated companies". Sales between the associated companies and sales to group companies are included in revenues in the table.

Telenordia was included as an associated company up to 1 October 2001.

› EDB BUSINESS PARTNER

- In the figures for EDB Business Partner, activity which has been transferred to Itworks AS has been excluded. Ephorma AS was accounted for in accordance with the equity method. This creates a divergence from the figures presented by EDB Business Partner ASA itself.
- Increased revenues in the fourth quarter compared to the same period in 2000 are largely related to activities taken over within the Operations area in 2001, and to growth within Bank/Finance. In the fourth quarter the business area Telecom experienced a small decline in total revenues on account of lower sales within Telenor (internal revenues), which were partly offset by growth in international sales.
- In the Operations area, a restructuring process was commenced in the third quarter of 2001. This process is proceeding according to plan and in the fourth quarter the Operations area showed improved profitability, but margins were lower than in the fourth quarter of 2000. The business area Telecom improved its margins as a result of license sales. In the fourth quarter, costs amounting to NOK 20 million were incurred in connection with the closing down of the research activity in Ireland. The business area Bank/Finance experienced a decline in margins throughout the entire year compared to 2000, and it was decided that cost-cutting measures would be initiated. The fourth quarter showed, however, a slight improvement over the previous quarter.
- Write-downs in previous quarters in 2001 have resulted in lower depreciation and amortization in the fourth quarter 2001, while acquired activities have contributed to increased depreciation and amortization in the fourth quarter 2001.

- Ephorma and EMSG (associated companies) were sold in the fourth quarter with a total gain of NOK 141 million.

› OTHER BUSINESS UNITS

(NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues				
Satellite Mobile	329	215	1,210	777
Satellite Networks	109	105	354	327
Itworks	199	419	957	883
Inkasso AS (sold in 2000)	-	-	-	45
Finans AS (sold in 2000)	-	37	-	176
Other	131	139	473	330
Total external revenues	768	915	2,994	2,538
Internal revenues	245	346	1,038	1,491
Gains on disposal of fixed assets and operations	1	1	1	4
Total revenues	1,014	1,262	4,033	4,033
EBITDA	(75)	2	(37)	261
EBITDA excl. gains and losses				
Satellite Mobile	35	48	152	147
Satellite Networks	20	12	51	(1)
Itworks	(41)	(5)	(102)	(92)
Inkasso AS (sold in 2000)	-	-	-	18
Finans AS (sold in 2000)	-	44	-	212
Other	(93)	(72)	(110)	(2)
Total EBITDA excl. gains and losses	(79)	27	(9)	282
Operating loss	(287)	(126)	(686)	(181)
Investments:				
– Capex	190	236	476	599
– Acquisition of businesses	21	27	252	1,677

- Increased external revenues in Satellite Mobile are related to the subsidiary SAIT, which was consolidated as of 1 March 2001. SAIT's main activity is billing of traffic over third-party earth stations which gives low margins. The decline in EBITDA in Satellite Mobile in the fourth quarter compared to the fourth quarter of 2000 relates to changes in the product mix, price reductions and one time effects.
- A strong focus on cost-cutting measures in Satellite Networks has contributed to an improvement of EBITDA in the fourth quarter and the whole of 2001 compared to the previous year.
- Itworks continues to experience a weak market with reduced revenue and profits. Costs of NOK 20 million were entered for the quarter arising from staff reductions.
- A decision has been taken to close down the messaging services in TTYL. The EBITDA loss in the fourth quarter was NOK 73 million, including NOK 47 million in costs associated with the closure of the activity. In addition, write-downs of NOK 101 million related to TTYL were recorded in the quarter.

› CORPORATE FUNCTIONS AND GROUP ACTIVITIES

Revenues (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
External revenues	118	104	375	195
Internal revenues	581	686	2,399	2,957
Gains on disposal of fixed assets and operations	5,035	434	5,116	657
Total revenues	5,734	1,224	7,890	3,809
EBITDA	4,778	237	4,593	445
EBITDA excl. gains and losses	(254)	(192)	(513)	(207)
Operating profit	4,636	95	4,139	16
Investments				
– Capex	883	574	2,642	1,372
– Acquisition of businesses	38	12	127	271

The area essentially comprises Property, Research & Development, technical group projects, internal IT operations, Group Treasury, international services and central staff and support functions

- The sales gains in 2001 were largely related to the sale of Telenor Media in the fourth quarter. Sales gains in the fourth quarter 2000 were essentially due to the sale of Finans AS and real estates.
- NOK 74 million were expensed in the fourth quarter 2001 in connection with the transfer of activity in the Telemuseum to a foundation.
- In 2001, NOK 2.2 billion were invested in property and technological solutions connected to the group relocation at Fornebu.

› PROFIT AND LOSS ITEMS FOR THE GROUP

Depreciation, amortization and write-downs (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Depreciation tangible assets	1,703	1,354	6,266	5,201
Amortization goodwill	210	208	668	496
Amortization other intangible assets	65	40	317	124
Total depreciation and amortization	1,978	1,602	7,251	5,821
Write-downs tangible assets	811	93	1,556	113
Write-downs goodwill	147	-	2,266	-
Total write-downs	958	93	3,822	113
Total depreciation, amortization and write-downs	2,936	1,695	11,073	5,934

- With effect from 1 April 2001, Telenor reduced depreciation periods for certain fixed assets within the fixed and mobile networks in Norway. Concerning investments made prior to 1 April 2001, this has resulted in increased depreciation of about NOK 90 million in the fourth quarter 2001, and about NOK 280 million for three quarters in 2001. Higher depreciation of fixed assets is related to investments in existing and new activities. DiGi.com contributed depreciation of fixed assets of NOK 76 million in the quarter.
- In connection with the purchase of DiGi.com, goodwill amortization in the fourth quarter increased by NOK 59 million, while amortization of other intangible assets increased by NOK 31 million.
- Of the write-downs of fixed assets during the fourth quarter 2001 NOK 490 million is related to satellites. TTYL, which provides messaging services, is to be closed down and is written down with NOK 101 million in the fourth quarter. Furthermore,

NOK 52 million have been written down in Telenordia, associated with the co-ordination of activity within Business Solutions in Sweden. Write-downs of fixed assets have also been made in the international CSP activity in the quarter.

- Amortization of goodwill in the fourth quarter 2001 is largely associated to the international CSP activity.

Associated companies (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Telenors share of ¹⁾				
Revenues	5,610	5,369	20,467	12,492
EBITDA	926	570	3,492	1,213
Net income	(109)	(473)	(318)	(1,086)
Amortization of Telenor's net excess values	(253)	(377)	(1,427)	(776)
Write-down of Telenor's excess values	(3,432)	-	(11,597)	-
Gain/loss on disposal of ownership interests	129	925	21,579	1,170
Net result from associated companies	(3,665)	75	8,237	(692)

¹⁾ The figures are partly based on the management's estimates in connection with the preparation of the consolidated financial statements. Telenor's share of the revenues and EBITDA is not included in the consolidated financial statements. The consolidated profit and loss statement contains only the line "net results from associated companies". Sales between the associated companies and sales to group companies are included in revenues in the table.

- Lower growth in Telenor's share of revenues in the fourth quarter 2001 in comparison with the same period in 2000, compared with growth in previous periods, is due to the sale of companies and the consolidation of DiGi.com and Telenordia, together with Bravida being reported as an associated company as of 1 October 2000. Bravida contributed with NOK 1,877 million in revenue and to EBITDA in the fourth quarter 2001 with NOK 51 million, compared to NOK 1,352 million and a loss of NOK 101 million respectively in the fourth quarter 2000 (including restructuring costs of NOK 75 million).
- Amortization of Telenor's excess values was reduced in the fourth quarter 2001, mainly as a result of the write-downs undertaken earlier in the year, and the fact that DiGi.com and Telenordia are consolidated as subsidiary companies.
- In the fourth quarter of 2001 Telenor has undertaken write-downs of 3.4 billion in DTAC/UCOM.
- The sales gains in the fourth quarter 2001 are essentially related to the sale of Ephorma AS and European Medical Solutions Group AS in EDB Business Partner. In the fourth quarter 2000, Telenor reduced its share of ownership in Cosmote.

Financial items (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Financial income	141	372	897	828
Financial expenses	(267)	(905)	(1,396)	(1,921)
Net foreign currency gain/loss	19	70	(402)	(64)
Net gain/loss and write-downs	68	8	(258)	223
Net financial items	(39)	(455)	(1,159)	(934)
Gross interest expenses	(322)	(913)	(1,638)	(1,965)
Net interest expenses	(201)	(642)	(898)	(1,392)

- Financial income in the fourth quarter 2001 is primarily related to placement of proceeds from the sale of Media. During the quarter, a portion of these funds have been held in liquid assets in anticipation of payment for the purchase of Pannon in February 2002. Financial income in the fourth quarter 2000 was influenced by a high liquidity holding and loans made to VIAG Interkom. Dividends from satellite organisations were reduced.
- Financial expenses in the fourth quarter 2000 were especially high, as a result of loans taken up in order to finance the considerable purchases undertaken in the latter half of 2000.
- In the fourth quarter 2001, North West GSM was sold with a gain of NOK 365 million. On the other hand, there were losses and write-downs of shares, largely in Venture.

› Tax

- Income tax in Norway is 28%. The effective tax rate for the year 2001 is preliminarily estimated at 38 % of the profit before taxes and minority interests.
- In the fourth quarter a tax asset was recorded related to the write-down and amortization of goodwill in Sonofon recorded in previous periods. This was due to the taxable realisation in the fourth quarter.
- The effective tax rate for Telenor is negatively affected by the losses in our associated companies and subsidiaries outside Norway together with the amortization and write-downs of excess values which cannot be recognised as deferred tax assets. In previous quarters in 2001, in addition to the above, deferred tax assets were recognised on a portion of the write-downs in EDB Business Partner and on the realisation of activities abroad in Business Solutions. Further, there is a low taxable gain from the sale of Telenor Media. Tax of 28 % is calculated on the gains from the sale of VIAG Interkom and Esat Digifone.
- The actual tax rate for the year may differ from the estimated tax rate.

› THE BALANCE SHEET

In comparison to the end of the third quarter, net interest-bearing liabilities have been reduced by NOK 3.2 billion to NOK 13.2 billion, associated with proceeds from the sale of Media.

› OUTLOOK

During the present year, Telenor will continue to focus more strongly on core activities and strengthen efforts towards rationalisation of operations. The level of investments will be adapted to the underlying cash-flow.

A continued good revenue growth is expected for companies which were consolidated as of 31 December 2001. Investments other than acquisitions are expected to exceed NOK 12 billion, including NOK 4 billion within subsidiaries abroad, and just over NOK 2 billion associated with the relocation at Fornebu.

Mobile activities are expected to enjoy a considerable increase in revenues, mainly as a consequence of the consolidation of Pannon and DiGi.com. The growth in the Norwegian mobile activity is declining and only a moderate customer and ARPU increase is expected in 2002. Some increase in the EBITDA margin is expected in Pannon as a result of increased customer base, rationalisation and synergy effects. In DiGi.com increased expenses are expected in connection with the network improvements and customer growth. Which is expected to give a somewhat lower EBITDA margin.

Within Networks a stabilisation of revenue is expected. Continued cost-cutting and efficiency measures are expected to contribute to a stronger EBITDA margin in 2002 compared with 2001.

Business Solutions expects continued weak market development in the coming quarters. The cost-cutting measures and restructuring carried out in the fourth quarter 2001, both in Norwegian and international activities, will however contribute to significantly improved results in Business Solutions in 2002. The overall activity is expected to achieve EBITDA positive results from the second half of 2002 and a positive EBITDA for the year 2002.

Within Plus, continued strong growth in subscriptions is expected for ADSL and DTH (Canal Digital) in 2002. Sales of ADSL in Norway and Sweden, together with the development of new broadband services and a decline in revenue in connection with the reduction of analogue TV distribution via satellite, results in expected EBITDA for 2002 to be lower than in 2001. The acquisition of Canal Digital is expected to be completed in the course of 2002. Through the coordination with the other broadcasting activities in Telenor, this will provide the possibility for a more cost-effective operation.

Telenor has commenced with a more extensive programme for operational efficiency. The aim is to reduce Telenor's cost base in 2004 by NOK 4 billion gross in comparison to the cost base in 2001.

The accounts submitted with the report are preliminary and unaudited. This report contains forward looking statements with respect to certain growth initiative, results of operations and certain strategies and objectives of Telenor. In particular, statements in the section "Outlook" comprise forward looking statements. By their nature forward looking statements involve risk and uncertainty that could cause the actual results and development to differ materially from those expressed or implied. The risk factor relating to Telenor's activities are described in Telenor's Annual Report on Form 20-F filed with the Securities and Exchange Commission in the USA (available on www.telenor.com/ir/annual_reports).

Oslo, 13 February 2002
The Board of Directors of Telenor ASA

› PROFITT AND
LOSS ACCOUNT

Telenor Group (NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
Revenue	10,874	9,824	40,604	36,530
Gains on sale of fixed assets and operations	5,046	449	5,436	1,042
Total revenue	15,920	10,273	46,040	37,572
Costs of materials and traffic charges	2,850	2,779	10,204	9,606
Own work capitalised	(326)	(434)	(1,002)	(1,544)
Salaries and personell costs	2,739	2,760	10,160	10,513
Other operating expenses	3,324	3,013	12,365	9,376
Loss on sale of fixed assets and operations	(15)	48	63	58
Depreciation and amortization	1,978	1,602	7,251	5,821
Write-downs	958	93	3,822	113
Total operating expenses	11,508	9,861	42,863	33,943
Operating profit	4,412	412	3,177	3,629
Associated companies	(3,665)	75	8,237	(692)
Net financial items	(39)	(455)	(1,159)	(934)
Profit before taxes and minority interests	708	32	10,255	2,003
Taxes	208	519	(3,897)	(861)
Minority interests	(49)	(71)	721	(66)
Net income	867	480	7,079	1,076
Profit margin	4 %	-	22 %	5 %
EBITDA	7,348	2,107	14,250	9,563
EBITDA – margin	46 %	21 %	31 %	25 %
EBITDA excluding gains and losses	2,287	1,706	8,877	8,579
EBITDA excluding gains and losses – margin	21 %	17 %	22 %	23 %
Net income per share in NOK – basic	0.546	0.319	3.994	0.754
Net income per share in NOK – diluted	0.546	0.319	3.990	0.754
US Gaap				
Net Income	1,037	362	7,004	1,082
Net Income pr share in NOK – basic	0.585	0.241	3.952	0.759
Net Income pr share in NOK – diluted	0.585	0.241	3.948	0.759

› BALANCE SHEET

Telenor Group (NOK in millions)	30.12.2001	31.12.2000
Deferred taxes assets ¹⁾	625	442
Intangible assets	9,615	6,767
Tangible assets	37,611	29,770
Associated companies	14,272	39,182
Other financial assets	4,040	4,720
Total fixed assets	66,163	80,881
Other current assets	10,878	10,488
Cash and interest bearing investments	5,998	2,316
Current assets	16,876	12,804
Total assets	83,039	93,685
Shareholders equity	42,144	35,474
Minority interests	3,589	2,706
Total equity and minority interests	45,733	38,180
Long-term non-interest bearing liabilities ¹⁾	1,343	839
Long-term interest bearing liabilities	18,497	42,069
Total long-term liabilities	19,840	42,908
Short-term non-interest bearing liabilities ¹⁾	16,794	11,854
Short-term interest bearing liabilities	672	743
Total short-term liabilities	17,466	12,597
Total equity and liabilities	83,039	93,685
US Gaap		
Shareholders equity	43,088	36,304

¹⁾ Based on preliminary calculations of deferred tax/tax assets and current taxes.

› SHARE-HOLDERS EQUITY

Total (NOK in millions)	
Balance as of 31 December 2000	35,474
Net income	7,079
Dividends	(621)
Share issuance	20
Translation adjustments	192
Balance as of 31 December 2001	42,144

› CASH FLOW STATEMENT

Telenor Group (NOK in millions)	Year	
	2001	2000
Net cash flow from operating activities	6,993	5,915 ¹⁾
Net cash flow from investing activities	20,891	(47,308) ¹⁾
Net cash flow from financing activities	(24,351)	41,575
Net change in cash and cash equivalents	3,533	182
Cash and cash equivalents 01.01	2,306	2,124
Cash and cash equivalents by the end of the period	5,839	2,306

¹⁾ Net VAT and investment tax unrelated to operating activities has been reclassified of NOK 444 million from operating activities to investment activities in accordance with a change in the principle for recording VAT and investment tax in the cash flow statement.

> THE BUSINESS AREAS FOR THE YEAR

(NOK in millions)	Revenues ¹⁾²⁾		of which external ¹⁾²⁾		EBITDA		Operating profit/loss		Associated companies		Net financial items		Profit/loss before taxes and minority interests	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Mobile ²⁾	12,558	9,799	11,260	8,267	4,067	2,720	2,495	1,594	9,677	(460)	(496)	(821)	11,676	313
Networks ²⁾	16,568	16,685	14,112	14,318	5,666	5,672	2,175	3,047	-	-	(149)	(72)	2,026	2,975
Plus	3,386	2,875	2,954	2,500	248	611	(841)	135	(547)	20	(410)	(8)	(1,798)	147
Business Solutions	5,940	4,316	4,616	3,358	(828)	(600)	(2,968)	(1,173)	(874)	(69)	(316)	(161)	(4,158)	(1,403)
EDB Business Partner	4,811	3,966	3,353	2,461	447	554	(1,208)	201	130	(21)	(94)	(19)	(1,172)	161
Media	1,343	1,655	1,263	1,557	313	359	262	301	(12)	6	21	33	271	340
Bravida	-	4,225	-	1,799	-	80	-	(9)	(29)	(148)	-	(11)	(29)	(168)
Other units	4,033	4,033	2,995	2,542	(37)	261	(686)	(181)	(78)	(19)	(402)	142	(1,166)	(58)
Corporate functions and group activities	7,890	3,809	5,491	852	4,593	445	4,139	16	(30)	(1)	686	(34)	4,795	(19)
Elimination	(10,489)	(13,791)	(4)	(82)	(219)	(539)	(191)	(302)	-	-	1	17	(190)	(285)
Total	46,040	37,572	46,040	37,572	14,250	9,563	3,177	3,629	8,237	(692)	(1,159)	(934)	10,255	2,003

> THE BUSINESS AREAS 4TH QUARTER

(NOK in millions)	Revenues ¹⁾²⁾		of which external ¹⁾²⁾		EBITDA		Operating profit/loss		Associated companies		Net financial items		Profit/loss before taxes and minority interests	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Mobile ²⁾	3,550	2,661	3,238	2,268	1,011	615	494	324	(3,488)	370	259	(308)	(2,735)	386
Networks ²⁾	4,266	4,089	3,562	3,472	1,561	1,274	824	602	-	-	(41)	(24)	783	578
Plus	995	802	877	687	38	103	(621)	(34)	(165)	(95)	(69)	(3)	(855)	(132)
Business Solutions	1,732	1,409	1,313	1,102	(59)	(161)	(646)	(429)	(28)	(41)	(73)	(139)	(747)	(609)
EDB Business Partner	1,391	1,247	991	803	165	196	58	107	129	(8)	(44)	(20)	143	79
Media	-	348	-	333	-	11	-	(3)	-	14	-	9	-	20
Bravida	-	490	-	186	-	17	-	9	(62)	(148)	-	(2)	(62)	(141)
Other units	1,014	1,262	769	916	(75)	2	(287)	(126)	(14)	(16)	(208)	18	(509)	(124)
Corporate functions and group activities	5,734	1,224	5,153	538	4,778	237	4,636	95	(37)	(1)	125	47	4,724	141
Elimination	(2,762)	(3,259)	17	(32)	(71)	(187)	(46)	(133)	-	-	12	(33)	(34)	(166)
Total	15,920	10,273	15,920	10,273	7,348	2,107	4,412	412	(3,665)	75	(39)	(455)	708	32

¹⁾ Revenue includes gains on sales of fixed assets and operations²⁾ Revenue and operating expenses are adjusted for gross/net reporting for some content services and payments to distributors of prepaid cards

› ANALYTICAL INFORMATION

	1999				2000				2001			
	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter
Revenues (NOK millions) ³⁾	7,922	8,286	8,219	9,141	8,691	9,145	9,463	10,273	10,001	10,055	10,064	15,920
Operating profit/loss (NOK millions)	802	994	1,029	1,177	1,166	817	1,234	412	986	(309)	(1,912)	4,412
Profit/loss before taxes and minority interests (NOK millions)	521	827	587	1,379	908	749	314	32	10,666	1,428	(2,547)	708
Equity ratio incl. minority interests	-	-	-	44,3	44,5	41,6	25,9	40,8	51,9	51,5	55,1	55,1
Net interest bearing liabilities (NOK millions)	10,750	12,850	12,700	12,850	12,750	18,904	51,719	40,496	20,502	10,866	16,358	13,171
Net interest bearing liabilities/EBITDA excl gains/losses last 12 months	1.3	1.5	1.5	1.5	1.5	2.2	5.9	4.7	2.3	1.2	2.0	1.5
No. of man-years	20,300	21,500	21,800	21,950	22,350	23,530	25,170	20,150	20,450	21,300	23,200	21,000
– of which abroad	2,900	3,200	3,000	3,150	3,300	3,550	4,580	5,050	5,300	5,900	7,600	6,300
Norway												
No. of PSTN subscriptions	2,093,000	2,044,000	1,985,000	1,908,000	1,826,000	1,773,000	1,724,000	1,680,000	1,646,000	1,600,000	1,554,000	1,527,000
No. of ISDN subscriptions (lines)	907,000	1,007,000	1,098,000	1,239,000	1,355,000	1,440,000	1,513,000	1,590,000	1,664,000	1,672,000	1,698,000	1,735,000
No. of ADSL subscriptions	-	-	-	-	-	-	-	-	3,000	5,000	11,000	24,000
PSTN/ISDN generated traffic (mill. minutes)	4,732	4,642	4,349	5,010	5,396	4,889	4,404	4,871	4,956	4,481	4,083	4,440
Fixed line market share of traffic minutes (incl. Internet)	95	94	91	87	83	79	78	73	73	73	73	73
No. of mobile subscriptions (NMT + GSM) ¹⁾	1,658,000	1,755,000	1,857,000	1,951,000	2,012,000	2,103,000	2,134,000	2,199,000	2,189,000	2,233,000	2,289,000	2,307,000
Number of GSM subscriptions	1,374,000	1,495,000	1,621,000	1,735,000	1,817,000	1,925,000	1,973,000	2,056,000	2,098,000	2,147,000	2,211,000	2,237,000
– of which prepaid	410,000	524,000	639,000	732,000	797,000	851,000	870,000	911,000	938,000	969,000	1,023,000	1,027,000
Traffic minutes per GSM subscription												
per month, generated and terminated	168	168	175	165	166	170	184	174	171	175	182	183
Revenue per GSM subscription per month (ARPU) ³⁾	335	338	356	336	309	347	355	340	333	337	357	331
– of which contract	394	430	477	458	438	471	499	485	479	492	526	479
– of which prepaid	167	152	153	156	138	191	175	156	152	146	159	159
No. of SMS and content messages	52	74	98	137	166	205	254	277	315	323	359	376
No. of Internet subscriptions:												
– Business market	-	-	-	8,000	10,000	12,000	13,000	13,000	13,000	15,000	15,000	16,000
– Residential market	300,000	320,000	350,000	400,000	460,000	505,000	548,000	625,000	683,000	718,000	757,000	831,000
– of which frisure	-	-	-	45,000	110,000	150,000	188,000	248,000	305,000	343,000	386,000	437,000
Pay television subscribers in the Nordic region												
– Cable TV	272,000	273,000	276,000	282,000	288,000	312,000	350,000	357,000	362,000	362,000	367,000	561,000
– Small antenna networks (SMATV)	670,000	766,000	766,000	937,000	1,002,000	1,038,000	1,066,000	1,086,000	1,145,000	1,021,000	1,061,000	1,105,000
– Home satellite dish (DTH) ²⁾	368,000	380,000	382,000	405,000	417,000	418,000	452,000	506,000	531,000	569,000	592,000	657,000
Outside Norway (100 %)												
No. of mobile subscriptions	1,612,000	2,187,000	2,934,000	4,142,000	5,718,000	7,025,000	10,634,000	12,885,000	11,026,000	11,353,000	12,849,000	14,311,000
No. of Internet subscriptions (Nextra)	21,000	32,000	34,000	57,000	64,000	80,000	82,000	104,000	119,000	120,000	114,000	106,000

¹⁾ All GSM figures includes Zalto.

²⁾ Includes all subscribers in Canal Digital.

³⁾ The figures are changed to reflect the new principle for counting prepaid subscriptions.

› SPECIAL ITEMS

(NOK in millions)	4th quarter		Year	
	2001	2000	2001	2000
EBITDA according to profit and loss account	7,348	2,107	14,250	9,563
Gains on disposal of fixed assets and operations	(5,046)	(449)	(5,436)	(1,042)
Losses on disposal of fixed assets and operations	(15)	48	63	58
EBITDA excl. Gains and losses on disposal of fixed assets and operations	2,287	1,706	8,877	8,579
Provisions for restructuring, exit costs, onerous contracts etc.				
Plus	17	-	49	(40)
Business Solutions	(51)	-	229	-
EDB Business Partner	20	-	170	-
Other	144	-	177	30
Total provisions for restructuring etc.	130	-	625	(10)
Adjusted EBITDA	2,417	1,706	9,502	8,569
Write-downs				
Mobile	16	22	22	34
Networks	23	14	570	14
Plus	494	4	494	12
Business Solutions	278	5	1,110	5
EDB Business Partner	6	1	1,262	1
Other	141	47	364	47
Total write-downs	958	93	3,822	113
Adjusted operating profit	439	104	2,251	2,748
Special items associated companies				
Gains/losses on disposal of ownership interests	(129)	(925)	(21,579)	(1,170)
Write-down Sonofon	-	-	7,500	-
Write-down Telenordia	-	-	665	-
Write-down DTAC/UCOM	3,400	-	3,400	-
Other write-downs associated companies	31	-	31	-
Total special items associated companies	3,302	(925)	(9,983)	(1,170)
Special financial items				
Net gain/loss and write-downs	(68)	(8)	258	(223)
Adjusted profit/loss before taxes and minority interests	(31)	(1,209)	(396)	(271)

› PRO FORMA FINANCIAL STATEMENTS

Telenor presents a pro forma financial statements which includes those acquisitions and the sale where pro forma financial information is required by the Stock Exchange regulation. The pro forma financial information has been prepared by applying adjustments relating to the acquisition of additional 50 % ownership interest i Canal Digital, additional 28.1 % ownership interest i DiGi.com, additional 74.2% ownership interest in Pannon GSM and the sale of 100 % of Telenor Media to Telenors consolidated financial statements. The pro forma financial information is provided for illustrative purposes only.

The pro forma financial information does not purport to represent what our actual results of operations would have been had the acquisitions and sale occurred on the date assumed, nor is it necessarily indicative of our future results. The pro forma financial information gives effect to the following four transactions. The acquisition of additional 50% interest in Canal Digital for a consideration of NOK 2.4 billion, of which NOK 500 million will be paid at the latest in 2008 under certain conditions. The transaction is not yet completed. The purchase of additional 28.1 % in DiGi.com for a consideration of NOK 3.2 billion DiGi.com was included in our financial statements from September 2001. The acquisition of 74,2 % interest i Pannon GSM for a consideration of approximately NOK 8.2 billion. The transaction was completed in February 2002. The sale of 100 % of Telenor Media for a consideration of NOK 5.8 billion representing a gain of NOK 5 billion. The pro forma statement of profit and loss for the year ended December 31, 2000 and 2001 reflects the acquisitions and sale as if they had occurred on the first of January 2000.

The profit and loss statements for the acquired entities have been adjusted to reflect the accounting principles of Telenor. The purchase price has been allocated to the assets and liabilities of the acquired entities based on our preliminary estimates of the fair values of assets and liabilities acquired. The actual allocation of the purchase price may differ from that reflected in the pro forma financial statements. The gain from the sale of Telenor Media is not included in the pro forma profit and loss statement.

(NOK in millions)	Pro forma profit and loss for 2000						Correct-ions	Pro forma
	Reported Telenor	Canal Digital*	DiGi.com*	Pannon GSM	Media			
Revenues	37,572	1,308	1,843	3,070	(1,655)	(188) ¹⁾	41,950	
Operating expenses	28,009	1,493	1,176	2,099	(1,296)	(238) ¹⁾	31,243	
EBITDA	9,563	(185)	667	972	(359)	50	10,708	
Depreciations and amortization	5,934	180	237	468	(58)	1,081 ²⁾	7,842	
Operating profit/loss (EBIT)	3,629	(365)	430	504	(301)	(1,031)	2,866	
Associated companies	(692)	-	-	-	(6)	191 ³⁾	(507)	
Net financial items	(934)	(15)	(82)	(171)	(33)	(557) ⁴⁾	(1,792)	
Profit/loss before tax and minority interest	2,003	(380)	348	333	(340)	(1,396)	567	
Taxes	(86)	(6)	(81)	(29)	112	261 ⁵⁾	(604)	
Minority interest	(66)	-	(104)	-	-	44	(126)	
Net income	1,076	(386)	163	304	(228)	(1,091)	(163)	
Net income per share in NOK							(0.114)	

* The following changes related to the pro forma statement presented in the third quarter report have been made

- Reclassification between operating expenses and depreciations of NOK 25 million relating to Canal Digital
- DiGi.com has changed their amortization plan and recognized a deferred tax assets related to the loss brought forward at the acquisition date.

(NOK in millions)	Pro forma profit and loss for 2001						Correct-ions	Pro forma
	Reported Telenor	Canal Digital	DiGi.com	Pannon GSM	Media			
Revenues	46,040	1,744	1,692	4,175	(1,342)	(5,436) ¹⁾	46,872	
Operating expenses	31,790	2,150	1,125	2,718	(1,029)	(431) ¹⁾	36,323	
EBITDA	14,250	(406)	567	1,456	(313)	(5,006)	10,549	
Depreciations and amortization	11,073	298	210	659	(51)	1,053 ²⁾	13,242	
Operating profit/loss (EBIT)	3,177	(704)	357	797	(262)	(6,059)	(2,693)	
Associated companies	8,237	-	-	-	12	237 ³⁾	8,486	
Net financial items	(1,159)	(32)	(74)	(201)	(21)	(497) ⁴⁾	(1,985)	
Profit/loss before tax and minority interest	10,255	(736)	283	596	(271)	(6,309)	3,808	
Taxes	(3,897)	24	-	(43)	79	144 ⁵⁾	(3,694)	
Minority interest	721	-	(110)	-	-	44	655	
Net income	7,079	(712)	173	553	(192)	(6,319)	769	
Net income per share in NOK							0.434	

(NOK in millions)	Pro forma balance as of 31 December 2001				
	Telenor 31.12	Canal Digital	Pannon GSM	Correc-tions	Proforma
Assets					
Intangible assets	10,240	270	838	10,337 ²⁾³⁾	21,685
Tangible assets	37,611	736	2,614	-	40,961
Associated companies	14,272	-	-	(854) ³⁾	13,418
Other financial assets	4,040	3	-	-	4,043
Total fixed assets	66,163	1,009	3,452	9,483	80,107
Other current assets	10,878	415	933	(235)	11,991
Cash and cash equivalents	5,998	84	107	-	6,189
Total current assets	16,876	499	1,040	(235)	18,180
Total assets	83,039	1,508	4,492	9,248	98,286
Equity and liabilities					
Shareholder's equity	42,144	7	1,643	(1,653) ²⁾³⁾	42,141
Minority interests	3,589	-	-	-	3,589
Total equity and minority interests	45,733	7	1,643	(1,653)	45,730
Liabilities					
Interest bearing liabilities	19,169	659	2,101	10,576 ²⁾⁴⁾	32,505
Non interest bearing liabilities	18,137	842	747	325 ⁵⁾	20,051
Total liabilities	37,306	1,501	2,848	10,901	52,556
Total equity and liabilities	83,039	1,508	4,492	9,248	98,286

Notes to the pro forma consolidated financial statements

¹⁾ Represents elimination of internal transactions between the Telenor Group and the acquired/sold business in the period presented and the gain from sale of Telenor Media

²⁾ Represents adjustments for the amortization of excess values. The components of the allocation and the related amortization period are as follows. This also includes net excess values from previous acquisitions.

	Canal Digital	DiGi.Com	Pannon.GSM	Total	Amortization periods
Excess values	2,837	4,460	7,500	14,797	5–20 years
Deferred tax	(280)	(187)	(280)	(747)	
Minority interest		(280)			

³⁾ Represents results and book value as associated companies for those entities consolidated in the pro forma statements

⁴⁾ Represents interest expense on indebtedness incurred in the transactions, as was reduced with the proceeds from the sale of Telenor Media

⁵⁾ Represents the tax effect on the pro forma adjustments.

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