



Q4 / 2012

Interim report
January–December 2012

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Strong close to an eventful year

Highlights fourth quarter 2012

- Organic revenue growth of 5% ¹⁾
- EBITDA margin of 31%
- Operating cash flow of NOK 4.6 billion ²⁾
- Earnings per share of NOK 2.06

Highlights full year 2012

- Organic revenue growth of 5% ¹⁾
- EBITDA margin of 32%
- Operating cash flow of NOK 20.5 billion ²⁾
- Earnings per share of NOK 6.06

Jon Fredrik Baksaas
Jon Fredrik Baksaas
President & CEO

"I am pleased to close an eventful year with strong financial results and having reached important milestones. We have seen a strong increase in demand for data services during the year. The launch of 4G services in Norway and acquisition of a 3G licence in Thailand will enable us to introduce even better mobile services to our customers. With the acquisition of new licences in India, we have secured a platform for our future in this growth market. Telenor's position in VimpelCom has been restored, and we will support and contribute to the company's value agenda going forward.

For the full year 2012, organic revenue growth was 5%, EBITDA margin improved notably from last year and operating cash flow exceeded NOK 20 billion. During the year, we have invested heavily to improve user experience and prepare for increased efficiency and continued growth.

The continued solid performance by our Norwegian operation reflects high demand for both mobile and fixed line Internet services. Introduction of new offerings and investment in superior network quality provide our customers with the best services, coverage, capacity and the latest mobile technology. The Asian operations have demonstrated another year of high margins. We see smartphone and data demand picking up in Thailand and Malaysia as well as steady operational improvements in Pakistan.

As a result of the strong operating results and a solid financial position, the Board of Directors proposes a dividend per share of NOK 6.00 for 2012, an increase of 20% compared to 2011.

For 2013, we expect revenue growth in the range of 3-5% and EBITDA margin around 34%. We now see the opportunity to accelerate investments to capture market positions and expect capex/sales in the range of 12-14%. Our solid position and strong momentum makes me confident that Telenor Group will continue to create value for our shareholders and customers."

Key figures Telenor Group

	4th quarter		Year	
	2012 Group	2011 Group	2012 Group	2011 Group
(NOK in millions except earnings per share)				
Revenues	25 990	25 433	101 718	98 516
EBITDA before other income and expenses	8 179	7 417	32 755	30 526
EBITDA before other income and expenses/Revenues (%)	31.5	29.2	32.2	31.0
Adjusted operating profit ³⁾	4 498	3 533	18 353	15 217
Adjusted operating profit/Revenues (%)	17.3	13.9	18.0	15.4
Profit after taxes and non-controlling interests	3 193	(2 709)	9 490	7 165
Earnings per share from total operations, basic, in NOK	2.06	(1.70)	6.06	4.45
Capex	10 371	3 823	21 511	11 907
Capex excl. licences and spectrum	3 571	3 638	12 299	11 441
Capex excl. licences and spectrum/Revenues (%)	13.7	14.3	12.1	11.6
Operating cash flow ²⁾	4 608	3 780	20 457	19 085
Net interest-bearing liabilities ⁴⁾			33 082	17 231

Please refer to page 10 for the full outlook for 2013, and page 20 for definitions.

¹⁾ Organic revenue is defined as revenue adjusted for the effects of acquisition and disposal of operations and currency effects.

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

³⁾ Adjusted operating profit is defined as Operating profit less other income and expenses and impairment losses.

⁴⁾ Net interest-bearing liabilities is defined as interest-bearing debt excluding net present value of licence liabilities.

Interim report

Telenor's operations

The statements below are related to Telenor's development in the fourth quarter of 2012 compared to the fourth quarter of 2011, unless otherwise stated. All comments on EBITDA are made on development in EBITDA before other income and expenses (other items). Please refer to page 8 for 'Specification of other income and expenses'. Additional information is available at: www.telenor.com/ir

Norway

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues mobile operation				
Subscription and traffic	2 566	2 370	10 247	9 623
Interconnect revenues	225	275	992	1 074
Other mobile revenues	347	347	1 353	1 318
Non-mobile revenues	389	308	1 048	887
Total revenues mobile operation	3 527	3 300	13 639	12 903
Revenues fixed operation				
Telephony	792	835	3 096	3 433
Internet and TV	1 249	1 209	4 858	4 735
Data services	117	128	501	529
Other fixed revenues	320	375	1 384	1 372
Total retail revenues	2 478	2 547	9 838	10 069
Wholesale revenues	512	544	2 027	2 192
Total revenues fixed operation	2 990	3 091	11 865	12 262
Total revenues	6 517	6 391	25 504	25 165

EBITDA before other items	2 710	2 194	10 802	9 973
Operating profit	1 904	1 156	7 792	6 295

EBITDA before other items/ Total revenues (%)	41,6	34,3	42,4	39,6
Capex	1 263	928	4 144	3 718
Investments in businesses	173	1	173	40

Mobile ARPU - monthly (NOK)	293	283	296	290
Fixed Telephony ARPU	284	271	267	270
Fixed Internet ARPU	330	312	319	313
TV ARPU	249	256	249	240

No. of subscriptions - Change in quarter/Total (in thousands):

Mobile	(5)	51	3 175	3 146
Fixed telephony	(27)	(20)	917	1 016
Fixed Internet	14	5	870	860
TV	12	(3)	524	504

- The number of total mobile subscriptions decreased by 5,000 during this quarter. Increased number of contract subscriptions was offset by seasonality effects on prepaid and migration from mobile broadband contracts to bundled tariffs. At the end of the fourth quarter, the mobile subscription base was 1% higher compared to the same quarter last year.
- 62% of the contract subscriptions in the mobile consumer segment are now on bundled tariffs.
- During the fourth quarter, Telenor strengthened its fibre broadband position by adding a total 22,000 fibre customers. The acquisition of the regional broadband provider LOS Bynett contributed with 12,000 fibre customers. At the end of the year, Telenor's fibre customer base reached 56,000.
- Mobile ARPU increased by 4%. Increased revenues from data and migration to bundled tariffs was partly offset by reduced interconnect rates.
- Mobile revenues increased by 7% due to increased ARPU, growth in the subscription base and handset sales. Handset sales contributed with 2 percentage points of the total mobile revenue growth.
- Organic fixed line revenues decreased by 2%. Reduced number of telephony subscriptions and reduction in wholesale revenues was partly offset by increased revenues from Internet and TV. One-off effects impact other fixed revenues negatively by NOK 81 million due to change in revenue recognition method with neutral effect on EBITDA. The acquisition of the fixed broadband provider LOS Bynett contributed with revenues of NOK 27 million.
- Total revenues increased by 2%.
- Operating expenses decreased by 12% mainly due to lower commissions from increased share of sales through customer service and the web portal, in addition to reduced operation and maintenance cost related to fault correction and insurance claim refund.

- The EBITDA margin increased by 7 percentage points mainly from increased mobile revenues and reduction in operating expenses. Adjusted for campaign to speed up migration to bundled tariffs in fourth quarter 2011, the EBITDA margin increased by 4 percentage points.
- Capital expenditure as share of revenue increased 5 percentage points to 19%. Telenor Norway invested heavily in mobile backhaul capacity supporting own and wholesale customers and upgrading its common core networks to support mobile and fixed broadband services. In the access network, investments are driven by increased coverage and capacity on 3G and 4G networks and fibre to the homes. In the fourth quarter, Telenor launched its 4G network including functionality supporting 4G on mobile phones as the first operator in Norway.
- In the fourth quarter, Telenor Norway acquired a 2.1 GHz spectrum licence for NOK 20 million. The licence is technology neutral and valid for 20 years.

Sweden

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues mobile operation				
Subscription and traffic	1 271	1 278	5 152	5 085
Interconnect revenues	145	174	641	729
Other mobile revenues	69	87	311	331
Non-mobile revenues	628	659	1 995	1 509
Total revenues mobile operation	2 113	2 198	8 099	7 654
Revenues fixed operation	634	646	2 508	2 652
Total revenues	2 748	2 844	10 607	10 307

EBITDA before other items	637	544	2 686	2 497
Operating profit (loss)	315	213	1 391	840

EBITDA before other items/ Total revenues (%)	23.2	19.1	25.3	24.8
Capex	396	497	1 173	1 487
Investments in businesses	20	-	326	-

Mobile ARPU - monthly (NOK)	199	222	210	229
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No. of subscriptions - Change in quarter/Total (in thousands):

Mobile	33	57	2 385	2 214
Fixed telephony	(8)	(8)	333	354
Fixed Internet	2	(4)	545	509
TV	2	(4)	284	257

Exchange rate	0.8593	0.8631
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- The number of mobile subscriptions increased by 33,000 during the quarter, driven mainly by growth in the consumer segment. At the end of the quarter, the subscription base was 8% higher than at the end of the fourth quarter last year.
- Mobile ARPU in local currency decreased by 10% driven mainly by a larger proportion of discounted tariffs. The discount on the subscription fee was introduced in fourth quarter last year, replacing the previous practise of subsidising the handset. Excluding the discount effect, ARPU decreased by 6%. The effect from increased data usage was partly offset by reduced roaming charges, lower interconnect rates and declining SMS usage.
- Mobile revenues in local currency decreased by 4% mainly due to reduced ARPU partly offset by a larger subscription base.
- Fixed revenues in local currency decreased by 2% driven by the reduced number of telephony and Internet subscriptions combined with lower telephony ARPU, partly offset by revenue contribution from Open Broadbandnet AB and Ownit Broadband AB, which were acquired earlier in 2012.
- Total revenues in local currency decreased by 3%.

- The EBITDA margin in local currency increased by 4 percentage points due to lower handset costs in combination with reduced operating expenditures and revenues. Adjusted for the effect of one-time interconnect cost in the fourth quarter of 2011, the EBITDA margin increased by 2 percentage points.
- Capital expenditure, excluding the licence acquisition in the fourth quarter of 2011, increased mainly as a consequence of continued 3G network modernisation together with accelerated 4G roll-out, planning to reach 99% 4G population coverage by the end of first quarter 2013.

Denmark

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues mobile operation				
Subscription and traffic	708	846	2 943	3 411
Interconnect revenues	148	212	630	900
Other mobile revenues	40	64	191	569
Non-mobile revenues	377	346	1 115	1 057
Total revenues mobile operation	1 273	1 468	4 879	5 936
Revenues fixed operation	195	245	850	1 056
Total revenues	1 468	1 713	5 729	6 992

EBITDA before other items	273	369	1 158	1 782
Operating profit (loss)	(3 873)	113	(3 594)	814

EBITDA before other items/ Total revenues (%)	18.6	21.6	20.2	25.5
Capex	114	140	575	655
Investments in businesses	5	-	5	24

Mobile ARPU - monthly (NOK)	141	175	148	180
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No. of subscriptions - Change in quarter/Total (in thousands):

Mobile	(22)	(10)	2 015	2 007
Fixed telephony	(10)	(20)	138	183
Fixed Internet	(7)	(7)	184	218

Exchange rate	1.0041	1.0459
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- The number of mobile subscriptions decreased by 22,000 during the quarter as a consequence of reduced prepaid subscriptions more than offsetting an increase in the contract subscription base. Compared to the same quarter last year, the subscription base increased by 8,000.
- Mobile ARPU in local currency decreased by 15% partly due to price erosion. Adjusted for the impact of reduced interconnect and roaming rates, mobile ARPU decreased by 7%.
- Mobile revenues decreased by 9% explained by lower ARPU, partly offset by increased handset revenues. Handset sales contributed positively with 4 percentage points of mobile revenue growth.
- Fixed revenues in local currency decreased by 16% driven by a declining telephony subscription base and price erosion on Internet subscriptions.
- Total revenues in local currency were 10% lower than last year.
- The EBITDA margin decreased by 3 percentage points as a consequence of 5 percentage points lower gross margin driven by higher handset sales and increased subsidies, partly offset by a 15% decline in operating expenditure.
- The majority of capital expenditure was related to the 4G network roll-out together with Telia. The launch of 4G service is scheduled for March 2013.
- As a result of weakening financial outlook in the Danish market, remaining goodwill in the amount of NOK 4 billion was written down in the fourth quarter of 2012. See note 4 for details.

Hungary

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues				
Subscription and traffic	821	777	3 140	3 347
Interconnect revenues	156	183	606	789
Other mobile revenues	17	18	86	95
Non-mobile revenues	107	86	259	258
Total revenues	1 100	1 064	4 090	4 488
EBITDA before other items	306	295	1 317	1 537
Operating profit	227	129	926	741
EBITDA before other items/ Total revenues (%)	27.8	27.7	32.2	34.2
Capex	64	241	497	426
No. of subscriptions - Change in quarter/Total (in thousands):	57	21	3 322	3 370
ARPU - monthly (NOK)	99	96	95	102
Exchange rate			0.0259	0.0280

- The number of subscriptions increased by 57,000 during the quarter, mainly due to Christmas campaigns. At the end of the quarter, the subscription base was 1% lower than at the end of fourth quarter last year.
- ARPU in local currency increased by 2% as the effect of reduced interconnect rates was offset by price increases.
- Revenues in local currency increased by 2% mainly due to higher ARPU partly offsetting a lower subscription base.
- The EBITDA margin remained stable as lower operating expenses compensated for the introduction of the new telecommunication tax from July 2012. In this quarter, a total amount of NOK 126 million was recognised for the two telecommunication taxes. The double taxation has an effect on the EBITDA margin of 11.5 percentage points this quarter. The initial telecom tax introduced in 2010 was removed on 1 January 2013.
- The decrease in capital expenditure was due to the network modernisation which was completed early 2012.
- The European Commission has launched an infringement procedure against the Telecommunication tax on minutes and messages introduced July 2012. A ruling at the European Court of Justice on the first Telecommunication tax lasting for 2010-2012 is still pending.

Serbia

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues				
Subscription and traffic	467	507	1 879	2 022
Interconnect revenues	148	156	580	601
Other mobile revenues	28	29	121	144
Non-mobile revenues	43	44	155	143
Total revenues	686	736	2 735	2 911
EBITDA before other items	274	283	1 080	1 214
Operating profit	160	115	733	623
EBITDA before other items/ Total revenues (%)	39.9	38.4	39.5	41.7
Capex	68	93	221	391
No. of subscriptions - Change in quarter/Total (in thousands):	(40)	(1)	3 207	3 137
ARPU - monthly (NOK)	64	71	65	71
Exchange rate			0.0661	0.0764

- The number of subscriptions decreased by 40,000 during the quarter following decline in the prepaid segment partly offset by growth in the contract segment. At the end of the quarter, the subscription base was 2% higher than the end of fourth quarter last year.
- ARPU in local currency increased by 5% from increased usage and the successful migration from prepaid to contract subscriptions.
- Revenues in local currency increased by 9%, mainly from higher ARPU and increased subscription base.
- The EBITDA margin increased by 2 percentage points. The positive effect from reversal of accruals was partly offset by slightly lower gross margin following strong sale of subsidised smartphones, tablets and laptops.
- Operating profit increased compared to fourth quarter last year. The accelerated depreciations last year related to the network modernisation were only partly offset by scrapping of equipment this year.
- Capital expenditure was reduced significantly due to the network modernisation last year. Capital expenditure was mainly related to network coverage and capacity.

Montenegro

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues	126	142	584	627
EBITDA before other items	49	57	245	283
Operating profit	43	45	203	235
EBITDA before other items/ Total revenues (%)	38,4	39,9	42,0	45,1
Capex	10	4	46	23
No. of subscriptions - Change in quarter/Total (in thousands):	(75)	(29)	400	461
Exchange rate			7.4744	7.7926

- The number of subscriptions decreased by 75,000 in the quarter mainly due to churn of prepaid subscriptions sold during the summer season. At the end of the quarter, the subscription base was 13% lower than at the end of fourth quarter last year. Introduction of prepaid registration and SIM tax has reduced multi SIM behaviour in the market.
- ARPU in local currency was stable from last year as churn of low-ARPU subscriptions during the year was offset by reduced domestic interconnect rates and the challenging macroeconomic environment, which also had a negative effect on the spending of the continuing subscribers.
- Revenues in local currency decreased by 6%.
- The EBITDA margin decreased by 1 percentage point mainly due to reduced revenues partly offset by lower handset subsidy levels and reduced sale of subsidised handsets.

DTAC - Thailand

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011

Revenues

Subscription and traffic	2 944	2 651	11 375	10 237
Interconnect revenues	768	803	3 036	3 037
Other mobile revenues	89	51	306	264
Non-mobile revenues	689	264	2 059	1 047
Total revenues	4 490	3 769	16 776	14 585

EBITDA before other items	1 242	1 129	5 016	5 004
Operating profit	743	725	3 226	3 430

EBITDA before other items/ Total revenues (%)	27.7	29.9	29.9	34.3
Capex	2 806	577	4 144	1 072

No. of subscriptions - Change in quarter/Total (in thousands):	1 450	352	25 308	23 217
ARPU - monthly (NOK)	50	50	51	49
Exchange rate			0.1872	0.1838

- The number of subscriptions increased by 1.45 million during the quarter due to successful market campaigns and launch of new handset models. At the end of the quarter, the subscription base was 9% higher than at the end of fourth quarter last year.
- ARPU in local currency increased by 1% due to the growth in data usage more than offsetting the decline in voice.
- Total revenues in local currency increased by 19% driven by a larger subscription base, higher ARPU and strong handset sales. 8 percentage points of total revenue increase were attributable to increased revenues from own subscriptions.
- The EBITDA margin decreased by 2 percentage points, primarily due to the very strong handset sale this quarter.
- Capital expenditure was mainly related to the on-going network modernisation and expansion of 3G coverage on 850 MHz. At the end of 2012, DTAC had more than 2 million monthly active 3G users.
- On 7 December 2012, The National Broadcasting and Telecommunications Commission of Thailand awarded 3G license in the 2.1 GHz band to DTAC Network Co. Ltd, a wholly owned subsidiary of DTAC. Licence capex of NOK 2.4 billion was recorded in the fourth quarter.

DiGi - Malaysia

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011

Revenues

Subscription and traffic	2 560	2 461	10 196	9 423
Interconnect revenues	194	196	807	752
Other mobile revenues	21	26	102	122
Non-mobile revenues	255	142	882	632
Total revenues	3 031	2 825	11 986	10 929

EBITDA before other items	1 346	1 322	5 499	5 063
Operating profit	672	703	2 991	2 903

EBITDA before other items/ Total revenues (%)	44.4	46.8	45.9	46.3
Capex	477	563	1 319	1 116

No. of subscriptions - Change in quarter/Total (in thousands):	190	303	10 494	9 920
ARPU - monthly (NOK)	87	91	90	91
Exchange rate			1.8843	1.8325

- The number of subscriptions increased by 190,000 during the quarter. At the end of the quarter, the subscription base was 6% higher than at the end of 2011.

- ARPU in local currency decreased by 5% as a result of continuous price competition on domestic as well as international voice traffic, partly offset by increased data usage.
- Total revenues in local currency increased by 5% due to the higher subscription base and handset sales more than offsetting the lower ARPU. 2 percentage points of the total revenue increase were attributable to service revenues.
- The EBITDA margin decreased by 2 percentage points primarily due to higher costs for international traffic and higher handset sales with low margin more than offsetting the underlying opex/sales improvement.
- Operating profit was negatively affected by accelerated depreciations of NOK 308 million related to the on-going modernisation of networks and IT systems. Accelerated depreciations in the fourth quarter of 2011 amounted to NOK 272 million.
- Capital expenditure was mainly related to the network modernisation, coverage expansion, IT upgrades and deployment of fibre backhaul.

Grameenphone - Bangladesh

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011

Revenues

Subscription and traffic	1 353	1 487	5 690	5 864
Interconnect revenues	160	171	652	655
Other mobile revenues	9	13	37	33
Non-mobile revenues	62	35	162	179
Total revenues	1 584	1 705	6 541	6 730

EBITDA before other items	856	930	3 483	3 595
Operating profit	588	674	2 396	2 472

EBITDA before other items/ Total revenues (%)	54.0	54.5	53.3	53.4
Capex	141	219	3 021	977

No. of subscriptions - Change in quarter/Total (in thousands):	(933)	1 248	40 021	36 493
ARPU - monthly (NOK)	12	15	14	16
Exchange rate			0.0711	0.0755

- The number of subscriptions decreased by 0.9 million during the quarter as a new regulatory directive on SIM sale from October has lowered subscription growth in the market. At the end of the quarter, the subscription base was 10% higher than at the end of fourth quarter last year.
- ARPU in local currency decreased by 14% due to dilution effect of subscription growth in low-ARPU segments in addition to implementation of 10 second billing directive from September, reducing effective prices, and a strike by reload retailers in October.
- Revenues in local currency decreased by 1% mainly driven by the implementation of 10 second billing, slightly offset by higher revenues from adjacent businesses.
- The EBITDA margin decreased by 1 percentage point mainly as a result of high market spending in addition to higher revenue sharing and spectrum charge as part of 2G licence renewal.
- Capital expenditure was low during the quarter, primarily focused on network investments to support current traffic demand.

Pakistan

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues				
Subscription and traffic	1 012	1 032	4 176	3 924
Interconnect revenues	155	212	845	778
Other mobile revenues	15	5	35	22
Non-mobile revenues	241	94	597	294
Total revenues	1 421	1 343	5 654	5 017
EBITDA before other items	610	551	2 233	1 847
Operating profit (loss)	17	89	(243)	455

EBITDA before other items/ Total revenues (%)	42.9	41.0	39.5	36.8
Capex	331	142	749	532

No. of subscriptions - Change in quarter/Total (in thousands):	401	822	30 564	28 131
ARPU - monthly (NOK)	13	15	14	15
Exchange rate			0.0624	0.0649

- The number of subscriptions increased by 0.4 million during the quarter. At the end of the quarter, the subscription base was 9% higher than at the end of fourth quarter last year.
- In order to eliminate illegal incoming traffic to Pakistan, the Pakistan Telecommunication Authority on 1 October introduced a single gateway for incoming international traffic through an International Clearing House (ICH). As a result, non-mobile revenues increased from price increases while interconnect revenues decreased from volume reductions. The net effects on Telenor Pakistan's revenues are positive, but with a slight decrease in EBITDA margins.
- ARPU in local currency decreased by 5% attributable to multiple government enforced network closures and the reduction of incoming international traffic.
- Total revenues in local currency increased by 17%, mainly due to increased subscription base and the effect of ICH, partly offset by the decline in ARPU and directed closure of retailer sales channel during December. Financial services contributed to 3 percentage points of the overall growth.
- The EBITDA margin improved by 2 percentage points mainly due to revenue growth and positive contribution from financial services and increased on-net traffic. EBITDA in local currency increased by 21%.
- Operating profit was negatively affected by NOK 319 million in accelerated depreciations related to the network modernisation.
- Capital expenditure increased during the quarter following the on-going network modernisation.

India

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues	810	936	3 716	3 019
EBITDA before other items	(327)	(582)	(1 981)	(3 414)
Operating profit (loss)	(444)	(4 978)	(6 283)	(8 514)
Capex	4 384	270	4 526	972
No. of subscriptions - Change in quarter/Total (in thousands):	(2 235)	4 136	26 840	28 326
ARPU - monthly (NOK)	10	12	10	12
Exchange rate			0.1091	0.1203

^{*)} Please note that the definition for active subscriptions in the Indian operation is more conservative than the Group definition on page 20, due to high churn in the Indian market. Subscriptions are counted as active if there has been activity during the last 30 days.

- On 14 November 2012, the Indian GSM auction closed and Telewings, a company controlled by Telenor, secured spectrum licences for INR 40 billion (approx. NOK 4.4 billion) in 6 of the former 13 circles in which Uninor had operation. Uninor's business in these circles is being transferred to Telewings.
- In the fourth quarter, Other expenses of NOK 117 million have been recorded. This was mainly related to exit costs for the two circles West Bengal and Kolkata where we were not able to secure new spectrum, as well as an adjustment of the scale-down costs recorded in the third quarter.
- The seven active circles at the end of the fourth quarter include the six circles where new licences have been secured, as well as Mumbai where we are awaiting clarity on conditions for a new auction of unsold spectrum.
- The subscriber development in the fourth quarter was affected by the on-going scale-down to fewer circles in addition to implementation of government-imposed stricter identification requirements related to sale of new SIM cards. The new procedure entails that an operator employee must verify the identity of new customers before the SIM-card is activated. This is resulting in reduced gross sales, but also reduced churn and increased quality in the subscription base. Also this quarter was characterised by clean-up of non-active customers in the industry resulting in a decline in number of SIMs in the Indian market.
- In the seven active circles the Indian operation had 23.6 million subscriptions by the end of the quarter, a decline of 1.2 million from third quarter. The churn rate was 12%, an improvement from 13% in the third quarter.
- Revenues for seven active circles increased by 3% from previous quarter. A decline in active subscriptions was leveraged by better quality of the customer base, resulting in an INR 3 increase in ARPU to INR 95.
- The total EBITDA loss for the quarter was NOK 327 million. EBITDA was affected negatively by NOK 54 million due to reclassification of capital expenditure to operational expenditure.

Broadcast

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues				
Canal Digital DTH	1 109	1 143	4 428	4 478
Satellite Broadcasting	239	257	980	998
Norkring	247	239	946	944
Conax	167	155	569	557
Other/Eliminations	(84)	(40)	(247)	(76)
Total revenues	1 679	1 754	6 677	6 900

EBITDA before other items

Canal Digital DTH	122	148	635	545
Satellite Broadcasting	160	165	673	663
Norkring	114	113	487	465
Conax	58	54	230	214
Other/Eliminations	1	(9)	(2)	(6)
Total EBITDA before other items	455	471	2 023	1 881

Operating profit

Canal Digital DTH	102	102	570	453
Satellite Broadcasting	97	92	422	408
Norkring	39	26	247	219
Conax	48	28	180	148
Other/Eliminations	1	(16)	(13)	(47)
Total operating profit	289	232	1 406	1 181

EBITDA before other items/ Total revenues (%)	27.1	26.9	30.3	27.3
Capex	135	73	425	276
Investments in businesses	-	-	-	(2)

No. of subscriptions - Change in quarter/Total (in thousands):

DTH TV	(3)	(8)	945	965
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- Total revenues decreased by 4%, mainly due to lower sale from Canal Digital to housing associations in Denmark, and the positive effect of sub-licencing of sports events in the fourth quarter last year. Total EBITDA decreased by 3% and the EBITDA margin remained stable.
- Revenues in Canal Digital DTH decreased by 3 percentage points primarily due to reduced sale to housing associations in Denmark, combined with currency effects. Higher average revenue per customer and increased sale of hardware offset the reduced revenues from a lower DTH subscriber base.
- The EBITDA margin in Canal Digital DTH decreased by 2 percentage points to 11%, primarily due to higher operating expenses related to customer acquisition and retention in the period.
- Revenues and EBITDA in Satellite Broadcasting decreased due to lower revenues from broadcasting and the phase-out of the Thor 2 satellite, partly offset by reduced operating cost.
- Revenues in Norkring increased due to digital audio broadcasting (DAB) roll out and construction revenues, while EBITDA remained stable.
- Revenues and EBITDA in Conax increased due to higher sale of smart cards primarily driven by the Indian market.
- Capital expenditure increased primarily due to digital audio broadcasting (DAB) network investments in Norkring in Norway.

Other units

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Revenues				
International wholesale	496	462	1 921	1 901
Digital Services portfolio	139	148	570	465
Corporate functions	584	572	2 250	2 274
Eliminations	(19)	(20)	(79)	(83)
Total revenues	1 200	1 162	4 662	4 557

EBITDA before other items

International wholesale	28	18	91	84
Digital Services portfolio	(12)	16	(20)	(118)
Corporate functions	(266)	(177)	(825)	(689)
Eliminations	(1)	-	(3)	(0)
Total EBITDA before other items	(250)	(143)	(757)	(723)

Operating profit (loss)

International wholesale	11	13	63	68
Digital Services portfolio	(22)	(8)	(80)	(114)
Corporate functions	(381)	(308)	(1 258)	(1 076)
Eliminations	(1)	4	(3)	4
Total operating profit (loss)	(392)	(298)	(1 277)	(1 119)

Capex	159	78	648	262
Investments in businesses	8	242	6 997	335

- Revenues in International wholesale increased due to higher traffic volumes.
- EBITDA in the Digital Services portfolio decreased mainly due to development of new services, slightly offset by improved results in Connexion and Maritime Communication Partner.
- EBITDA in Corporate functions decreased mainly as a result of increased corporate activities and high cost from legal and financial support related to India.

Group overview

The statements below are related to Telenor's development in 2012 compared to 2011 unless otherwise stated. Please refer to note 10 for further information.

Revenues

- Revenues increased by NOK 3.2 billion or 3.3% driven by subscription growth in the Asian operations, high handset sales in Sweden and Thailand as well as mobile revenue growth from bundled tariffs in Norway, more than offsetting lower revenues in Denmark in addition to negative currency effects of NOK 1.4 billion.

EBITDA before other items

- EBITDA increased by NOK 2.2 billion or 7.3% as a result of improved performance in all business units except Denmark. In Hungary EBITDA was reduced due to increased telecom tax. Higher revenue driven concessionary fees reduced EBITDA in DTAC. Full year EBITDA was negatively affected by currency effects of NOK 0.1 billion.

Specification of other income and expenses

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
EBITDA before other income and expenses	8 179	7 417	32 755	30 526
EBITDA margin before other income and expenses (%)	31.5	29.2	32.2	31.0
Gains (losses) on disposal of fixed assets and operations	(62)	(220)	(161)	30
Workforce reductions and loss contracts	(207)	(115)	(692)	(532)
One-time effects to pension costs	(8)	1	(16)	18
EBITDA	7 902	7 084	31 887	30 041
EBITDA margin (%)	30.4	27.9	31.3	30.5

- In the fourth quarter of 2012 'Other income and expenses' mainly consisted of the following items:
 - Restructuring of operations in Uninor (NOK 132 million).
 - Workforce reductions in Telenor Norway (NOK 57 million).
 - Gains (losses) on disposal of fixed assets were mainly related to scrapping of fixed assets in Telenor Serbia (NOK 42 million).
- Accumulated for the year 2012 'Other income and expenses' also include:
 - Restructuring of operations in Uninor and workforce reductions mainly in Telenor Norway, Telenor Sweden, Telenor Denmark and Telenor ASA.
 - Gains (losses) on disposal of fixed assets were mainly related to scrapping of fixed assets in several operations.

Impairment

- As a consequence of the financial development and the overall situation in the Danish market, Telenor recognised impairment losses of remaining goodwill amounting to NOK 4.0 billion related to Telenor Denmark. See note 4 for more information.

Operating profit

- Adjusted for the impairments related to Uninor (fourth quarter 2011 and first quarter 2012) and Denmark in fourth quarter 2012, operating profit increased by NOK 2.9 billion compared to last year primarily due to improved EBITDA as explained above and lower depreciations in all operations except Telenor Pakistan, DTAC and DiGi where accelerated depreciations related to the network modernisation programmes affects operating profit.
- Operating profit decreased by NOK 0.7 billion compared to last year primarily due to impairment of assets in Uninor of NOK 3.9 billion in the first quarter of 2012 and impairment of goodwill related to Telenor Denmark of NOK 4.0 billion in the fourth quarter of 2012.

Associated companies

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Telenor's share of				
Profit after taxes	1 171	(452)	3 731	2 784
Amortisation of Telenor's net excess values	(95)	(32)	(244)	(126)
Impairment losses of Telenor's net excess values	(22)	(11)	(22)	(543)
Gains (losses) on disposal of ownership interests	(6)	1	-	1 662
Profit (loss) from associated companies	1 048	(494)	3 465	3 777

- Telenor's share of net result from associated companies in the fourth quarter of 2012 includes share of VimpelCom's net income for the third quarter of 2012, amounting to NOK 1,216 million. In the fourth quarter of 2011, it was included Telenor's share of VimpelCom's net income for the third quarter of 2011, and share of significant transactions and events for the fourth quarter of 2011 amounting to minus NOK 779 million.
- Excluding the effect of significant transactions and events, the net result from VimpelCom increased by NOK 901 million compared to the fourth quarter of 2011. VimpelCom's reported net income for the third quarter of 2011 was lower mainly as a result of foreign currency exchange losses related to VimpelCom's debt. In addition, Telenor's share of VimpelCom's net result for the third quarter of 2012 was 35.66% (with effect from 4 April 2012) compared to 31.7% for the third quarter of 2011.
- As per 31 December 2012, Telenor's economic and voting interest in VimpelCom was 35.66% and 42.95% respectively. See note 5 for further details.
- Increase in Amortisation of excess value relates to the purchase price allocation of the investment in 65 million common shares of VimpelCom on 4 April 2012. Telenor allocated NOK 524 million as excess value to the customer base in VimpelCom. Starting from the third quarter of 2012, customer base excess value is amortised using declining balances method, with amortisation of NOK 74 million recorded in the fourth quarter of 2012.
- In the first quarter of 2012, gain of NOK 406 million attributable to Telenor was recognised related to A-Pressen AS from the sale of TV2 to Egmont.
- In January 2012, Telenor's ownership interest of 45% in TV2 Zebra was sold to TV2.

Financial items

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Financial income	161	209	605	812
Financial expenses	(642)	(592)	(2 812)	(2 207)
Net currency gains (losses)	57	(643)	(156)	(277)
Net change in fair value of financial instruments	86	34	687	27
Net gains (losses and impairment) of financial assets and liabilities	(6)	7	(7)	52
Net financial income (expenses)	(344)	(985)	(1 683)	(1 593)
Gross interest expenses	(448)	(554)	(2 272)	(2 042)
Net interest expenses	(357)	(374)	(1 828)	(1 318)

- Financial income decreased due to lower interest rates and higher proportion of placements in low-yielding currencies.
- Financial expenses increased mainly due to higher level of interest-bearing debt.
- The net currency losses were primarily related to financial liabilities in other currencies than the Norwegian krone.
- Net change in fair value of financial instruments also includes increased value of the total return swap with VimpelCom Ltd. ADRs as underlying asset. The main driver of the fair value of this instrument is the VimpelCom share price.

Taxes

- For the fourth quarter of 2012, a net tax income of NOK 2.7 billion was recorded. The positive tax effect was mainly due to recognition of deferred tax asset of NOK 1 billion for unused tax losses in Telenor Pakistan, as well as recognition of a deferred tax asset amounting to NOK 2.5 billion for provision of losses on internal receivables against Uninor (Unitech Wireless Ltd.) as a result of the expected business transfer from this company to the new Indian entity Telewings, and the subsequent closure of the business in Uninor.
- The net tax income for the fourth quarter was not affected by the non-deductible impairment loss of NOK 4.0 billion related to Telenor Denmark, see Note 4 for more information.
- For the year 2012, the total net tax expense was NOK 1.7 billion.
- The effective tax rate for the year 2013 is estimated to be around 26%.

Investments

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Capex	10 371	3 823	21 511	11 907
Capex excl. licences and spectrum	3 571	3 638	12 299	11 441
Capex excl. licences and spectrum/Revenues (%)	13.7	14.3	12.1	11.6

- Capital expenditure (excl. licences) increased by NOK 0.9 billion as higher network investments in DiGi, Norway, DTAC, Pakistan, Sweden, Montenegro in addition to investments in Broadcast and Other units more than offset reduced investments in India, Grameenphone, Denmark, Hungary and Serbia.

Financial position

- During 2012 total assets increased by NOK 2.5 billion to NOK 168.8 billion. The increase is primarily due to investment in licences in DTAC, Grameenphone and India along with investment in VimpelCom shares which is partially offset by impairment of fixed assets in India and impairment of goodwill in Denmark. Further deferred tax assets of NOK 3 billion in Pakistan and Telenor ASA together affects total assets positively.
- Net interest bearing liabilities increased by NOK 16 billion to NOK 33.1 billion. The increase is primarily due to investment in licences in DTAC, Grameenphone and India along with payment of dividend and share buyback of NOK 11.9 billion to equity holders of Telenor ASA, dividend to non-controlling interests in subsidiaries of NOK 3.7 billion and investments of NOK 7 billion in VimpelCom preferred and common shares.
- Total equity decreased by NOK 10.2 billion to NOK 76.7 billion, mainly due to dividends declared of NOK 7.9 billion to equity holders of Telenor ASA and NOK 3.7 billion to non-controlling interests in subsidiaries along with the share buyback of NOK 4 billion. Total comprehensive income of NOK 4.7 billion impacted equity positively.

Cash flow

- Net cash inflow from operating activities during 2012 was NOK 24.0 billion, a decrease of NOK 3.1 billion compared to 2011. EBITDA was NOK 1.8 billion higher in 2012, however offset by a reduction in dividends received from associated companies of NOK 1.9 billion, mainly explained by VimpelCom. Working capital improved by NOK 2.2 billion in 2011 and remained stable in 2012.
- Net cash outflow to investing activities during 2012 was NOK 22.9 billion, an increase of NOK 8.5 billion compared to 2011. The increase is mainly explained by purchase of VimpelCom Ltd. shares for NOK 7.0 billion and licence acquisitions in India, DTAC and Grameenphone totalling NOK 3.7 billion, in 2012. This was partly offset by the wind-up of interest-bearing placements (other investments) during 2012 of NOK 2.2 billion, compared to 2011.
- Net cash outflow to financing activities during 2012 was NOK 4.7 billion, a decrease of NOK 8.1 billion compared to 2011 explained by an increase in proceeds from interest-bearing liabilities of NOK 12.7 billion, partly offset by higher dividends paid to non-controlling interests of NOK 3.4 billion and higher net of dividends and share buyback from Telenor ASA of NOK 1.2 billion in 2012. Increase in proceeds from interest-bearing liabilities is mainly explained by increased borrowing and bond issues in Telenor ASA and increased borrowing in DTAC and DiGi during 2012. Higher dividends paid to non-controlling interests in 2012 compared to 2011 is mainly explained by higher dividends paid to non-controlling interests of NOK 2.6 billion in DTAC and NOK 1.2 billion in DiGi during 2012.
- Cash and cash equivalents decreased by NOK 4.1 billion during 2012 to NOK 8.8 billion as of 31 December 2012.

Transactions with related parties

For detailed information on related party transactions refer to Note 34 in Telenor's Annual Report 2011.

In addition to transactions described in the Annual Report the following new significant related party transactions occurred in 2012:

- At the Annual General Meeting on 16 May 2012 redemption of shares owned by the Kingdom of Norway through the Ministry of Trade and Industry was approved. See Annual Report 2011 note 34 for more information.

Outlook for 2013

Based on the current group structure including India and with currency rates as of 31 December 2012 Telenor expects:

- Organic revenue growth in the range of 3-5%.
- EBITDA margin before other income and expenses around 34%.
- Capital expenditure as a proportion of revenues, excluding licences and spectrum, in the range of 12-14%.

Risks and uncertainties

The existing risks and uncertainties described below are expected to remain for the next three months.

A growing share of Telenor's revenues and profits is derived from operations outside Norway. Currency fluctuations may influence the reported figures in Norwegian Kroner to an increasing extent. Political risk, including regulatory conditions, may also influence the results.

For additional explanations regarding risks and uncertainties, please refer to the Report of the Board of Directors for 2011, section Risk Factors and Risk Management, and Telenor's Annual Report 2011 Note 30 Managing Capital and Financial Risk Management and Note 35 Commitments and Contingencies. Readers are also referred to the disclaimer at the end of this section.

New aspects of risks and uncertainties since the publication of Telenor's Annual Report for 2011 are:

Shareholding and legal disputes

See note 2 for details.

Financial aspects

Telenor ASA repaid, as guarantor, all of Uninor's interest-bearing borrowings during the third quarter. As of 31 December 2012, Uninor had drawn NOK 0.2 billion under a new loan agreement guaranteed by Telenor ASA.

As of 31 December 2012, Uninor had NOK 1.0 billion in bank guarantees from the State Bank of India, with counter guarantee from Telenor ASA. In addition, Uninor had NOK 0.9 billion in bank guarantees procured from ING Vysya Bank to replace the guarantees from State Bank of India. More than 99% of the guarantees from State Bank of India were cancelled in January 2013, and Telenor ASA has been discharged from the liability under the counter guarantee with respect to State Bank of India only.

Disclaimer

This report contains statements regarding the future in connection with Telenor's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the section 'Outlook for 2013' contains forward-looking statements regarding the Group's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Fornebu, 12 February 2013
The Board of Directors of Telenor ASA

Condensed interim financial information

Consolidated income statement

Telenor Group

(NOK in millions except earnings per share)	4th quarter		Year	
	2012	2011	2012	2011
Revenues	25 990	25 433	101 718	98 516
Costs of materials and traffic charges	(7 953)	(7 500)	(29 187)	(27 541)
Salaries and personnel costs	(2 750)	(2 765)	(10 775)	(10 814)
Other operating expenses	(7 108)	(7 750)	(29 000)	(29 635)
Other income and (expenses)	(277)	(334)	(868)	(485)
EBITDA	7 902	7 084	31 887	30 041
Depreciation and amortisation	(3 681)	(3 885)	(14 402)	(15 309)
Impairment losses	(3 960)	(4 270)	(7 823)	(4 340)
Operating profit	261	(1 071)	9 662	10 393
Share of net income from associated companies	1 054	(496)	3 465	2 114
Gain on disposal of associated companies	(6)	1	-	1 662
Net financial income (expenses)	(344)	(985)	(1 683)	(1 593)
Profit before taxes	965	(2 551)	11 445	12 575
Income taxes	2 663	(741)	(1 735)	(5 358)
Net income	3 628	(3 292)	9 709	7 217
Net income attributable to:				
Non-controlling interests	435	(583)	219	52
Equity holders of Telenor ASA	3 193	(2 709)	9 490	7 165
Earnings per share in NOK				
Basic	2.06	(1.70)	6.06	4.45
Diluted	2.06	(1.70)	6.05	4.44

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

Consolidated statement of comprehensive income

Telenor Group

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Net income	3 628	(3 292)	9 709	7 217
Translation differences on net investment in foreign operations	(2 005)	664	(4 562)	(1 196)
Income taxes	23	(113)	114	(124)
Amount reclassified from equity to profit and loss on disposal	-	5	14	536
Net gain (loss) on hedge of net investment	525	(58)	1 335	3
Income taxes	(147)	16	(374)	(1)
Net gain (loss) on available-for-sale-investment	3	(10)	13	9
Amount reclassified from equity to profit and loss on disposal	5	-	5	(55)
	-	-		
Share of other comprehensive income (loss) of associated companies	36	(4)	(1 540)	(210)
Amount reclassified from equity to profit and loss	-	-	-	416
Other comprehensive income (loss), net of taxes	(1 561)	501	(4 995)	(622)
TOTAL COMPREHENSIVE INCOME (LOSS)	2 067	(2 791)	4 714	6 595
Total comprehensive income (loss) attributable to:				
Non-controlling interests	425	(488)	273	(246)
Equity holders of Telenor ASA	1 642	(2 304)	4 442	6 841

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

Consolidated statement of financial position

Telenor Group

(NOK in millions)	31 December	30 September	31 December
	2012	2012	2011
Deferred tax assets	4 284	1 094	1 275
Goodwill	17 682	21 855	22 145
Intangible assets	28 818	22 858	21 774
Property, plant and equipment	43 596	43 288	49 620
Associated companies	40 183	40 024	33 967
Other non-current assets	4 309	3 759	3 241
Total non-current assets	138 872	132 879	132 022
Prepaid taxes	162	154	147
Inventories	1 198	1 150	992
Trade and other receivables	18 209	16 998	17 554
Other financial current assets	1 567	2 444	2 638
Assets classified as held for sale	-	1	86
Cash and cash equivalents	8 805	8 908	12 899
Total current assets	29 941	29 655	34 317
Total assets	168 812	162 534	166 339
Equity attributable to equity holders of Telenor ASA	73 628	73 014	83 992
Non-controlling interests (minority interests)	3 057	3 637	2 910
Total equity	76 685	76 652	86 902
Non-current interest-bearing liabilities	39 826	32 504	23 157
Non-current non-interest-bearing liabilities	1 275	1 210	1 659
Deferred tax liabilities	1 639	1 546	2 188
Pension obligations	2 169	2 212	1 933
Other provisions	3 286	2 929	2 911
Total non-current liabilities	48 195	40 402	31 848
Current interest-bearing liabilities	10 275	9 597	10 767
Trade and other payables	28 034	30 094	30 708
Current tax payables	3 696	3 673	3 876
Current non-interest-bearing liabilities	651	1 050	1 251
Provisions and obligations	1 277	1 067	986
Total current liabilities	43 933	45 481	47 589
Total equity and liabilities	168 812	162 534	166 339
Equity ratio including non-controlling interests (%)	45.4	47.2	52.2
Net interest-bearing liabilities	33 082	28 597	17 231

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

Consolidated statement of cash flows

Telenor Group

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Profit before taxes from total operations	965	(2 551)	11 445	12 575
Income taxes paid	(1 076)	(837)	(6 041)	(5 932)
Net (gains) losses from disposals, impairments and change in fair value of financial assets and liabilities	(2)	184	(523)	(104)
Depreciation, amortisation and impairment losses	7 641	8 155	22 225	19 649
Loss (profit) from associated companies	(1 048)	495	(3 465)	(3 776)
Dividends received from associated companies	-	1 251	354	2 293
Currency (gains) losses not related to operating activities	61	631	110	181
Changes in other operating working capital assets and liabilities	(1 715)	(1 487)	(103)	2 208
Net cash flow from operating activities	4 826	5 839	24 002	27 093
Purchases of property, plant and equipment (PPE) and intangible assets	(6 817)	(4 821)	(16 892)	(13 261)
Purchases of subsidiaries and associated companies, net of cash acquired	(303)	(238)	(7 533)	(393)
Proceeds of PPE, intangible assets and businesses, net of cash disposed	44	34	575	514
Proceeds and purchases of other investments	814	451	932	(1 311)
Net cash flow from investing activities	(6 262)	(4 574)	(22 918)	(14 451)
Proceeds from and repayments of borrowings	3 604	1 269	13 239	496
Proceeds from issuance of shares, incl. from non-controlling interests in subsidiaries	-	-	-	1
Share buyback by Telenor ASA	(1 125)	(993)	(4 022)	(4 535)
Repayment of equity and dividends paid to non-controlling interests in subsidiaries	(1 051)	(265)	(6 015)	(2 624)
Dividends paid to equity holders of Telenor ASA	-	-	(7 925)	(6 206)
Net cash flow from financing activities	1 428	10	(4 723)	(12 868)
Effects of exchange rate changes on cash and cash equivalents	(95)	(104)	(456)	(481)
Net change in cash and cash equivalents	(103)	1 171	(4 095)	(706)
Cash and cash equivalents at the beginning of the period	8 908	11 728	12 899	13 606
Cash and cash equivalents at the end of the period¹⁾	8 805	12 899	8 805	12 899

¹⁾ The fourth quarter of 2012 includes restricted cash of NOK 141 million, while the fourth quarter of 2011 included restricted cash of NOK 128 million.

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

Consolidated statement of changes in equity

Telenor Group

(NOK in millions)	Attributable to equity holders of the parent				Total	Non-controlling interests	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences			
Equity as of 31 December 2010	9 859	8 771	75 036	(5 800)	87 867	8 351	96 218
Net income for the period	-	-	7 165	-	7 165	52	7 217
Other comprehensive income for the period	-	160	-	(484)	(324)	(298)	(622)
Total comprehensive income for the period	-	160	7 165	(484)	6 841	(246)	6 595
Transactions with non-controlling interests	-	(99)	-	-	(99)	(163)	(262)
Equity adjustments in associated companies	-	63	-	-	63	-	63
Dividends	-	-	(6 206)	-	(6 206)	(5 033)	(11 239)
Share buyback	(294)	(4 241)	-	-	(4 535)	-	(4 535)
Sale of shares, share issue, and share options to employees	9	52	-	-	61	-	61
Equity as of 31 December 2011	9 574	4 707	75 995	(6 284)	83 992	2 910	86 902
Net income for the period	-	-	9 490	-	9 490	219	9 709
Other comprehensive income for the period	-	(1 522)	-	(3 526)	(5 049)	54	(4 995)
Total comprehensive income for the period	-	(1 522)	9 490	(3 526)	4 442	273	4 714
Transactions with non-controlling interests ¹⁾	-	(3 267)	-	-	(3 267)	3 553	286
Equity adjustments in associated companies	-	319	-	-	319	-	319
Dividends	-	-	(7 925)	-	(7 925)	(3 678)	(11 603)
Share buyback ²⁾	(249)	(3 773)	-	-	(4 022)	-	(4 022)
Sale of shares, share issue, and share options to employees	9	80	-	-	89	-	89
Equity as of 31 December 2012	9 334	(3 456)	77 560	(9 810)	73 628	3 057	76 685

¹⁾ See note 7 for details.

²⁾ See note 8 for details.

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

Notes to the consolidated interim financial statements

Note 1 – General accounting principles

Telenor (the Group) consists of Telenor ASA (the Company) and its subsidiaries. Telenor ASA is a limited liability company, incorporated in Norway. The condensed consolidated interim financial statements consist of the Group and the Group's interests in associated companies and joint ventures. As a result of rounding differences, numbers or percentages may not add up to the total.

These interim condensed consolidated financial statements for the year 2012, have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's Annual Report 2011. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's Annual Financial Statements for the year ended 31 December 2011.

Standards and interpretations as mentioned in the Group's Annual Report 2011 Note 1 and effective from 1 January 2012 do not have a significant impact on the Group's consolidated interim financial statements.

Note 2 – Shareholding and legal disputes

The issues described below are updates compared to information included in the Annual Report 2011 note 35 and have to be read in conjunction with this. No provisions have been made for the legal disputes described in this note.

Grameenphone

BTRC – Claim in relation to licence renewal

On 13 February 2012, the High Court has directed Grameenphone to add 15% VAT amount to Bangladesh Telecom Regulatory Commission (BTRC) receivables and pay an additional 15% VAT to National Board of Revenue (NBR). The Court has allowed Grameenphone to obtain rebate on this VAT thereby, limiting Grameenphone's total renewal cost to 100%. As the proposed rebate mechanism is not workable under present VAT scheme, Grameenphone has filed a petition with the Appellate Division. Meanwhile, NBR had sent formal notice on 1 April 2012 for payment of VAT of NOK 168 million on renewal fees (which was withheld) and accordingly Grameenphone paid to NBR with protest. On 16 July 2012, the appellate division of the Supreme Court granted Grameenphone Leave to Appeal. On 29 November 2012, Grameenphone obtained certified copy of the Leave Granting Order from the Appellate Division and preparing to file the Appeal as required.

SIM tax on replacement SIM cards

On 16 May 2012, National Board of Revenue issued a notice to Grameenphone claiming SIM tax and interest of NOK 1.1 billion on replacement SIM cards issued during the period from July 2007 to December 2011. Grameenphone challenged the demand by a writ petition before the High Court which passed a Stay Order on the operation of the demand valid until 1 April 2013.

Uninor

On 2 February 2012, the Indian Supreme Court quashed 122 2G licences awarded in 2008, including those granted to Uninor. Following this decision, the Supreme Court ordered that the 2G licences and spectrum should be auctioned. The spectrum auction was completed in November last year, although a second auction for certain telecom circles where no spectrum was sold in November is expected to take place in March 2013. The Supreme Court has allowed the current licensees to continue operations until the decision of the Supreme Court hearing on 11 February 2013 is announced. The decision is expected shortly.

Telenor and Unitech Ltd. have on 10 October 2012 reached an agreement to amicably settle all disputes between the two parties. The parties have agreed to support the transfer of the business in Uninor to a new entity controlled by Telenor. Unitech Ltd. has agreed to dispose of its shareholding in Uninor for a nominal amount. Unitech Ltd. nominees have withdrawn from the Uninor Board and all special shareholder rights stands suspended. Subsequent to a successful business transfer and spectrum auction, all disputes and claims between the parties shall stand withdrawn /concluded.

VimpelCom Ltd

On 17 April 2012, Federal Antimonopoly Service of the Russian Federation (FAS) filed a claim against Telenor East Holding II AS (Telenor) and Weather Investments II S.à.r.l. (Weather) in the Moscow Arbitrazh Court (the Court), claiming that Telenor's acquisition of 234,000,000 VimpelCom preferred shares from Weather on 15 February 2012 (the Transaction) violated Russian law.

On 23 November 2012, the FAS filed motions with the Moscow Court withdrawing the FAS's claims against Telenor and Weather. On 30 November 2012, the Moscow Court accepted the FAS's motions and terminated the case. On 30 November 2012, VimpelCom registered Weather's transfer of 71,000,000 VimpelCom preferred shares to Telenor.

Telenor Pakistan

The Federal Board of Revenue (FBR), has alleged that the Cellular Mobile Operators (CMOs) have altogether evaded Federal Excise Duty (FED) in the total amount of NOK 2.8 billion in relation to the FED which was payable by them on interconnect charges. The alleged liability for Telenor Pakistan was approximately NOK 0.8 billion.

The CMO's joint position is that all FED has been duly paid by the CMOs and, therefore, no further payment of FED on interconnect charges should be made. Hence, no evasion of FED has taken place. In order to resolve the issue, the CMOs agreed with the FBR that they would, from 1 July 2012, make the payment of FED on interconnect charges in accordance with the new procedure stipulated by the FBR. In return for the CMOs' agreement to do so, on 30 June 2012 the FBR should issue a Statutory Regulatory Order (SRO) exempting the CMOs from their previous (alleged) liability for the FED payable on interconnect charges over the last 5 years. However, the SRO was not published in the Official Gazette by the FBR, and thereby it did not attain the requisite legal effect.

The National Accountability Bureau (NAB) has started an enquiry on the basis that it had received information of alleged corrupt payments to the FBR for the issuance of the SRO. All the CMOs are participating in the enquiry. The CMOs have collectively decided to challenge the chargeability of the FED on interconnect charges through a writ petition in the Islamabad High Court. In a court hearing on 28 January 2013 the court granted Telenor Pakistan a stay order and refrained FBR from proceeding further.

DTAC

Disputes between DTAC and CAT regarding revenue sharing payment under concessionary agreement.

Arbitration Tribunal has 6 June 2012 rendered an award in favour of DTAC and dismissed CAT's claim for Excise tax on Revenue Sharing Payment. However, on 31 August 2012 CAT filed a lawsuit with the Central Administrative Court in order to revoke the arbitration award. The court has accepted CAT's complaint and DTAC is preparing a defence. See note 35 in the Annual Report 2011 for a description of the claim.

On 16 November 2012, CAT filed a new statement of claim to the Arbitration Tribunal requesting for additional revenue sharing for the 17th concession year (16 September 2007 to 15 September 2008) in the amount of NOK 735 million (including VAT), with penalty interest at the rate of 15% p.a.

Telenor Norge AS

The EFTA Surveillance Authority (ESA) and the Norwegian Competition Authority initiated on 4 December 2012 an investigation against Telenor Norge AS and Telenor ASA regarding possible abuse of dominant market position and/or possible anti-competitive practices. The investigation is carried out pursuant to Articles 53 and 54 of the EEA Agreement and comprises mobile communication services at wholesale and retail level in Norway, including voice, SMS, MMS and data, as well as mobile services sold in bundles that include other products/services.

Note 3 – Intangible asset

On 14 November 2012, the Indian GSM auction closed and Telewings, a company controlled by Telenor, secured spectrum licences for approximately NOK 4.4 billion in 6 of the former 13 circles in which Uninor had commercial operations. The investments in licences are recognised as intangible assets.

Note 4 – Impairment

As stated in note 18 of Telenor's Annual Report 2011, minor changes in key assumptions would result in further impairment losses relating to the carrying amount of remaining assets in India. As a consequence of the 2G auction recommendations dated 23 April 2012 from The Telecom Regulatory Authority of India (TRAI) to the Department of Telecommunications (DOT), an impairment loss of NOK 3.9 billion (NOK 2.6 billion attributable to Telenor) was recognised in the first quarter of 2012 relating to the remaining tangible and intangible assets in India as of 31 March 2012. All expenditure, including capital expenditure by nature, incurred after 31 March 2012 until 19 December 2012 (i.e. the effective date of new 2G spectrum allocation in 6 circles) was charged to income statement as it did not qualify for capitalization considering the significant and continued uncertainty relating to the issuance of licences in auction. On 19 December 2012, Telenor (through Telewings) was allocated frequencies under 1800Mhz band in six telecom circles in India. However, the earlier recognised impairment loss has not been reversed as there is still significant uncertainty relating to the underlying cash flows as of 31 December 2012.

As a consequence of fierce competitive environment in the Danish telecom market during 2012 leading to price reductions and lower margins, the Group has reassessed the value in use of Telenor Denmark in light of lower revenue growth and EBITDA margin than previously expected going forward. Based on the estimated value in use, an impairment loss of NOK 4.0 billion was recognised in the fourth quarter of 2012 relating to the remaining goodwill of Telenor Denmark. The key assumptions applied in the value in use calculation for Telenor Denmark as of 31 December 2012 are: Discount rate after tax of 7.3% (pre-tax discount rate of 9.8%), revenue growth of -12% to 0% and EBITDA margin of 19% to 21%.

Note 5 – Associated companies

VimpelCom

On 15 February 2012, Telenor purchased 234 million preferred shares of VimpelCom from Weather Investments II for a consideration of NOK 2.2 billion, thereby increasing the Group's voting share in VimpelCom from 25.01% to 36.36%.

On 4 April 2012, Telenor East Holding II AS terminated its cash-settled total return swap (TRS) in respect of VimpelCom Ltd. shares that it had entered into with J.P. Morgan Securities Ltd. on 22 July 2011 and amended on 7 October 2011. Following such termination, Telenor East Holding II AS purchased depositary receipts representing 65 million VimpelCom common shares from J.P. Morgan Securities Ltd. for a purchase price of NOK 4.2 billion,

thereby increasing Telenor's economic and voting interests in VimpelCom Ltd. to 35.66% and 39.51%, respectively.

On 28 September 2012, Telenor honoured its obligation to take delivery of 71 million VimpelCom Ltd. preferred shares from Weather Investments II S.à r.l. for NOK 653 million in connection with Weather's 15 August 2012 exercise of its put option covering such shares. Telenor now owns 42.95% of VimpelCom Ltd.'s voting shares.

On 24 December 2012, Altimio Cooperatief delivered a notice to VimpelCom Ltd. that it intends to convert its 128,532,000 preferred shares into common shares at a ratio of one preferred share for one common share. The conversion date has been notified as 16 April 2013. This will not have an effect on Telenor's voting percentage, which is currently 42.95%, while Telenor's economic interest will be diluted from 35.66% to 33.05%, based on current outstanding shares and ownership percentages.

Note 6 – Interest bearing liabilities

Telenor issued two bonds under the EMTN programme on 20 June 2012 of which one EUR 500 million bond with maturity January 2018 and one EUR 500 million bond with maturity June 2022.

Note 7 – Changes in equity

To secure financing of the operations in Uninor, Telenor ASA issued guarantees for the external interest-bearing debt in Uninor with NOK 10.6 billion. The lenders demanded payment in July under the Telenor ASA guarantee and were paid out during the third quarter of 2012. The on-going conflict by the end of the second quarter 2012 between Telenor and the local partner in Uninor made it evident that the partner will not contribute further capital to Uninor. This was further supported by the settlement between the partners 10 October 2012, see also note 2.

Accordingly, NOK 3.5 billion which equals the non-controlling interests pro rata share of the guaranteed amount were recognised in 2012, as a transaction between the non-controlling interest in Uninor and the equity holders of Telenor ASA, reducing the equity attributable to Telenor's shareholders.

Note 8 – Transactions with related parties

At the Annual General Meeting on 16 May 2012 redemption of shares owned by the Kingdom of Norway through the Ministry of Trade and Industry was approved. See Annual Report 2011 note 34 for more information.

Note 9 – Events after the balance sheet date

On 4 January 2013, Telenor received a total dividend of NOK 2.6 billion from VimpelCom Ltd. in relation to the final result of year 2011 and interim result of year 2012.

On 6 February 2013, the Board of Directors of DiGi declared the fourth interim dividend for 2012 of MYR 0.025 per share which corresponds to approximately NOK 354 million total dividend and approximately NOK 173 million for Telenor ownership share.

On 8 February 2013, the Board of Directors of Total Access Communication Public Company Limited (DTAC) declared dividend for 2012 of THB 1.66 per share which correspond to approximately NOK 0.7 billion total dividend and approximately NOK 0.5 billion for Telenor ownership share.

On 10 February 2013, the Board of Directors of Grameenphone Ltd.

proposed final dividend for 2012 of BDT 5.00 per share which correspond to approximately NOK 0.5 billion total dividend and approximately NOK 0.3 billion for Telenor ownership share.

Note 10 – Segment table and reconciliation of EBITDA before other income and expenses

The definition of operating segments remains unchanged in 2012. Nevertheless there have been some structural changes in the organisation of the different segments. Telenor Global Services previously reported as a part of Telenor Norway is reported under Other units from 1 January 2012. The Swedish cable operation previously reported as a part of Broadcast is reported under Telenor Sweden from 1 January 2012. The figures for previous periods are reclassified accordingly.

The operations

Fourth quarter

(NOK in millions)	Total revenues			of which internal		EBITDA before other income and expenses ^{*)}			
	2012	2011	Growth	2012	2011	2012	Margin	2011	Margin
Norway	6 517	6 391	2.0%	99	113	2 710	41.6%	2 194	34.3%
Sweden	2 748	2 844	(3.4%)	17	43	637	23.2%	544	19.1%
Denmark	1 468	1 713	(14.3%)	26	36	273	18.6%	369	21.6%
Hungary	1 100	1 064	3.4%	5	7	306	27.8%	295	27.7%
Serbia	686	736	(6.8%)	38	36	274	39.9%	283	38.4%
Montenegro	126	142	(10.9%)	12	9	49	38.4%	57	39.9%
DTAC - Thailand	4 490	3 769	19.1%	12	8	1 242	27.7%	1 129	29.9%
DiGi - Malaysia	3 031	2 825	7.3%	1	1	1 346	44.4%	1 322	46.8%
Grameenphone - Bangladesh	1 584	1 705	(7.1%)	1	1	856	54.0%	930	54.5%
Pakistan	1 421	1 343	5.9%	(1)	3	610	42.9%	551	41.0%
India	810	936	(13.5%)	-	-	(327)	nm	(582)	nm
Broadcast	1 679	1 754	(4.3%)	37	50	455	27.1%	471	26.9%
Other units	1 200	1 162	3.3%	621	644	(250)	nm	(143)	nm
Eliminations	(869)	(952)	-	(869)	(952)	(2)	-	(4)	-
Group	25 990	25 433	2.2%	-	-	8 179	31.5%	7 417	29.2%

The operations for the year

(NOK in millions)	Total revenues			of which internal		EBITDA before other income and expenses ^{*)}			
	2012	2011	Growth	2012	2011	2012	Margin	2011	Margin
Norway	25 504	25 165	1.3%	385	442	10 802	42.4%	9 973	39.6%
Sweden	10 607	10 307	2.9%	105	133	2 686	25.3%	2 497	24.2%
Denmark	5 729	6 992	(18.1%)	111	155	1 158	20.2%	1 782	25.5%
Hungary	4 090	4 488	(8.9%)	20	27	1 317	32.2%	1 537	34.2%
Serbia	2 735	2 911	(6.0%)	144	140	1 080	39.5%	1 214	41.7%
Montenegro	584	627	(6.8%)	56	49	245	42.0%	283	45.1%
DTAC - Thailand	16 776	14 585	15.0%	31	24	5 016	29.9%	5 004	34.3%
DiGi - Malaysia	11 986	10 929	9.7%	4	9	5 499	45.9%	5 063	46.3%
Grameenphone - Bangladesh	6 541	6 730	(2.8%)	3	3	3 483	53.3%	3 595	53.4%
Pakistan	5 654	5 017	12.7%	12	6	2 233	39.5%	1 847	36.8%
India	3 716	3 019	23.1%	1	-	(1 981)	nm	(3 414)	nm
Broadcast	6 677	6 900	(3.2%)	176	175	2 023	30.3%	1 881	27.3%
Other units	4 662	4 557	2.3%	2 493	2 547	(757)	nm	(723)	nm
Eliminations	(3 542)	(3 710)	-	(3 542)	(3 710)	(49)	-	(13)	-
Group	101 718	98 516	3.3%	-	-	32 755	32.2%	30 526	31.0%

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

Reconciliation

(NOK in millions)	4th quarter		Year	
	2012	2011	2012	2011
Net income	3 628	(3 292)	9 709	7 217
Income taxes	2 663	(741)	(1 735)	(5 358)
Profit before taxes	965	(2 551)	11 445	12 575
Net financial income (expenses)	(344)	(985)	(1 683)	(1 593)
Profit (loss) from associated companies	1 048	(495)	3 465	3 776
Depreciation and amortisation	(3 681)	(3 885)	(14 402)	(15 309)
Impairment losses	(3 960)	(4 270)	(7 823)	(4 340)
EBITDA	7 902	7 084	31 887	30 041
Gains (losses) on disposal of fixed assets and operations	(62)	(220)	(161)	30
Workforce reductions and loss contracts	(207)	(115)	(692)	(532)
One-time effects to pension costs	(8)	1	(16)	18
EBITDA before other income and expenses	8 179	7 417	32 755	30 526

EBITDA				Operating profit (loss)			
2012	Margin	2011	Margin	2012	Margin	2011	Margin
2 641	40.5%	2 026	31.7%	1 904	29.2%	1 156	18.1%
640	23.3%	540	19.0%	315	11.5%	213	7.5%
258	17.5%	333	19.4%	(3 873)	nm	113	6.6%
301	27.4%	259	24.3%	227	20.6%	129	12.1%
232	33.8%	283	38.4%	160	23.3%	115	15.6%
48	38.1%	56	39.6%	43	33.7%	45	31.8%
1 241	27.6%	1 129	29.9%	743	16.5%	725	19.2%
1 347	44.4%	1 323	46.8%	672	22.2%	703	24.9%
856	54.0%	936	54.9%	588	37.1%	674	39.5%
610	42.9%	504	37.6%	17	1.2%	89	6.6%
(444)	nm	(597)	nm	(444)	nm	(4 978)	nm
435	25.9%	384	21.9%	289	17.2%	232	13.2%
(259)	nm	(97)	nm	(392)	nm	(298)	nm
(4)	-	5	-	13	-	12	-
7 902	30.4%	7 084	27.9%	261	1.0%	(1 071)	(4.2%)

EBITDA				Operating profit (loss)			
2012	Margin	2011	Margin	2012	Margin	2011	Margin
10 584	41.5%	9 631	38.3%	7 792	30.6%	6 295	25.0%
2 558	24.1%	2 472	24.0%	1 391	13.1%	840	8.2%
1 109	19.4%	1 718	24.6%	(3 594)	nm	814	11.6%
1 303	31.9%	1 471	32.8%	926	22.7%	741	16.5%
1 038	37.9%	1 214	41.7%	733	26.8%	623	21.4%
239	41.0%	282	45.1%	203	34.9%	235	37.4%
4 999	29.8%	5 003	34.3%	3 226	19.2%	3 430	23.5%
5 507	45.9%	5 053	46.2%	2 991	25.0%	2 903	26.6%
3 473	53.1%	3 602	53.5%	2 396	36.6%	2 472	36.7%
2 157	38.2%	1 797	35.8%	(243)	nm	455	9.1%
(2 220)	nm	(3 425)	nm	(6 283)	nm	(8 514)	nm
1 982	29.7%	1 776	25.7%	1 406	21.1%	1 181	17.1%
(799)	nm	(562)	nm	(1 277)	nm	(1 119)	nm
(44)	-	10	-	(7)	-	38	-
31 887	31.3%	30 041	30.5%	9 662	9.5%	10 393	10.5%

Definitions

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

Mobile operations

Revenues

Subscription and traffic

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

Interconnect

- consist of revenues from incoming traffic related to the company's own subscriptions. Revenues from incoming traffic related to service provider or MVNO subscriptions are not included.

Other mobile

- consist of inbound roaming, national roaming, telemetric and revenues related to service providers and MVNOs (Mobile Virtual Network Operators). Telemetric is defined as machine-to-machine SIM cards (M2M), for example vending machines and meter readings.

Non-mobile

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

Mobile revenues from company's own subscriptions

- consist of 'Subscription and traffic' and 'Interconnect' 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.

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 and twin/multi SIM cards are excluded. Total subscriptions are voice SIM cards plus data only SIM cards used for mobile broadband.

Mobile broadband subscriptions

Mobile broadband subscriptions include both data only SIM cards and voice subscriptions having a mobile broadband package as a supplementary service. Hence, the sum of voice subscriptions and mobile broadband subscriptions will exceed the total number of subscriptions.

Average traffic minutes per subscription per month (AMPUM)

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.

Fixed operations

Revenues

Telephony

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

Internet and TV

- consist of subscription fees for xDSL and fibre, subscription fees and traffic charges for Internet traffic (810/815) in addition to revenues from TV services.

Data services

- consist of Nordic Connect/IP-VPN.

Other

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

Wholesale

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

Key Figures

Subscriptions

Telephony consist of PSTN, ISDN and VoIP subscriptions.

Internet consists of broadband access over xDSL, fibre and cable TV.

TV consists of TV services over fibre and cable.

Subscriptions are counted until the subscription is terminated.

Average revenue per subscription per month (ARPU)

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

Internet ARPU is calculated based on Internet revenues as defined above except TV service revenues.

TV ARPU is calculated based on revenues from TV services.

Broadcast

Revenues

Canal Digital DTH

- consist of revenues from Nordic DTH subscribers, households in SMATV networks and DTT subscribers in Finland.

Satellite Broadcasting

- consist of revenues from satellite services from the satellite position 1-degree west.

Norkring

- consist of revenues from terrestrial radio and TV transmission in Norway and Belgium.

Conax

- consist of revenues from sale of encryption and conditional access services for TV distribution.

Other

- consist of revenues from Telenor Media and Content Services.

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