

Nordic operations

Ragnar H. Korsæth, Executive Vice President



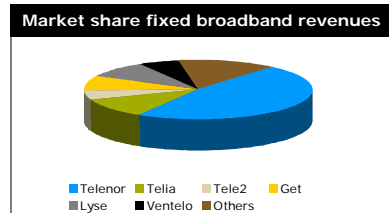
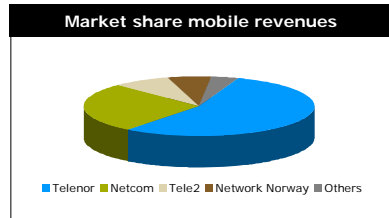
Nordic Operational highlights since CMD 2008

- Nordic markets only moderately impacted by recession
- Competitive environment broadly unchanged
- Strong uptake of mobile broadband
- Increasing focus on cost and capex efficiency
- Cash flow improved from NOK 8.0 bn to NOK 8.9 bn on a 4Q rolling basis



Norway

Market leader in stable market development



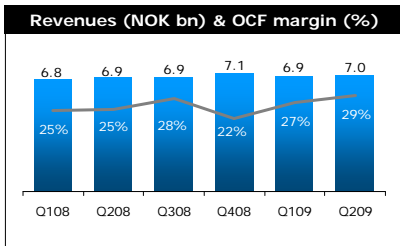
- Fixed to mobile substitution
- Increasing demand for mobile and high-speed broadband
- Stabilising mobile competition
- Power utilities increasing fibre rollout
- Consolidation expected to continue

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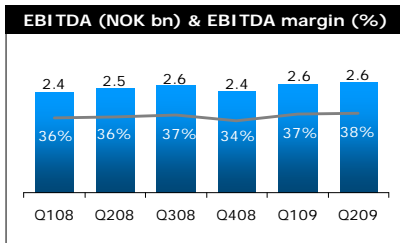


Norway

Maintaining a strong financial performance



- Data revenues offsetting voice decline
- Mobile broadband main growth area
- Well executed cost and capex discipline
- Delivered NOK 3.9 bn operating cash flow in 1H 2009



Figures, excl. Fixed / Mobile eliminations. Operating cash flow defined as EBITDA before other items – capex excl. spectrum and licences.

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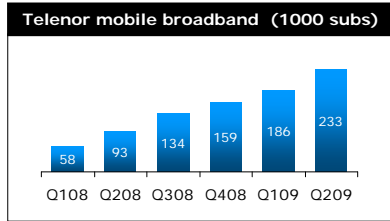


Norway

High demand for mobile and high-speed broadband

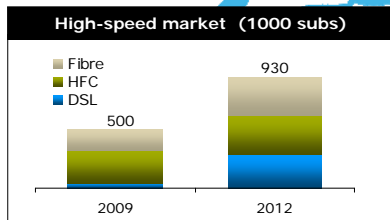
Mobile broadband

- The most important growth driver
- Telenor upholding market leadership



High-speed broadband

- Balance DSL, cable and fibre technologies
- Targeting > 50% market share in 2012



High-speed broadband defined by 20+ Mbps

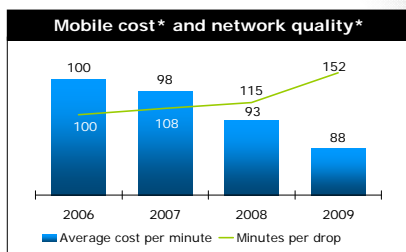
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Norway

Improving efficiency and customer experience

- Process improvements leading to fewer faults
- More efficient marketing spend
- Technology development facilitating plug & play solutions



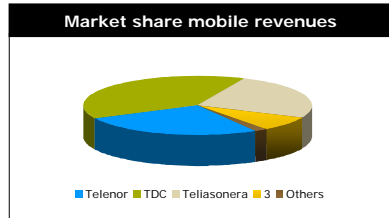
*) Index 2006 = 100

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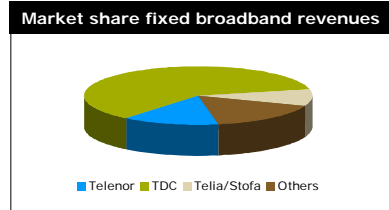


Denmark

Intense competition in a small market



- Small market with numerous operators
- Maximum 6 month contract periods
- High mobile churn rates
- Triple play market heating up

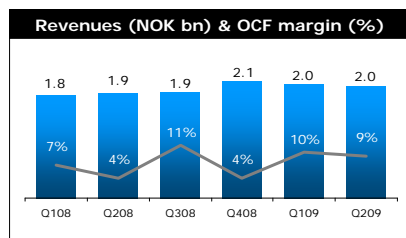


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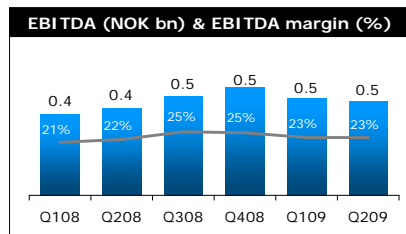


Denmark

Decent performance given market conditions



- Mobile revenues offsetting fixed decline
- Still ongoing fixed and mobile integration processes
- Catching up on 3G and mobile broadband investments



Operating cash flow defined as EBITDA before other items – capex excl. spectrum and licences.

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Denmark

Rebranding to Telenor

- Sonofon and Cybercity replaced by Telenor brand in June
- Brand recognition according to plan
- Improved customer intake
- Supporting further integration of fixed and mobile operations
- Keeping CBB and BiBob niche brands

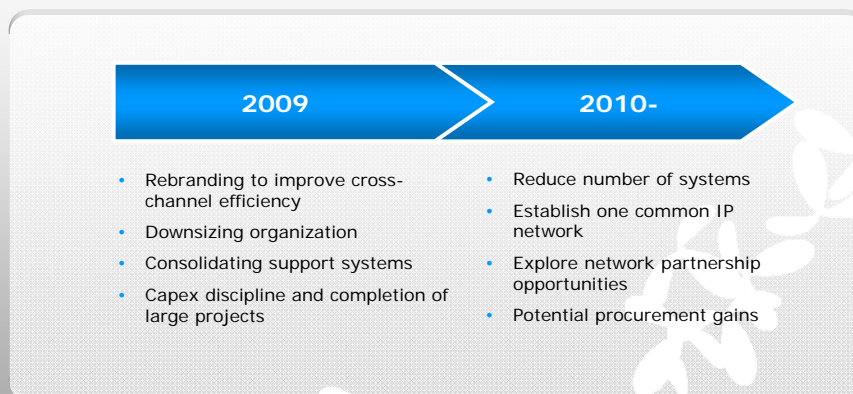


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Denmark

Operational performance to be further improved

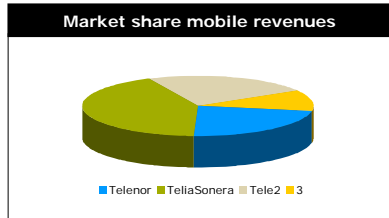


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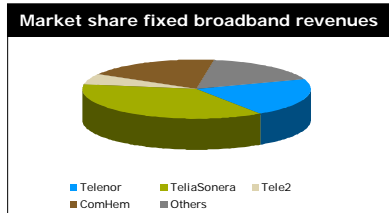


Sweden

A challenging number 3 position



- Lagging fixed to mobile substitution
- Unfavourable DSL wholesale conditions
- Price aggressive offerings on IPTV and mobile broadband
- Clear value propositions taken by competitors

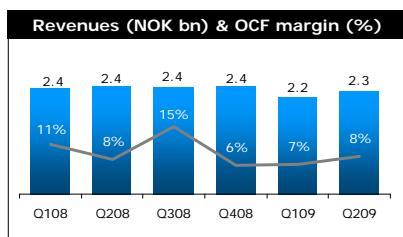


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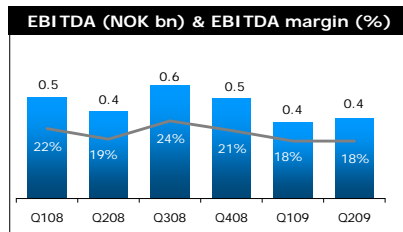


Sweden

Requiring a step-up in operational performance



- Roaming revenues hit by recession
- Cost base not aligned with revenue development
- Low margins versus peers



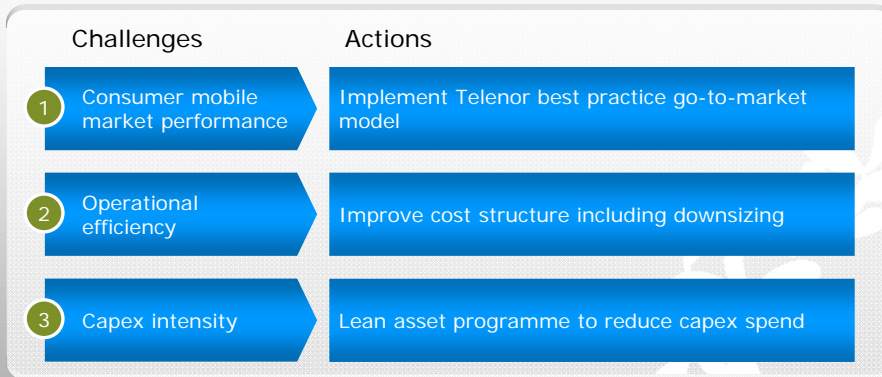
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Sweden

Turn-around programme to improve performance

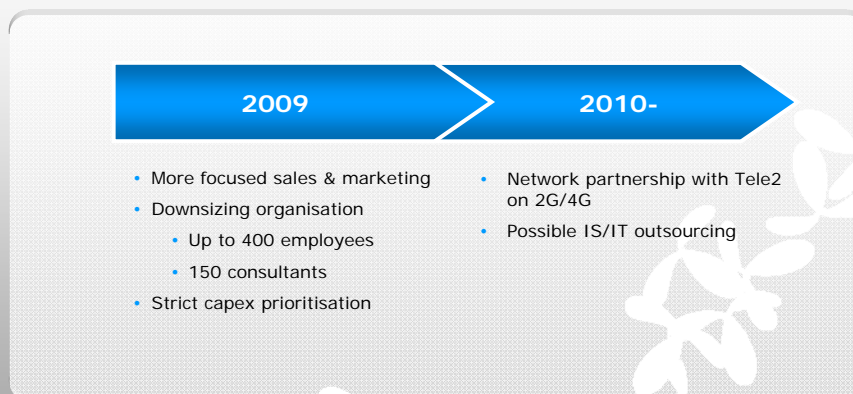


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Sweden

Initiatives to improve cost and capex efficiency



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Nordic

Mid-term ambitions

Improve brand preference	<ul style="list-style-type: none">Segmented approach with focus on value customers
Keep or improve revenue market shares	<ul style="list-style-type: none">Maintain revenue market shares in NorwaySlightly increase mobile revenue market share in Sweden and Denmark
Stabilize a high cash flow	<ul style="list-style-type: none">Cash flow margin in Norway in high 20sImprove cash flow in Sweden and Denmark

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Nordic

Delivering NOK 10 bn cash flow towards end of 2009



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