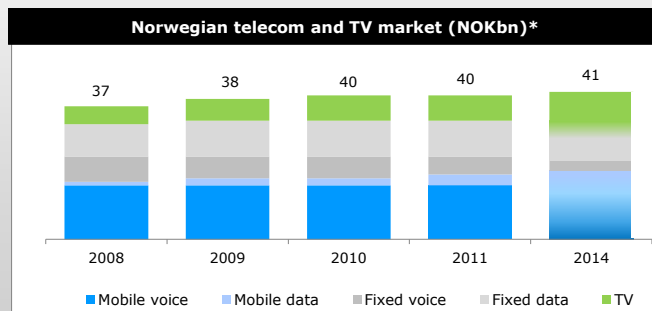


## Continued market growth, changing user behaviour



- Voice to data substitution
- Multiple devices
- Broadband and content convergence

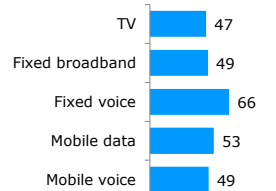
\*) Retail market revenues excl. wholesale. Source: NPT, Telenor estimates



## Market leader position on all platforms

- User friendly services
- Optimal use of technology
- Infrastructure leadership

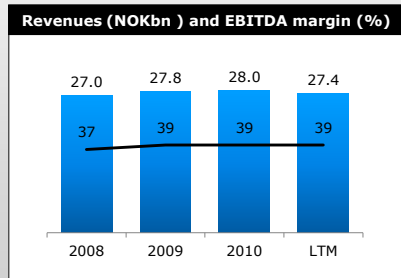
**Telenor market shares (%)**



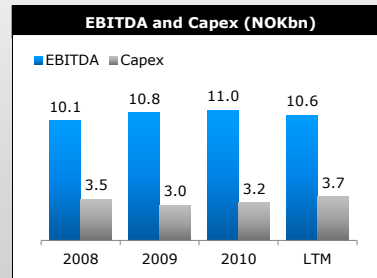
Subscriber market shares end of Q2 2011. Telenor estimates.



## Stable financial development despite price pressure



- Continued fixed voice decline
- Reduced mobile termination rates

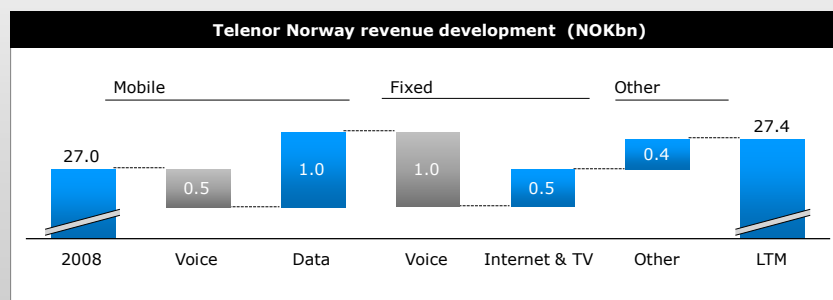


- Investments in modernisation of mobile networks

LTM: Last twelve months (Q310-Q211)



## Underlying revenue growth from mobile data and TV

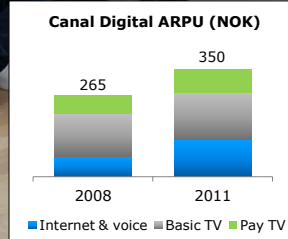


LTM: Last twelve months (Q310-Q211)



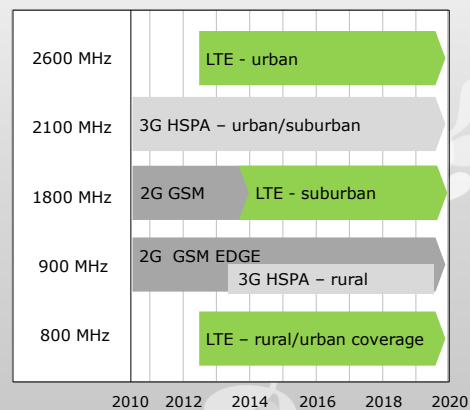
## Broadband and TV driving fixed revenues

- Strengthen market position
- Upgrade copper network to VDSL
- Further develop cable TV business
- Targeted fibre deployment
- TV and content increasing ARPU



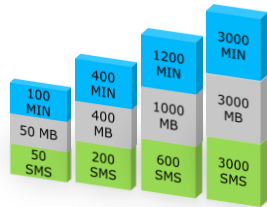
## Infrastructure deployment to strengthen mobile data leadership

- 2G/3G radio access network swap to be completed in Q411
- Increasing backhaul capacity
- Strengthening 3G coverage in urban areas
- LTE launch in Q1 2012
- Deployment based on optimal frequency resources



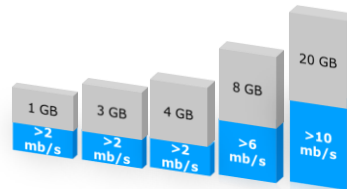
## Smart pricing to drive usage and profitability

### Bundling mobile voice and data



- Bundling voice and data – focus on total ARPU

### Mobile broadband price plans

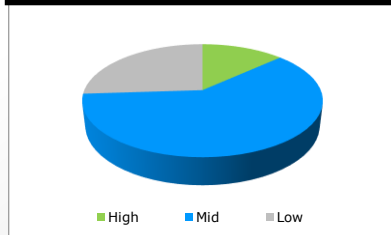


- Introducing speed as a differentiator



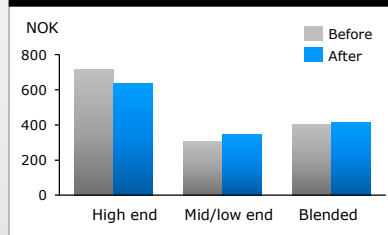
## Positive initial effects from bundling voice and data

### Customers on new bundled price plans



- More than 300,000 customers on new price plans
- Reduced churn among high-end customers

### ARPU effect of new price plans\*

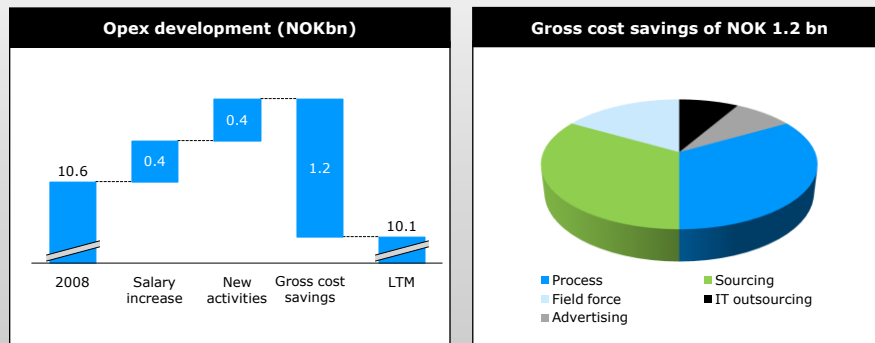


- Up-sale largely compensating for price reductions
- ARPU increase among low-end customers

\*) ARPU effect on customers migrating to new price plans



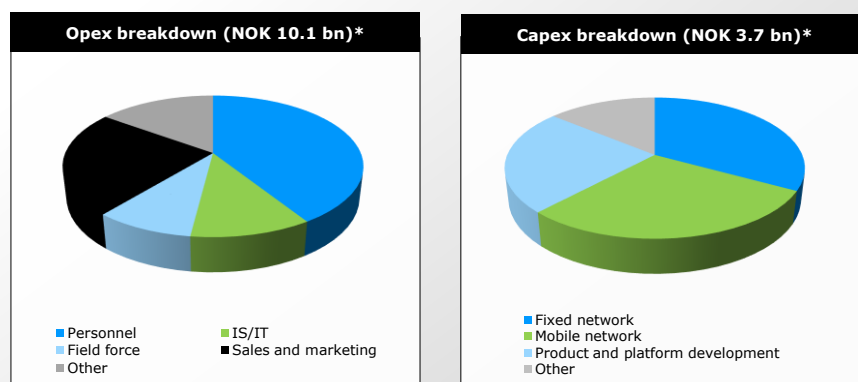
## A proven record of cost reductions – but needs to increase momentum



LTM: Last twelve months (Q310-Q211)



## Operational excellence targeting major cost areas



\*) LTM: Last twelve months (Q310-Q211)



## Building tomorrow's customer excellence model

- Simplified and more effective end-to-end processes
- Establish web as primary channel for self service
- More frequent, relevant and cost effective customer interactions
- Increase cost effectiveness in customer service



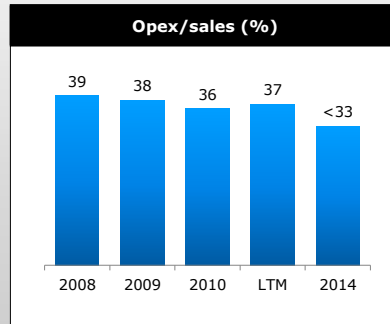
## Operational excellence in IT and operations

- Simplification of processes and value chains
- Consolidation and offshoring of IT
- New delivery models for network development
- Explore outsourcing of network operations and maintenance
- Leverage on Telenor Group scale



## Targeting significant reduction in opex/sales

- Transformational initiatives
- Continuous improvement
- Excellent execution

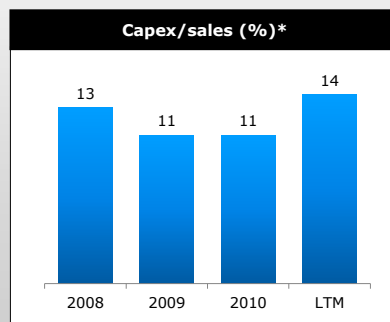


LTM: Last twelve months (Q310-Q211)



## Investments to strengthen market positions and secure operational excellence


- Building infrastructure for the future
  - Mobile backhaul capacity
  - LTE rollout
  - Fibre and TV deployment
- Investment levels to be aligned with market development
- Continuous focus on investment efficiency



\*) LTM: Last twelve months (Q310-Q211). Excl. spectrum fees

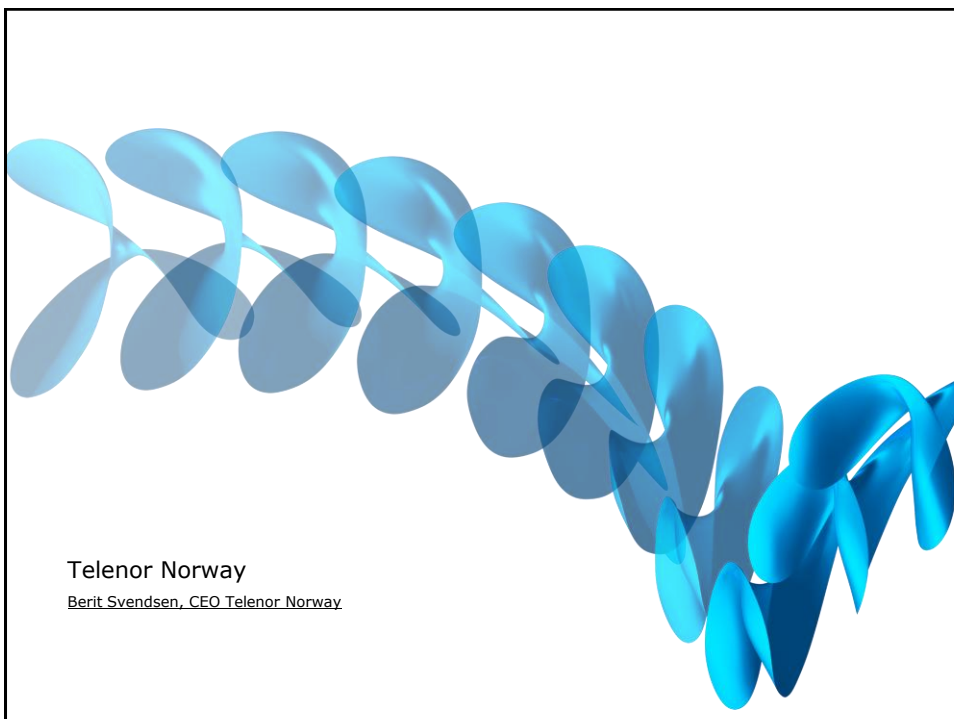






## Positioning Telenor Norway for the future

- Strengthen market positions
- Drive operational excellence



Telenor Norway  
Berit Svendsen, CEO Telenor Norway