

Pakistan – Country overview

Population

- Population of 178 million
- 43% of the population below the age of 15 years
- Sizeable market for consumer orientated businesses

Macro outlook

- Real GDP growth 2012 at 4%
- Inflation rate stabilizing
- Political and economic stability growing fragile
- Energy & power shortages

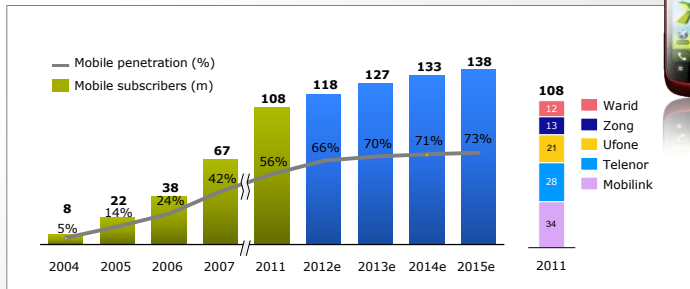


Regulation

- Common industry approach towards the regulator on 3G
- Security situation forcing tougher regulation on the industry



Pakistan telecom market overview



Customer retention becoming top priority as market matures

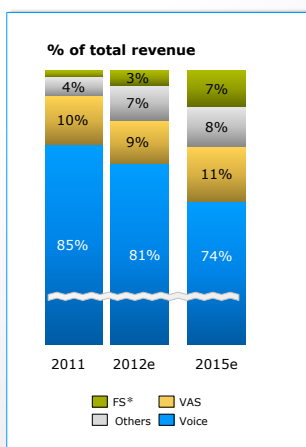
Higher focus on non-voice including financial services and mobile Internet

Opex pressure largely due to country-specific costs

Telenor Pakistan aims to continue to outperform competition



Telenor Pakistan revenue development



Increase VAS contribution

- Increase revenue per activity
- Develop a content ecosystem



Mobile Internet

- Build mobile Internet ecosystem
 - Access – Build the base
 - Device
 - Content



Financial services

- Launch new products & segments
- Grow mobile accounts
- Grow ARPU
- Enhance agent footprint

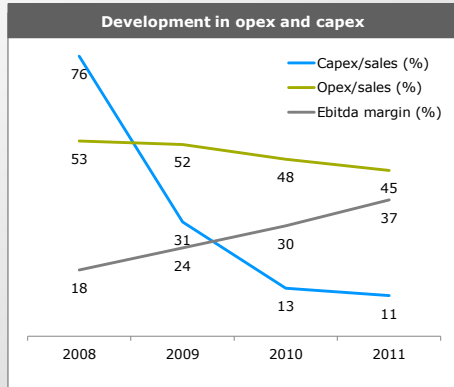
* Financial services, excluding Tameer Bank



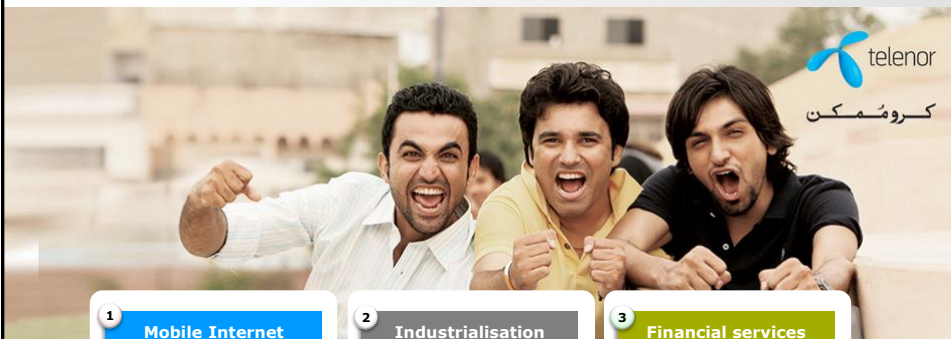
Opex and capex evolution to be impacted by network modernisation

Network modernisation started – targeting completion by end of 2013

- Making the network 3G and LTE ready
- Reducing energy footprint
- Catering for equipment reaching end-of-life
- Driving further cost efficiency in investment and operations



Future growth opportunities



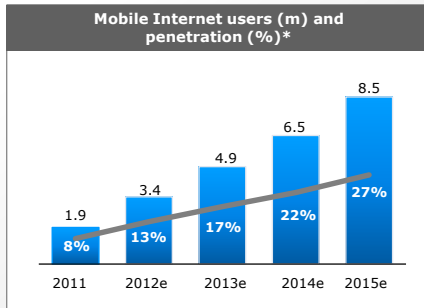
1 **Mobile Internet**

2 **Industrialisation**

3 **Financial services**



1 The mobile Internet opportunity



*) % of own subscriber base



1 Mobile Internet - Build an ecosystem

Targeting mobile Internet market share 5% higher than the GSM market share by 2015

Access

- Market development programs
- Creative pricing – lowering the entry barrier

Device

- Conversion of feature phones to smart phones
- Conversion of non-internet to internet capable phones

Content

- Actively facilitate the eco system
- Content aggregators on WAP portal
- Competitions to develop content – “Appportunity”



2) Benefitting from Telenor Group industrialisation

Asia billing



Distribution 2.0



Future operating models



Centralised sourcing



3) EasyPaisa – Idea evolution

Attractive market potential identified in 2010

- 30 million bills per month
- Transfer money
- Domestically USD 7 bn per year
- Internationally USD 9 bn per year
- Only 12% population has access to formal financial services

Telenor acquired majority interest in TAMEER Bank to launch EasyPaisa as a Joint Venture



Reliability in fund transfers

Convenience – Real time transactions

Empowering the customer

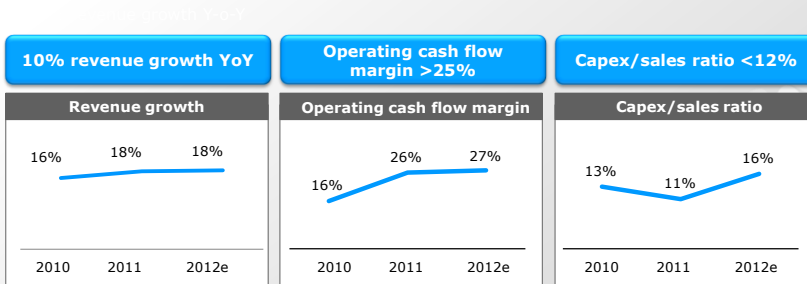


3 EasyPaisa – A successful venture



Telenor Pakistan – ahead of 2013 targets

Targets for 2013 announced at CMD 2010:



Raising the bar with ambitious targets for 2015

Increase revenue market share

Revenue growth CAGR >10%

Opex/sales < 36%

Operating cash flow margin \geq 40%



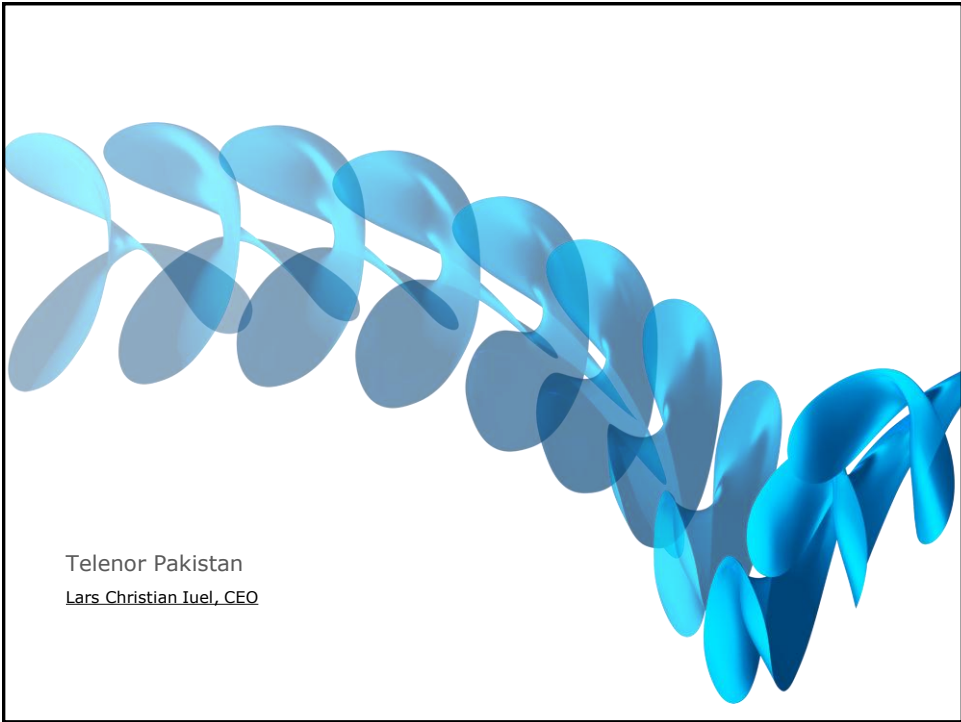
Operating cash flow defined as EBITDA before other items less capex, excl. spectrum fees.



Summary

- Strengthening number 2 position
- Taking leading positions in **financial services** and **mobile Internet**
- Focusing on operational excellence – **sweating our assets**
- “**Karo Mumkin**” our philosophy





Telenor Pakistan
Lars Christian Iuel, CEO