

Telenor announces pricing of its offering of 70 million VEON common shares and ADSs

Telenor ASA today announces that the underwriters have priced its offering of 70 million common shares in VEON Ltd. (formerly known as VimpelCom Ltd.) in the form of common shares and American Depositary Shares (ADSs) at a public offering price of USD 3.75 per ADS/share, resulting in net proceeds to Telenor of USD 259 million.

The offering is expected to close on or about 12 April 2017. Today's transaction represents 4.0 per cent of VEON's total outstanding common shares, leaving Telenor with approximately 346.7 million VEON ADSs (19.7 per cent of VEON's total outstanding common shares), including the VEON ADSs that are underlying Telenor's USD 1 billion, 3-year exchangeable bond due 2019. Citigroup and Morgan Stanley have acted as joint global coordinators and joint bookrunners for the offering. Following the transaction, VEON will no longer be treated as an associated company in Telenor's financial reporting and all of the previously recognised currency translation differences, amounting to an accounting loss of NOK 7.5 billion, including tax effects related to the hedging instruments, will be reclassified to the income statement. The effects of reclassification do not impact the total equity of Telenor. The effect will be recognised in the second quarter 2017. The net proceeds of USD 259 million (around NOK 2.2 billion) will be included in Telenor's cash flow statement for the second quarter 2017. The offering of common shares and ADSs is being made pursuant to VEON's shelf registration statement on Form F-3 initially filed with the Securities and Exchange Commission (SEC) on 23 May 2014, as amended and most recently declared effective on 20 April 2016 (the "Registration Statement"). The common shares and ADSs will be offered only by means of a prospectus and accompanying prospectus supplement forming a part of the effective Registration Statement. Prospective investors should read the prospectus included in the Registration Statement, the preliminary prospectus supplement and other documents that VEON has filed with the SEC for more information. The Registration Statement, the preliminary prospectus supplement and the documents incorporated by reference therein are available at the SEC's website at www.sec.gov. Alternatively, a copy of the prospectus and related final prospectus supplement may be obtained, when available, from Citigroup Global Markets Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, toll-free: (800) 831-9146; Morgan Stanley & Co. LLC, 180 Varick Street, 2nd Floor, New York, NY 10014, Attention: Prospectus Department. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction. For readers in the European Economic Area: In any EEA Member State that has implemented the Prospectus Directive, this communication is only addressed to and directed at qualified investors in that Member State within the meaning of the Prospectus Directive. The term "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in each relevant Member State), together with any relevant implementing measure in the relevant Member State. For readers in the United Kingdom: This communication is being directed only at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) ("Investment professionals") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) certain high value persons and entities who fall within Article 49(2)(a) to (d) ("High net worth companies,

unincorporated associations etc") of the Order; or (iv) any other person to whom it may lawfully be communicated (all such persons in (i) to (iv) together being referred to as "relevant persons"). The common shares and ADSs are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such common shares and ADSs will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Investor Relations

Marianne Moe Mobile: +47 9161 7631 marianne.moe@telenor.com Helge Øien Mobile: +47 9131 9242 helge.oien@telenor.com

Media Contact

Glenn Mandelid Mobile: +47 9266 1300 glenn.mandelid@telenor.com Meera Bhatia Mobile: +47 4684 4959 meera.bhatia@telenor.com