

Telenor – Third Quarter 2003

Group Overview

Jon Fredrik Baksaas

CEO

Q3 2003

Solid growth and improved margins

- Revenue growth of 10% to 13.5 NOKbn
- EBITDA 4.9 NOKbn - improved by 1.1 NOKbn
- 19% revenue growth in Mobile
- Strong results in domestic fixed line and mobile in a very competitive market
- Positive EBIT in Broadcast

Reported P&L

	Q3 2003	Q3 2002	2002	2001
Revenue	13 491	12 210	48 826	46 040
EBITDA	4 892	3 767	13 469	14 250
EBIT	2 300	488	(320)	3 177
Profit before Tax	2 005	(105)	(5 136)	10 255
Net Income	1 281	(1 046)	(4 298)	7 079

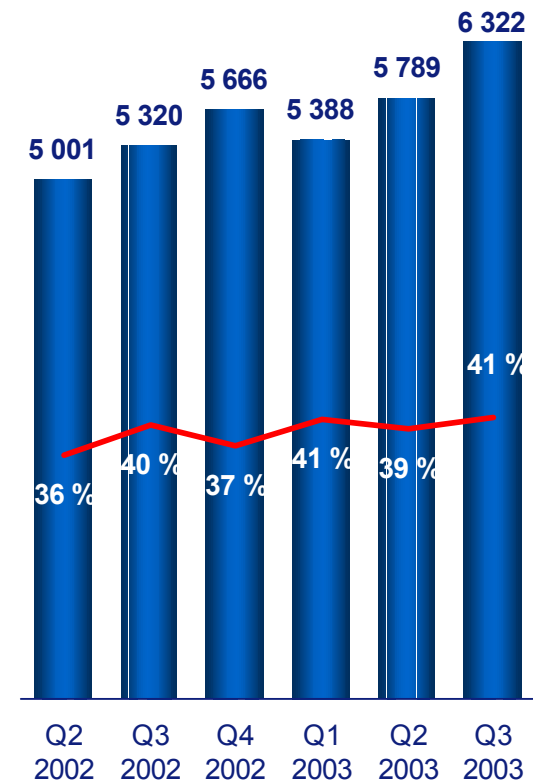
NOKm

Mobile

Strong growth from international operations

- Revenue growth 19%
- EBITDA growth 23% - to NOK 2.6 Bn
- Low Capex - NOK 0.9 Bn
- 10.6 million consolidated subscribers
 - 31.4 million total subscribers (+9% from Q203)
- New mobile alliance

Revenues (NOKm) / EBITDA %



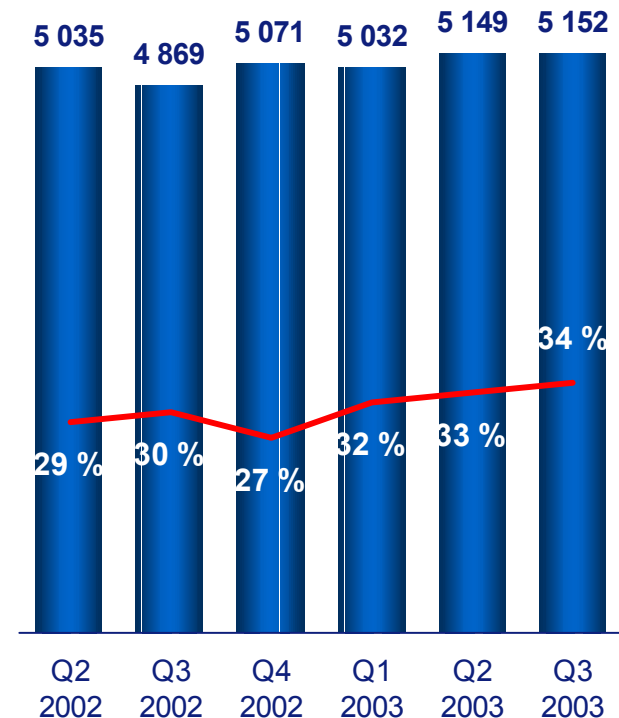
Revenue and EBITDA excludes gains and losses

Fixed Line

Growing revenues and margins

- Revenue growth of 6% from Q3 02
- Fixed line Norway
 - Revenue growth 1.5%
 - EBITDA margin up to 37%
- Swedish operations EBIT positive
- Comincom to be merged into Golden Telecom
- EBITDA 1 762 NOKm – Capex 438 NOKm
- Reported EBIT 792 NOKm

Revenues (NOKm) / EBITDA %



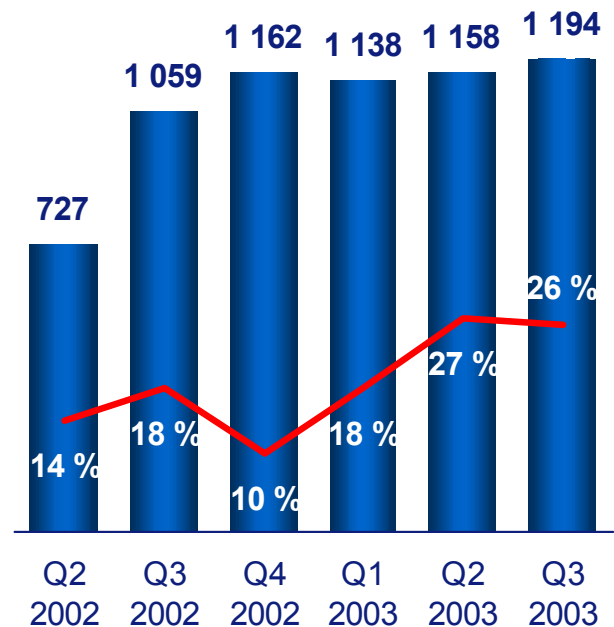
Revenue and EBITDA excludes gains and losses

Broadcast

Positive effects from the integration of Canal Digital

- Strong performance in distribution
 - Net 18 000 new DTH subs
 - Low churn
- EBITDA of 311 NOKm and Capex of 56 NOKm
- EBIT of 55 NOKm in Q3

Revenues (NOKm) / EBITDA %



Revenue, EBITDA and EBIT excludes gains and losses

Margin expansion from Delta 4

2002

Has recorded
1.1 NOKbn
gross cost
savings

2003

At least
additional 2.0
NOKbn in
gross cost
savings

2004

Will achieve
4.5 NOKbn
in gross
annual cost
savings

2005

Cost culture
driven

Savings YTD 2003 - approx 1.6 NOKbn

Focus and Strategy

- **Maximise domestic cash flow**
- **Extract maximum synergies from growing international mobile portfolio**
- **Increased transparency and simplicity**

Telenor Mobile

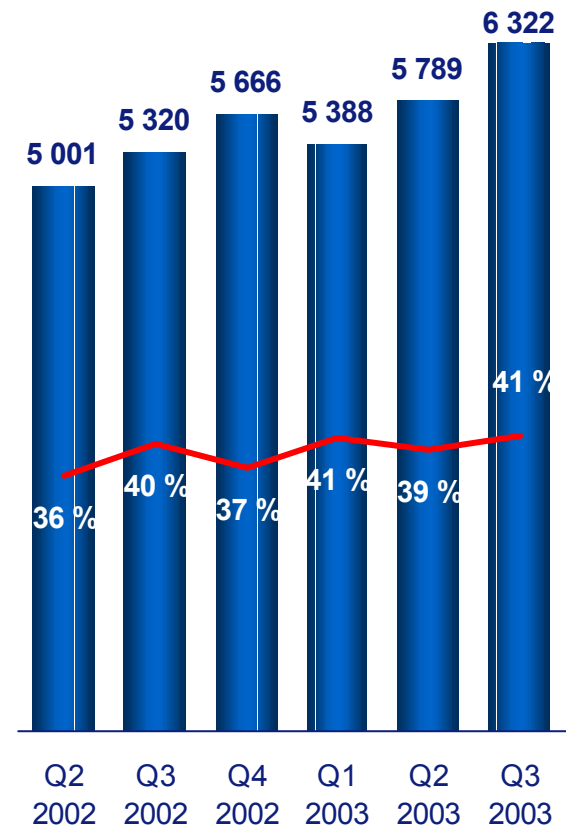
Arve Johansen

CEO

Mobile Highlights




- 31.4 million total subscribers (10.6 million consolidated)
- Revenue growth of 19% from Q3 02
- Growth in EBITDA of 23% from Q3 02
- Well managed Capex
- Increased positive results from associated companies
- Active role in new mobile alliance

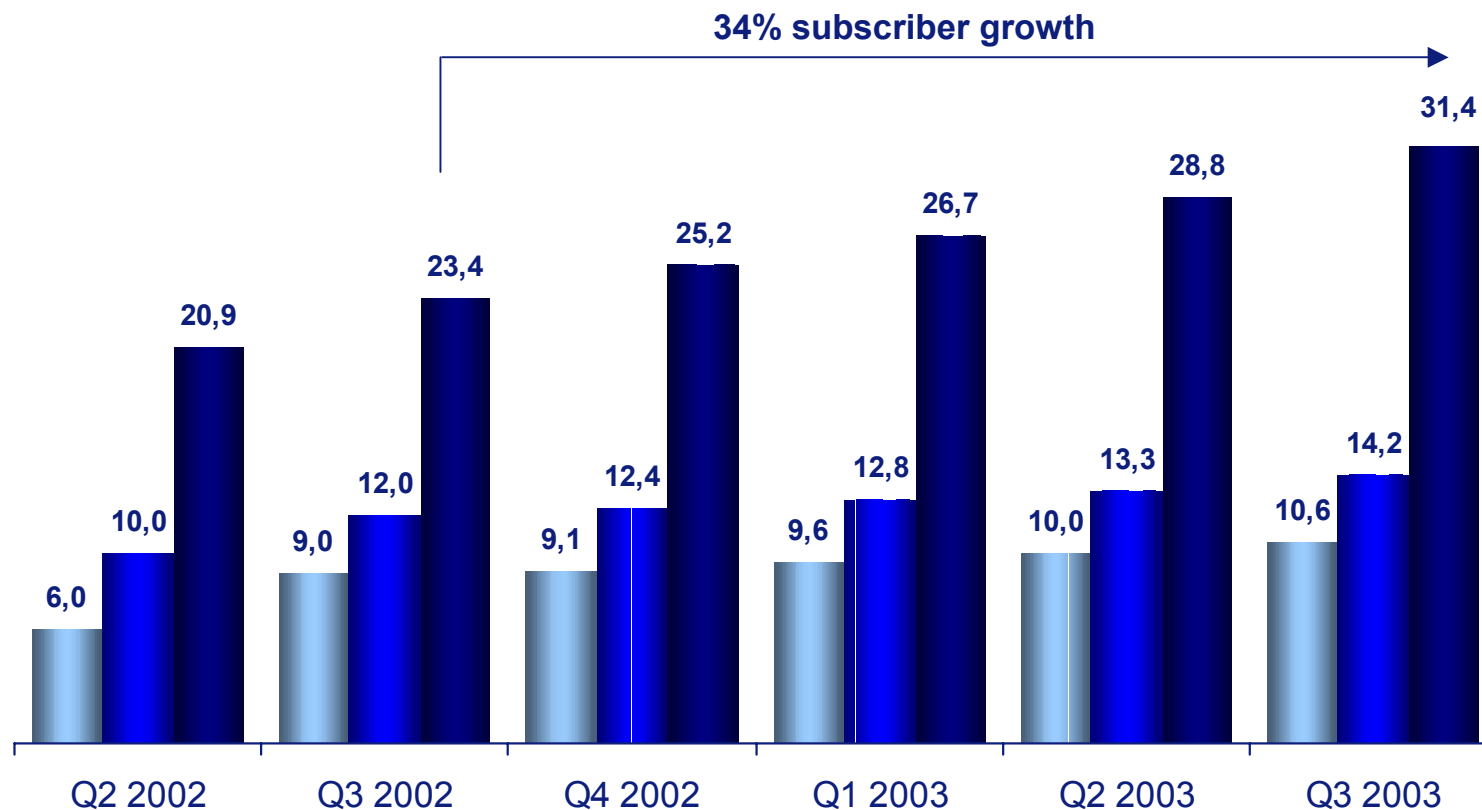
Revenues (NOKm) / EBITDA %



Excludes sales gains / losses

Mobile Subscribers (in millions)

-  *Total Consolidated*
-  *Total Pro Rata*
-  *100% figures (in all companies)*

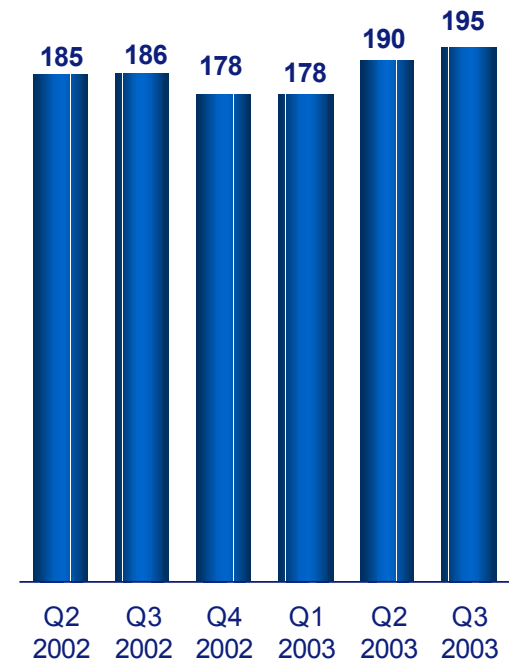
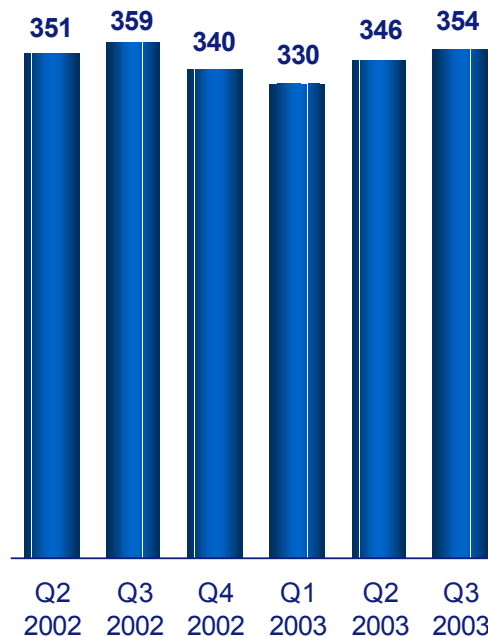
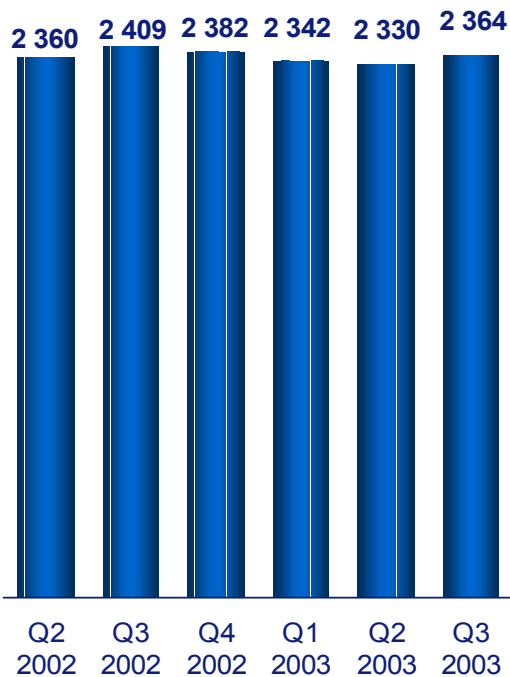


Quarterly operational development

Subscribers ('000)

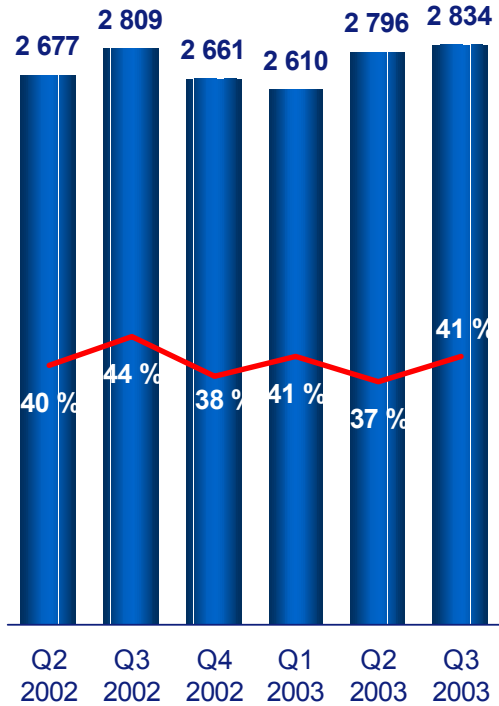
ARPU (NOK)

MoU (AMPU)

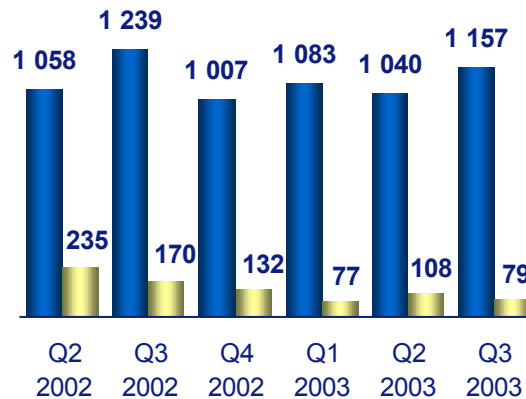


Quarterly financial development

Revenues (NOKm) / EBITDA %

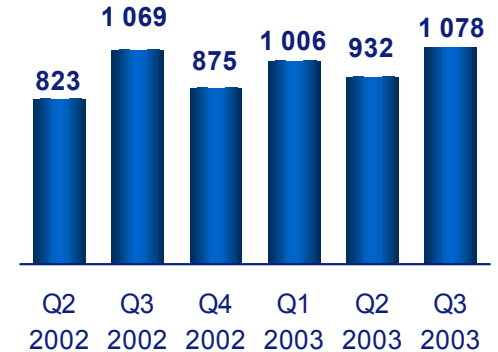


EBITDA and Capex (NOKm)



■ EBITDA ■ CAPEX

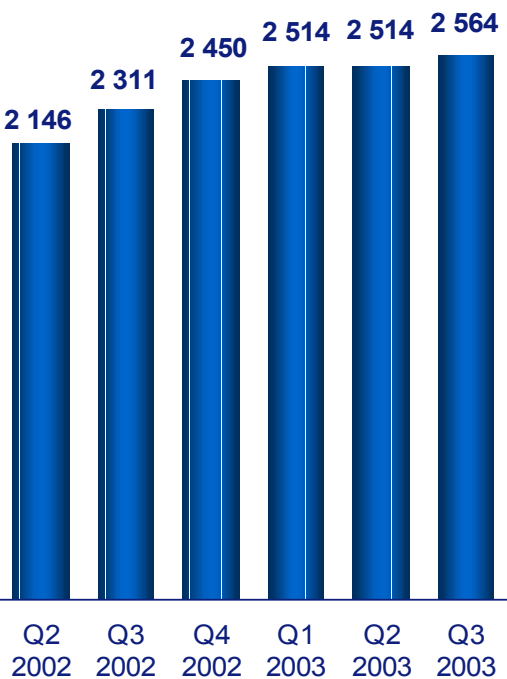
Operating Cash Flow (NOKm)



Operating Cash Flow = EBITDA - CAPEX

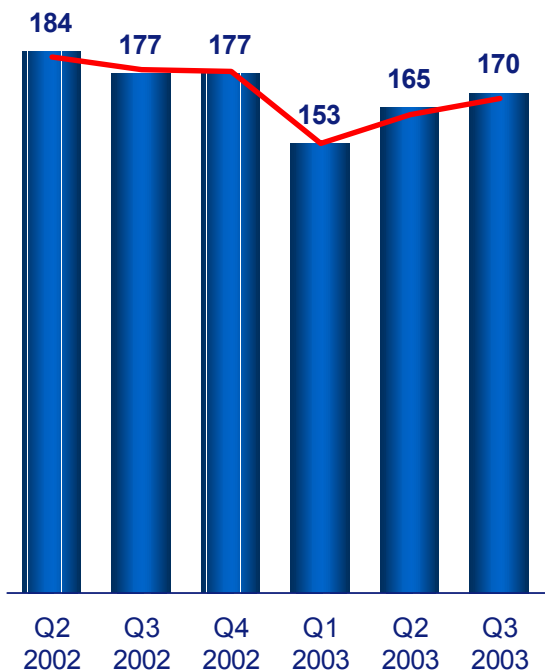
Quarterly operational development

Subscribers ('000)

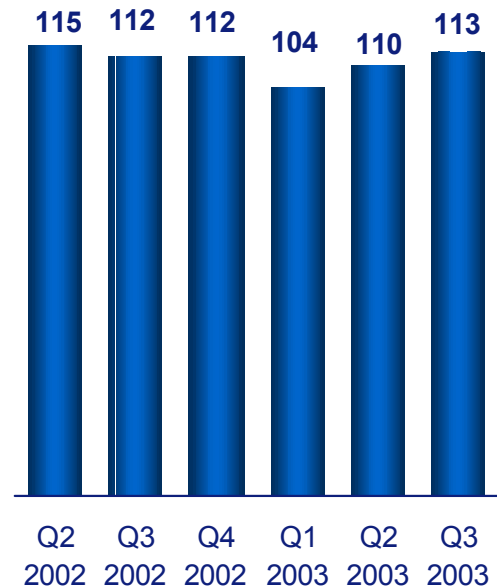


ARPU

■ NOK — HUF

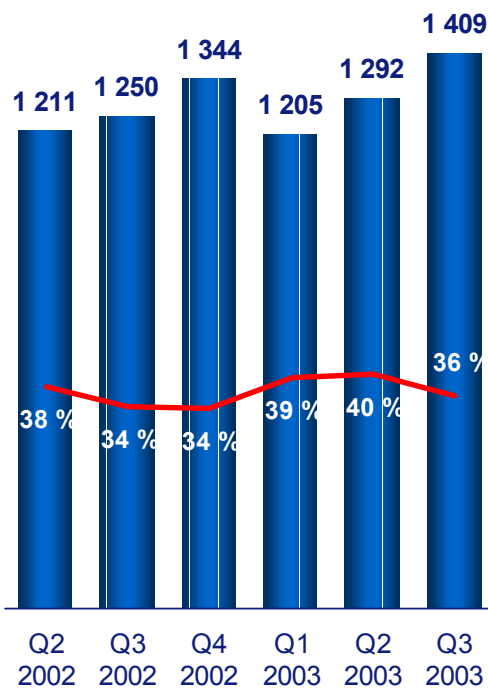


MoU (AMPU)

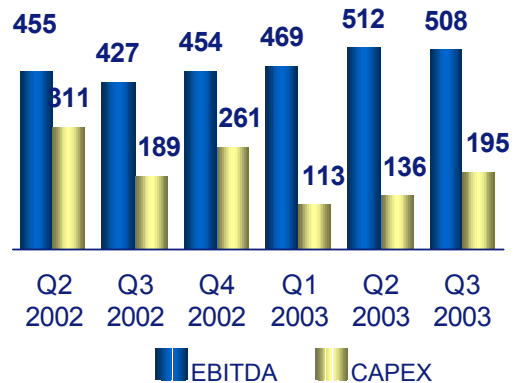


Quarterly financial development

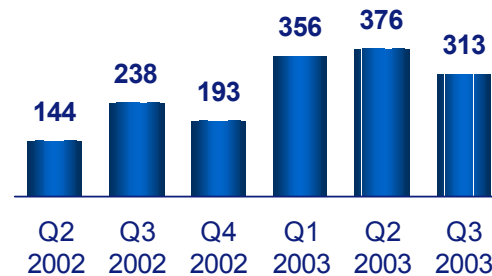
Revenues (NOKm) / EBITDA %



EBITDA and Capex (NOKm)



Operating Cash Flow (NOKm)



Operating Cash Flow = EBITDA - CAPEX

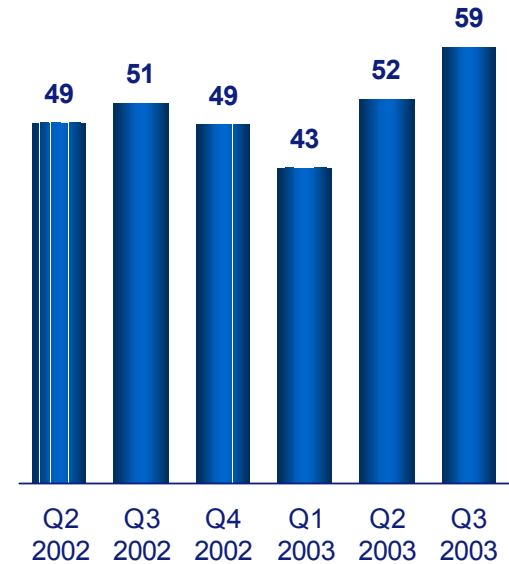
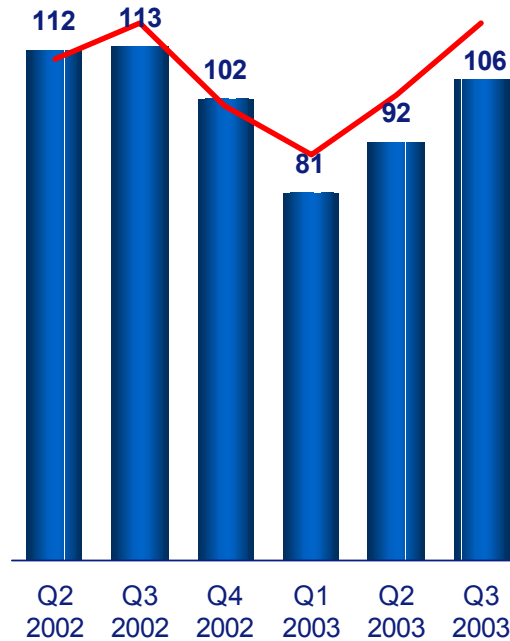
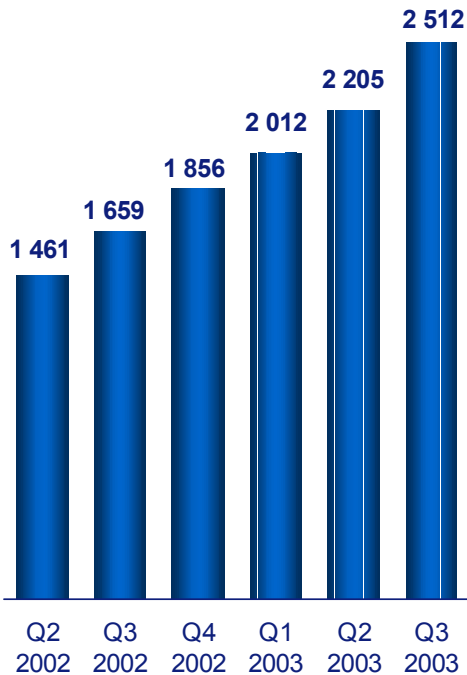
Quarterly operational development

Subscribers ('000)

ARPU

MoU (AMPU)

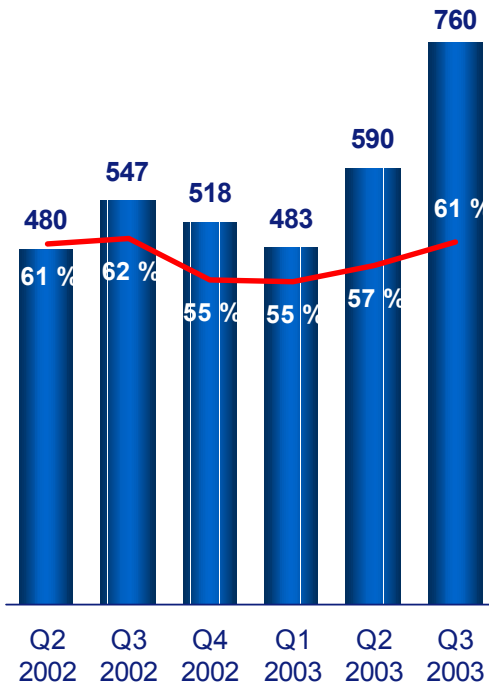
■ NOK — USD



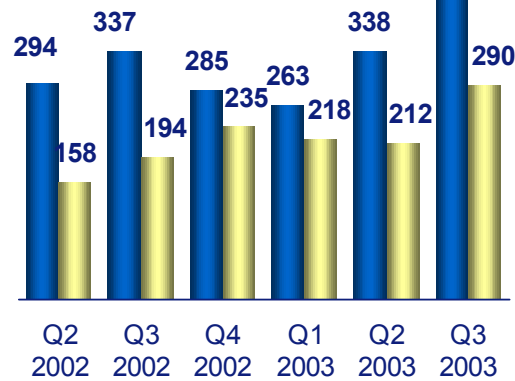
Subscriber figures based on 3 months churn for pre-paid

Quarterly financial development

Revenues (NOKm) / EBITDA %

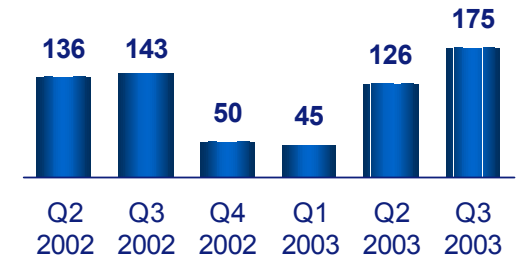


EBITDA and Capex (NOKm)



■ EBITDA ■ CAPEX

Operating Cash Flow (NOKm)

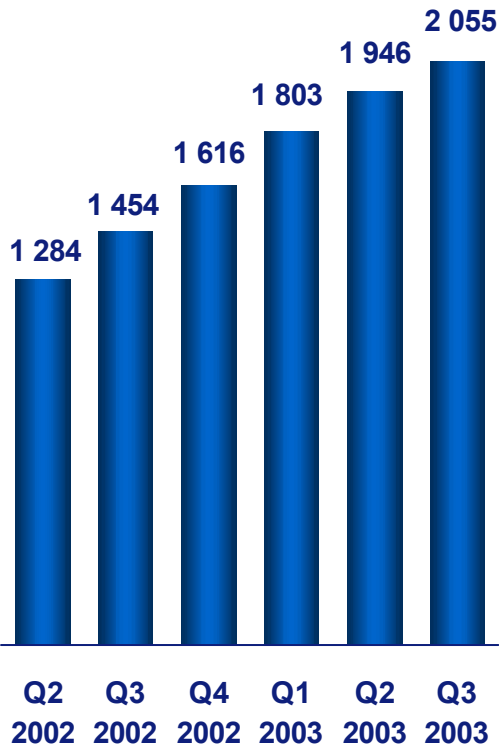


Operating Cash Flow = EBITDA - CAPEX



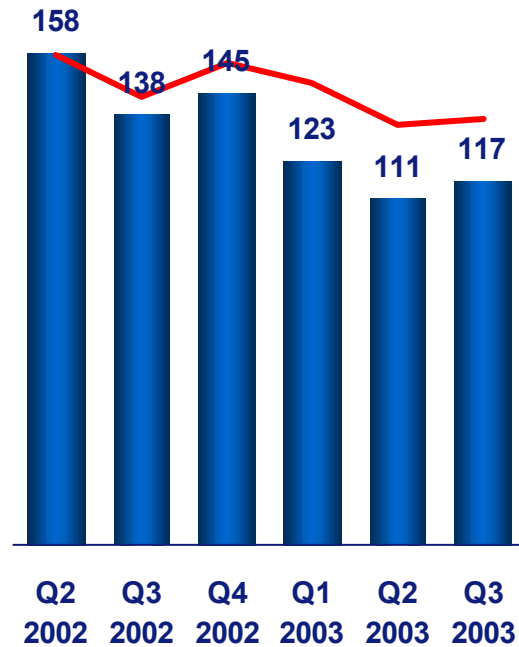
Quarterly operational development

Subscribers ('000)

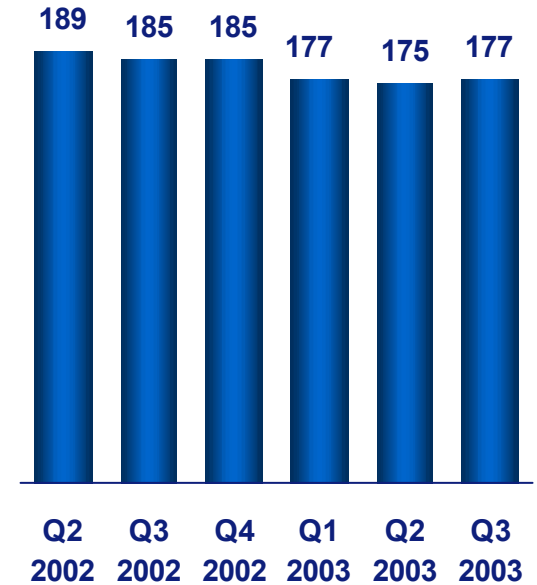


ARPU

■ NOK — MYR



MoU (AMPU)

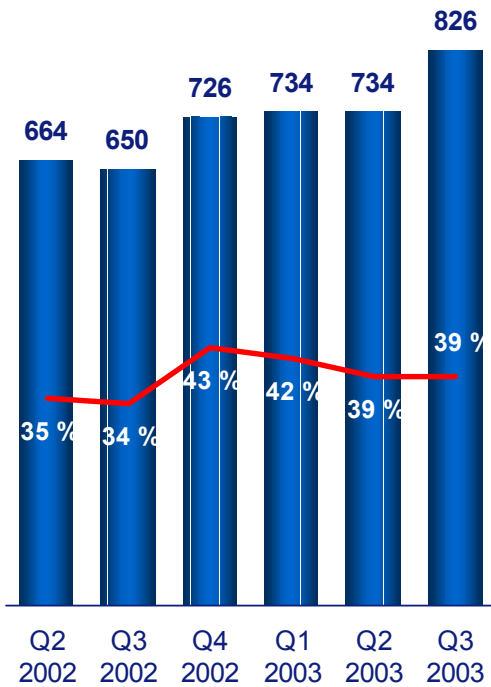


Subscriber figures based on 3 months churn for pre-paid

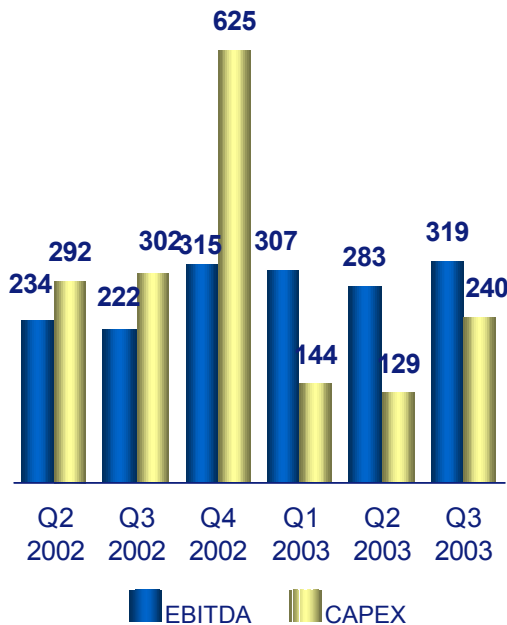


Quarterly financial development

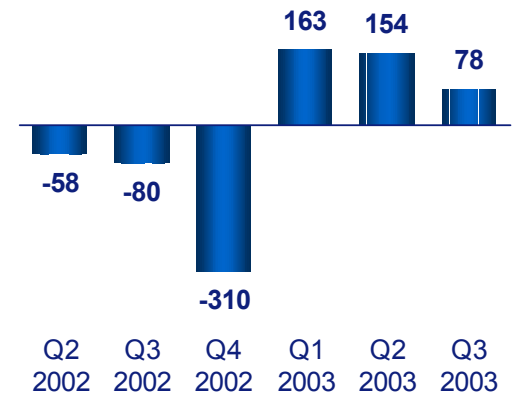
Revenues (NOKm) / EBITDA %



EBITDA and Capex (NOKm)



Operating Cash Flow (NOKm)

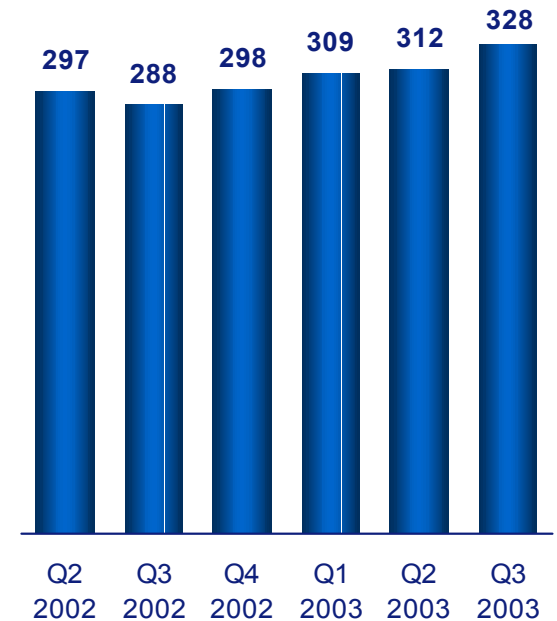
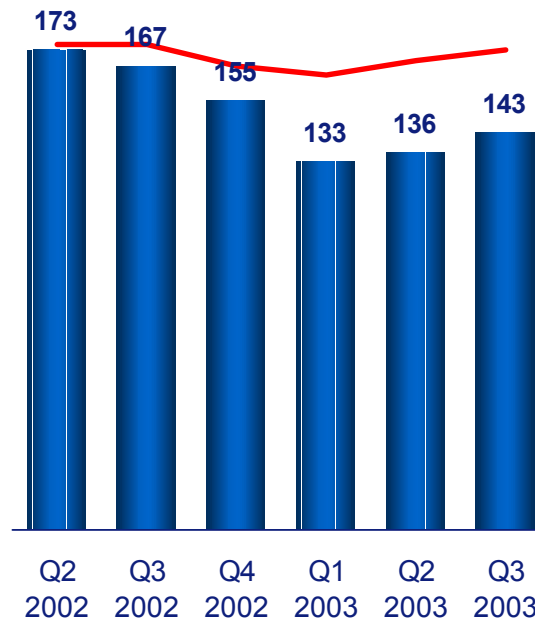
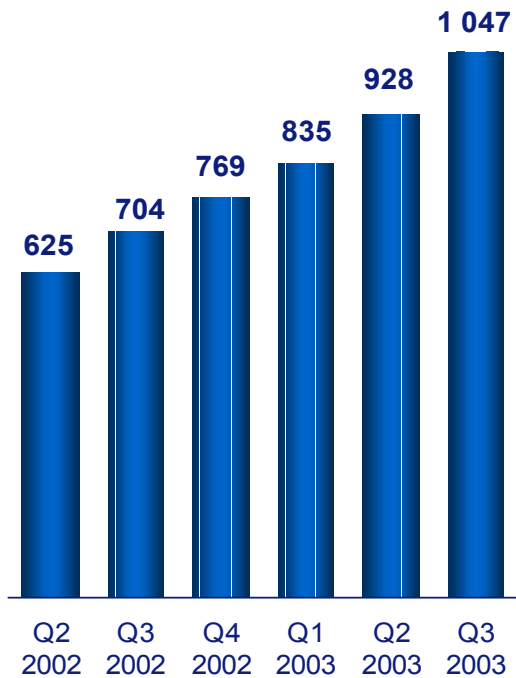


Operating Cash Flow = EBITDA - CAPEX

Quarterly operational development

Subscribers ('000)
ARPU
MoU (AMPU)*

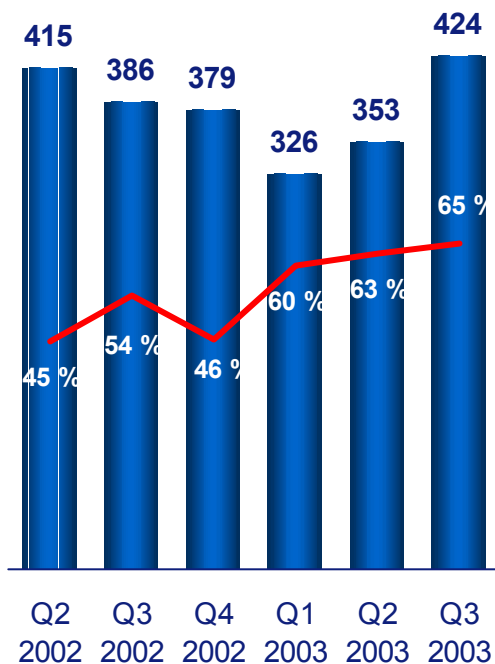
■ NOK — BDT



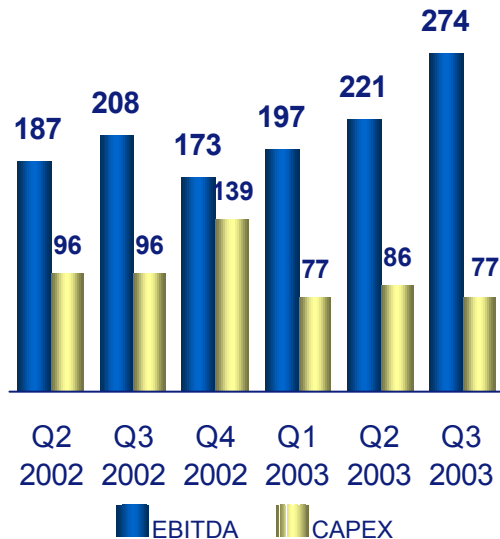
* Minutes of Use include both incoming and outgoing, including non-revenue generated incoming minutes. Figures can not be compared to other companies in portfolio

Quarterly financial development

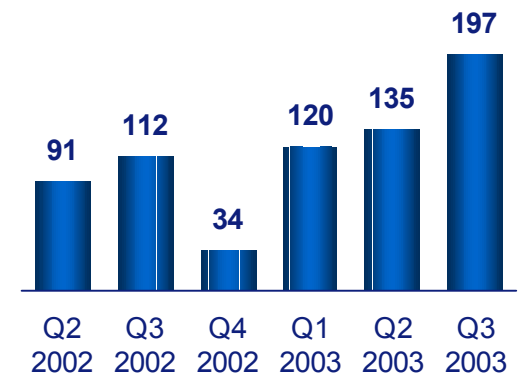
Revenues (NOKm) / EBITDA %



EBITDA and Capex (NOKm)



Operating Cash Flow (NOKm)



Operating Cash Flow = EBITDA - CAPEX

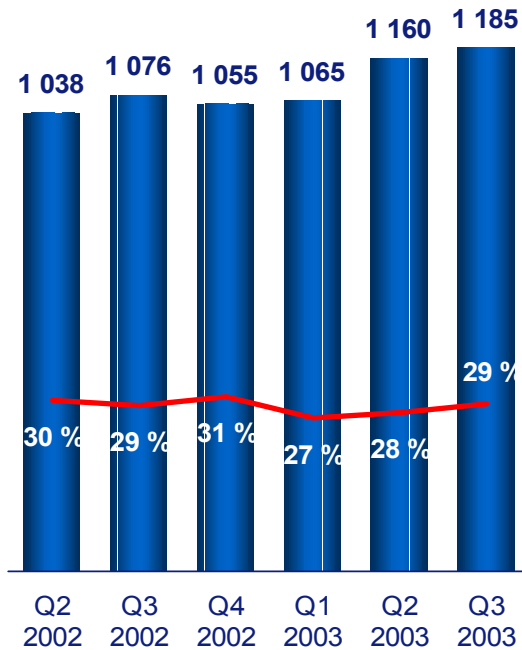
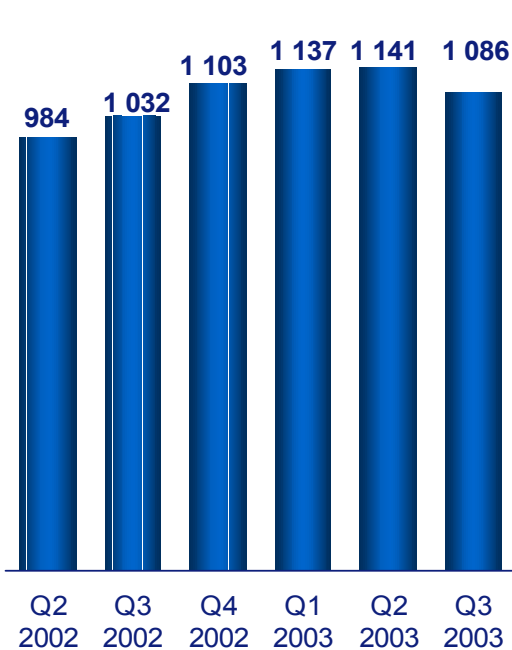


Quarterly development

Subscribers ('000)

Revenues (NOKm) and EBITDA %

EBITDA (NOKm)



- > Subscriber figures published by the Danish National Telecom Agency (excludes service providers and based on 12 month pre-paid churn).
- > Q1 & Q3 2002-2003 subscriber figures have not been published and have been submitted by Sonofon
- > Figures are based on actual company figures

Group Financial Overview

Q3 2003

Torstein Moland
CFO

Key messages

- Revenue growth of 10.3% to 13.5 NOKbn
- Strong operational improvement within all business areas compared to Q3 2002
- Delta 4 progressing ahead of schedule
- Continued low Capex
- Net Interest Bearing debt of 21.6 NOKbn

Reported P&L

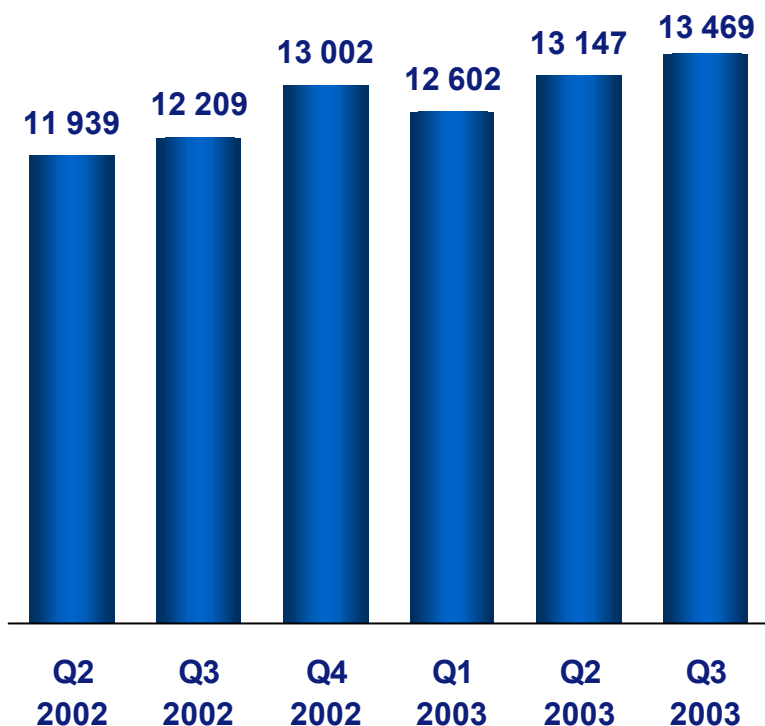
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Profit before Tax	2 005	(105)	(5 136)	10 255
Net Income	1 281	(1 046)	(4 298)	7 079

NOKm

Quarterly revenue growth

Revenues* (NOKm)

Comments



- Revenue growth of 10%
- Underlying growth of 9%
- Underlying growth for the three business areas of 10.5%

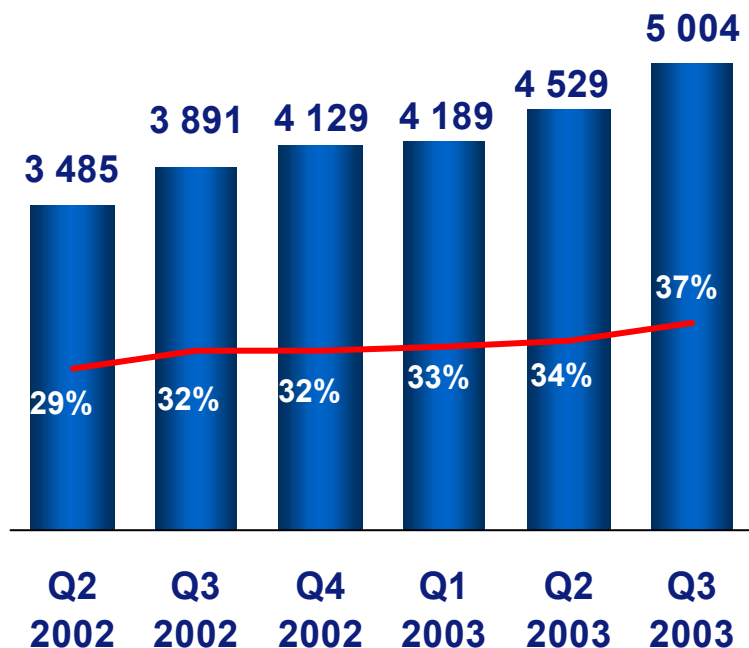
* Revenues adjusted for sales gains

EBITDA

- sharply improved quarter by quarter

Adjusted EBITDA (NOKm) and Margin

Comments



- Strong underlying performance
- Margin increase
 - Delta 4 measures
 - Increased gross margins
 - Consolidation of Kyivstar

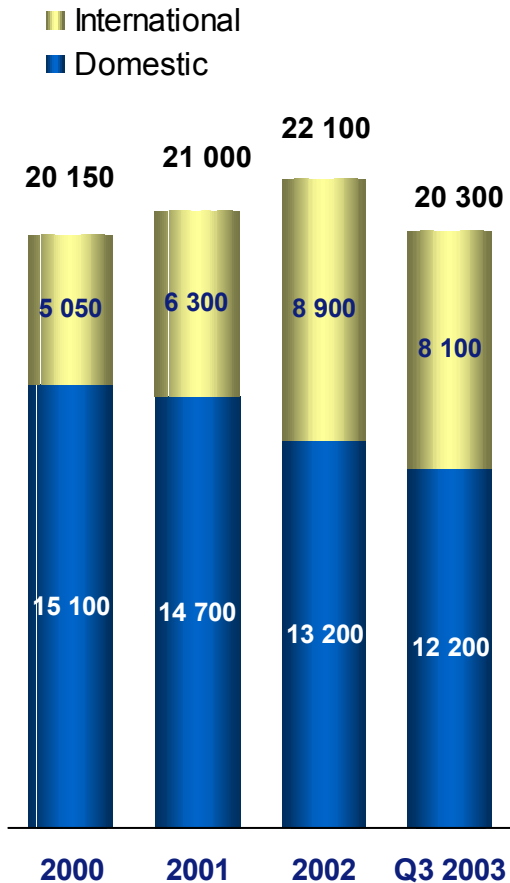
Adjusted P&L

	Q3 2003	Q3 2002	Growth	2002
Revenue	13 469	12 209	10.3%	48 668
EBITDA	5 004	3 891	28.6%	14 506
EBIT	2 425	1 226	97.8%	4 270
Assoc. companies	62	(52)	nm	(205)
Profit Before Tax	2 168	757	186.4%	2 488

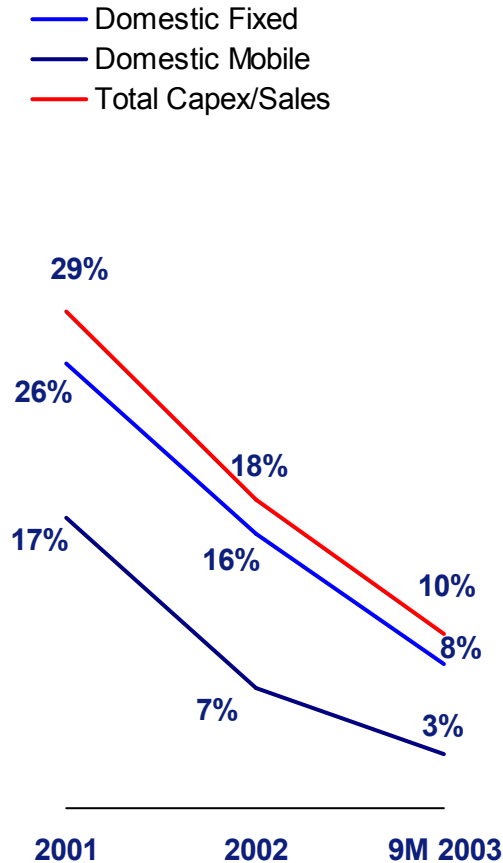
NOKm

Cost cutting and capital discipline

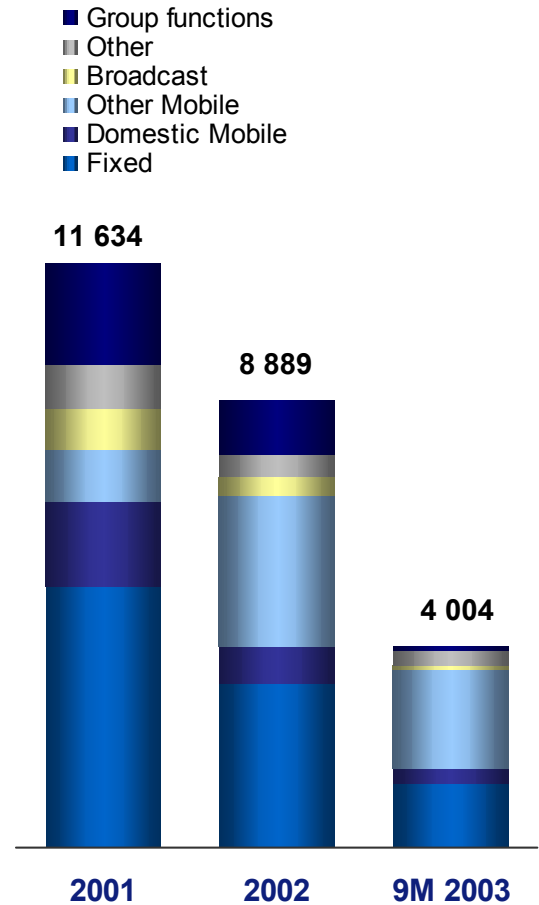
Headcount



Capex / Sales

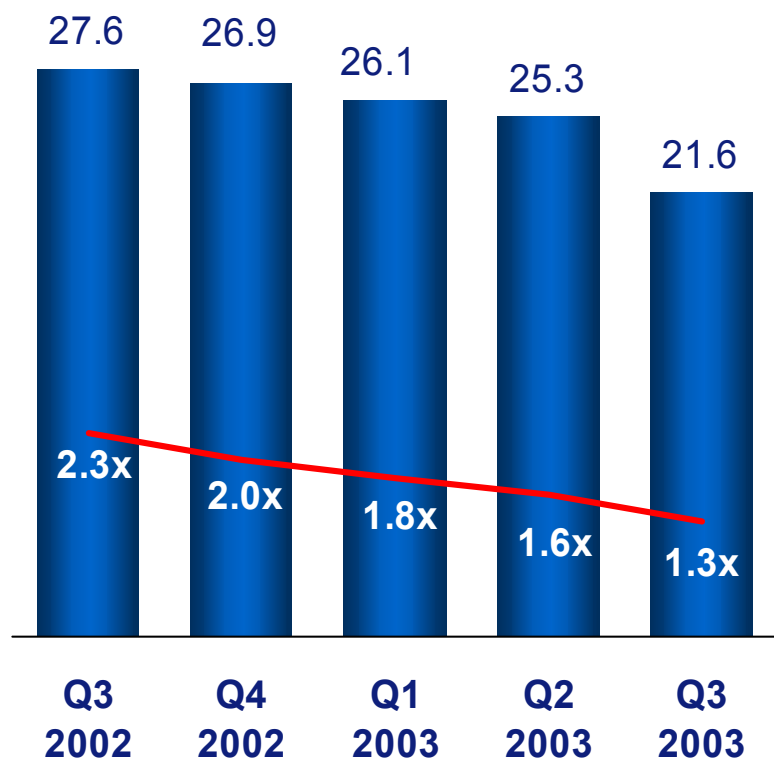


Capex Breakdown (NOKm)



Debt position

Net Debt (NOKbn) to LTM EBITDA (x)



Net Debt Changes – Q2 2003 to Q3 2003

Net Debt 30 June 03 (NOKbn)	25.3
EBITDA ex. gain/loss	(4.9)
+ Net Interest	0.3
+ Tax	0.2
+ Investments – net paid	1.4
+ Other	(0.7)
Net Debt 30 Sept. 03	21.6

Outlook

Telenor Group

- Continued revenue growth in Q4 03 vs. Q4 02
- Slight increase in EBITDA margin in Q4 03 vs. Q4 02
- Low Capex in 2003
- Domestic operations:
 - Fixed Line: EBITDA margin in line with the first 9 months
 - Mobile: EBITDA margin depending on the competition
- International mobile:
 - Lower revenue growth than in the first 9 months
 - EBITDA margin in line with the first 9 months
- Share buy back/dividend

Appendix

International Mobile Associates

(100% figures in NOK millions according to local GAAP)

	Subscriptions ('000)			Revenues YTD			EBITDA YTD ¹⁾			Net debt ²⁾
	June 30 2002	June 30 2003	%-change 2002/2003	June 30 2002	June 30 2003	%-change 2002/2003	June 30 2002	June 30 2003	%-change 2002/2003	June 30 2003
Nordic Region										
Sonofon ⁴⁾	984	1 141	16 %	1 979	2 224	12 %	571	602	5 %	4 094
Europe										
Connect Austria	1 296	1 378	6 %	2 239	2 546	14 %	539	805	49 %	10 387
Cosmote	3 212	3 857	20 %	4 229	4 834	14 %	1 817	2 048	13 %	1 935
Pro Monte	176	246	40 %	183	196	7 %	84	88	5 %	-30
Russia										
VimpelCom ⁵⁾	3 276	7 434	127 %	2 713	3 861	42 %	1 150	1 743	52 %	4 118
Southeast Asia										
DTAC	4 252	5 899	39 %	3 750	2 438	-35 %	1 082	914	-16 %	7 533
UCOM ³⁾	-	-	-	1 333	1 637	23 %	167	84	-50 %	1 039

1) EBITDA consists of earnings before interest, tax, depreciation and amortization excluding gains/(losses) from sales of fixed assets and operations

2) Net debt consists of long term and short term interest-bearing debt minus cash. Closing exchange rates used

3) UCOM classified according to NGAAP. Figures for DTAC are not included

4) Subscriber figures published by the Danish National Telecom Agency (excluding service providers)

5) Subscriber figures for VimpelCom are based on 6 months churn