

Telenor – First Quarter 2010

Jon Fredrik Baksaas, President and CEO

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Q1 2010

Strong momentum into 2010

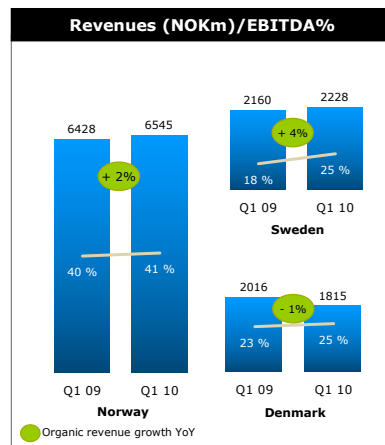
- Completion of VimpelCom Ltd. transaction
- Rebound in organic revenue growth
- Adding 5 million mobile subscribers
- Continued roll-out of operations in India
- Solid performance in Nordic region and Asia



Q1 2010 – Nordic

Maintaining high operating cash flow

- Solid mobile revenue growth, driven by mobile data and handsets
- Cost reductions contributing to margin improvement
- Low capex pending upcoming mobile network swaps
- Operating cash flow of NOK 2.8 bn





Q1 2010 - CEE

Completion of VimpelCom Ltd. transaction

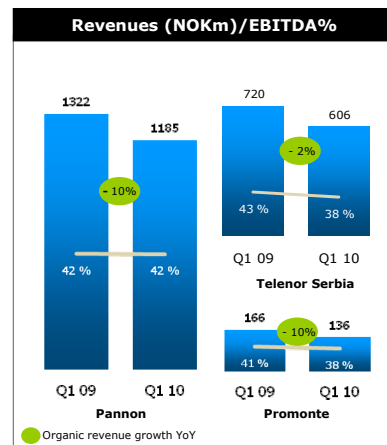
- All conditions met and close to 98% acceptance in exchange offer
- Trading of VimpelCom Ltd. on NYSE commenced on 22 April
- Telenor holding 39.6% of economic interest in VimpelCom Ltd.
- Significantly improved governance structure
- Market value of Telenor's stake in VimpelCom Ltd. at first trading day of NOK 55 billion



Q1 2010 - CEE

Solid margins and maintained market positions

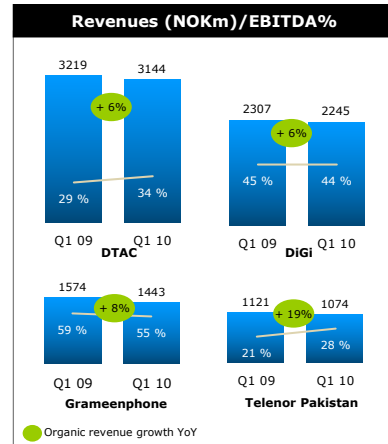
- Good postpaid momentum in both Serbia and Hungary
- Maintaining margins in Pannon on lower cost base
- Increased sales activity in postpaid segment affecting margin in Serbia
- Efficiency measures in place to align cost base to lower revenues



Q1 2010 – Asia

Further improvement in Asia

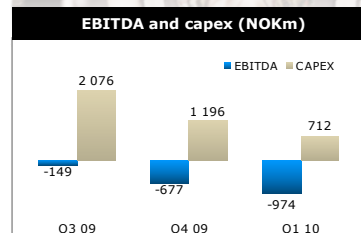
- Pick-up in organic revenue growth in all operations
- Promising smart phone sales in Thailand and Malaysia
- Cost efficiency initiatives contributing to solid EBITDA margins
- Some catch-up of capex expected later in 2010



Q1 2010

Addressing challenges in India

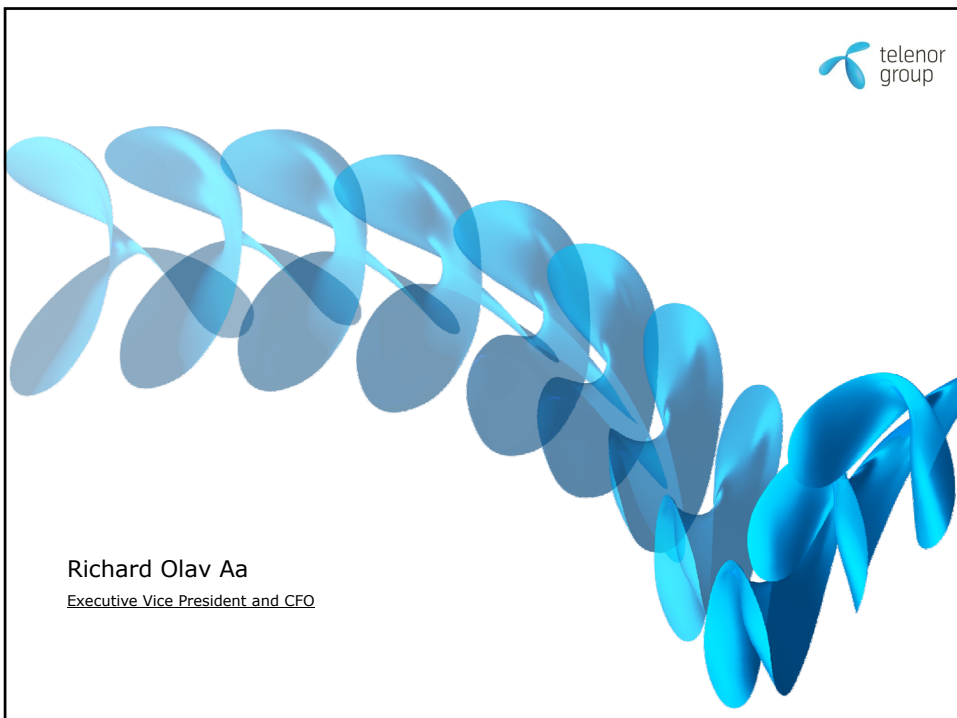
- Significant achievements in record time
 - 180,000 points of sale
 - 18,000 sites installed
 - Network and IT systems up and running
 - Brand well received
- Multiple SIMs and low usage
- Uninor distribution concepts new in India – endurance, tuning and execution is key
- Reducing opex and capex in 2010
 - Phase two launch in 5 circles in Q2 as planned
 - Adjusting further roll-out speed to distribution readiness





Q1 2010 Operational focus in 2010

- Roll-out and tuning of operations in India
- Support the development of VimpelCom Ltd.
- Stimulate mobile data usage and ensure mobile broadband profitability
- Maintain capex discipline and improve operational efficiency



Richard Olav Aa
Executive Vice President and CFO

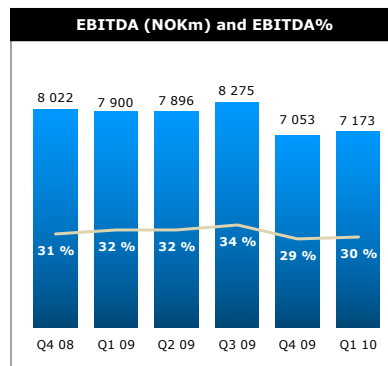
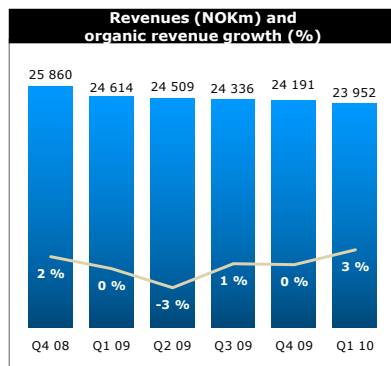


Q1 2010 Solid financial performance

- 3% organic revenue growth
- 30% EBITDA margin
- 20% operating cash flow margin
- Net debt reduced by NOK 5 bn to NOK 21 bn
- Outlook for 2010 slightly improved



Q1 2010 Rebound in organic revenue growth



Organic revenue growth in fixed currency, adjusted for acquisitions and disposals. EBITDA and EBITDA margin before other items

Q1 2010

Changes in revenues and EBITDA

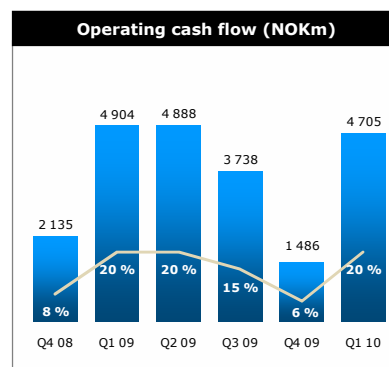
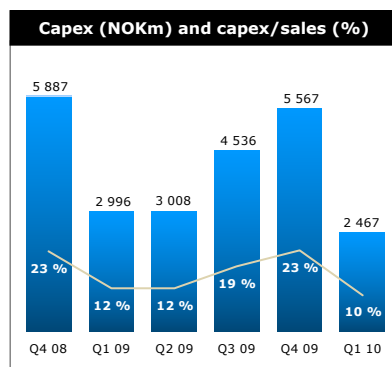
	Revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	+1.8%	+1.8%	+4.4%	+4.4%
Sweden	+3.2%	+3.6%	+42.6%	+43.3%
Denmark	-10.0%	-0.7%	-4.7%	+5.2%
Pannon	-10.4%	-9.5%	-10.7%	-9.8%
Serbia	-15.9%	-2.2%	-25.9%	-13.9%
Promonte	-18.6%	-10.1%	-24.1%	-16.1%
DTAC	-2.3%	+6.5%	+14.7%	+25.1%
DiGi	-2.7%	+5.9%	-3.3%	+5.3%
Pakistan	-4.2%	+19.3%	+28.8%	+60.3%
Grameenphone	-8.3%	+8.0%	-14.5%	+0.7%
Broadcast	+2.1%	+3.5%	+21.2%	+21.1%
Telenor Group	-2.7%	+2.7%	-9.2%	-3.7%
Group excl. India	-2.9%	+2.4%	+3.1%	+9.3%

Organic growth YoY in fixed currency and adjusted for acquisitions and disposals. EBITDA before other items.



Q1 2010

Low capex and strong cash flow



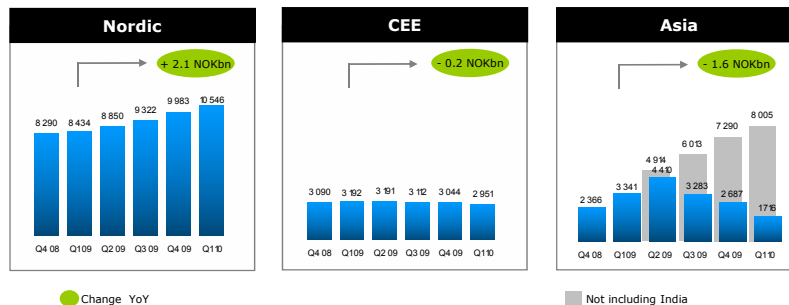
Capex and capex/sales ratio excluding licence fees.



Q1 2010

Strong cash flow from all established operations

4 quarters rolling operating cash flow (NOKm):



Operating cash flow excluding licences and spectrum
 Operating cash flow defined as EBITDA before other items - capex



Q1 2010

Reported income statement

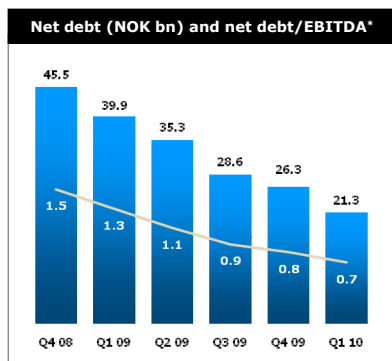
NOKm	Q1 10	Q1 09
Revenues	23 952	24 614
EBITDA before other items	7 173	7 900
Other items	-85	-13
EBITDA	7 088	7 887
Depreciation	-4 058	-3 848
EBIT	3 030	4 034
Associated companies	-93	-199
Net financials	-898	-661
Profit before taxes	2 039	3 174
Taxes	-889	-1 058
Profit from continuing operations	1 149	2 116
Net income to Telenor	1 038	1 622
EPS from cont. operations (NOK)	0.63	0.98

- Pannon (NOK -31m), Norway (NOK -19m), Denmark (NOK -11m), Sweden (NOK -9m)
- Q110 figures for OJSC VimpelCom and Kyivstar to be included in Q210
- NOK -63m IFRS adjustment of OJSC VimpelCom item not incl. in Telenor's 2009 result
- Kyivstar contribution of NOK 477m
- VimpelCom contribution of NOK -624m including FX loss of NOK 1.9bn
- NOK -375m in hedging effects related to 3rd and 4th equity injection into Uninor due to revised IAS 27



Q1 2010

Net interest-bearing debt reduced by NOK 5 bn



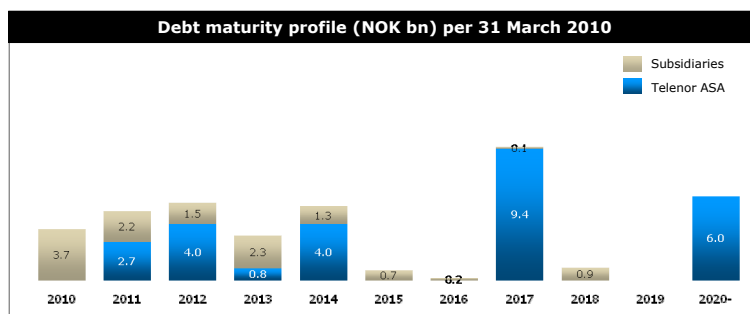
Change in net debt (NOK bn)

Net debt 31 December 2009	26.3
EBITDA	(7.1)
Net interest paid	0.3
Income taxes paid	0.6
Capex paid	3.8
Dividend received	(0.2)
Dividend paid to minorities	0.4
Currency	(0.3)
Accruals and other	(2.5)
Net change	(5.0)
Net debt 31 March 2010	21.3

*) 12 months rolling EBITDA

Q1 2010

Refinancing through tender offer and issuance of new debt



- Tender of EUR 717 million (72%) of notes maturing in 2011-2012
- Issuance of new 10 year bond EUR 750 million at mid swap +97
- Average life of debt portfolio increased from 3.5 to 4.6 years
- Committed and undrawn credit lines of EUR 2.5bn

Q1 2010 Outlook for 2010 improved

Based on reported group structure:

Group*	2010	Previous outlook
Organic revenues:	Low single digit growth	Low single digit growth
EBITDA margin:	Around 28%	27-28%
Capex/sales:	13-14%	14-16%

India	2010	Previous outlook
EBITDA loss:	NOK 4.5 – 5.0 bn	NOK 4.5 – 5.0 bn
Capex:	NOK 2.0 – 2.5 bn	NOK 2.5 – 3.5 bn

*) Outlook assuming Group structure and exchange rates as of 31 March 2010. EBITDA before other items. Capex excl. licences and spectrum.

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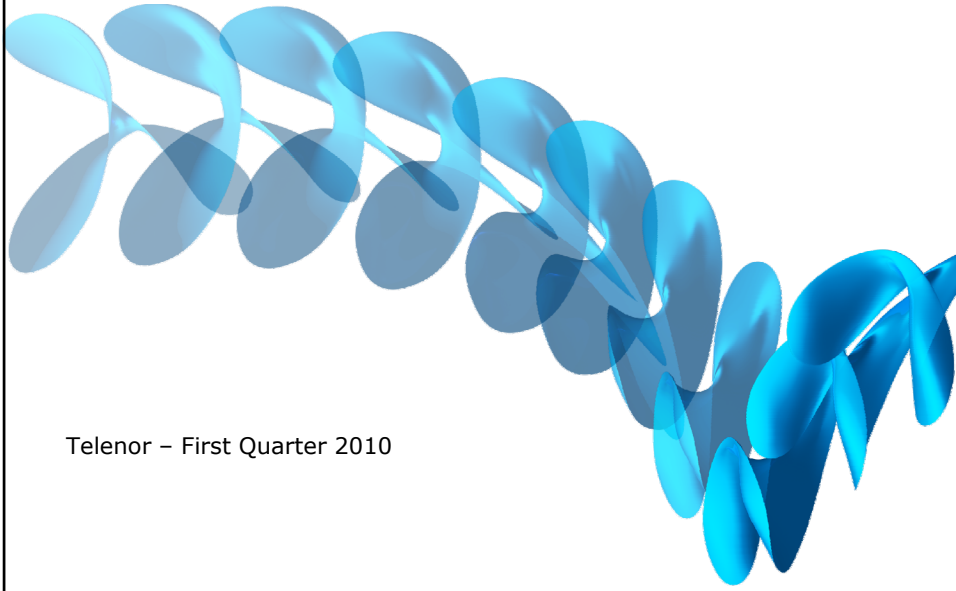


Q1 2010 Financial priorities

- Maintain a solid balance sheet
 - Net debt/EBITDA 0.7 vs cap of 1.6
- Attractive shareholder remuneration
 - Resume normal dividend policy from 2010
 - Asked AGM for share buy back mandate
- Disciplined and selective M&A
 - Based on value creation and return on capital

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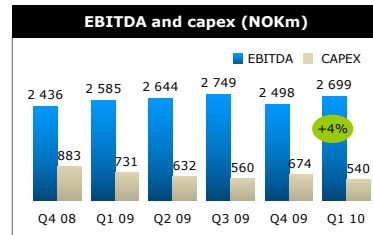
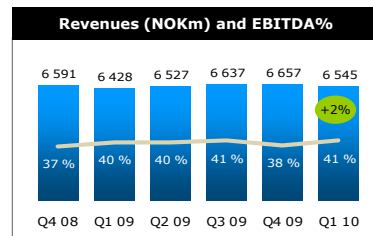




Telenor – First Quarter 2010

Q1 2010
Telenor - Norway

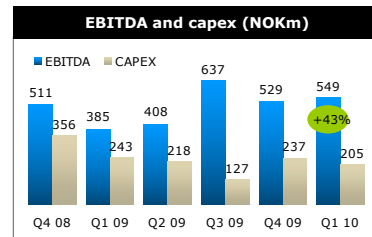
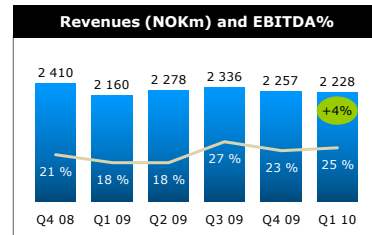
- 10k net mobile subscriber growth driven by mobile broadband
- 9% mobile revenue growth
- Fixed voice and DSL in line with trends from previous quarters
- Low capex pending mobile network swap
- 33% operating cash flow margin



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

Q1 2010 Telenor - Sweden

- 8k net mobile subscriber growth
- 10% mobile revenue growth in local currency
- Market activities focused on mobile broadband
- 10% opex reduction
- Swap of mobile home network and LTE rollout slightly delayed



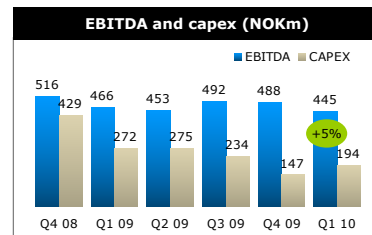
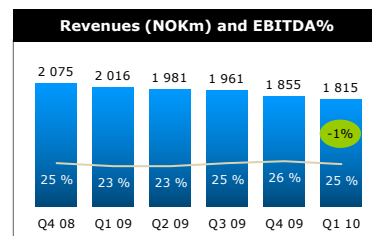
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

● Organic revenue / EBITDA growth YoY
■ Licence fees



Q1 2010 Telenor - Denmark

- 37k net mobile subscriber growth
- Successful campaign bundling mobile broadband and DSL
- 4% mobile revenue growth in local currency
- Continued decline in fixed operation



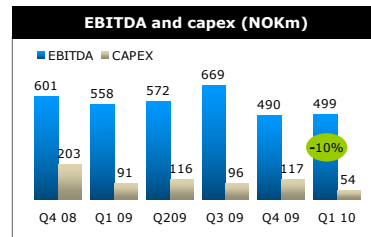
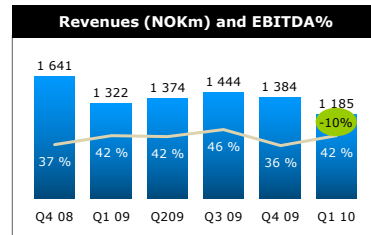
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

● Organic revenue / EBITDA growth YoY



Q1 2010 Pannon – Hungary

- 36k net subscriber loss due to churn from seasonal campaigns
- Revenues impacted by recession and 17% MTR cut from 1 January
- Restructuring of organization carried out in March
- 38% operating cash flow margin



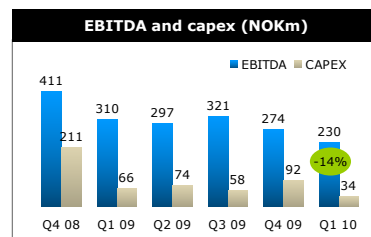
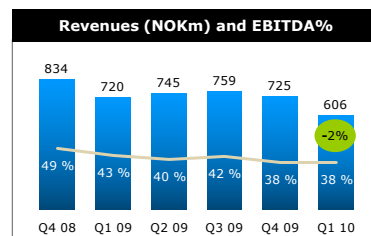
● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010 Telenor - Serbia

- 46k net subscriber growth due to handset campaigns
- Revenues negatively impacted by recession and 10% mobile usage tax
- EBITDA margin decline driven by handset subsidies
- Postponed network investments
- 32% operating cash flow margin



● Organic revenue / EBITDA growth YoY

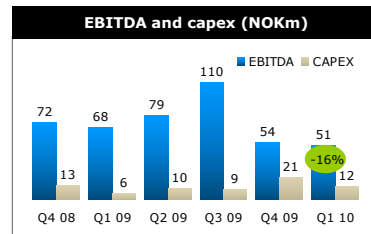
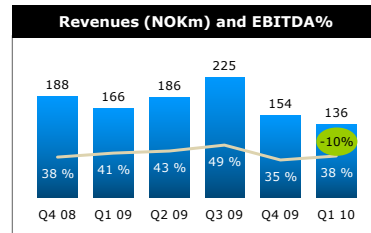
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010

Promonte - Montenegro

- 33k net subscriber loss due to churn from seasonal campaigns
- Recession impacting spending patterns – ARPU down 19%
- Costs reductions partly offsetting revenue drop
- Ongoing network replacement



● Organic revenue / EBITDA growth YoY

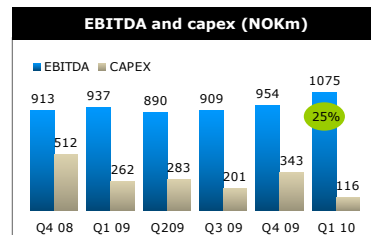
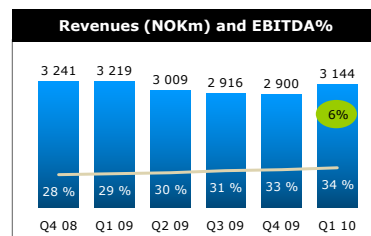
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010

DTAC – Thailand

- 631k net subscriber growth
- Revenue growth driven by pick-up in domestic usage and handset sales
- Improved EBITDA margin from increased revenues and stable opex
- Launched iPhone on 11 March
- Outlook for 2010 maintained



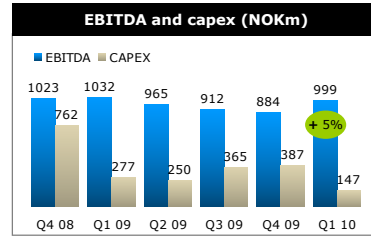
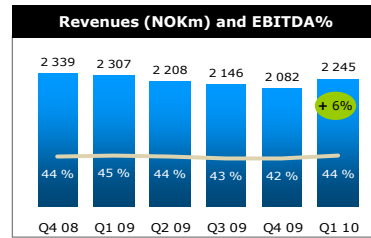
● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010 DiGi – Malaysia

- 227k net subscriber growth
- Strong organic revenue growth driven by prepaid
- Good progress on efficiency program
- Launched iPhone on 31 March
- Outlook for 2010 maintained



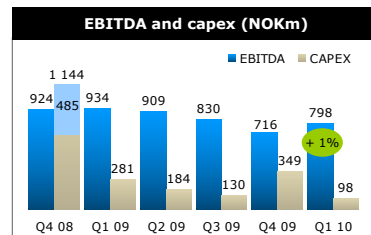
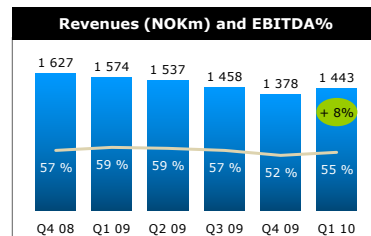
● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010 Grameenphone – Bangladesh

- 645k net subscriber growth
- 13% organic growth in subscription and traffic revenues
- Total revenues impacted by lower IC rates from 26 March 2009
- Operating cash flow margin of 48%
- Infrastructure sharing agreements with Banglalink and Robi in place



● Organic revenue / EBITDA growth YoY

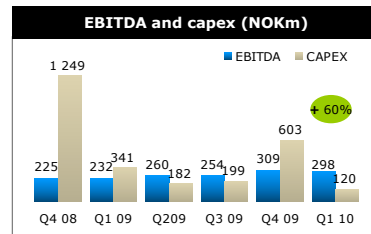
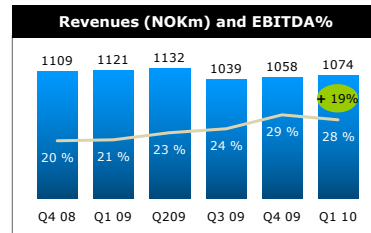
■ Spectrum fees

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010 Telenor - Pakistan

- 778k net subscriber growth
- Slight increase in ARPU
- Organic revenue development driven by subscriber and usage growth
- 10% MTR reduction from 1 Jan 10
- Lower SAC from July 2009 and decommissioning of leased lines positively effecting EBITDA margin
- Energy situation continues to be challenging



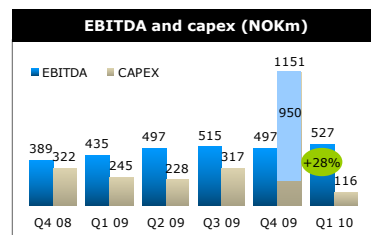
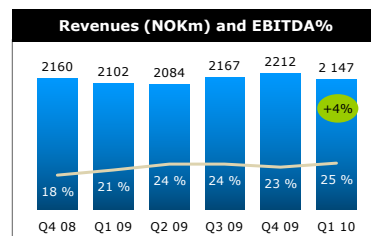
● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q1 2010 Broadcast

- 11k broadband net adds in Norway
- Continued decline in DTH subscriber base
- 13% revenue growth and improved margin in Canal Digital Norway
- Stable margins in Transmission & Encryption



● Organic revenue / EBITDA growth YoY
■ Thor 6 satellite

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

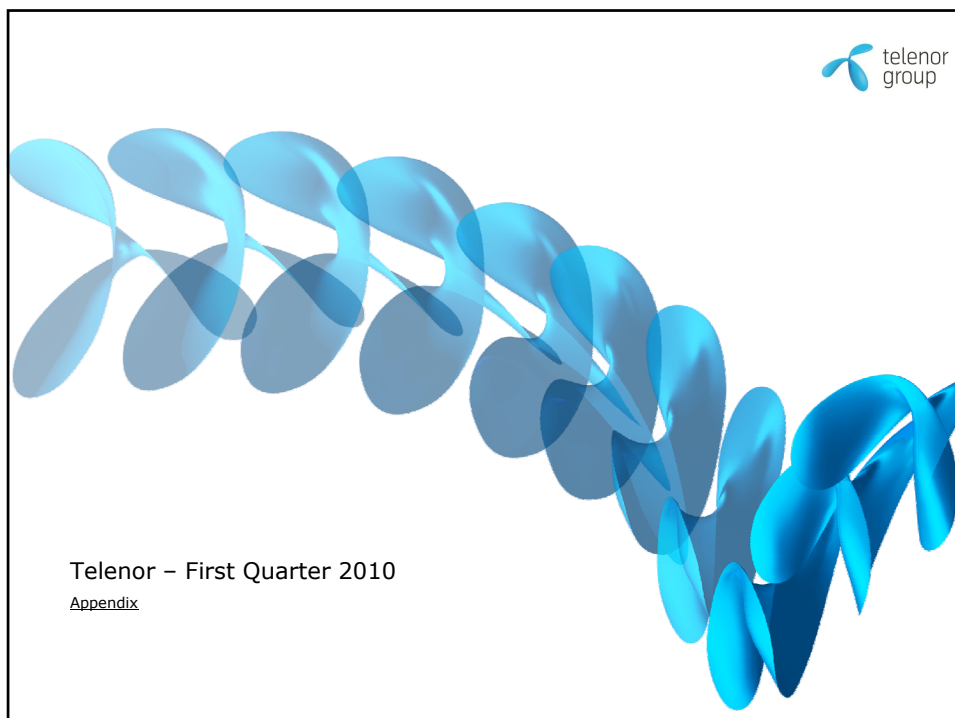


Q1 2010

Net debt in partly owned subsidiaries

(NOKm)		Q1 2010	Q4 2009	Q1 2009
DiGi	49.0%	804	828	124
DTAC	65.5%	662	1 937	2 732
Grameenphone	55.8%	-1 146	-637	984
EDB Bus. Partner	51.3%	2 982	2 694	2 958
Uninor	67.3%	-2 104	893	1 020

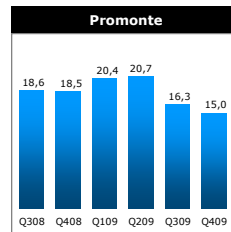
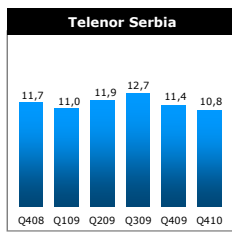
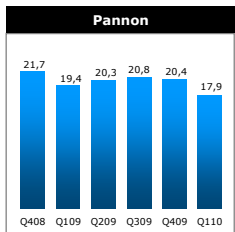
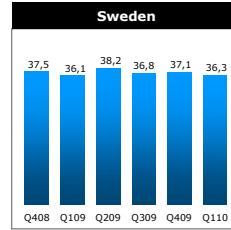
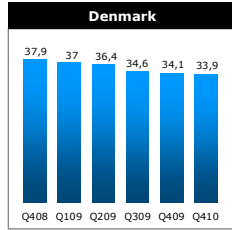
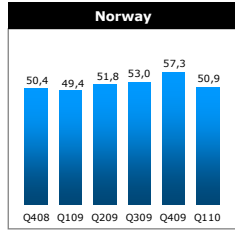
Net debt based on 100% figures



Telenor – First Quarter 2010

Appendix

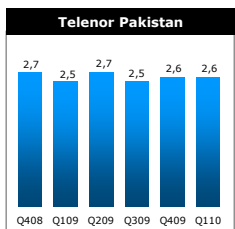
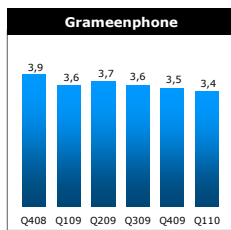
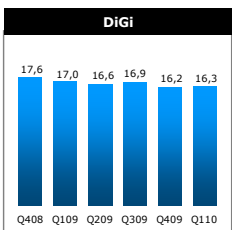
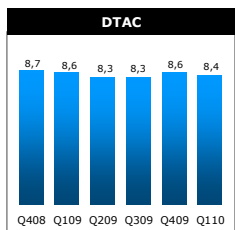
Mobile operations
ARPU development (USD)



FX as of 31.03.2010



Mobile operations
ARPU development (USD)

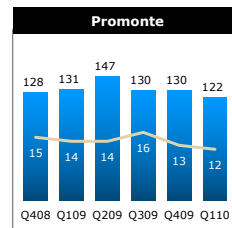
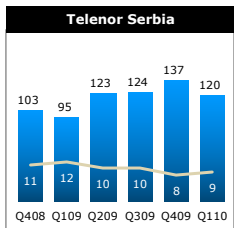
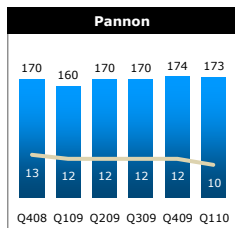
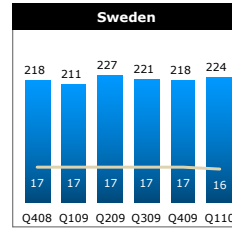
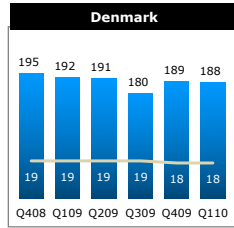
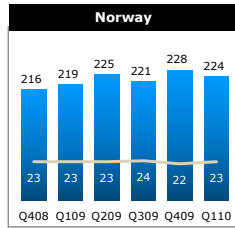


FX as of 31.03.2010



Mobile operations AMPU and APPM development

MoU — APPM (USD cent)

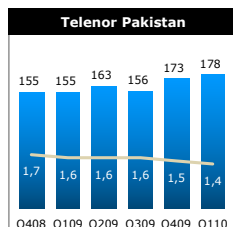
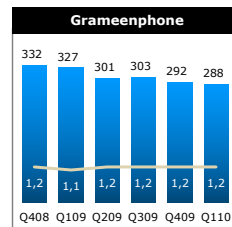
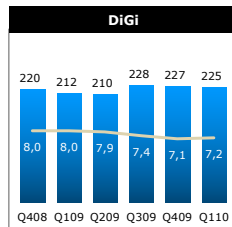
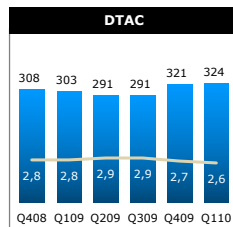


FX as of 31.03.2010



Mobile operations AMPU and APPM development

MoU — APPM (USD cent)

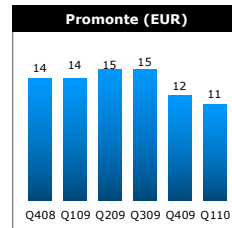
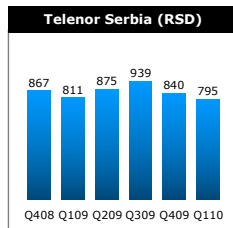
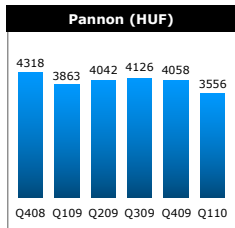
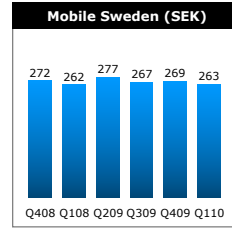
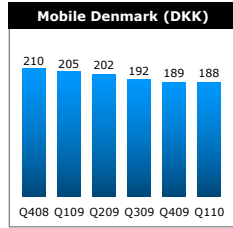
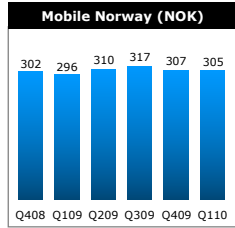


FX as of 31.03.2010



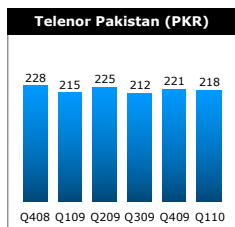
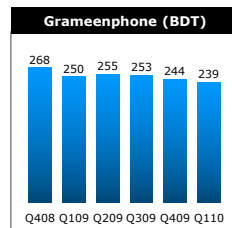
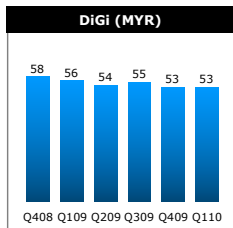
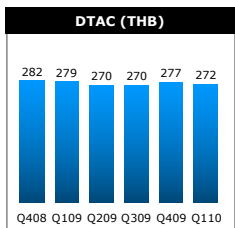
Mobile operations

ARPU development (local currency)



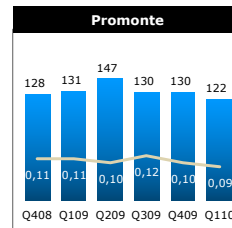
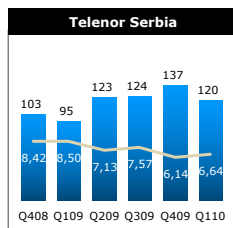
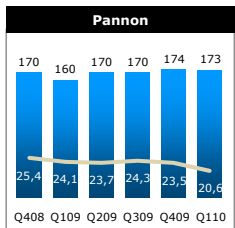
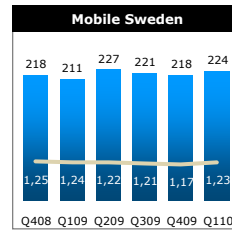
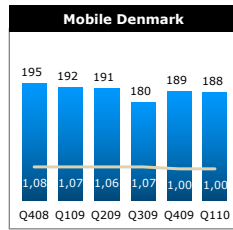
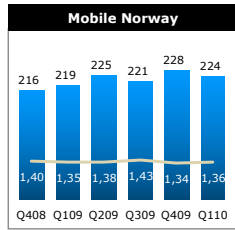
Mobile operations

ARPU development (local currency)



Mobile operations AMPU and APPM development

MoU — APPM (local currency)



Mobile operations AMPU and APPM development

MoU — APPM (local currency)

