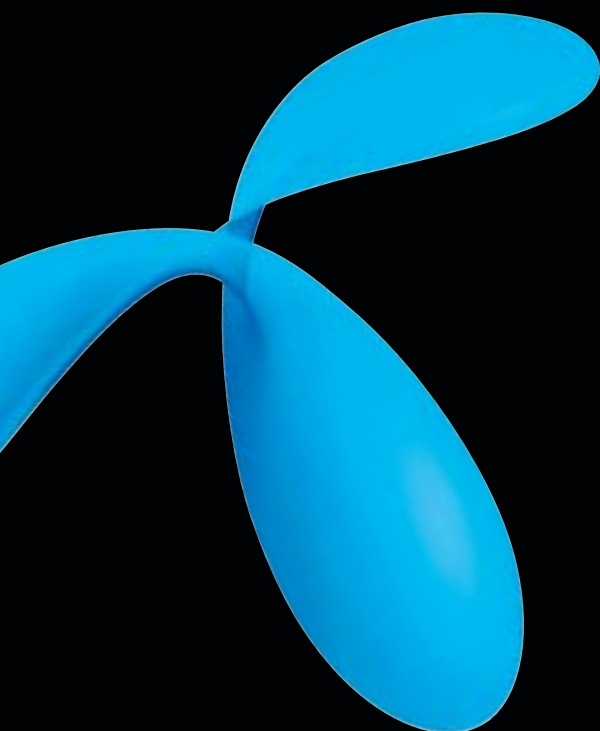


Q4 2007

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WORLD'S SEVENTH LARGEST MOBILE OPERATOR

HIGHLIGHTS FOURTH QUARTER 2007

Figures including Kyivstar:

- Underlying revenue growth of 12%
- EBITDA margin of 33%
- Earnings per share of NOK 3.49
- Proposed dividend per share of NOK 3.40 for 2007

“For the full year 2007, we continued to deliver high underlying revenue growth and upheld our market positions, in spite of challenging business conditions in several of our operations. The number of subscriptions in our mobile operations increased by 30 million, reaching 143 million, ranking Telenor as the world’s 7th largest mobile operator.

In November, the last remaining injunction against Kyivstar was lifted. The financial information from Kyivstar confirmed our earlier estimates. In the fourth quarter, Kyivstar continued its impressive performance with high revenue growth combined with solid EBITDA and cash flow margins.

In Norway, we are disappointed with the performance of our mobile operation in this quarter. The current cost base is not sustainable in today’s competitive market, thus cost efficiency measures will be implemented during 2008.

In Asia, we see continued high customer growth, in particular in Pakistan, where we added an impressive 2 million subscriptions during the quarter. At the same time revenues and EBITDA improved significantly. In October, DTAC in Thailand successfully adopted Telenor’s visual identity, and Telenor’s logo is now visible in markets covering around 400 million people.

Telenor will continue to develop customer friendly and innovative solutions. In all our markets we maintain our focus on sustainability to ensure positive local impact.”



Jon Fredrik Baksaas
President and CEO

KEY FIGURES *)

	4th quarter			Year		
	2007	2006	2006	2007	2006	2006
	Group	Proforma Group incl. Kyivstar	Unaudited	Group	Proforma Group incl. Kyivstar	Unaudited
(NOK in millions except earnings per share)						
Revenues	23 737	26 914	24 535	92 473	105 021	91 077
EBITDA before other income and expenses	7 062	8 831	8 186	28 984	36 358	32 992
EBITDA before other income and expenses/Revenues (%)	29.8	32.8	33.4	31.3	34.6	36.2
Adjusted operating profit	3 391	4 768	4 110	15 026	20 642	18 271
Adjusted operating profit/Revenues (%)	14.3	17.7	16.8	16.2	19.7	20.1
Profit after taxes and minority interests (Net income)	7 634	5 869	6 205	18 016	18 016	15 920
Earnings per share from total operations, basic, in NOK	4.54	3.49	3.69	10.72	10.72	9.44
Capex	6 014	7 084	6 095	19 477	22 079	19 036
Investments in businesses	447	447	20	6 041	6 041	22 124
Net interest-bearing liabilities				39 881		43 255

EXTRACT FROM OUTLOOK FOR 2008

Based on the group structure as of 31 December 2007, where Kyivstar is reported as an associated company, Telenor expects a reported revenue growth of around 5% with an EBITDA margin before other income and expenses above 31%. Capital expenditure, as a proportion of revenues, is expected to be around 20%.

Please refer to page 8 for the full outlook for 2008, and page 9 for definitions.

*) Kyivstar was deconsolidated and accounted for as an associated company from 29 December 2006. From the fourth quarter of 2007, after the last remaining injunction was lifted, Kyivstar resumed its financial reporting to Telenor. In the fourth quarter of 2007, the full year effect of Kyivstar’s figures is reflected in the line “Net result from associated companies”. Proforma figures for 2007, assuming Kyivstar was still consolidated, are included in the table.



TELENOR'S OPERATIONS

Unless otherwise stated, the statements below are related to Telenor's development in the fourth quarter of 2007 compared to the fourth quarter of 2006. Additional information is available at: www.telenor.com/ir

Kyivstar was deconsolidated from 29 December 2006, due to legal injunctions prohibiting Kyivstar's management from providing financial information to Kyivstar's international auditors and its shareholders, including Telenor. In response to the termination of the last of in all three barring injunctions by a Ukrainian court on 23 November 2007, Kyivstar is now providing Telenor with unaudited financial information. As a consequence of Alfa Group's continuing collusive litigation in Ukraine and its ongoing boycott of Kyivstar's board and shareholder meetings in defiance of an international arbitration award and two court orders, Telenor remains unable to consolidate Kyivstar's financial results. To restore corporate governance in Kyivstar, Telenor intends to continue its efforts to enforce the arbitration award and court orders against Alfa and its affiliates, including Storm and Altimo. In this respect, Telenor filed on 23 January 2008 a contempt motion with the federal Court in New York against Storm LLC, its two direct owner companies Alpren Ltd. and Hardlake Ltd., and Altimo Holdings and Investments Ltd. At the end of the fourth quarter of 2007, Telenor held 56.52% of the shares in Kyivstar, while the remaining 43.48% were held by Storm, an Alfa affiliate. Kyivstar has been accounted for as an associated company from 29 December 2006 and presented separately as Investment in Kyivstar in the balance sheet up until the fourth quarter of 2007, when the remaining injunction was lifted and Kyivstar resumed its financial reporting to Telenor. From the fourth quarter of 2007 Kyivstar is no longer presented on a separate line, but included in the line Associated companies.

NORWAY

Mobile – Norway

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	2 239	2 125	8 721	8 582
Interconnection revenues	454	452	1 838	1 815
Other mobile revenues	371	530	2 029	2 191
Non-mobile revenues	153	119	554	474
Total revenues	3 217	3 226	13 142	13 062
EBITDA	999	1 293	4 703	5 494
Operating profit	807	1 073	3 977	4 604
EBITDA/Total revenues (%)	31.1	40.1	35.8	42.1
Capex	402	272	1 102	764
Investments in businesses	181	-	181	-
No. of subscriptions (in thousands):				
– Change in quarter/Total	48	12	2 856	2 723
ARPU – monthly (NOK)	316	316	317	319

- The number of subscriptions increased by 48,000 during the quarter, of which 47,000 relate to the acquisition of Talkmore. The estimated market share remained stable at 53% compared to the previous quarter.
- ARPU remained stable driven by lower average prices, offset by increased average usage (AMPU).
- Total revenues remained stable. There was an underlying 4% increase in retail revenues after adjusting for new businesses, while wholesale revenues decreased mainly due to the Tele2 migration. The migration was close to 50% completed at the end of the fourth quarter.
- The decrease in EBITDA margin was mainly caused by loss of wholesale revenues, price reductions and increased costs related to personnel in addition to sales and marketing activities.
- Increased capital expenditure in the fourth quarter was due to license fee of NOK 93 million for additional frequencies on the 2.6 GHz band, in addition to investments to improve customer experience.
- Investments in businesses were related to the acquisitions of Talkmore and Smartphones.

Fixed – Norway

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Telephony	1 274	1 477	5 344	6 308
xDSL/Internet	659	611	2 566	2 339
Data services	198	209	802	827
Other	334	323	1 248	1 280
Total retail	2 465	2 620	9 960	10 754
Wholesale	1 326	1 247	5 228	5 070
Total revenues¹⁾	3 791	3 867	15 188	15 824
EBITDA	1 303	1 150	5 528	5 417
Operating profit	780	591	3 459	3 142
EBITDA/Total revenues (%)	34.4	29.7	36.4	34.2
Capex	548	528	1 906	1 732
Investments in businesses	-	87	-	88
No. of subscriptions – Change in quarter/ Total (in thousands):				
Telephony	(24)	(33)	1 385	1 480
– of which PSTN	(15)	(26)	894	965
– of which ISDN	(14)	(21)	360	413
– of which VoIP	5	14	131	102
xDSL	14	30	633	572

Fixed – Norway is part of 'Fixed' in Note 5.

- Telenor's estimated market share for telephony, measured in traffic minutes, was 62% and the estimated market share for xDSL in the retail market was 57%, both in line with the previous quarter.
- Total revenues decreased by 2%.
- Revenues from telephony decreased due to reduction in the number of subscriptions and lower traffic volumes per subscription. The declining trend in the number of PSTN/ISDN subscriptions has been reduced over the last four quarters.
- Revenues from xDSL/Internet increased due to growth in the number of xDSL subscriptions.
- Wholesale revenues increased mainly as a result of growth in the number of broadband subscriptions, leased lines and international interconnect and transit traffic, partially offset by price reductions.
- EBITDA increased mainly due to increased gross margin and decreased operating expenses, mainly related to reduced operation and maintenance activities and reduced number of man-years.
- Capital expenditure increased due to higher investments in network capacity and IT systems.

SWEDEN

Mobile – Sweden

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	1 099	1 083	4 433	4 007
Interconnection revenues	239	255	914	915
Other mobile revenues	97	118	461	436
Non-mobile revenues	177	161	656	540
Total revenues	1 612	1 617	6 464	5 898
EBITDA	363	326	1 407	1 108
Operating loss	(66)	(79)	(232)	(491)
EBITDA/Total revenues (%)	22.5	20.2	21.8	18.8
Capex	223	224	684	608
Investments in businesses	-	(241)	-	7 506
No. of subscriptions (in thousands):				
– Change in quarter/Total	2	25	1 855	1 733
ARPU – monthly (NOK)	239	260	248	251
Exchange rate			0.8682	0.8679

The table above includes figures from the time of consolidation, 5 January 2006.

- Subscription growth slowed down compared to previous quarters in 2007. The estimated market share was 18%.
- ARPU in local currency decreased by 2% mainly driven by the reduction in interconnect charges from 1 July 2007 and lower average prices (APPM).
- Total revenues in local currency increased by 5%, which was primarily related to a higher subscription base, increased usage (AMPU) and higher handset sales, partially offset by the reduction in ARPU.
- EBITDA margin increased mainly due to lower roaming charges. EBITDA in local currency increased by 7%.

Fixed – Sweden

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues	869	926	3 575	3 376
EBITDA	138	63	567	400
Operating loss	(224)	(145)	(264)	(219)
EBITDA/Total revenues (%)	15.9	6.8	15.9	11.8
Capex	106	114	507	582
Investments in businesses	(1)	3	149	540
No. of subscriptions – Change in quarter/				
Total (in thousands):				
Telephony	-	(2)	451	418
– of which PSTN	(12)	(16)	249	257
– of which VoIP	12	14	202	161
xDSL	-	20	475	403
LAN	2	7	183	172

Glocalnet is consolidated with effect from 1 March 2006, while Spray Telecom AB is consolidated from 1 January 2007. Fixed – Sweden is part of 'Fixed' in Note 5.

- The estimated market share for broadband in the consumer market was 25% at the end of the fourth quarter.
- Revenues in local currency decreased by 1.5% due to loss of two large contracts in the business and wholesale segments and price reductions on broadband and telephony services. This was partially offset by revenues from an increased number of broadband subscriptions.
- In the fourth quarter of 2006, EBITDA was negatively affected by termination of a rental contract of NOK 65 million.
- The increase in operating loss includes write-down of goodwill of NOK 195 million due to recognition of previously not recognised deferred tax assets.

DENMARK

- From 13 July 2007, Tele2 Denmark is consolidated with the mobile operation in Mobile – Denmark and the fixed operation in Fixed – Denmark.

Mobile – Denmark

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	796	693	3 041	2 638
Interconnection revenues	357	355	1 393	1 368
Other mobile revenues	72	162	477	628
Non-mobile revenues	241	263	939	967
Total revenues	1 466	1 473	5 850	5 601
EBITDA	301	378	1 470	1 380
Operating profit	76	87	593	252
EBITDA/Total revenues (%)	20.5	25.7	25.1	24.6
Capex	386	251	922	698
No. of subscriptions (in thousands):				
– Change in quarter/Total	13	56	1 680	1 398
ARPU – monthly (NOK)	228	255	239	252
Exchange rate			1.0770	1.0774

- The number of subscriptions increased by 13,000 during the quarter, while the estimated market share at the end of the quarter was 27%.
- ARPU in local currency decreased by 7% due to lower ARPU from Tele2 subscriptions, combined with interconnect regulation and reduced roaming prices.
- Total revenues in local currency increased by 3%. The consolidation of Tele2 and higher number of subscriptions are positively affecting revenues despite reduced roaming and interconnect prices and migration of the service provider Debitel during 2007.
- EBITDA margin declined because of the consolidation of the low margin business in Tele2, migration of Debitel and increased costs related to further 3G development and initiatives to improve distribution.
- Increased capital expenditure was related to higher investments in the 2G and 3G network.

Fixed – Denmark

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues	423	219	1 278	773
EBITDA	90	62	311	237
Operating loss	(1)	(49)	(24)	(30)
EBITDA/Total revenues (%)	21.3	28.3	24.3	30.7
Capex	103	60	269	209
Investments in businesses	6	-	602	-
No. of subscriptions – Change in quarter/				
Total (in thousands):				
xDSL	6	10	272	174
VoIP	8	11	99	63

Fixed – Denmark is part of 'Fixed' in Note 5.

- Total revenues in local currency almost doubled driven by the acquisition of Tele2 and growth in xDSL subscriptions. In Cybercity, revenues increased by 9%.
- The EBITDA margin declined because of the consolidation of the low margin business in Tele2.
- Higher capital expenditure was mainly related to extending the fixed network.



CENTRAL EASTERN EUROPE

Kyivstar – Ukraine

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	2 503	2 347	9 778	8 369
Interconnection revenues	668	616	2 566	2 312
Other mobile revenues	(11)	43	142	211
Non-mobile revenues	23	16	96	64
Total revenues	3 183	3 022	12 582	10 956
EBITDA	1 757	1 661	7 330	6 516
Operating profit	1 365	1 213	5 564	4 900
EBITDA/Total revenues (%)	55.2	55.0	58.3	59.5
Capex	1 070	1 039	2 602	3 631
No. of subscriptions (in thousands):				
– Change in quarter/Total	545	3 801	23 604	21 510
ARPU – monthly (NOK)	45	52	46	54
Exchange rate			1.1616	1.2694

The figures for Kyivstar for 2006 are consolidated in Telenor's group figures, while the figures for 2007 are included under associated companies in the fourth quarter of 2007. For further information, please see page 2.

- The number of subscriptions increased by 545,000 during the quarter and grew by 10% compared to last year.
- At the end of the fourth quarter Kyivstar maintained its strong position as market leader, with a market share of 42%.
- Despite strong competition, ARPU in local currency stabilised in line with the fourth quarter of 2006 mainly due to a 16% growth in average usage, offset by decline in average prices.
- Total revenues in local currency increased by 22% mainly due to the increased subscription base.
- In local currency, EBITDA increased by 23%, mainly driven by the higher revenues, while maintaining stable operating expenses.

Pannon – Hungary

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Subscription and traffic	1 026	1 030	4 106	3 809
Interconnection revenues	398	453	1 571	1 668
Other mobile revenues	22	30	119	133
Non-mobile revenues	117	134	346	341
Total revenues	1 563	1 647	6 142	5 951
EBITDA	590	517	2 458	2 205
Operating profit	424	197	1 727	1 068
EBITDA/Total revenues (%)	37.7	31.4	40.0	37.1
Capex	597	145	865	619
No. of subscriptions (in thousands):				
– Change in quarter/Total	157	172	3 377	3 153
ARPU – monthly (NOK)	145	161	148	154
Exchange rate			0.0319	0.0306

- The number of subscriptions increased by 157,000 during the quarter, while Pannon's market share remained stable at 33%.
- ARPU in local currency decreased by 9%, mainly due to reductions in interconnect and roaming fees.
- Measured in local currency, total revenues decreased by 3% due to the reduction in ARPU, partially offset by the higher subscription base.
- EBITDA in local currency increased by 18% mainly due to reversal of provisions in the fourth quarter of 2006 and 2007. Adjusted for this the EBITDA margin increased by 1 percentage point.

- Operating profit in local currency increased significantly mainly due to lower depreciation and amortization as a result of certain assets being fully depreciated and lower capital expenditure in the intervening quarters.
- Capital expenditure included the payment of approximately NOK 320 million for a 7.5 year extension of the GSM 900 licence.
- From 1 January 2008, the interconnect charges in Hungary were reduced as scheduled, one step further towards implementation of symmetrical prices between the operators from 1 January 2009.

Telenor – Serbia

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues	739	551	2 935	726
EBITDA	251	206	1 063	309
Operating profit	75	46	431	132
EBITDA/Total revenues (%)	34.0	37.4	36.2	42.6
Capex	144	114	686	163
Investments in businesses	-	1	-	11 981
No. of subscriptions (in thousands):				
– Change in quarter/Total	83	180	2 924	2 464
Exchange rate			0.1005	0.0956

Telenor Serbia is consolidated from 1 September 2006 and is part of 'Other mobile operations' in Note 5.

- The number of subscriptions increased by 83,000 during the quarter, maintaining the estimated market share close to 40%.
- Revenues increased by 30% in local currency, mainly due to the higher subscription base, but also as a result of higher interconnect rates, increased average usage and an increased share of contract subscriptions.
- The increased competitive market, following the entrance of the third operator, has resulted in higher costs related to sales and marketing activities contributing to a reduction in EBITDA margin.
- Capital expenditure is reduced compared to previous quarters, reflecting lower investments in network equipment and IT equipment.

Promonte – Montenegro

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues	165	148	763	612
EBITDA	48	65	337	307
Operating profit	8	24	184	151
EBITDA/Total revenues (%)	29.1	43.9	44.2	50.2
Capex	29	41	122	76
No. of subscriptions (in thousands):				
– Change in quarter/Total	(59)	(114)	422	365
Exchange rate			8.0255	8.0367

Promonte is part of 'Other mobile operations' in Note 5.

- The number of subscriptions decreased by 59,000 during the quarter mainly related to the end of the tourist season, while the number of subscriptions increased by 16% compared to last year.
- Promonte's market share has been reduced because of the entrance of the third operator.
- Revenues in local currency increased by 16% mainly due to higher interconnect fees and higher subscription base. The EBITDA margin decreased as a result of increased costs related to handsets and sales and marketing activities to meet the stronger competition.

ASIA

DTAC – Thailand

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	2 152	1 991	8 616	7 490
Interconnection revenues	694	39	2 770	146
Other mobile revenues	118	109	450	418
Non-mobile revenues	21	19	89	70
Total revenues	2 985	2 158	11 925	8 124
EBITDA	850	795	3 414	2 944
Operating profit	326	410	1 347	1 531
EBITDA/Total revenues (%)	28.5	36.8	28.6	36.2
Capex	717	737	2 111	2 450
Investments in businesses	7	-	7	116
No. of subscriptions (in thousands):				
– Change in quarter/Total	894	628	15 772	11 869
ARPU – monthly (NOK)	61	59	68	61
Exchange rate			0.1810	0.1689

At the end of the fourth quarter of 2007, Telenor's economic stake in DTAC was 65.5%.

- DTAC increased the number of subscriptions by close to 900,000 and is estimated to have held its market share at around 31%.
- Total revenues increased by 36% in local currency. This included interconnect revenues between DTAC and Advanced Info Service (AIS) and True Move. The revenue growth excluding interconnect was 6%, driven by subscription growth.
- EBITDA in local currency increased by 5%, while the EBITDA margin decreased mainly due to the introduction of the interconnect regime in February 2007.
- On 16 November 2007, TOT Public Company Limited (TOT) filed a civil lawsuit against CAT Telecom Public Company Limited (CAT) and DTAC to claim unpaid access charges of approximately NOK 2.1 billion for the period between 17 November 2006 and 31 October 2007, including default interest and VAT. The first hearing is expected in the first quarter of 2008. The claim is related to the Access Charge Agreement that has been terminated as prevailing regulations provide for interconnect.
- On 11 January 2008, CAT submitted a dispute to the Arbitration Institute for concession payments amounting to NOK 3.1 billion, together with penalties totalling NOK 4.0 billion. The dispute is still in the arbitration process, and the process of resolving these matters could take several years. Based on advice from legal counsel, DTAC believes that the arbitration will not have a material adverse effect on the financial position of the company.
- CAT has publicly been indicating interest in converting the existing concession agreement into a network rental agreement. If the conversion is approved, DTAC will likely benefit from having title and right to future network investments and receiving a telecom license. However, neither has a timeframe for such a conversion been set, nor has any conclusion been reached.

DiGi – Malaysia

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	1 719	1 488	6 554	5 453
Interconnection revenues	174	144	679	575
Other mobile revenues	23	8	85	82
Non-mobile revenues	18	59	112	263
Total revenues	1 934	1 699	7 430	6 373
EBITDA	959	824	3 581	2 945
Operating profit	667	497	2 453	1 835
EBITDA/Total revenues (%)	49.6	48.5	48.2	46.2
Capex	545	513	1 163	1 309
No. of subscriptions (in thousands):				
– Change in quarter/Total	292	(278)	6 409	5 312
ARPU – monthly (NOK)	99	96	101	94
Exchange rate			1.7030	1.7447

On 14 November 2007, Telenor reduced its ownership interest in DiGi from 61.0% to 50.8% through a book building process in order to comply with foreign equity restrictions in Malaysia.

- DiGi's subscription growth increased compared to earlier quarters, reaching 1.1 million net additions for the year 2007.
- ARPU measured in local currency increased by 12%, primarily due to higher outgoing traffic.
- Total revenues measured in local currency increased by 22% as a result of subscription growth, higher ARPU and a one-time adjustment related to revenue assurance activities of NOK 51 million.
- Measured in local currency, EBITDA increased by 24% mainly attributed by stronger revenue growth. EBITDA margin improved primarily due to lower costs of SIM cards, higher use of electronic reload and lower costs related to sales and marketing activities.
- On 25 January 2008, DiGi entered into a strategic alliance with Time dotCom Berhad (TdC), a company listed on the Malaysian Stock Exchange. The agreement between TdC and DiGi will, among other factors, entail a transfer of TdC's 3G licence to DiGi for a total consideration of 27.5 million new DiGi shares. After the transfer, Telenor will have a 49% ownership interest in DiGi. The transfer of the 3G licence is subject to regulatory approval and is expected to be completed during the first half of 2008.

Grameenphone – Bangladesh

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	1 058	1 106	4 203	3 920
Interconnection revenues	79	114	391	359
Other mobile revenues	3	4	13	18
Non-mobile revenues	5	5	15	17
Total revenues	1 145	1 229	4 622	4 314
EBITDA	551	724	2 122	2 516
Operating profit	292	520	1 239	1 836
EBITDA/Total revenues (%)	48.1	58.9	45.9	58.3
Capex	296	683	3 038	2 023
No. of subscriptions (in thousands):				
– Change in quarter/Total	1 338	1 355	16 483	10 759
ARPU – monthly (NOK)	24	41	28	44
Exchange rate			0.0849	0.0940

At the end of the fourth quarter of 2007, Telenor's ownership interest in Grameenphone was 62.0%.

- The number of subscriptions increased by 1.3 million during the quarter and by almost 6 million compared to last year.
- At the end of the fourth quarter, Grameenphone's estimated market share was 48%*).



- Grameenphone's results in the fourth quarter were generally influenced by flood, curfew and the cyclone SIDR.
- ARPU in local currency decreased by 30% primarily due to decreasing average prices and the reduction in interconnect prices.
- Measured in local currency, total revenues increased by 9% mainly due to subscription growth, partially offset by reduction in ARPU.
- The EBITDA margin decreased due to accruals between the quarters and higher sales and acquisition costs.
- Depreciation and amortization increased due to an increased asset base.
- Reduced capital expenditure was a result of higher investments in the intervening quarters, in accordance with overall network development plan.
- There has been a follow-up investigation from Bangladesh Telecom Regulatory Commission (BTRC) recently on Grameenphone's involvement in the issue on international call termination via Voice over IP business prior to February 2007. As a consequence of this investigation BTRC has filed a case against Grameenphone and some of the present and previous management. Grameenphone has further been requested to show cause under the Bangladesh Telecommunication Act as to the findings of BTRC before it considers appropriate measures. The ultimate consequence embedded in the law for any violation of the telecommunication act is suspension/cancellation of licence.
- BTRC requires mandatory re-registration of all customers who bought their subscription prior to 28 February 2006. The deadline has been postponed to 31 May 2008.

*) New methodology based on statistics from Bangladesh Telecommunication Regulatory Commission

Telenor - Pakistan

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Subscription and traffic	809	394	2 749	1 002
Interconnection revenues	173	83	610	275
Other mobile revenues	4	3	16	7
Non-mobile revenues	14	6	39	15
Total revenues	1 000	486	3 414	1 299
EBITDA	167	(47)	373	(328)
Operating loss	(70)	(183)	(362)	(777)
EBITDA/Total revenues (%)	16.7	nm	10.9	nm
Capex	1 354	847	3 989	2 653
No. of subscriptions (in thousands):				
– Change in quarter/Total	2 017	2 064	14 596	6 661
ARPU – monthly (NOK)	23	28	26	29
Exchange rate			0.0963	0.1061

Telenor Pakistan is part of 'Other mobile operations' in Note 5.

- Telenor Pakistan achieved the highest ever quarterly gross sales resulting in net additions of 2 million during the quarter.
- Telenor Pakistan's market share is estimated to have increased further reaching 19%.
- Despite high subscription growth, ARPU in local currency increased by 1% compared to the third quarter, mainly due to increased usage related to the festive season of Eid. Compared to the fourth quarter of 2006, ARPU decreased by 3% as increased average usage was more than offset by declining prices.
- Total revenues in local currency more than doubled mainly due to the increase in subscriptions.
- EBITDA in local currency continued to show a steady growth trend with a 17% increase over the previous quarter, achieving a positive EBITDA for the full year of 2007.
- Increased capital expenditure was related to a higher network roll-out pace to accommodate subscription growth and increased traffic.

BROADCAST

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
Canal Digital Group	1 496	1 356	5 765	5 197
Transmission & Encryption	530	332	1 860	1 280
Other/Eliminations	(128)	(33)	(488)	(168)
Total revenues	1 898	1 655	7 137	6 309
EBITDA				
Canal Digital Group	144	57	751	810
Transmission & Encryption	285	183	1 004	748
Other/Eliminations	(10)	20	(56)	32
Total EBITDA	419	260	1 699	1 590
Operating profit				
Canal Digital Group	61	(12)	502	563
Transmission & Encryption	173	97	615	413
Other/Eliminations	(17)	8	(76)	(10)
Total operating profit	217	93	1 041	966
EBITDA/Total revenues (%)	22.1	15.7	23.8	25.2
Capex	281	260	1 225	615
Investments in businesses	94	71	94	219
No. of subscriptions – Change in quarter/ Total (in thousands):				
DTH pay TV	(3)	14	932	943
Cable TV	4	5	705	696
Households in satellite master antenna TV networks	6	1	1 174	1 155
Cable TV Internet access	13	7	127	91

Conditional access systems, previously included in Other/Eliminations in the table above, are now included in Transmission & Encryption.

- Revenues in the Canal Digital Group increased primarily due to higher revenues from sales of additional services to subscribers, including hardware sales. The increase in EBITDA and EBITDA margin was mainly related to lower content costs per subscriber as the fourth quarter of 2006 included the effects of the renegotiated contract with SBS Broadcasting Group/Canal+.
- Revenues and EBITDA in Transmission & Encryption increased due to higher revenues from digital terrestrial TV (DTT) transmission related to the start up of DTT in Norway and increased sales of conditional access cards. The analogue transmission system shut off in Norway will start in March 2008.
- Capital expenditure was related to the DTT network in Norway, upgrade of the Norwegian cable TV network and projects in satellite transmission and IS systems.
- Investments in businesses were mainly related to the acquisition of 10% of the shares in Conax increasing the ownership share from 90% to 100%.
- Telenor acquired the Danish distribution rights for a number of sports events which among others include the Olympic Games, the World Championship in football and Tour de France.
- A new satellite, Thor 5, was launched 11 February 2008 and is expected to be in operation from the end of the first quarter of 2008.

OTHER UNITS

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Revenues				
EDB Business Partner	1 668	1 599	6 290	5 733
Venture	10	149	337	568
Corporate functions and Group activities	541	433	2 125	2 030
Other/eliminations	245	(1)	238	(57)
Total revenues	2 464	2 180	8 990	8 274
EBITDA				
EDB Business Partner	216	249	865	620
Venture	2	153	259	142
Corporate functions and Group activities	49	(251)	(305)	(549)
Other/eliminations	(69)	(137)	(330)	(262)
Total EBITDA	198	14	489	(49)
Operating profit (loss)				
EDB Business Partner	129	153	483	222
Venture	1	144	243	109
Corporate functions and Group activities	(47)	(371)	(683)	(943)
Other/eliminations	(85)	(147)	(376)	(278)
Total operating loss	(2)	(221)	(333)	(890)
Capex from continuing operations	288	200	904	738
Capex from discontinued operations	-	74	-	186
Investments in businesses	160	99	492	1 674

EDB Business Partner

- Revenues increased by 4%, mainly related to acquired businesses.
- On 9 January 2008, EDB entered into an agreement to purchase 100% of the shares in IS Partner AS from StatoilHydro ASA. The main customers for IS Partner are StatoilHydro and Hydro Aluminium.

Venture

- From 1 July 2007, Opplysningen is treated as an associated company.

Other

- Revenues in the fourth quarter of 2007 were mainly related to increased revenues from the partly-owned subsidiary Telenor Cinclus, a supplier of total solutions for automatic meter reading (AMR).
- In the fourth quarter of 2007, EBITDA was positively affected by gains on disposal of operations of approximately NOK 250 million.

OTHER COMMENTS FOR THE GROUP

SPECIFICATION OF OTHER INCOME AND EXPENSES

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
EBITDA	7 247	8 194	29 257	32 687
Gains on disposal of fixed assets and operations	(277)	(120)	(552)	(194)
Losses on disposal of fixed assets and operations	30	28	48	90
Workforce reductions and loss contracts	62	84	231	409
EBITDA before other income and expenses	7 062	8 186	28 984	32 992

- Gains on disposal of fixed assets and operations in the fourth quarter of 2007 were mainly related to the disposal of operations in Telenor Eiendom.

ASSOCIATED COMPANIES

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Telenor share of ¹⁾				
Profit after taxes	3 284	595	5 523	1 839
Amortization of Telenor's net excess values	(79)	(6)	(204)	(16)
Write-downs of Telenor's net excess values	-	169	-	158
Gains (losses) on disposal of ownership interests	1 098	366	1 143	372
Net result from associated companies	4 303	1 124	6 462	2 353

¹⁾ For certain associated companies, financial statements as of the Group's balance sheet date are not available. In such instances, the most recent financial statements (as of a date not more than three months prior to the Group's balance sheet date) are used, and estimates for the last period are made based on publicly available information. Actual figures may deviate from the preliminary figures. The consolidated Income statement contains only the line 'Net result from associated companies'. Glocalnet is included until 28 February 2006. Thereafter Glocalnet is consolidated as a subsidiary.

- At the end of the fourth quarter of 2007, Telenor's voting interest in VimpelCom in Russia was 29.9%, with a corresponding share of 33.6% of the common stock. The value of Telenor's share of the company, based on the quoted share price as of 31 December 2007, was NOK 78 billion. According to telecom analysts, VimpelCom had approximately 63 million mobile subscriptions at the end of the fourth quarter of 2007.
- On 2 October 2007, the sale of the ownership share in ONE was completed. The sales gain related to the transaction was NOK 1,070 million. Please see further information in Note 3.
- As a consequence of Kyivstar having resumed its financial reporting to Telenor, Kyivstar is included as an associated company using the equity method from the fourth quarter of 2007. The table above is therefore reflecting the full year effect of Kyivstar of NOK 2,295 million in this quarter. For further information, please see page 2.

FINANCIAL ITEMS

(NOK in millions)	4th quarter		Year	
	2007	2006	2007	2006
Financial income	194	526	568	903
Financial expenses	(730)	(442)	(2 690)	(2 306)
Net foreign currency gains (losses)	(71)	16	(208)	(301)
Change in fair value of financial instruments	198	624	856	1 293
Net gains (losses) and write-downs	10	74	(2)	1 878
Net financial items	(399)	798	(1 476)	1 467
Gross interest expenses	(724)	(701)	(2 650)	(2 555)
Net interest expenses	(575)	(243)	(2 256)	(1 811)

- The change in fair value of financial instruments was primarily related to derivatives used for economic hedges that do not fulfil the requirements for hedge accounting.

TAXES

- The annual tax rate for 2007 is 11%. The low tax percentage is mainly explained by associated companies, which are included on an after tax basis in profit before taxes, non-taxable capital gains and reversal of valuation allowances related to tax losses carried forward. Adjusted for these items, the underlying annual tax rate is 32%.

BALANCE SHEET

- The net interest bearing debt has decreased by NOK 0.4 billion to NOK 39.9 billion during the fourth quarter of 2007.
- Kyivstar has been accounted for as an associated company as from 29 December 2006 and was presented separately as Investment in Kyivstar in the balance sheet up until the fourth quarter of 2007, when the remaining injunction was lifted and Kyivstar resumed its financial reporting to Telenor. As from the fourth quarter 2007, Kyivstar is no



longer presented on a separate line, but included in the line associated companies. Comparative figures for 2006 and 2007 have been restated accordingly.

- The sale of One GmbH was completed 2 October 2007. This resulted in a reduction in Assets held for sale of NOK 0.3 billion.
- Translation differences increased equity in the fourth quarter of 2007 by NOK 0.8 billion, due to the depreciation of the Norwegian Krone compared to most of the functional currencies of Telenor's foreign subsidiaries and associated companies as of 31 December 2007, compared to 30 September 2007.

CASH FLOW

- Income taxes paid in fourth quarter 2006 include a cash inflow of NOK 2.4 billion related to the Sonofon tax case. In the fourth quarter of 2007, the jointly taxed Norwegian entities of Telenor made total income tax payments related to the 2006 tax year of approximately NOK 0.9 billion. The comparable fourth quarter of 2006 income tax payments in Norway were below NOK 0.1 billion.
- The line item "Change in other operating working capital assets and liabilities" in the fourth quarter of 2007 is partly explained by a negative development of NOK 0.8 billion in DTAC, primarily due to payment of a major part of the annual revenue share of NOK 1.5 billion.
- The line item "Sales of PPE, intangible assets and businesses" in the fourth quarter of 2007 includes NOK 2.7 billion from the sale of shares in DiGi.

OUTLOOK FOR 2008

Based upon the group structure as of 31 December 2007, where Kyivstar is reported as an associated company:

- We expect a reported revenue growth of around 5%.
- The EBITDA margin before other income and expenses is expected to be above 31%.
- We expect capital expenditure as a proportion of revenues to be around 20%, mainly driven by high subscription growth within our mobile operations in emerging markets.
- A growing share of Telenor's revenues and profits is derived from operations outside Norway. Currency fluctuations may to an increasing extent influence the reported figures in Norwegian Krone. Political risk, including regulatory conditions, may also influence the profits.

This report contains statements regarding the future in connection with Telenor's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the section 'Outlook for 2008' contains forward-looking statements regarding the Group's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Fornebu, 12 February 2008
The Board of Directors of Telenor ASA

DEFINITIONS

- Underlying growth is defined as revenue growth adjusted for the effects of acquisition and disposal of operations and currency effects.
- Capital expenditure (Capex) is investments in tangible and intangible assets.
- Investments in businesses comprise acquisitions of shares and participations, including acquisitions of subsidiaries and businesses not organised as separate companies.
- Operating cash flow is defined as EBITDA – Capex.

MOBILE OPERATIONS

Revenues

Subscription and traffic

- consist of subscription and connection fees, revenues from voice –outgoing airtime, non-voice traffic, outbound roaming and other mobile service revenues. Subscription and traffic includes only revenues from the company's own subscriptions.

Interconnection

- consist of revenues from incoming traffic. Revenues from incoming traffic related to service provider subscriptions are not included.

Other mobile

- consist of inbound roaming, national roaming and revenues related to service providers and MVNOs (Mobile Virtual Network Operators).

Non-mobile

- consist of revenues from customer equipment and businesses that are not directly related to mobile operations.

Key Figures

Subscriptions

Contract subscriptions are counted until the subscription is terminated.

Prepaid subscriptions are counted as active if there has been outgoing or incoming traffic or if the SIM card has been reloaded during the last three months. Service provider and MVNO subscriptions are not included. Data only SIM cards are included, but SIM cards used for telemetric applications are excluded. Telemetric is defined as machine-to-machine SIM cards (M2M), for example, vending machines and meter readings.

Average traffic minutes per subscription per month (AMPU)

Traffic minutes per subscription per month are calculated based on total outgoing and incoming rated minutes from the company's own subscriptions. This includes zero rated minutes and outgoing minutes from own subscriptions while roaming. Outgoing and incoming minutes related to inbound roaming, national roaming, service providers and MVNOs are not included.

Average revenue per subscription per month (ARPU)

ARPU is calculated based on mobile revenues from the company's own subscriptions, divided by the average number of subscriptions for the relevant period.

Mobile revenues from company's own subscriptions

- consist of 'Subscription and traffic' and 'Interconnection revenues' and do not include revenues from inbound roaming, national roaming, service providers, MVNOs, sale of customer equipment and incoming traffic related to service provider subscriptions.

FIXED – NORWAY

Revenues

Telephony

- consist of subscription and connection fee, traffic (fixed to fixed, fixed to mobile, to other countries, value added services, other traffic) for PSTN/ISDN and Voice over Internet Protocol (VoIP).

xDSL/Internet

- consist of subscription fee for xDSL and Internet and traffic charges for Internet traffic (810/815).

Data services

- consist of Nordicom, Frame relay and IP-VPN.

Other

- consist of leased lines, managed services and other retail products.

Wholesale

- consist of sale to service providers of telephony (PSTN/ISDN) and xDSL, national and international interconnect, transit traffic, leased lines, other wholesale products and contractor services.

BROADCAST

Revenues

Canal Digital Group

- consist of revenues from pay TV subscribers and basic tier households on DTH (direct to home), cable TV subscribers, households in SMATV networks and DTT (Digital terrestrial TV) pay TV subscribers.

Transmission & Encryption

- consist of revenues from satellite services from satellite position 1-degree west, and revenues from terrestrial radio and TV transmission in Norway and revenues from conditional access systems.

Other

- consist of revenues not directly related to the Canal Digital Group and Transmission & Encryption..

CONDENSED INTERIM FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT

Telenor Group

	4th quarter		Year	
	2007 Group	2006 Unaudited Group	2007 Group	2006 Unaudited Group
(NOK in millions except earnings per share)				
Revenues	23 737	24 535	92 473	91 077
Costs of materials and traffic charges	6 689	6 165	25 965	22 605
Own work capitalized	(248)	(192)	(651)	(611)
Salaries and personnel costs	3 354	3 227	12 474	11 738
Other operating expenses	6 880	7 149	25 701	24 353
Other (income) and expenses	(185)	(8)	(273)	305
EBITDA	7 247	8 194	29 257	32 687
Depreciation and amortization	3 671	4 076	13 958	14 721
Write-downs	241	138	314	258
Operating profit	3 335	3 980	14 985	17 708
Associated companies	4 303	1 124	6 462	2 353
Net financial items	(399)	798	(1 476)	1 467
Profit before taxes	7 239	5 902	19 971	21 528
Taxes	730	1 074	(2 168)	(3 148)
Profit from continuing operations	7 969	6 976	17 803	18 380
Profit (loss) from discontinued operations	-	38	1 400	155
Profit from total operations	7 969	7 014	19 203	18 535
Attributable to:				
Non-controlling interests (Minority interests)	335	809	1 187	2 615
Equity holders of Telenor ASA (Net income)	7 634	6 205	18 016	15 920
Earnings per share in NOK				
From continuing operations:				
Basic	4.54	3.67	9.89	9.35
Diluted	4.54	3.67	9.88	9.35
From total operations:				
Basic	4.54	3.69	10.72	9.44
Diluted	4.54	3.69	10.71	9.44

CONSOLIDATED BALANCE SHEET

Telenor Group

(NOK in millions)	31 December 2007	30 September 2007	31 December 2006
Deferred tax assets	2 771	1 523	1 848
Goodwill	29 672	29 112	30 583
Intangible assets	26 476	25 031	27 331
Tangible assets	48 974	47 651	46 093
Associated companies	20 425	17 270	13 585
Other financial assets	3 040	2 846	3 068
Total non-current assets	131 358	123 433	122 508
Accounts receivable	10 711	9 780	8 787
Other current assets	11 400	10 794	9 824
Assets held for sale	-	309	2 119
Other liquid assets	522	507	510
Cash and cash equivalents	6 841	8 228	4 628
Total current assets	29 474	29 618	25 868
Total assets	160 832	153 051	148 376
Shareholders' equity	68 797	58 487	57 993
Minority interests	5 858	5 595	4 735
Total equity and minority interests	74 655	64 082	62 728
Pension obligations	2 251	2 212	2 350
Deferred tax liabilities	3 744	3 666	4 305
Other provisions	1 079	1 008	989
Provisions	7 074	6 886	7 644
Non-current interest-bearing liabilities	39 725	39 592	39 509
Non-current non-interest-bearing liabilities	1 074	1 305	702
Total non-current liabilities	40 799	40 897	40 211
Current interest-bearing liabilities	7 524	9 430	9 952
Accounts payable	8 044	8 259	7 114
Current non-interest-bearing liabilities	22 736	23 497	20 005
Current non-interest-bearing liabilities (held for sale)	-	-	722
Total current liabilities	38 304	41 186	37 793
Total equity and liabilities	160 832	153 051	148 376
Equity ratio including minority interests (%)	46.4	41.9	42.3

Kyivstar is included in the line Associated companies in the balance sheet. In previous quarterly reports in 2007 Kyivstar has been presented on a separate line in the balance sheet as Investment in Kyivstar.



CONSOLIDATED CASH FLOW STATEMENT

Telenor Group

	4th quarter		Year	
	2007 Group	2006 Unaudited Group	2007 Group	2006 Unaudited Group
(NOK in millions except earnings per share)				
Profit before taxes and minority interests	7 239	5 952	20 237	21 764
Income taxes paid	(1 489)	1 351	(3 187)	(357)
Net (gains) losses, including write-downs and change in fair value of financial items	(454)	(791)	(1 359)	(3 277)
Depreciation, amortization and write-downs	3 912	4 283	14 333	15 241
Profit and loss from associated companies	(4 303)	(1 126)	(6 467)	(2 362)
Dividends received from associated companies	-	27	643	113
Difference between pension costs and pensions payments	(7)	(101)	42	(166)
Currency (gains) losses not related to operating activities	95	(59)	168	219
Change in other operating working capital assets and liabilities	(1 603)	(459)	(714)	(534)
Net cash flows from operating activities	3 390	9 077	23 696	30 641
Purchases of property, plant and equipment (PPE) and intangible assets	(5 750)	(5 751)	(19 063)	(19 224)
Purchases of subsidiaries and associated companies, net of cash acquired	(393)	(203)	(5 942)	(21 964)
Sales of PPE, intangible assets and businesses, net of cash disposed	4 923	582	8 423	1 171
Sales and purchases of other investments	43	1 391	740	3 522
Net cash flows from investing activities	(1 177)	(3 981)	(15 842)	(36 495)
Proceeds from and repayments of interest-bearing liabilities	(2 884)	(13 181)	(594)	12 578
Proceeds from issuance of shares, including from minorities in subsidiaries	(8)	19	538	110
Share buy-back	(397)	(89)	(440)	(953)
Dividends paid and repayment of equity to minority interests in subsidiaries	(405)	(311)	(919)	(976)
Dividends paid to shareholders of Telenor ASA	-	-	(4 201)	(3 389)
Net cash flows from financing activities	(3 694)	(13 562)	(5 616)	7 370
Effects of exchange rate changes on cash and cash equivalents	94	(190)	(319)	(179)
Reclassified cash and cash equivalents to Investment in Kyivstar	-	(3 221)	-	(3 221)
Net change in cash and cash equivalents	(1 387)	(11 877)	1 919	(1 884)
Cash and cash equivalents at the beginning of the period	8 228	16 799	4 922	6 806
Cash and cash equivalents at the end of the period	6 841	4 922	6 841	4 922
Of which cash and cash equivalents in discontinued operations at the end of the period	-	294	-	294
Cash and cash equivalents at the end of the period in continuing operations	6 841	4 628	6 841	4 628

Cash flows from Kyivstar are included in the 2006 figures.
The statement includes discontinued operations prior to their disposal.

	4th quarter		Year	
	2007 Group	2006 Unaudited Group	2007 Group	2006 Unaudited Group
(NOK in millions except earnings per share)				
Net cash flows from operating activities	-	220	192	485
Net cash flows from investing activities	-	(72)	(82)	(197)
Net cash flows from financing activities	-	(3)	-	(3)

The cash flows ascribed to discontinued operations are only cash flows from external transactions. Hence, the cash flows presented for discontinued operations do not reflect these operations as if they were stand alone entities.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Telenor Group

(NOK in millions)	Attributable to equity holders of Telenor ASA				Total	Minority interest	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences			
Balance as of 31 December 2005	25 157	3 078	18 256	(92)	46 399	7 134	53 533
Translation differences	-	-	-	1 672	1 672	(204)	1 468
Business combinations and increased ownership interests in subsidiaries	-	(25)	-	-	(25)	-	(25)
Available-for-sale investments	-	(1 741)	-	-	(1 741)	(6)	(1 747)
Cash flow hedges	-	(38)	-	-	(38)	(11)	(49)
Tax on items taken directly to or transferred from equity	-	(8)	-	31	23	3	26
Net income (loss) recognized directly in equity	-	(1 812)	-	1 703	(109)	(218)	(327)
Profit for the year 2006 excl. Kyivstar	-	-	13 998	-	13 998	1 097	15 095
Profit from Kyivstar ^{*)}	-	-	1 922	-	1 922	1 518	3 440
Total recognized income and expense for the period^{*)}	-	(1 812)	15 920	1 703	15 811	2 397	18 208
Dividends	-	-	(3 389)	-	(3 389)	(287)	(3 676)
Share buy back	(901)	-	-	-	(901)	(28)	(929)
Sale of shares, share issue, and share options to employees	104	11	-	-	115	15	130
Equity adjustments in associated companies	-	(42)	-	-	(42)	-	(42)
Transactions with minorities in subsidiaries	-	-	-	-	-	(844)	(844)
Reclassification to investment in Kyivstar ^{*)}	-	-	-	-	-	(3 652)	(3 652)
Balance as of 31 December 2006	24 360	1 235	30 787	1 611	57 993	4 735	62 728
Translation differences	-	-	-	(5 026)	(5 026)	(145)	(5 171)
Business combinations and increased ownership interests in subsidiaries	-	7	-	-	7	-	7
Available-for-sale investments:							
– Valuation gains (losses) taken to equity	-	25	-	-	25	(1)	24
– Transferred to profit or loss on sale	-	(8)	-	-	(8)	-	(8)
Cash flow hedges:							
– Valuation gains (losses) taken to equity	-	(4)	-	-	(4)	4	-
Tax on items taken directly to or transferred from equity	-	10	-	(425)	(415)	(1)	(416)
Net income (loss) recognized directly in equity	-	30	-	(5 451)	(5 421)	(143)	(5 564)
Profit for the period	-	-	18 016	-	18 016	1 187	19 203
Total recognized income and expenses for the period	-	30	18 016	(5 451)	12 595	1 044	13 639
Dividends	-	-	(4 202)	-	(4 202)	(919)	(5 121)
Share buy back	(442)	-	-	-	(442)	(29)	(471)
Sale of shares, share issue, and share options to employees	31	10	-	-	41	14	55
Equity adjustments in associated companies	-	169	-	-	169	-	169
Transactions with minorities in subsidiaries	-	2 643	-	-	2 643	1 013	3 656
Balance as of 31 December 2007	23 949	4 087	44 601	(3 840)	68 797	5 858	74 655

^{*)} Unaudited



NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 – GENERAL ACCOUNTING PRINCIPLES

Telenor (the Group) consists of Telenor ASA (the Company) and its subsidiaries. Telenor ASA is a limited company, incorporated in Norway. The condensed consolidated interim financial statements consist of the Group and the Group's interest in associated companies and joint ventures.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2006.

NOTE 2 – BUSINESS COMBINATIONS

IS Partner AS

On 9 January 2008, EDB Business Partner announced the acquisition of 100% of the issued share capital of IS Partner AS. The enterprise value of the business combination is estimated to NOK 1,192 million. The value was set based on fair value after negotiations between the parties and was completed 11 February 2008. The transaction is not included in the financial statement of 31 December 2007 and will be accounted for by the acquisition method of accounting. The transaction was approved by the Norwegian Competition Authority 31 January 2008.

IS Partner AS offers outsourcing of IT services to business customers.

The initial purchase price allocation, which will be performed by independent financial experts, has not been completed as of 13 February 2008. It is impracticable to provide figures of the fair values of assets acquired and liabilities assumed because of the short period between the approval by Norwegian Competition Authority and the time of the publication of the fourth quarter of 2007.

NOTE 5 – SEGMENT TABLE AND RECONCILIATION OF EBITDA

Fourth quarter

(NOK in millions)	Total revenues			of which internal	
	2007	Unaudited 2006	Growth	2007	Unaudited 2006
Mobile – Norway	3 217	3 226	(0.3%)	209	215
Mobile – Sweden	1 612	1 617	(0.3%)	27	42
Mobile – Denmark	1 466	1 473	(0.5%)	65	63
Fixed	5 072	4 967	2.1%	536	460
Kyivstar – Ukraine	3 183	3 022	5.3%	6	3
Pannon – Hungary	1 563	1 647	(5.1%)	12	6
DTAC – Thailand	2 985	2 158	38.3%	16	11
DiGi – Malaysia	1 934	1 699	13.8%	2	1
Grameenphone – Bangladesh	1 145	1 229	(6.8%)	1	-
Other mobile operations	1 904	1 185	60.7%	25	10
Broadcast	1 898	1 655	14.7%	29	52
Other operations	2 464	2 180	13.0%	602	555
Eliminations	(1 529)	(1 523)	-	(1 530)	(1 418)
Operating segments	26 914	24 535	9.7%	-	-
Kyivstar reclassified as associated company	3 177				
Group	23 737				

Year

(NOK in millions)	Total revenues			of which internal	
	2007	Unaudited 2006	Growth	2007	Unaudited 2006
Mobile – Norway	13 142	13 062	0.6%	852	959
Mobile – Sweden	6 464	5 898	9.6%	149	159
Mobile – Denmark	5 850	5 601	4.4%	220	196
Fixed	19 995	19 874	0.6%	2 066	1 919
Kyivstar – Ukraine	12 582	10 956	14.8%	34	9
Pannon – Hungary	6 142	5 951	3.2%	35	14
DTAC – Thailand	11 925	8 124	46.8%	50	36
DiGi – Malaysia	7 430	6 373	16.6%	6	6
Grameenphone – Bangladesh	4 622	4 314	7.1%	1	1
Other mobile operations	7 112	2 637	169.7%	95	23
Broadcast	7 137	6 309	13.1%	143	164
Other operations	8 990	8 274	8.7%	2 432	2 463
Eliminations	(6 370)	(6 296)	-	(6 083)	(5 949)
Operating segments	105 021	91 077	15.3%	-	-
Kyivstar reclassified as associated company	12 548				
Group	92 473				

*1) The segment profit is EBITDA.

NOTE 3 – DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

ONE

Telenor's ownership interest in One GmbH in Austria was 17.45%. The carrying amount of One GmbH was reclassified to Assets held for sale at 1 July 2007 due to the announcement of Telenor's intention to sell. The transaction was completed on 2 October 2007 for a cash consideration of NOK 1,573 million and resulted in a non-taxable gain of NOK 1,070 million in the fourth quarter of 2007.

NOTE 4 – EVENTS AFTER THE BALANCE SHEET DATE

Lillian Acquisition Inc (100% owned by VimpelCom) announced on 18 January 2008 its tender offer for 100% of the outstanding shares in Golden Telecom Inc for USD 105 per share in cash. At the balance sheet date Telenor owned 18.3% of Golden Telecom and had 33.6% of the economic interest and 29.9% of the voting interest in VimpelCom. Telenor has tendered all its shares in Golden Telecom Inc, pursuant to Lillian Acquisition's tender. A sale of Golden Telecom to VimpelCom will give Telenor a cash consideration of USD 774 million.

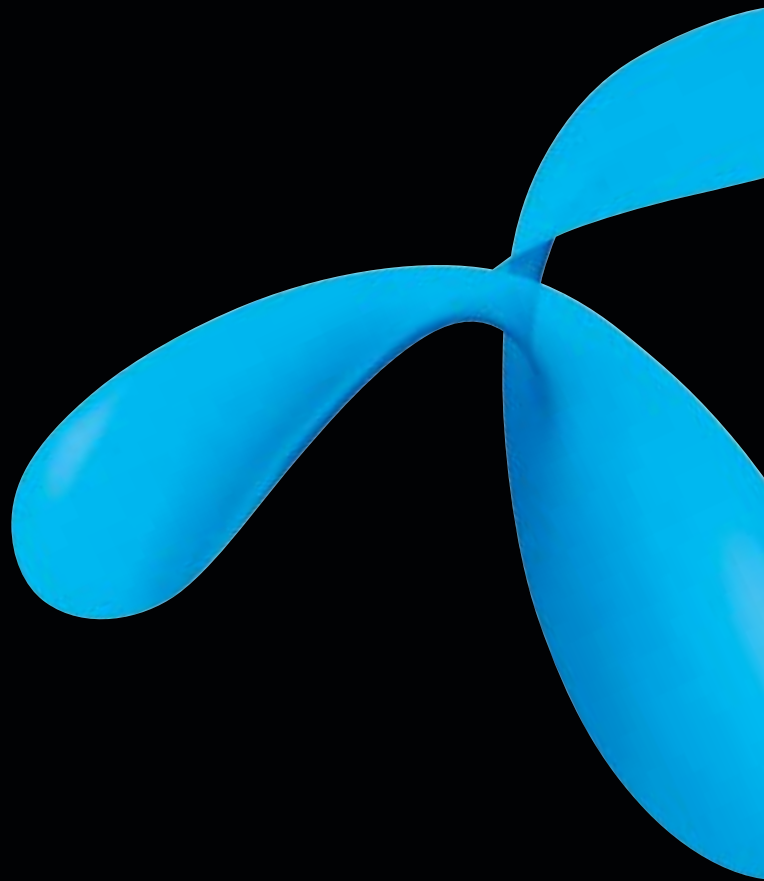
EBITDA *)				Operating profit (loss)			
Unaudited		Unaudited		Unaudited		Unaudited	
2007	Margin	2006	Margin	2007	Margin	2006	Margin
999	31.1%	1 293	40.1%	807	25.1%	1 073	33.3%
363	22.5%	326	20.2%	(66)	nm	(79)	nm
301	20.5%	378	25.7%	76	5.2%	87	5.9%
1 530	30.2%	1 269	25.5%	554	10.9%	391	7.9%
1 757	55.2%	1 661	55.0%	1 365	42.9%	1 213	40.1%
590	37.7%	517	31.4%	424	27.1%	197	12.0%
850	28.5%	795	36.8%	326	10.9%	410	19.0%
959	49.6%	824	48.5%	667	34.5%	497	29.3%
551	48.1%	724	58.9%	292	25.5%	520	42.3%
466	24.5%	224	18.9%	13	0.7%	(113)	nm
419	22.1%	260	15.7%	217	11.4%	93	5.6%
198	8.0%	14	0.6%	(2)	nm	(221)	nm
16	-	(91)	-	22	-	(88)	-
8 999	33.4%	8 194	33.4%	4 695	17.4%	3 980	16.2%
1 752				1 360			
7 247	30.5%			3 335	14.0%		

EBITDA *)				Operating profit (loss)				Assets as of	
Unaudited		Unaudited		Unaudited		Unaudited		2007	2006
2007	Margin	2006	Margin	2007	Margin	2006	Margin		
4 703	35.8%	5 494	42.1%	3 977	30.3%	4 604	35.2%	8 337	8 737
1 407	21.8%	1 108	18.8%	(232)	nm	(491)	nm	10 264	11 818
1 470	25.1%	1 380	24.6%	593	10.1%	252	4.5%	23 117	22 571
6 407	32.0%	6 066	30.5%	3 172	15.9%	2 901	14.6%	40 757	39 090
7 330	58.3%	6 516	59.5%	5 564	44.2%	4 900	44.7%	16 388	13 984
2 458	40.0%	2 205	37.1%	1 727	28.1%	1 068	17.9%	9 482	10 672
3 414	28.6%	2 944	36.2%	1 347	11.3%	1 531	18.8%	20 834	17 912
3 581	48.2%	2 945	46.2%	2 453	33.0%	1 835	28.8%	6 952	7 895
2 122	45.9%	2 516	58.3%	1 239	26.8%	1 836	42.6%	6 840	6 004
1 773	24.9%	288	10.9%	253	3.6%	(494)	nm	28 821	23 450
1 699	23.8%	1 590	25.2%	1 041	14.6%	966	15.3%	14 718	13 781
489	5.4%	(49)	nm	(333)	nm	(890)	nm	124 083	121 705
(294)	-	(316)	-	(280)	-	(310)	-	(139 819)	(140 020)
36 559	34.8%	32 687	35.9%	20 521	19.5%	17 708	19.4%	170 774	157 599
7 302				5 536				9 942	9 225
29 257	31.6%			14 985	16.2%			160 832	148 374



NOTE 5 – SEGMENT TABLE AND RECONCILIATION OF EBITDA (CONT.)

	4th quarter		Year	
	2007 Group	2006 Unaudited Group	2007 Group	2006 Unaudited Group
(NOK in millions)				
Profit from total operations	7 969	7 014	19 203	18 535
Profit (loss) from discontinued operations	-	38	1 400	155
Profit from continuing operations	7 969	6 976	17 803	18 380
Taxes	730	1 074	(2 168)	(3 148)
Profit before taxes	7 239	5 902	19 971	21 528
Net financial items	(399)	798	(1 476)	1 467
Associated companies	4 303	1 124	6 462	2 353
Depreciation and amortization	3 671	4 076	13 958	14 721
Write-downs	241	138	314	258
EBITDA	7 247	8 194	29 257	32 687
Kyivstar reclassified as associated company	1 752		7 302	
EBITDA Operating segments	8 999		36 559	





FOURTH QUARTER 2007

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