

welcome to capital markets day 2005



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Kyivstar

Per Widerström, COO
djuice powers into Ukraine

Ukraine – 2nd largest country in Europe & strong economic growth

- Population: 47.2 million
- Population per sq KM: 78
- Population in Urban areas: 68.5%
- GDP per head: 5,930 (US\$ PPP)
- Real GDP growth 2004: 12.0%
- Fixed line penetration (2003): 23%



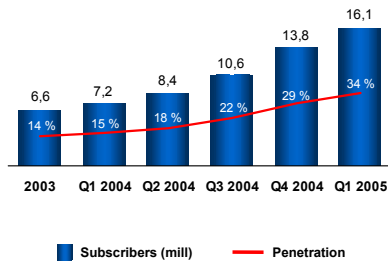
Source:
1) EIU (Economist Intelligence Unit)
2) ITU (International Telecom Unit)



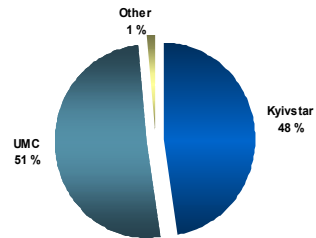
The Ukrainian market

CMD05

Subscriber development



Market share (Q105)



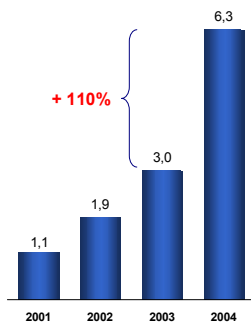
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telenor

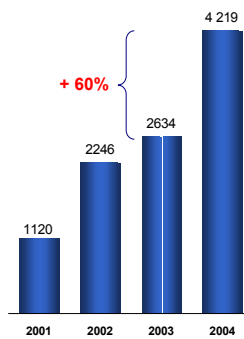
Kyivstar financial performance 2001-2004

CMD05

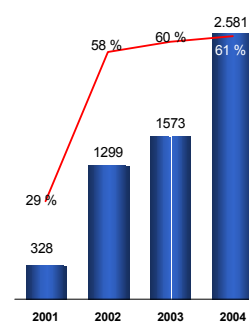
No of subs. (millions)



Revenues (MNOK)



EBITDA (MNOK) / Margin (%)



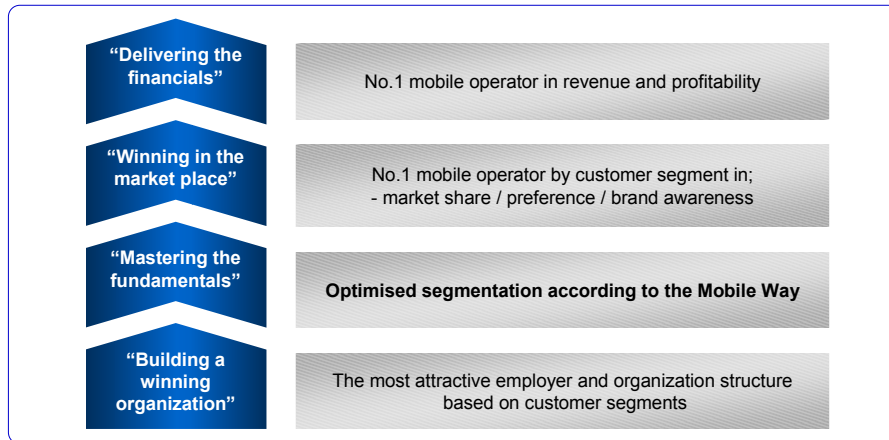
*Figures for 2001 and 2002 are based on Kyivstar's official reports converted to NOK (100% figures)

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Strategic roadmap & goals 2005-07

CMD05



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Introducing djuice in Ukraine Segmentation according to the Mobile Way

CMD05



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djuice

Western-branded offering to Western-oriented youth

- Going after the fastest growing segment
- Creating community effects
- No.1 in core target group (17 - 24 years) by end 2005



Subs / Revenues



djuice

The offering

- Competitive on-net price offerings to build critical mass rapidly
- Free pack distribution very effective
- Tariff level key for customer acquisition – low customer acquisition cost

djuice Price structure ¹⁾

| | Launch | March 1st | |
|--------------------|--------------------|-----------|--|
| On-net Voice | 0.00 | 0.45 | } "Djuice Night" ³⁾ 24.00-06.00 |
| On-net SMS | 0.01 ²⁾ | 0.25 | |
| Kyivstar | 1.00 | 1.00 | |
| Other operators | 1.50 | 1.50 | |
| PSTN | | 1.50 | |
| Call set up charge | 0,27 | 0,27 | |

¹⁾ All prices in UAH

²⁾ 0,25 from February 1st

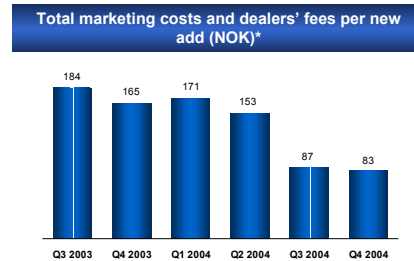
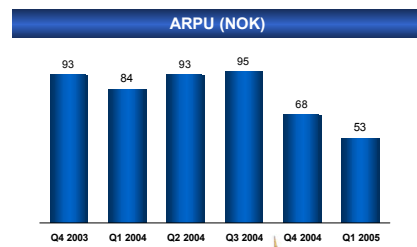
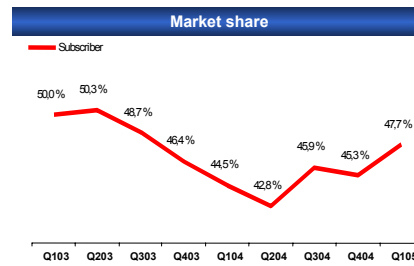
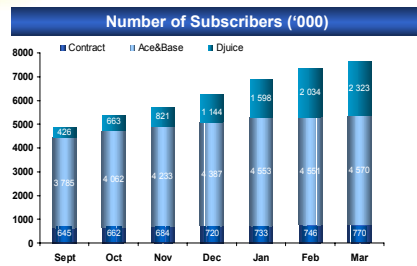
³⁾ "Bolt on" service – activation fee UAH 10



What are the results 7 months after launch?



Results 7 months after launch



*Source: Kyivstar annual report recalculated into NOK by using quarterly average exchange rate



Key focus areas

CMD05

- Secure attractive ARPU levels
- Maintain low customer acquisition cost
- Ensure loyal djuice customers
- Continued high hit rate (65%) in acquiring target group customers

*The preferred youth
mobile brand*

djuice

Subs /
Revenues

