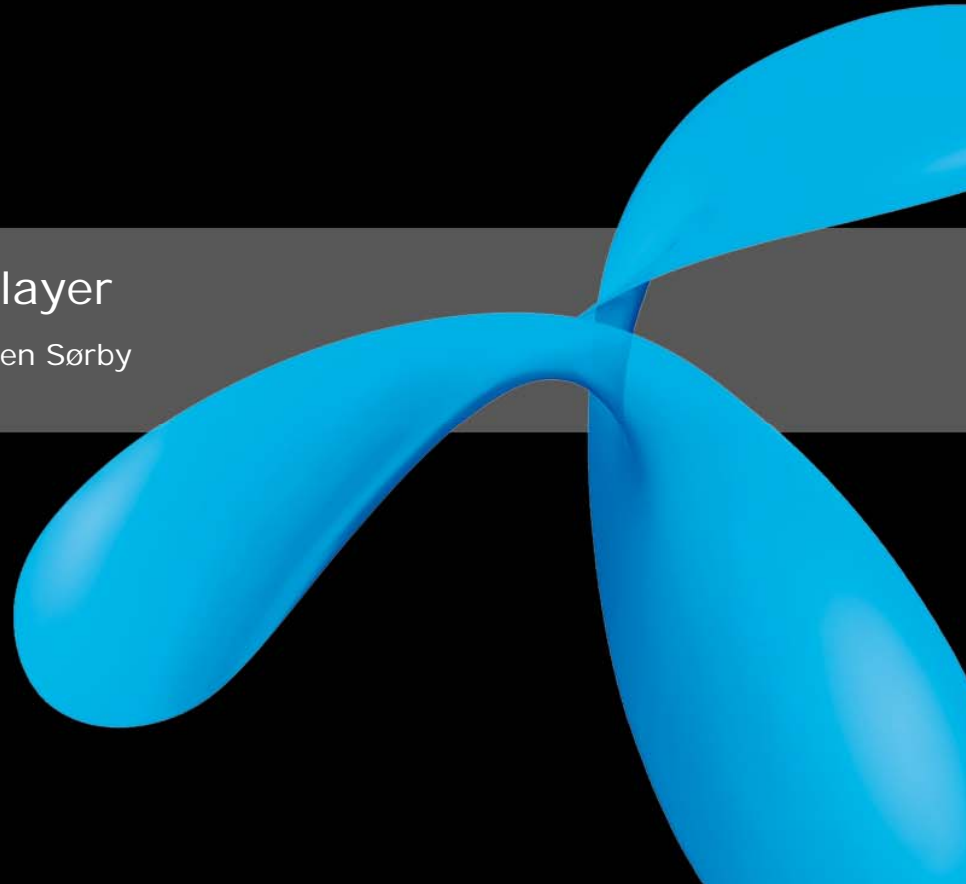


telenor

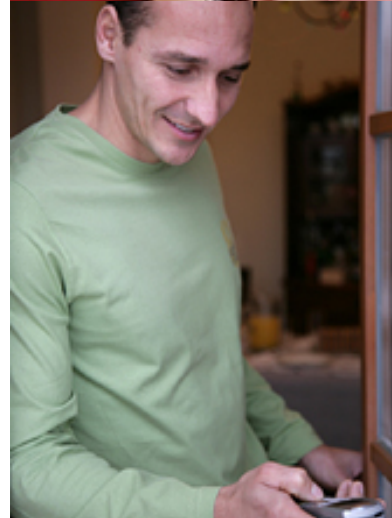
## Creating a Strong Nordic Player

Head of Nordic Operations - Morten Karlsen Sørby

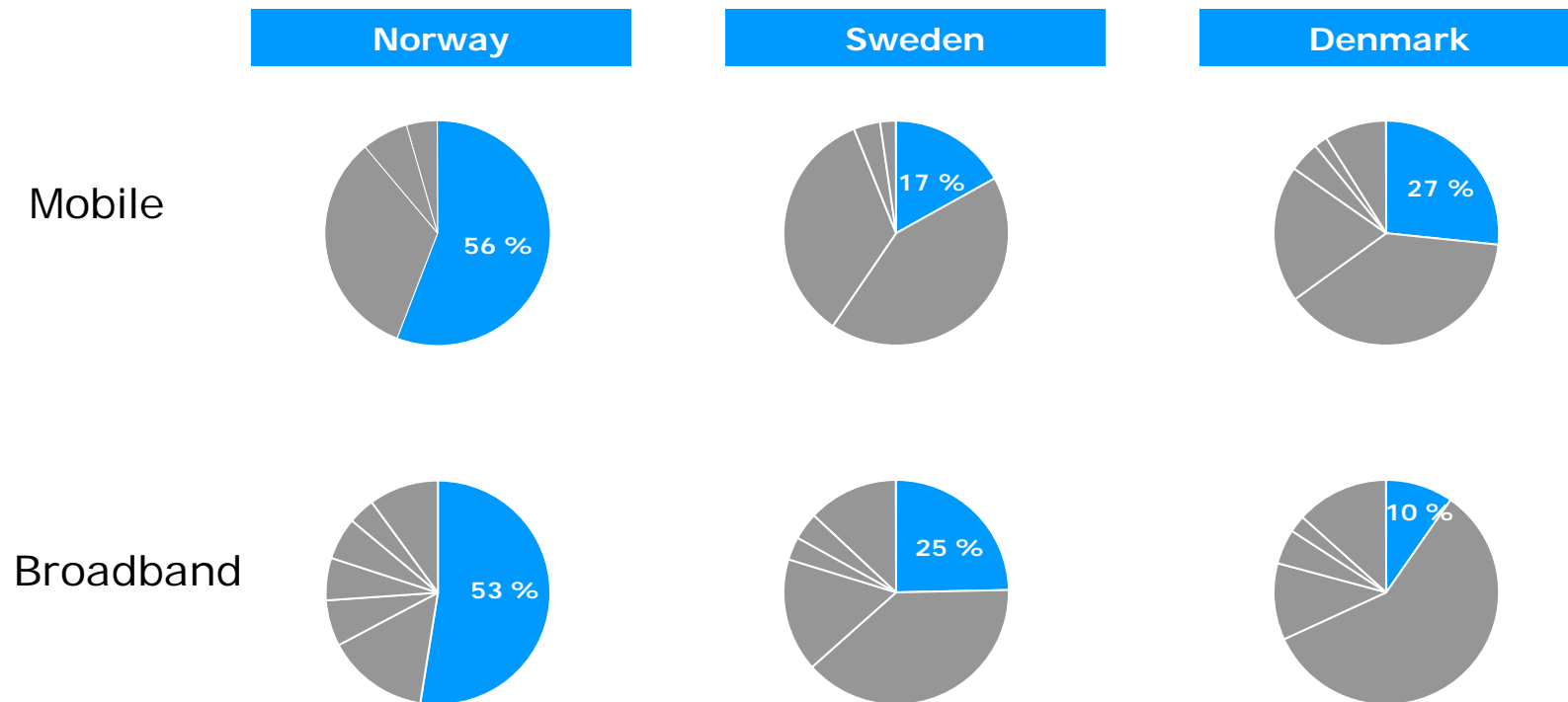


# Operational Highlights

- Transformation from fragmented to full-scale Nordic operator
- Successful turnaround of Sonofon
- Continued strong cash flow from Norwegian operations
  - Maintained market shares
  - EBITDA margin of 43% in Mobile in Q106
  - Cost reductions on track in Fixed



# Well Positioned in all Scandinavian Countries

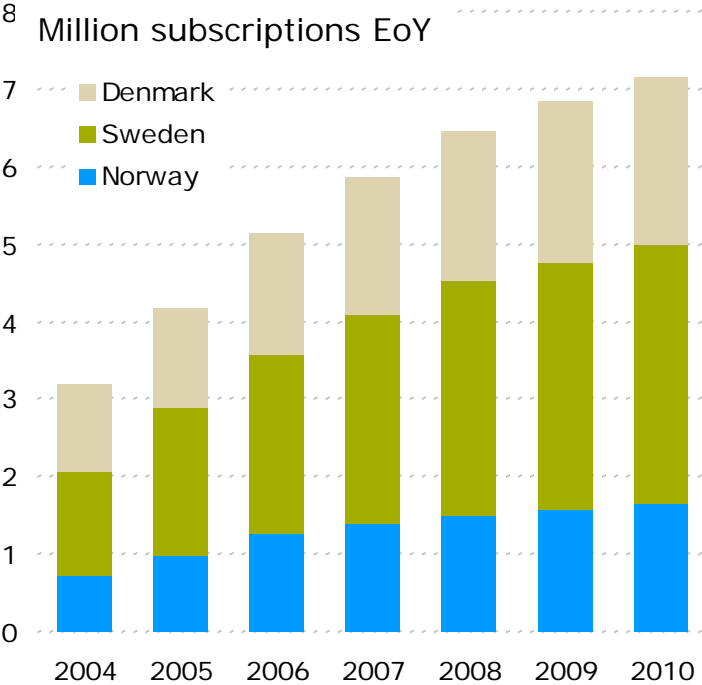


*Note: Market shares in terms of subscriptions Q106*

*Canal Digital included in Norwegian total broadband market share*

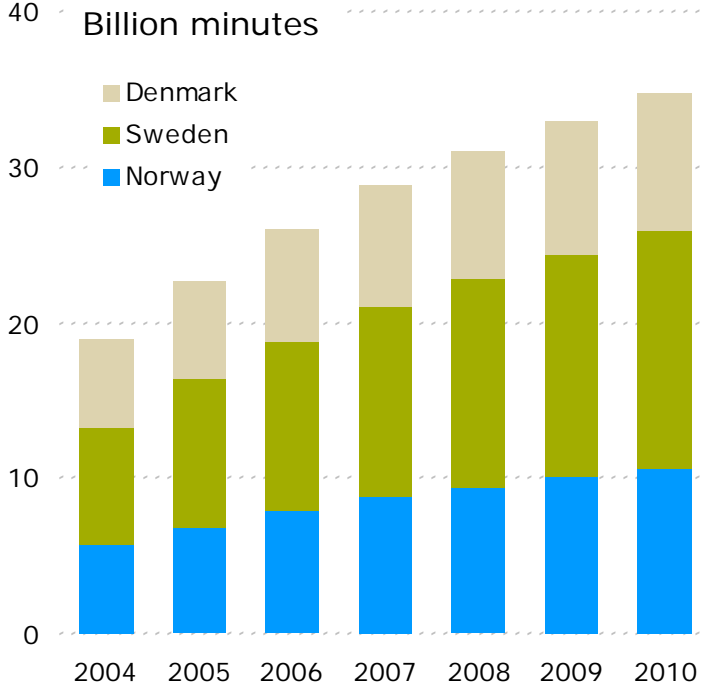
# Continued Growth in Mobile and Broadband

**Scandinavian broadband market**



Source: Telenor estimates

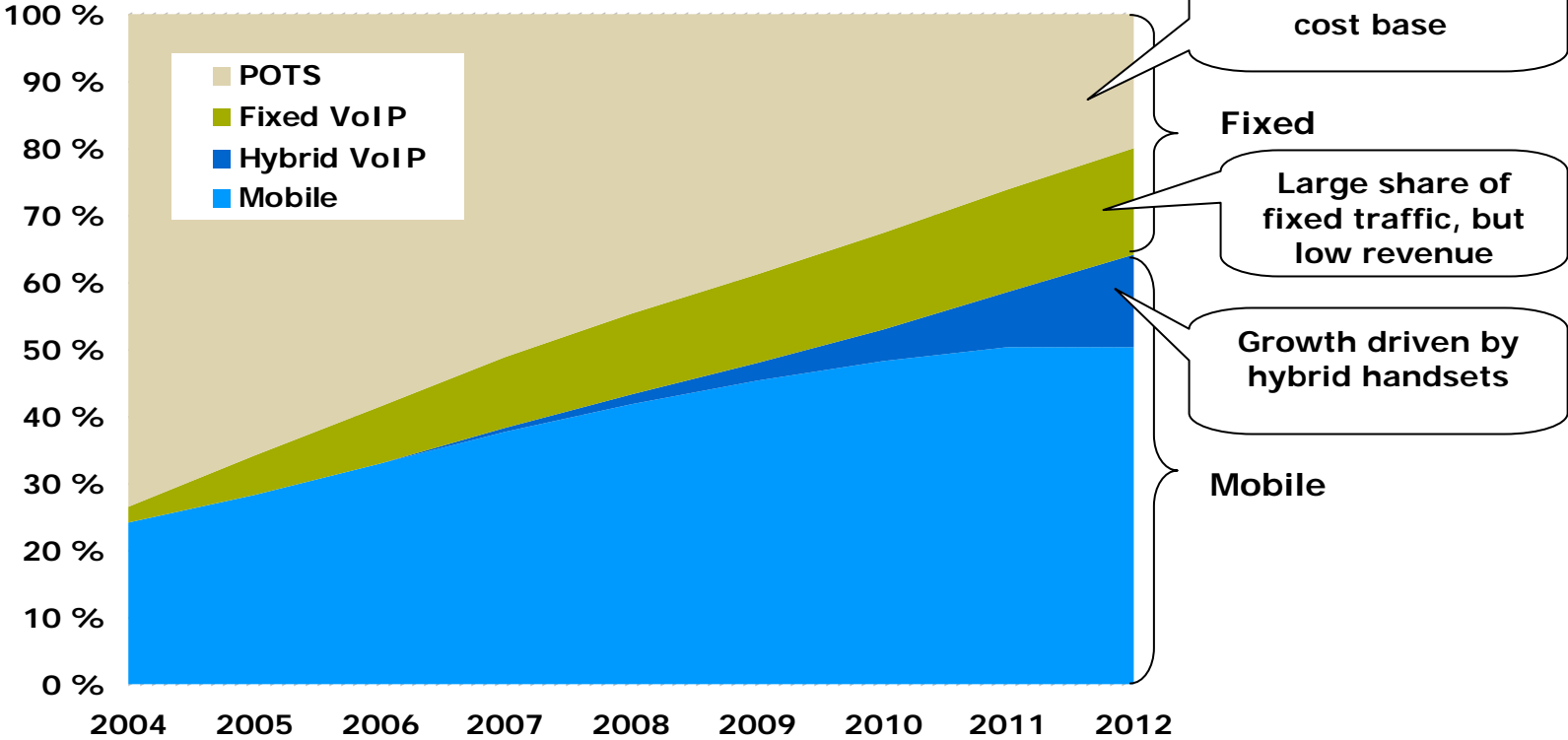
**Scandinavian mobile outgoing traffic**



Source: Telenor estimates. Incl Mobile VoIP

# Voice Traffic Migrates to Mobile and VoIP

Outgoing voice minutes, Scandinavia



Source: Telenor estimates

Hybrid VoIP: WLAN enabled mobile handsets

# Main Priorities

1

Improve position and profitability in Sweden

2

Continue cost reductions in Fixed Norway

3

Maintain leading role as provider of broadband and mobile services

4





Bundle fixed and mobile services

5

Utilize Nordic footprint and economies of scale

## 1

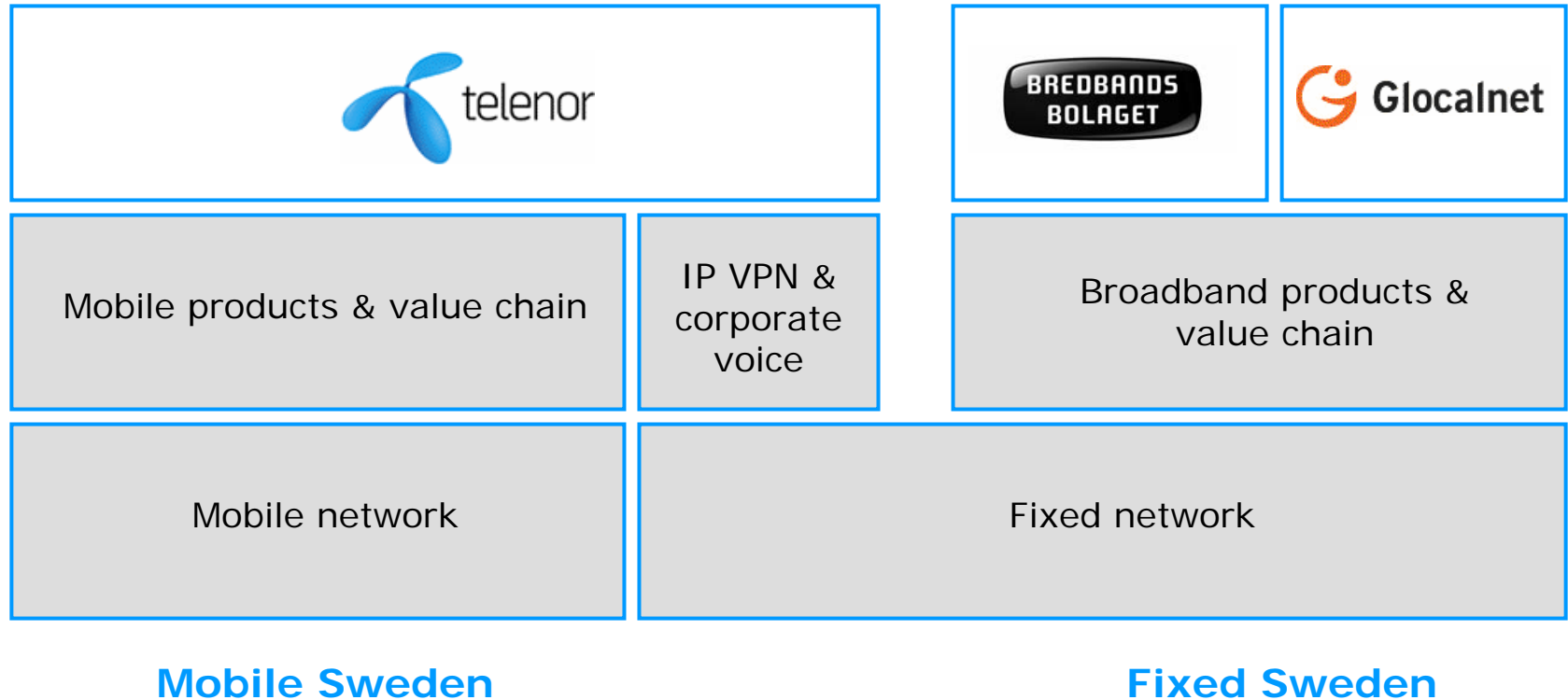
## Telenor's Swedish Operations

	 telenor	 telenor	 BREDBANDS BOLAGET	 Glocalnet
Focus area	Mobile services	IP VPN and corporate voice	Broadband and VoIP	"No frills" broadband & voice
Subscribers Q1 2006	1.66 million	7k IP VPN ports 4k voice customers	385k broadband 119k VoIP	113k broadband 285k voice
Revenue 2005	SEK 6.7 Bn	SEK 1.7 Bn	SEK 1.5 Bn	SEK 1.1 Bn

*Note: Reported full-year revenue before eliminations. Mobile revenue pro forma including djuice Sweden*

1

# Coordination of Swedish Operations





## 1

# Turnaround of Mobile Sweden

- Strengthen market position
- Implement “The Big Five” improvement initiatives
- Increase EBITDA margin above 25%

## 2

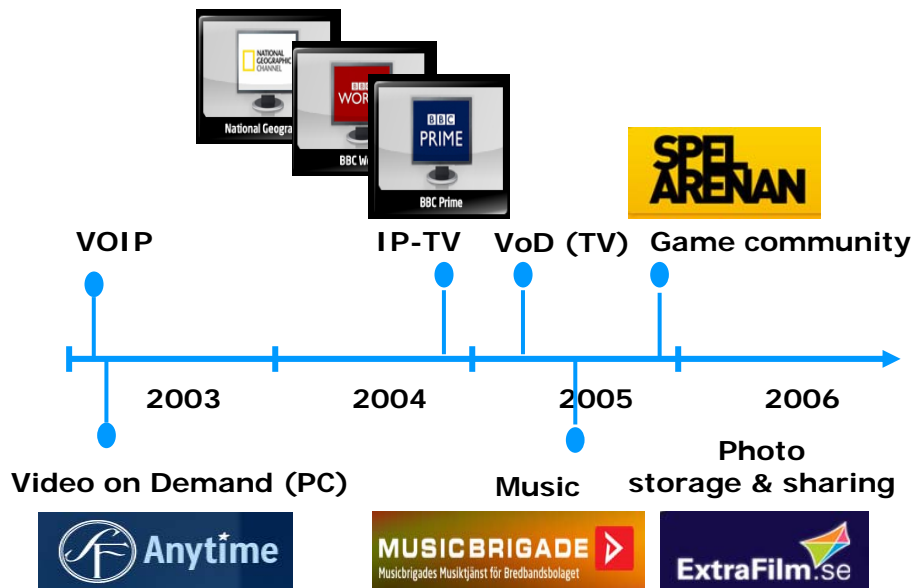
# Cost Reductions in Fixed Norway

- Maintain cash flow at NOK 3.5 Bn
- Reduce costs with NOK 1.5 Bn by 2007
- Increased operational efficiency

### 3 Leading Role in Broadband Development

- Differentiation through attractive service offerings
- Contribution to churn reduction and stabilization of ARPU
- Economies of scale in service development and 3rd party agreements

#### Service Offerings from Bredbandsbolaget

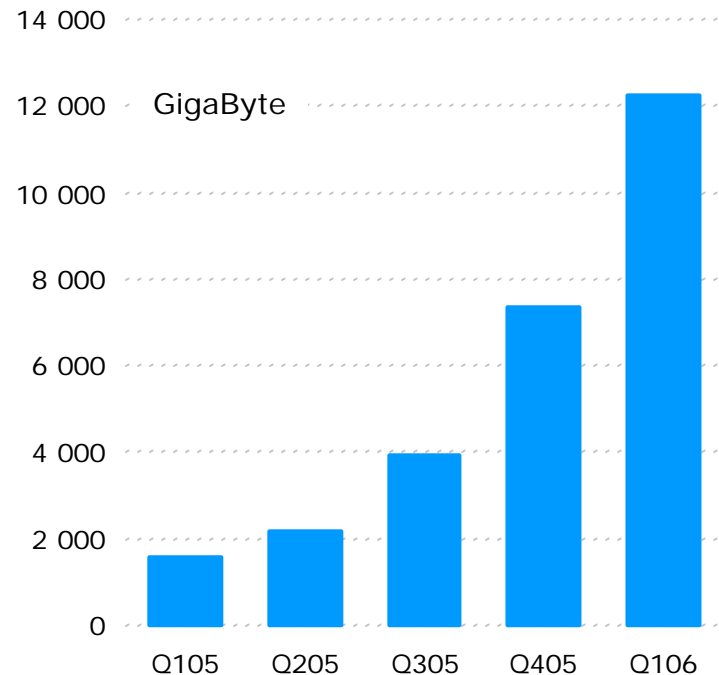


## 3

# Leading the Mobile Data Development

- 3G users generate 55% of total data traffic - 5% of total handsets
- More than 120,000 users of Mobile services during Winter Olympics 2006
- Launched music download service in April '06

Data Traffic Development  
Mobile Norway



## 4

## Bundle Fixed and Mobile Services

- Demand for total communication solutions from business and residential customers
- Telenor well positioned to satisfy this demand through cross-selling & bundling
- Preparation for more integrated Fixed-Mobile service offerings ongoing



## 5

## Utilize Nordic Economies of Scale

- Centralized operations of fixed and mobile networks
- Common Nordic IP backbone network
- Common procurement and 3<sup>rd</sup> party agreements
- Reuse of concepts and solutions

