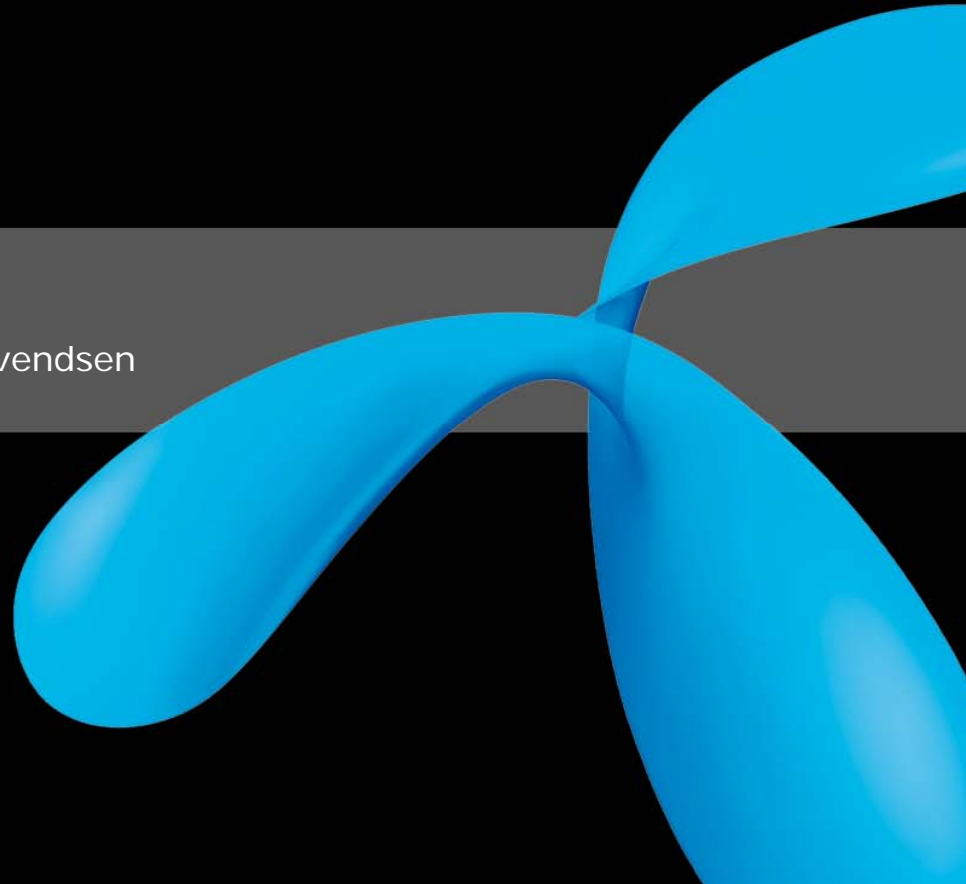


telenor

Fixed Line in Norway

Head of Fixed Operations - Berit Svendsen

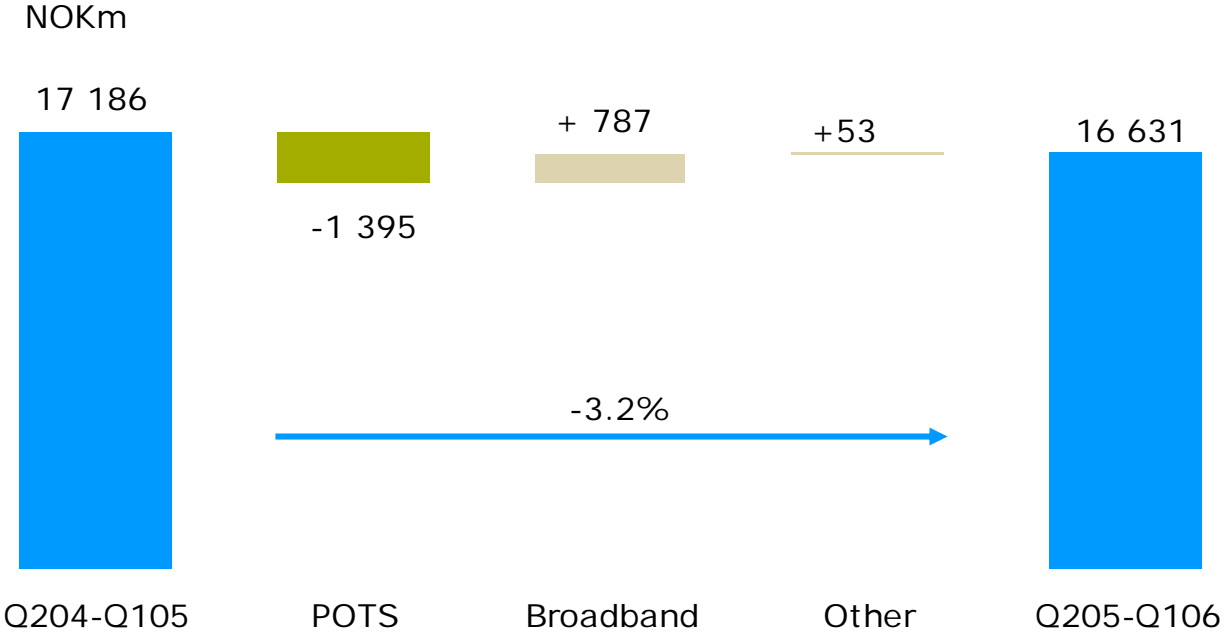


Cash Flow Target (NOK Bn)

3.5



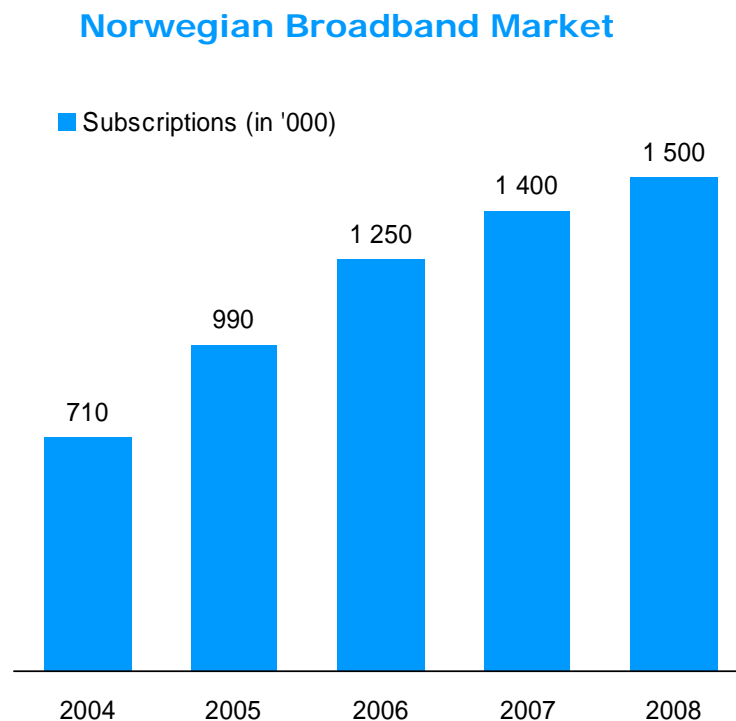
Revenue Development – Main Components



Last twelve months
Note: Adjusted for outsourced managed services

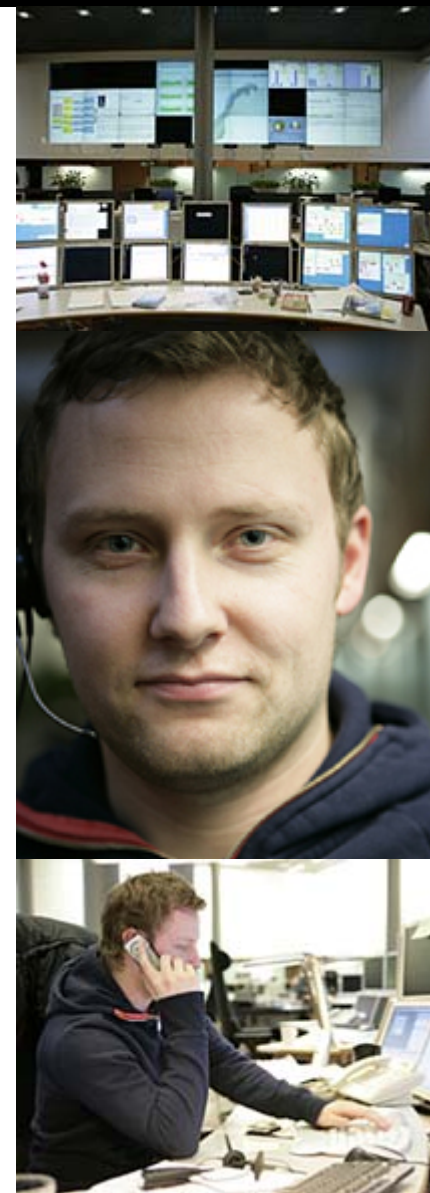
Maintain Broadband Market Share

- Competitive pricing
- Introduce bundled products
- Utilize exclusive content

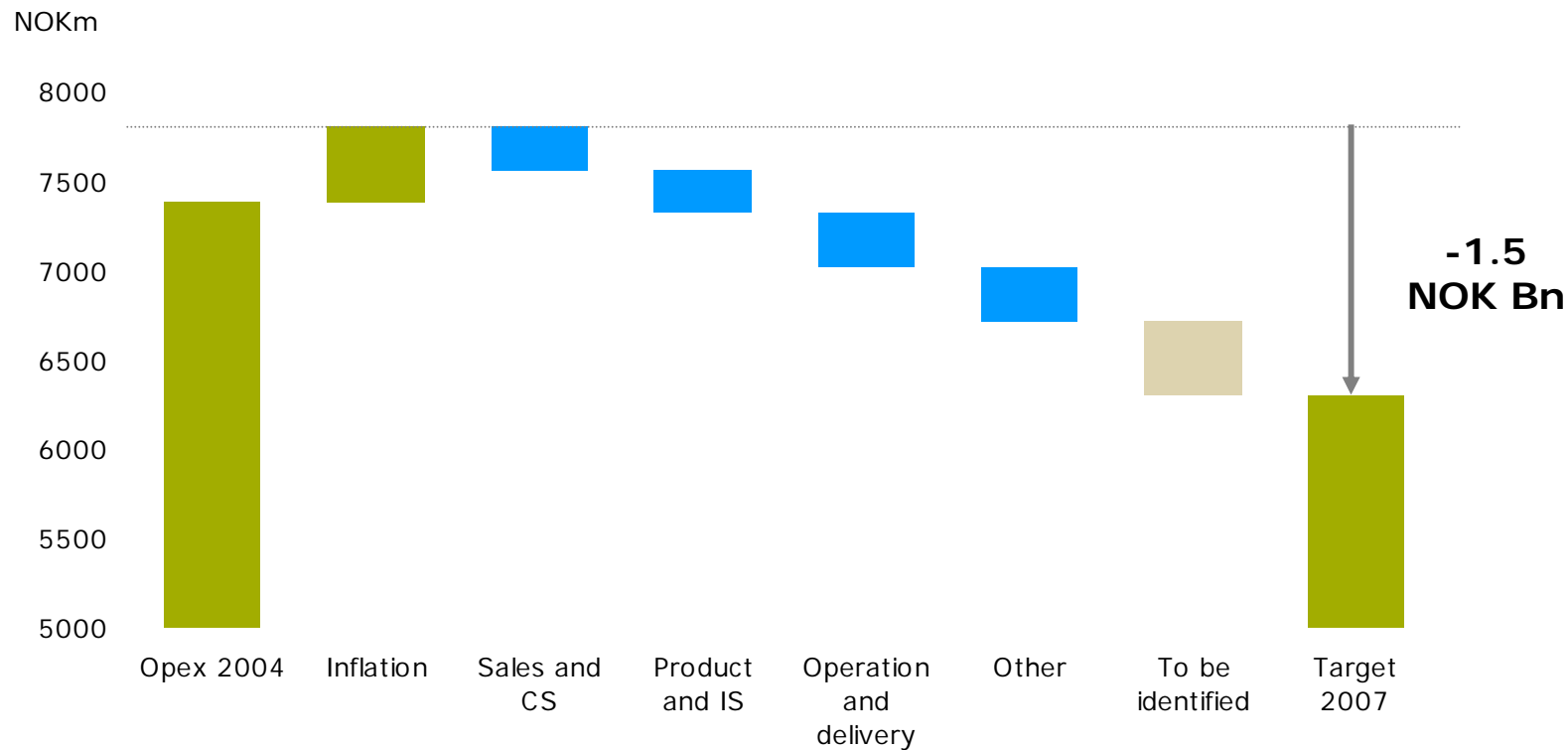


Implemented Cost Initiatives

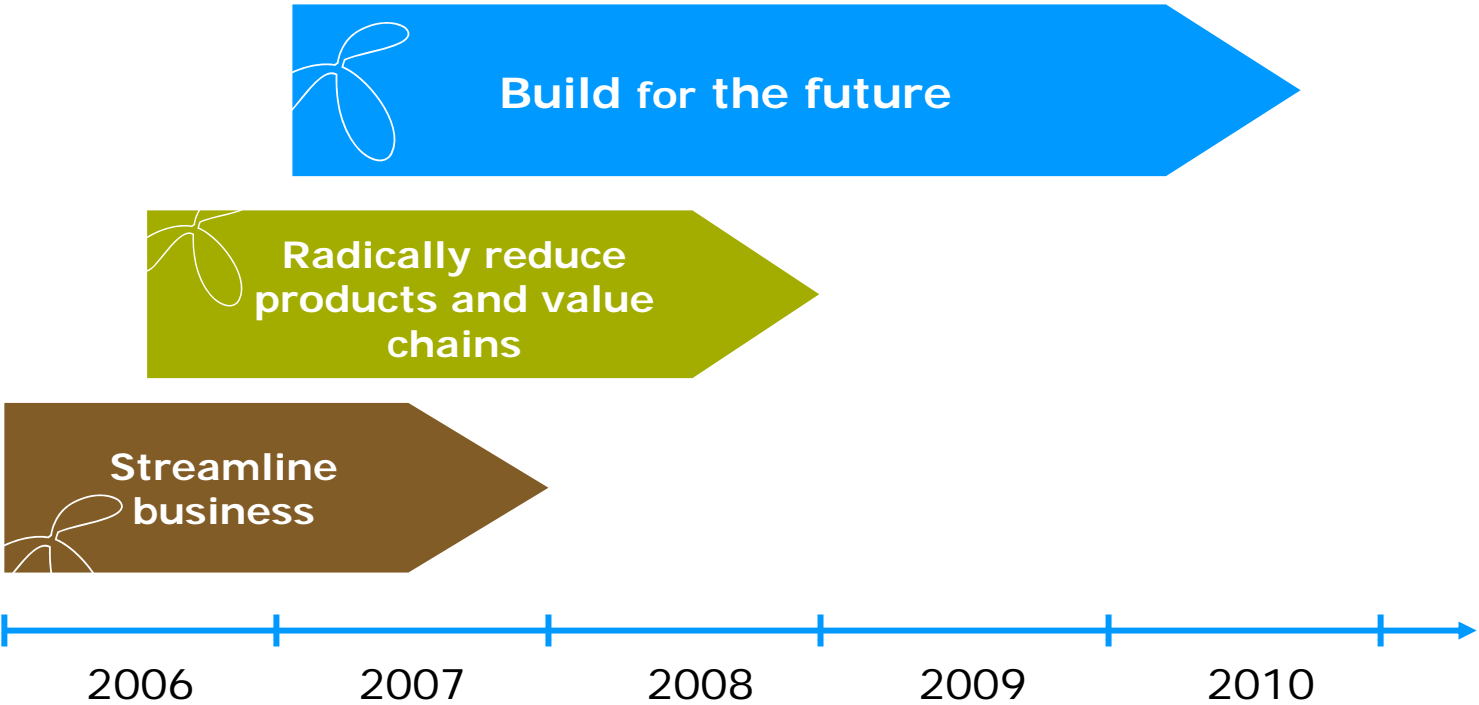
- Simplification of product and delivery processes
- Focus on core business, outsourcing and divestments
- Executed initiatives of approximately NOK 500 Mn



Implemented and Planned Cost Reductions



Next Steps: Transformation Program



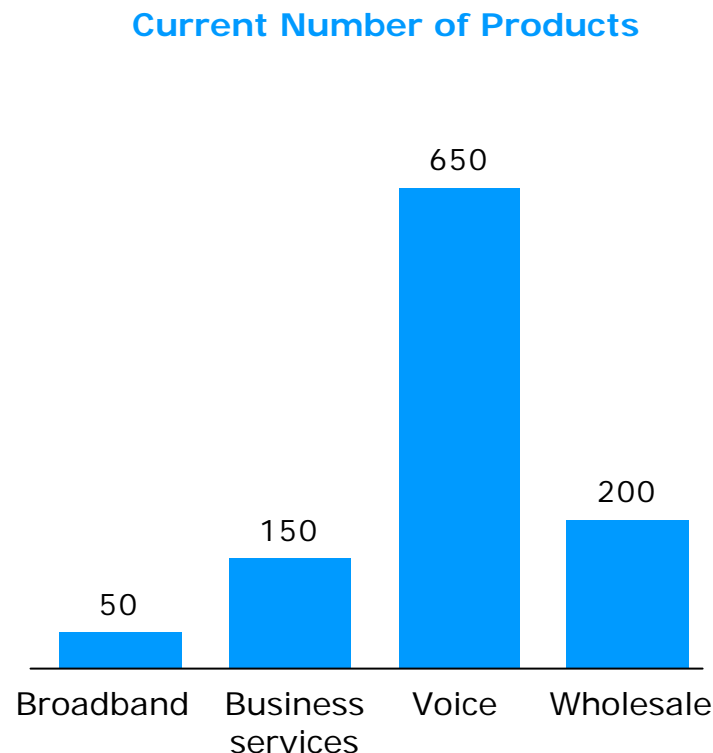
Streamline Business

- Continued focus on efficient sales and delivery processes
- Further improvements in planning, billing and administrative costs
- Efficiency improvements in work processes enable further cost reductions



Radically Reduce Products and Value Chains

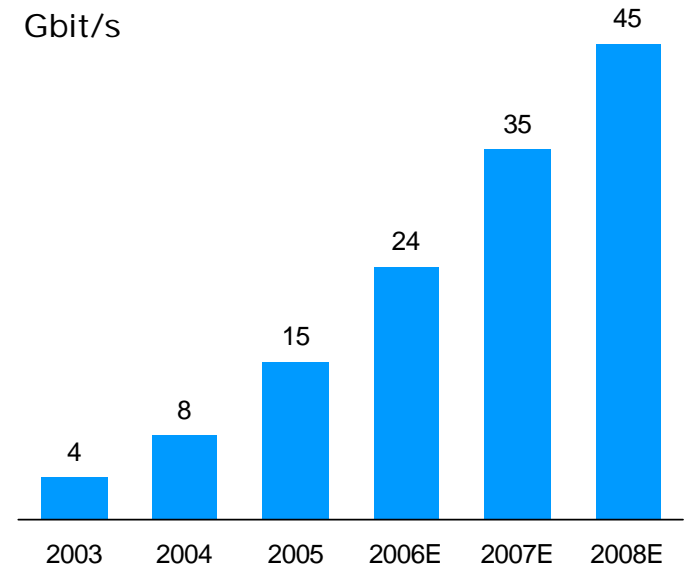
- Reduce number of products by 50%
- Shut down redundant service platforms
- Simplify delivery processes and value chains



Build for the Future

- DSL will be the preferred technology
- Competition drives capacity
- Reduce production costs by 50%
- Simplified business structure will reduce CAPEX

Peak Core Traffic Load



Summary

- Maintain broadband market share
- Reduce cost base by NOK 1.5 Bn
- Further reduction of cost base from 2007 to 2010

