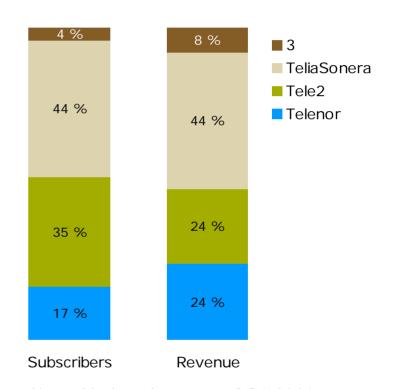


# Strong Position with 1.7 Million Subscriptions

- Stable market shares
- Strong position in corporate segment
- High share of contract customers

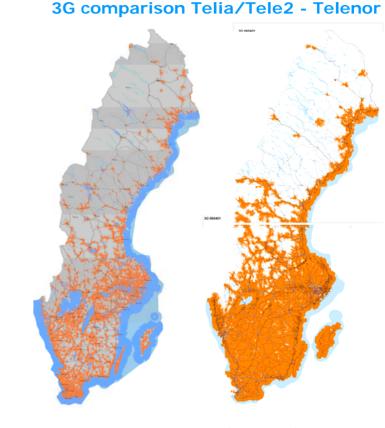


Note: Market shares as of Q1 2006



# Superior 3G Network Coverage

- Population coverage of 97%
- SEK 5.6 Bn accumulated 3G CAPEX
- Additional CAPEX of SEK 0.5 Bn to fulfill requirements
- Combined with our 2G network gives superior customer experiences



Telia/Tele2 April 24, 2006 (Source: Tele2) Telenor April 1, 2006



## Still a Potential for Growth

- Mobile voice estimated to be 50% in 2008
- Expected high growth in mobile data
- Better positioned to attract pan Nordic customers

Mobile	share of v	oice traffi	c 2005
Finland	Norway	Denmark	Sweden
48 %	38 %	35 %	22 %

Source: Telenor estimates

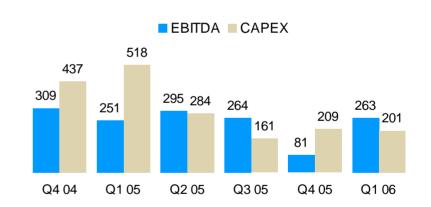


# Low Profitability

#### Revenues (SEKm)/ EBITDA%

#### 1 748 1 671 1 635 1 593 1 589 1 487 18 % 19 % 17 % 16 % 17 % 5 % Q4 04 Q1 05 Q2 05 Q3 05 Q4 05 Q106

#### Reported EBITDA & Capex (SEKm)



Note: djuice included only in Q1 06 Q1 05 adjusted for one-time effects



## Main Reasons for Low Profitability

- Poor cost control
- Lost focus on business segment
- Heavy 3G network rollout
- Strong price competition
- "Remote control" from Vodafone





## **Actions Taken**

- Rebranding and repositioning
- Headcount reductions
- Focus on retention activities
- Integration of djuice





# "The Big Five" Turnaround Initiatives

- 1 Network optimization
- 2 IS/IT clean-up
- 3 Simplified billing
- 4 Web sales and self-services
- 5 Improved time to market







### "The Big five"

# **Network Optimization**

- Terminate service platforms
- Consolidate networks in Sweden
- Renegotiate contracts
- Consolidate service platforms
- Stop unnecessary projects









# "The Big five" 2 IS/IT Clean-up

- More efficient and fewer projects
- Slimmed application portfolio
- Outsourcing of IT-infrastructure







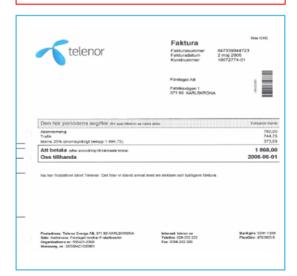


# "The Big Five" Simplified Billing

- Customer friendly Invoice
  - Reduces calls to customer support
  - Reduces one of the churn reasons
- Solve billing complexity



Fakturanummer Fakturadatum Förfallodatum Fakturaperiod	2004-04-1	2	Oskar Faktura Telepatan 2	
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# Bundling and Cross-sale

- Bundled offers to large pan Nordic companies
- Bundled offers to SME market
- Strong retail distribution enables cross-sale
- No bundling restrictions





# Financial Targets

- Improve revenue market share
- Total OPEX and CAPEX savings of SEK 600 Mn
- Medium term target: Above 25% EBITDA margin



