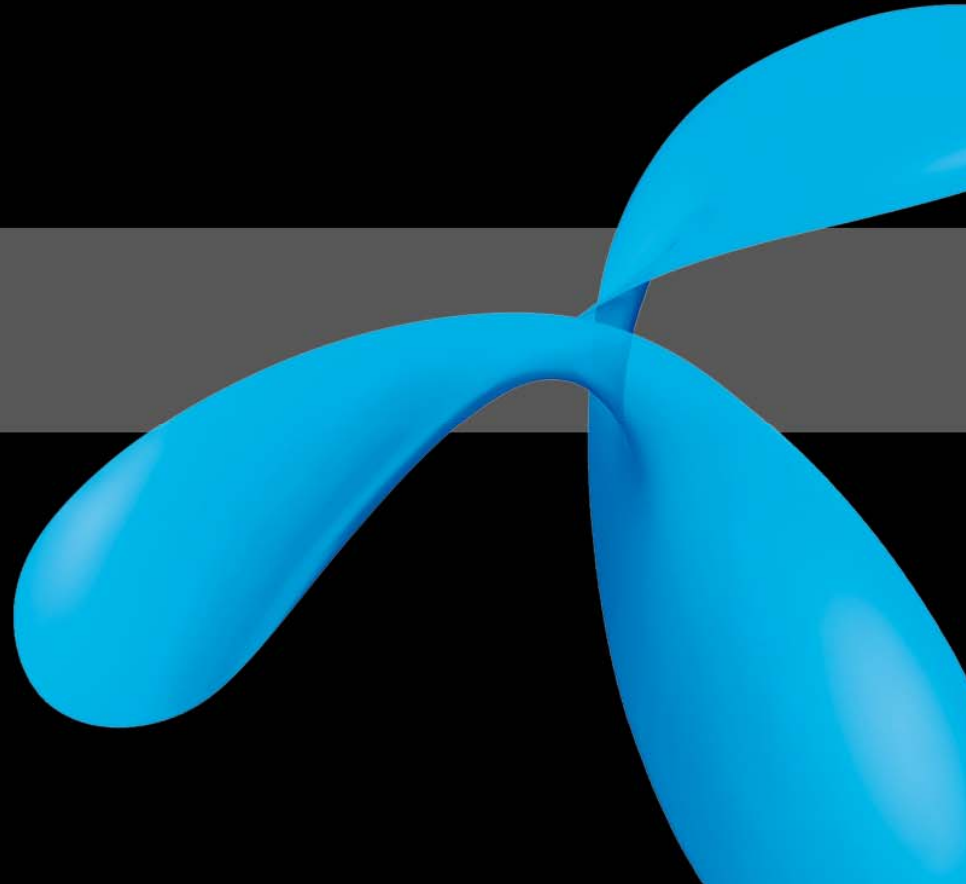


telenor

DTAC

CEO - Sigve Brekke



Introduction to Thailand

Economics

<u>Annual data</u>	<u>2005</u>
GDP per head (US\$)	2,759
GDP per head (US\$ ppp)	8,402
Exchange rate (av) Bt:US\$	40.2
<u>Historical averages (%)</u>	<u>2001-05</u>
Real GDP growth	5.0
Real domestic demand growth	6.2
Inflation	2.2
FDI inflows (% of GDP)	1.5

Soucre: EIU

Demographics

Total Population

- 65m

Split By region

- Central & East: 34%
- North East: 34%
- North: 19 %
- South: 13%

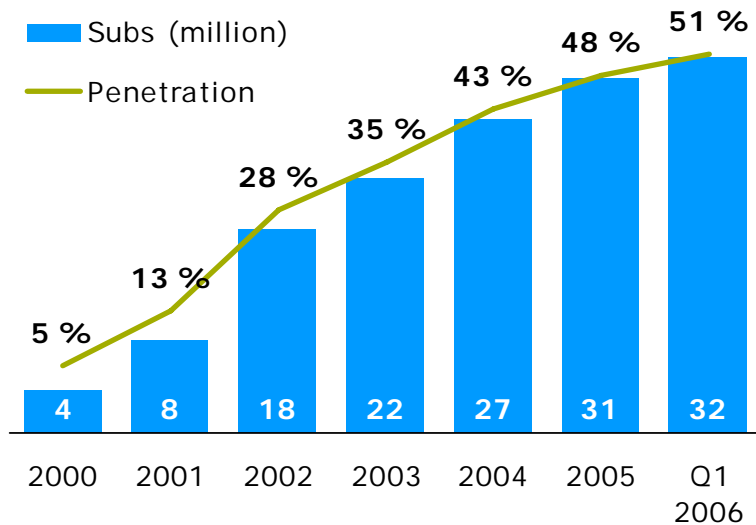
Urban population

- 32%



The Thai Mobile Market

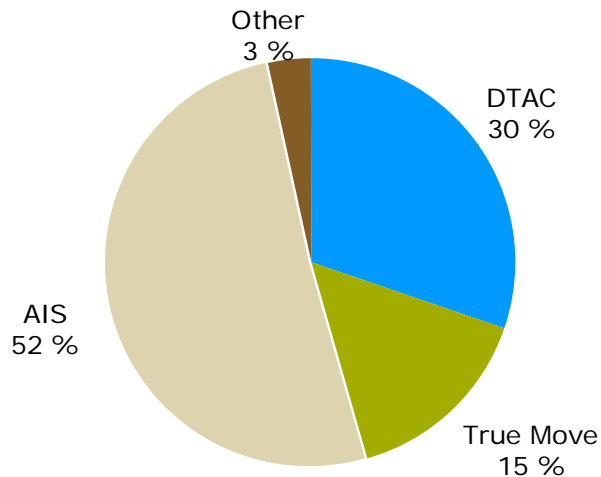
Total Subscription Development



- Penetration in major urbanized areas approaching saturation
- Rural penetration of 20-30%

Dominated by Three Main Players

Subscription Market Share Q1 2006



DTAC

Stable subscriber market share
- increasing revenue market share

AIS

Reduced market share

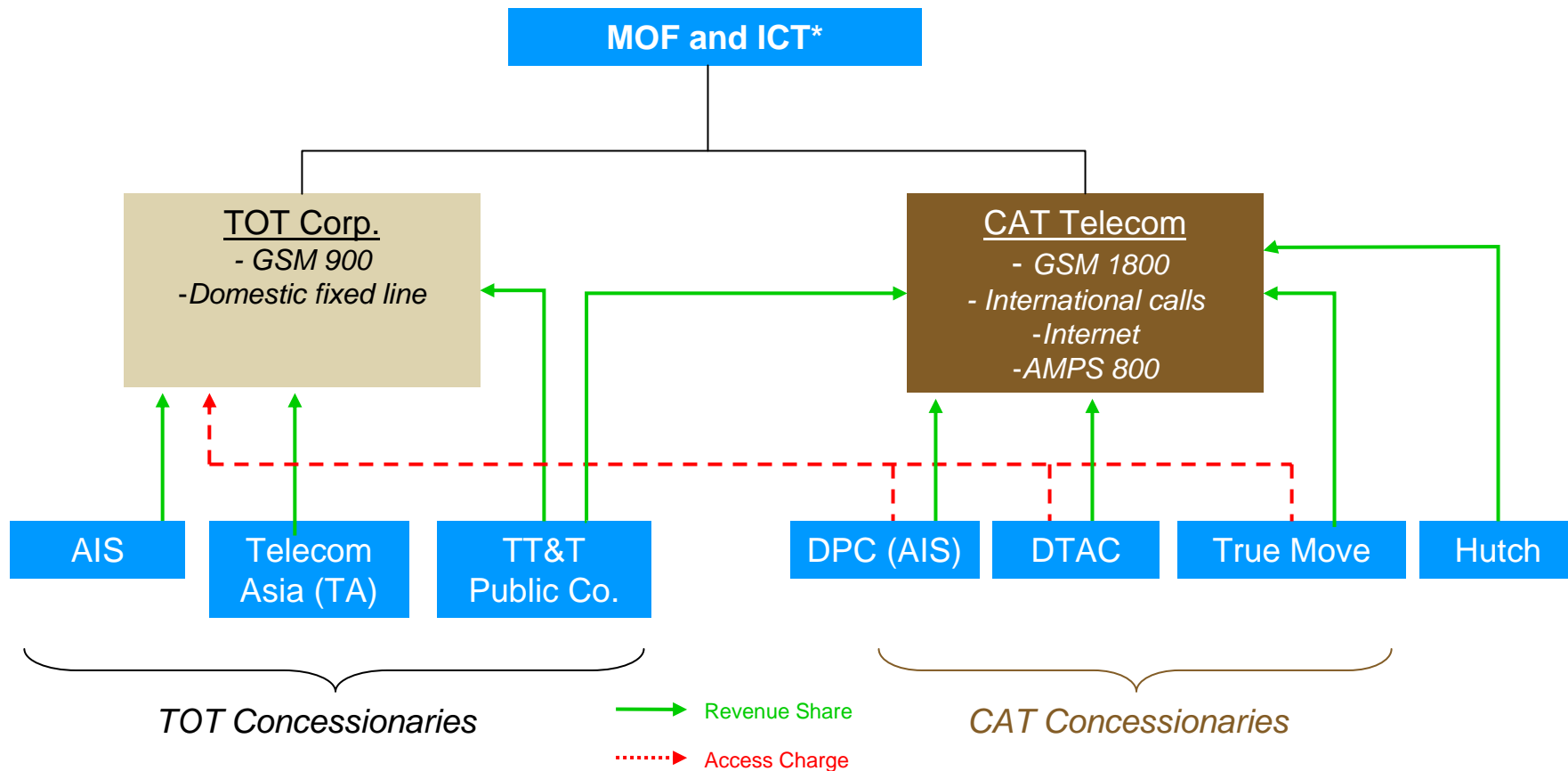
True Move (former Orange)

Attacking both AIS and DTAC

Hutch (CDMA)

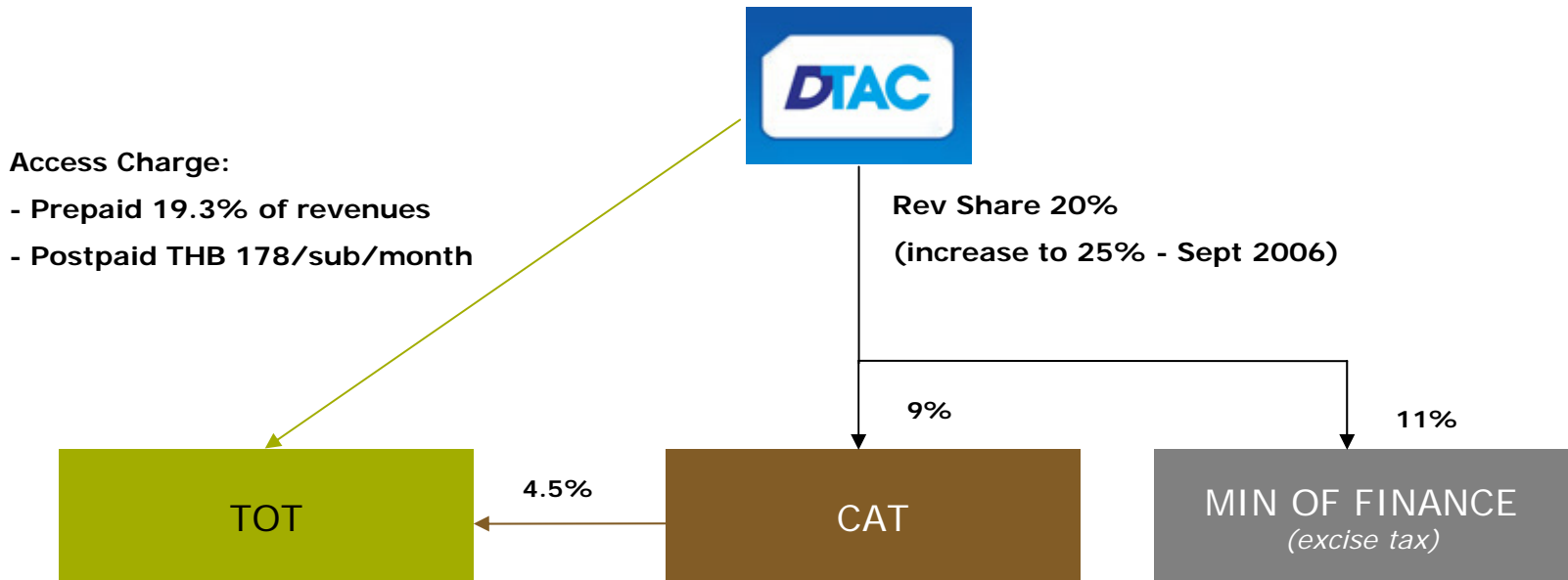
Unsuccessful

Regulatory - Current Framework



MOF – Ministry of Finance
 ICT – Information, communication and technology ministry

Regulatory Costs are 36% of Revenues



Regulatory Milestones

2006

Expected detailed regulations in place

- Interconnection framework
- Consumer protection
- Competition framework

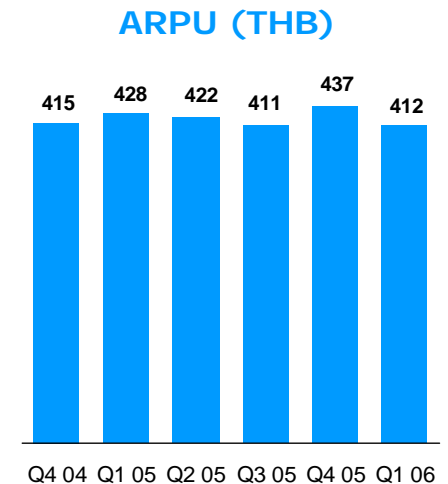
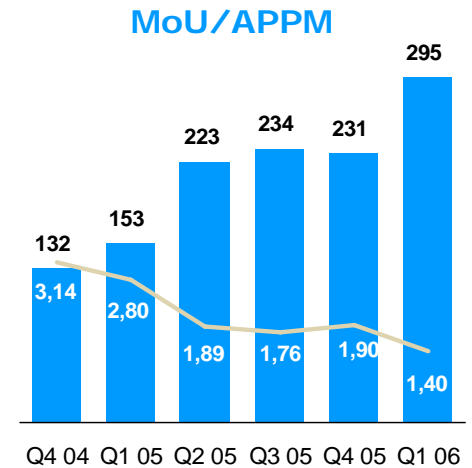
2007+

- Access charge – issue to be addressed
- 3G licenses - to be awarded
- Concession conversion



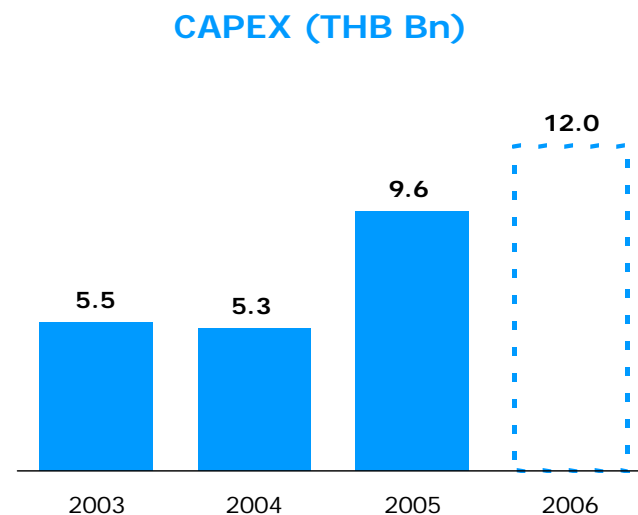
High Price Elasticity

- The Thai market has among the lowest voice rates in the world
- Regulatory inefficiencies have been a key factor for low prices
- DTAC not the aggressor - price strategy to match competitors



CAPEX to Increase in 2006

- Lower prices have increased usage and CAPEX
- DTAC target to have similar coverage as AIS in rural areas
- Increase indoor coverage



Outlook

	Short term	Long term
Market	<ul style="list-style-type: none">• Growth driven by rural expansion• 5-6 million net adds in 2006	<ul style="list-style-type: none">• 70% penetration within 2-3 years
Subs	<ul style="list-style-type: none">• ~2 million net adds in 2006	<ul style="list-style-type: none">• 30-35% share of net adds
Revenues	<ul style="list-style-type: none">• Stabilise ARPU at current level	<ul style="list-style-type: none">• New interconnect and competition framework could prevent prices falling further
EBITDA margin	<ul style="list-style-type: none">• Margin under pressure	<ul style="list-style-type: none">• Stabilise at around 70 -71%, excluding regulatory costs