

Telenor - Fourth Quarter 2002



Group Overview

Jon Fredrik Baksaas

CEO

2002: Streamlining operations

- **A challenging year for the industry**
 - Write downs of book values
 - Successful implementation of Delta 4
 - Improved operational cash flow
- **New business structure to improve performance**
 - Norway – Stronger domestic focus
 - Business Solutions – Restructured
 - Plus – Broadcast pure play TV-distribution
- **Basis for profitable organic growth in Sweden**
- **Executed our strategy to focus the mobile portfolio**
 - Gained majority in Pannon (Hungary) and Kyivstar (Ukraine)
 - Exit of Extel and StavTeleSot in Russia
- **Strong growth in future cash flow**

Delta 4 – progressing according to plan

Delta 4 Focus areas

Network structure and operations

Information systems

Support services

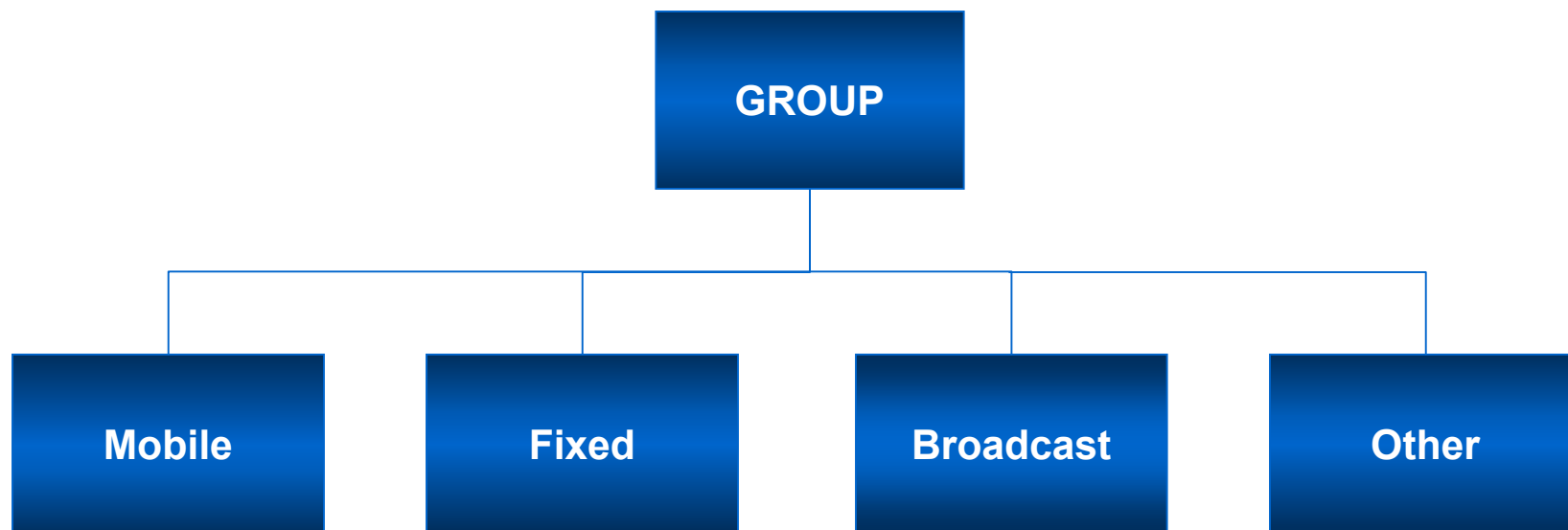
Customer front

Accounting & Finance

Purchasing

- NOK 1.1 Bn Mn cost savings 2002
 - Work force reductions in 2002 of more than 1500
- Target of NOK 1.3 Bn in cost savings for 2003
- Ambition of NOK 4 Bn in cost savings maintained by 2004

Reporting Structure 2003



Reported P&L

	Q4 2002	Q4 2001	2002	2001
Revenue	13 042	15 920	48 826	46 040
EBITDA	3 562	7 348	13 441	14 250
EBIT	(2 002)	4 412	(221)	3 177
Profit before Tax	(5 336)	708	(5 027)	10 255
Net Profit	(4 491)	867	(4 213)	7 079

Balance sheet – Q4

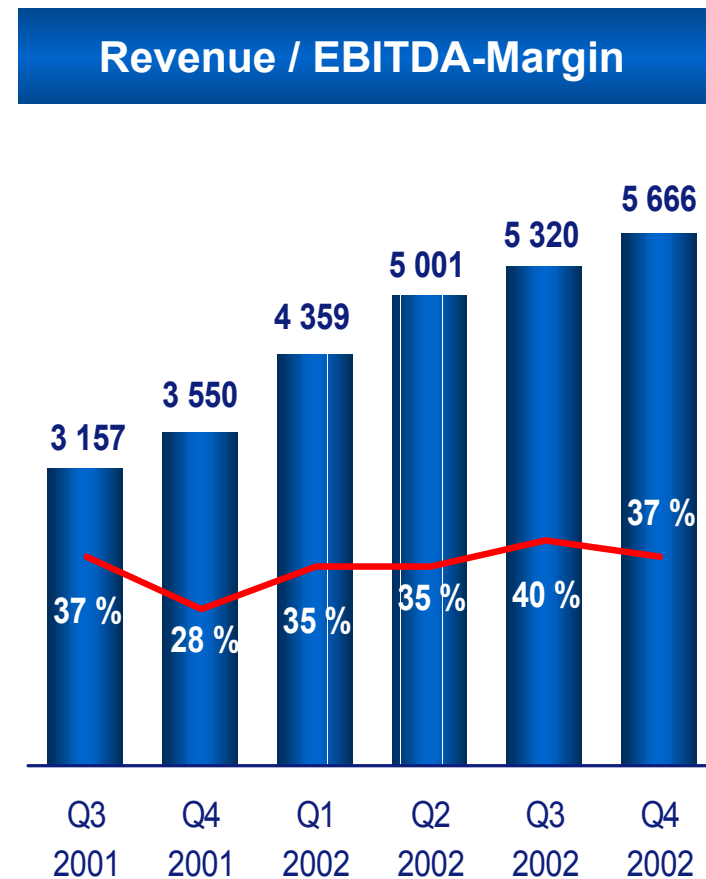
Strong key parameters

	31. Dec 2002	30. Sept 2002
Net Debt (NOK Bn)	26.9	27.6
Equity Ratio (%)	42%	47%
Net Debt / Equity (%)	72%	64%
Net Debt / EBITDA* (x)	2.0	2.3

* EBITDA excludes gains and losses last 4 quarters

Mobile Q4 Financial highlights

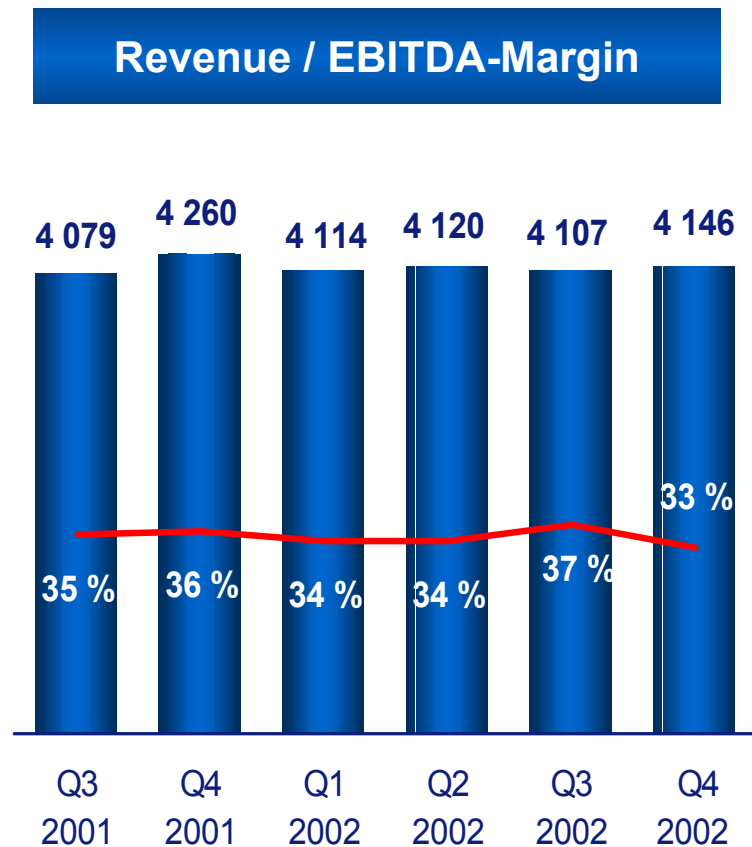
- Revenue growth of 60% from Q4 2001 to NOK 5,666 Mn
- EBITDA of NOK 2,084 Mn and CAPEX of NOK 1,399 Mn
- Write downs of NOK 4.4 Bn
 - Consolidated NOK 2.2 Bn
 - Associated NOK 2.2 Bn
- EBIT of NOK –1,2 bn



Networks Q4

Stable revenues and market share

- Subscription up and traffic down
- One-offs of NOK 155 Mn reduce EBITDA by 3.7 %-points
- EBITDA of NOK 1,376 Mn – Capex of NOK 559 Mn
- Reported EBIT NOK 560 Mn

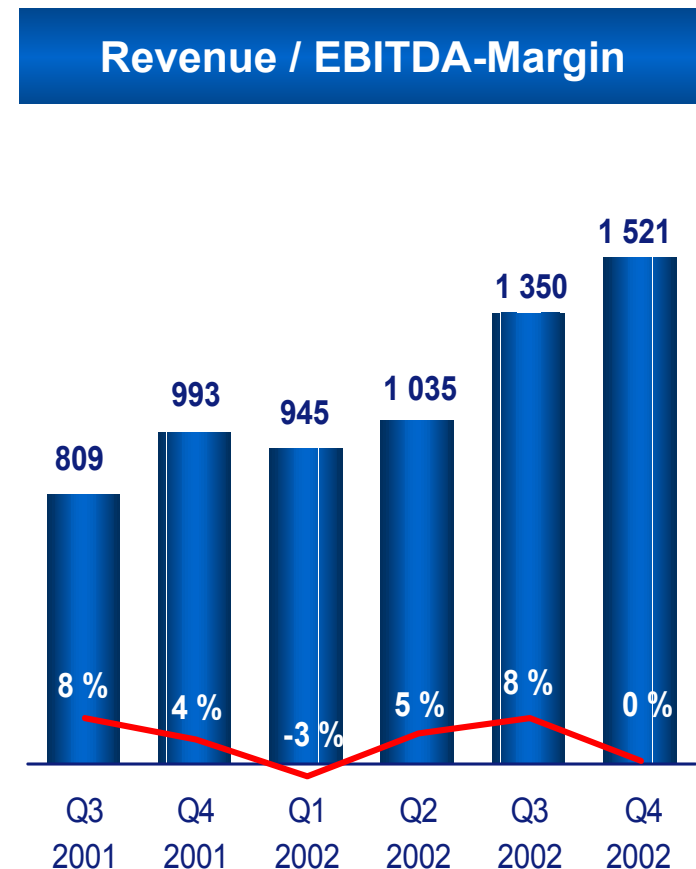


Revenue and EBITDA excludes gains and losses

Plus Q4

Broadcast positive while ADSL growth hurts margins

- Solid performance by Canal Digital
 - EBITDA positive for the full year
- Lower EBITDA for Internet/ADSL
 - 26.000 new ADSL customers in Q4
- Stopped losses in Swedish retail operations
- NOK 75 Mn in one-offs reduce EBITDA by 5%-points
- From 2003: Pure TV play

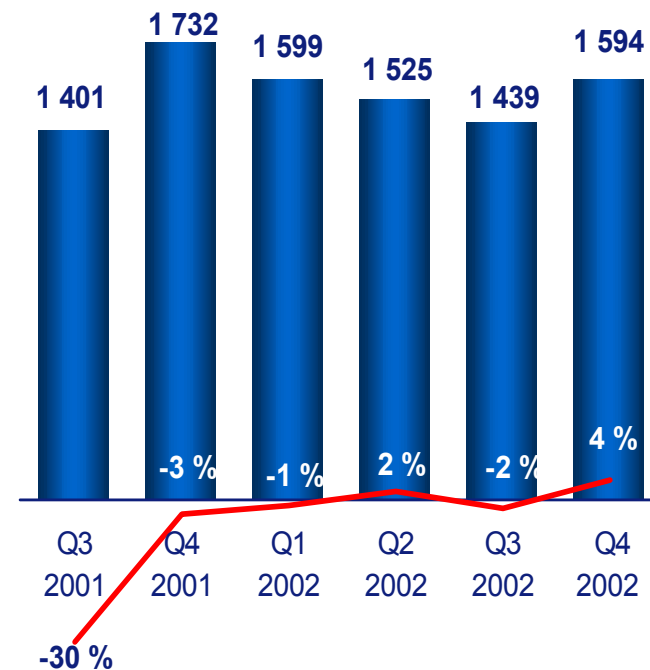


Revenue and EBITDA excludes gains and losses

Business Solutions Q4 Restructured

- Strengthened Nordic focus
 - Acquired Utfors Dec 2002
 - Exit Hungary and Austria
- EBITDA of NOK 71 Mn, CAPEX NOK 202
- EBIT of NOK –306 Mn
 - including write downs of NOK 90 Mn

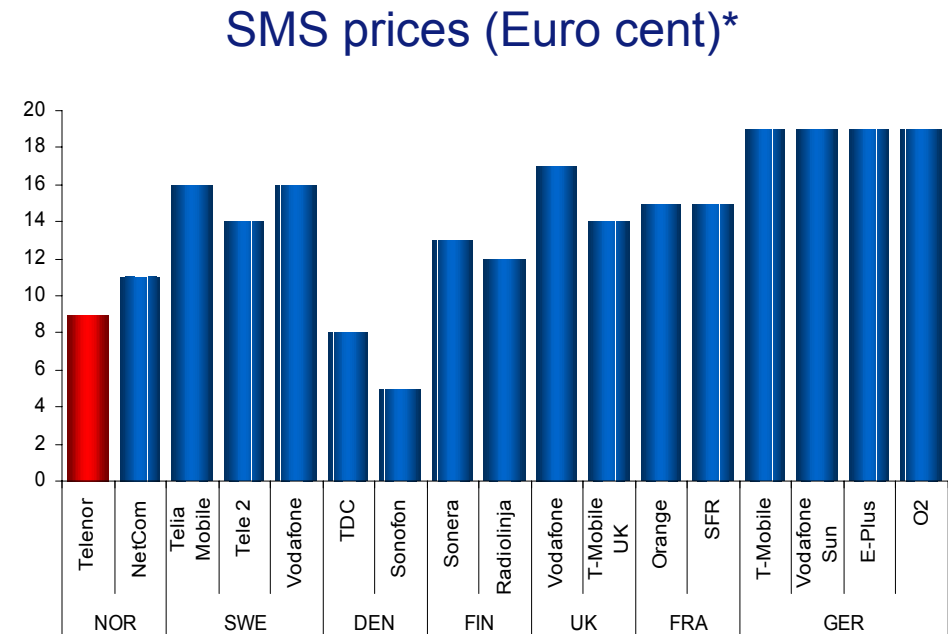
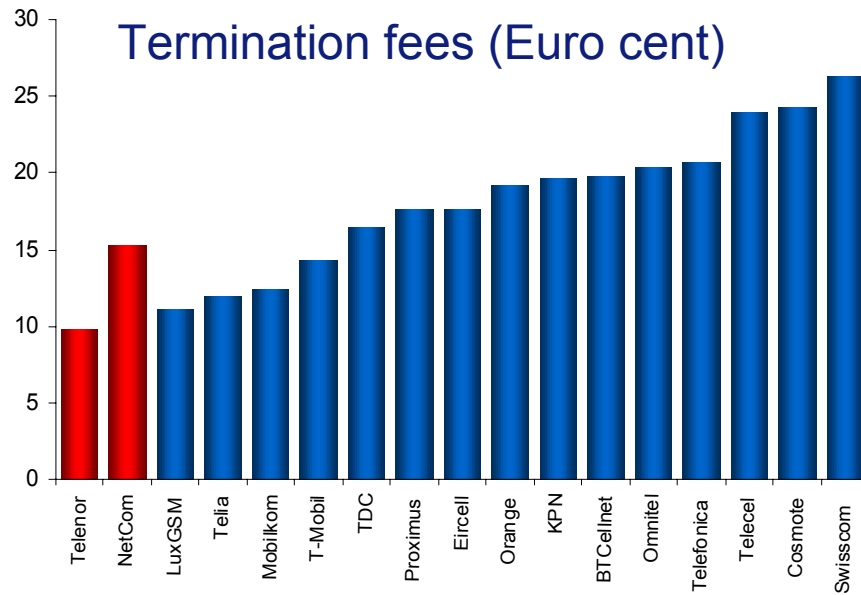
Revenues/EBITDA-margin



Revenue and EBITDA excludes gains and losses

Regulatory issues

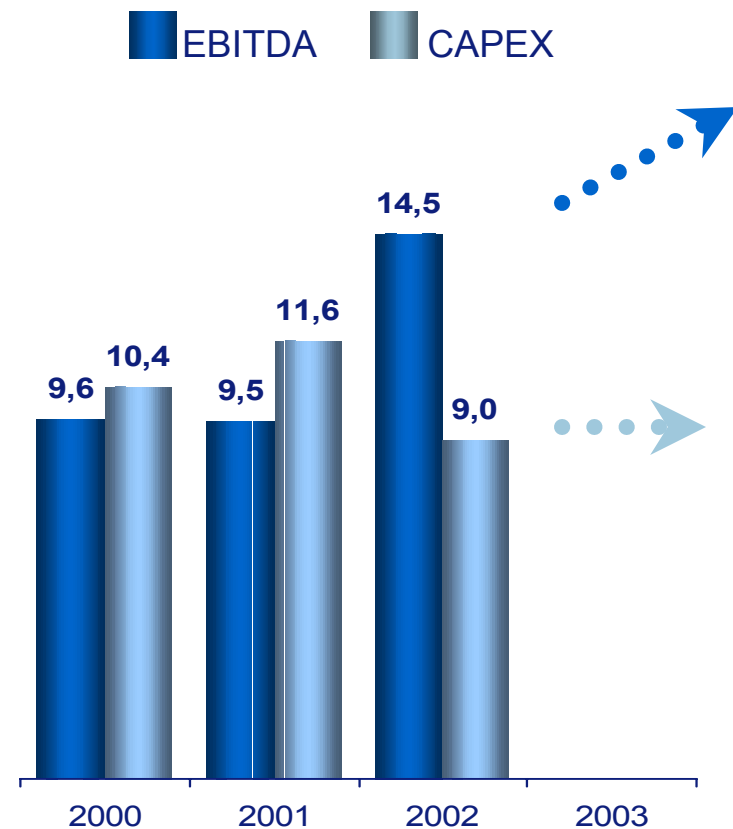
- Delay of 3G roll-out
- Service Provider agreement (Sense)
- SMS (Teletopia)
- Interconnect – termination fee



Group Annual Cash Flow Development

Adjusted EBITDA / CAPEX

- High cash flow in 2002
- Increased EBITDA in 2003
- Stable CAPEX in 2003





Capital Markets Day

May 7th 2003

Telenor Fornebu



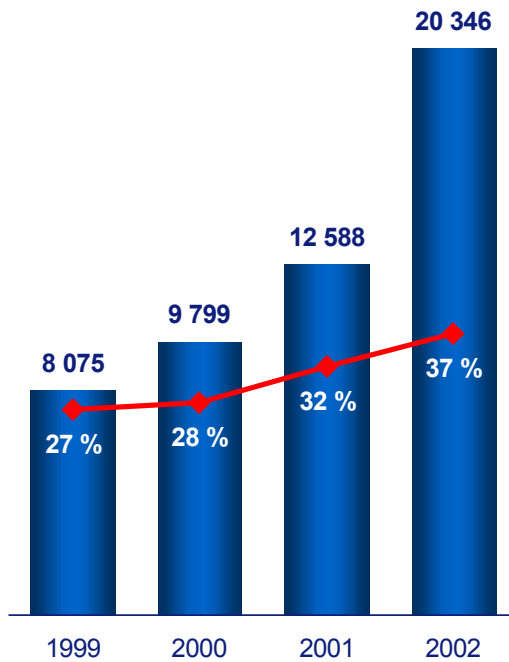
Telenor Mobile

Arve Johansen

CEO

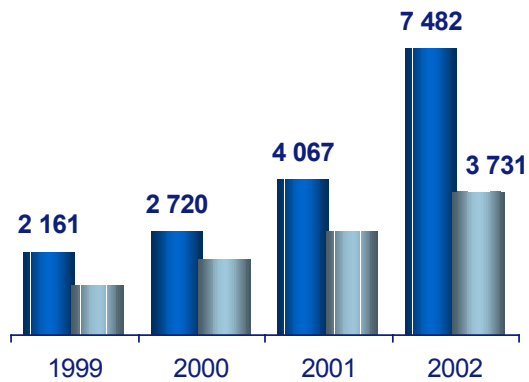
Mobile Annual Financial Development (NOK mill)

Revenues / EBITDA %

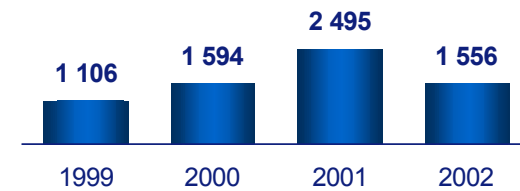


EBITDA / CAPEX

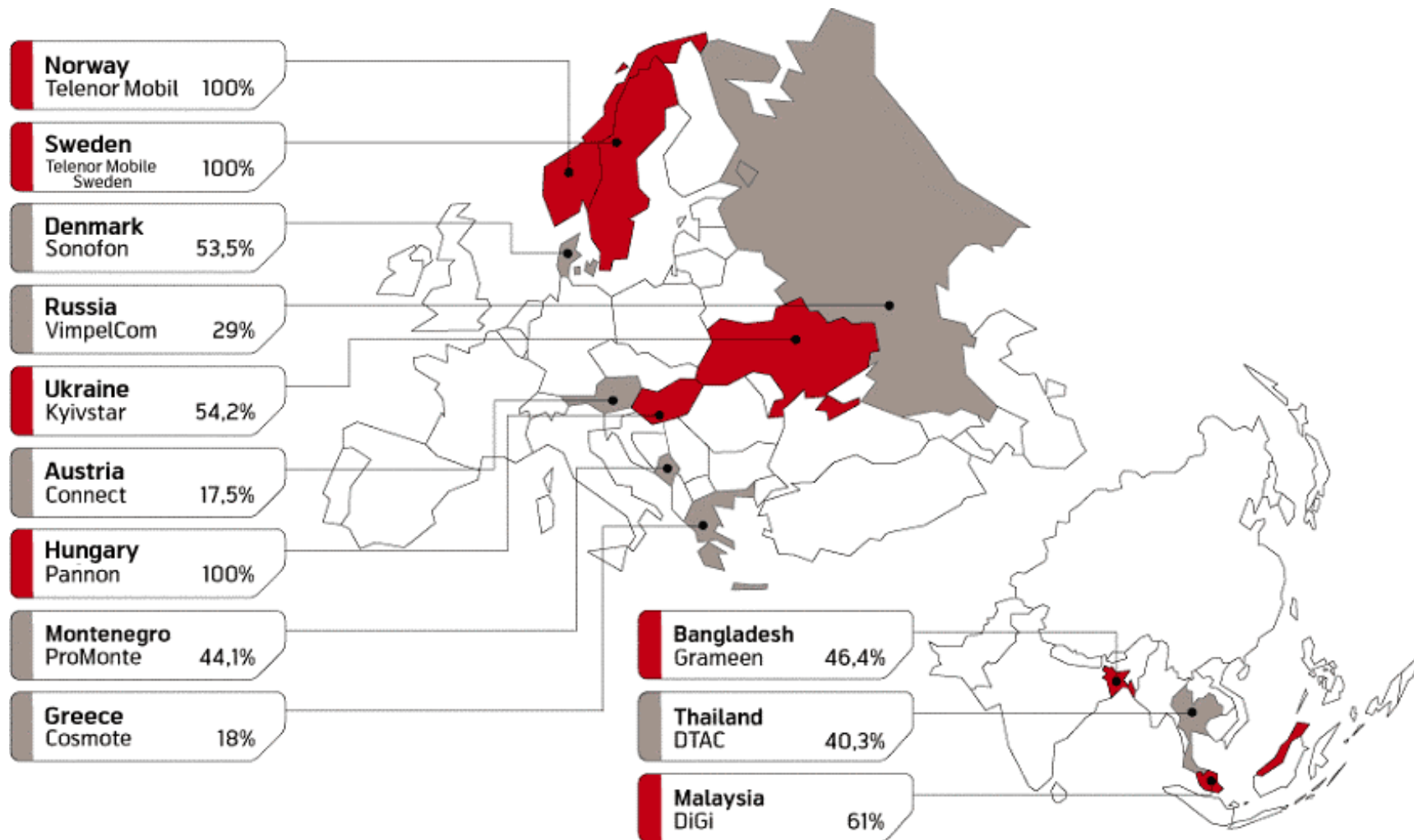
EBITDA CAPEX



EBIT






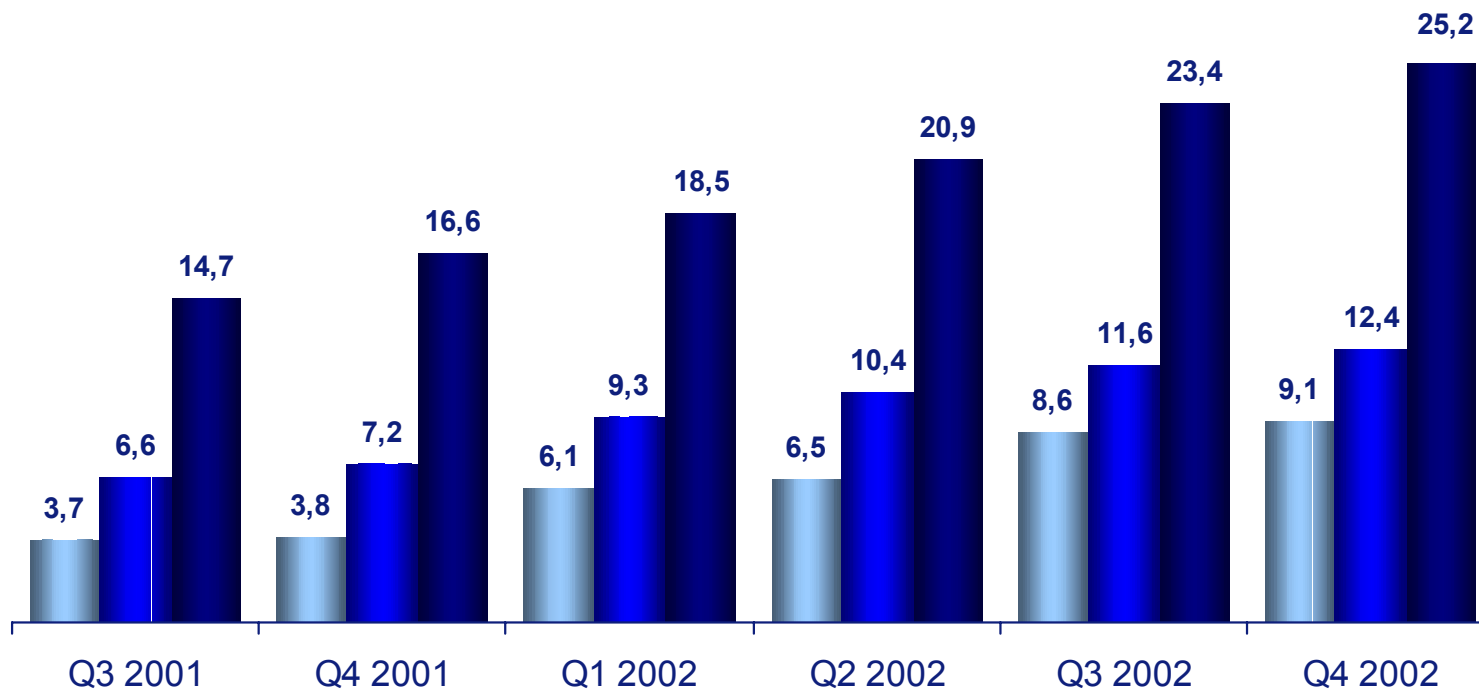
Telenor Mobile's Portfolio



* Telenor's indirect ownership in DTAC = 40,3%.
 (Direct ownership share in DTAC: - Telenor: 30%, - UCOM: 40,3 %)

Mobile Subscribers (in millions)

-  Total Consolidated
-  Total Pro Rata
-  100% figures (in all companies)



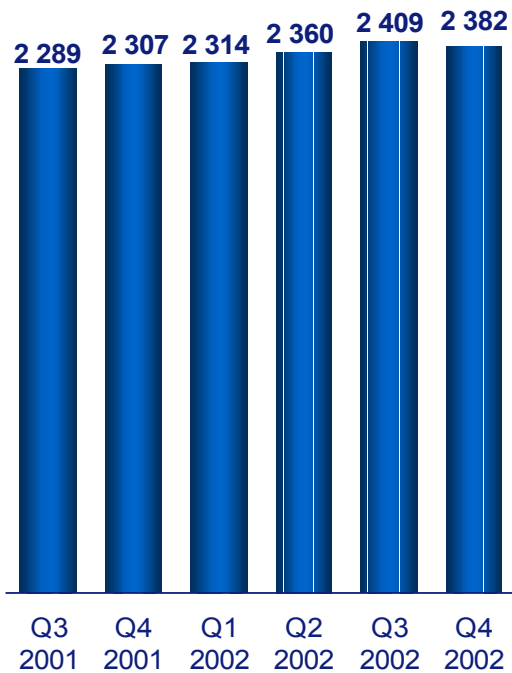
Mobile Growth

	Revenues		EBITDA Margin	
	Q4 02 vs. Q4 01 NOK	Q4 02 vs. Q4 01 <i>Local Currency</i>	Q4 2002	Q4 2001
mNorway	7%	-	37,3 %	34,3%
Pannon	11%	14%	33,8 %	30,5%
DiGi	5%	27%	43,5 %	34,3%
Grameen	7%	33%	45,5 %	47,5%
Kyivstar	22%	46%	55,1 %	31,0%

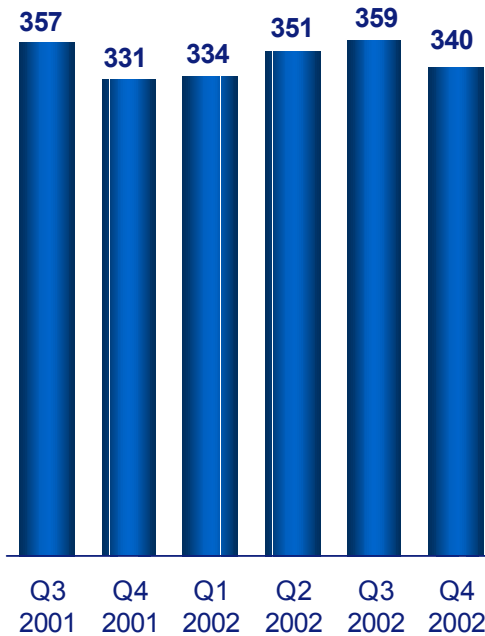


telenor mobil

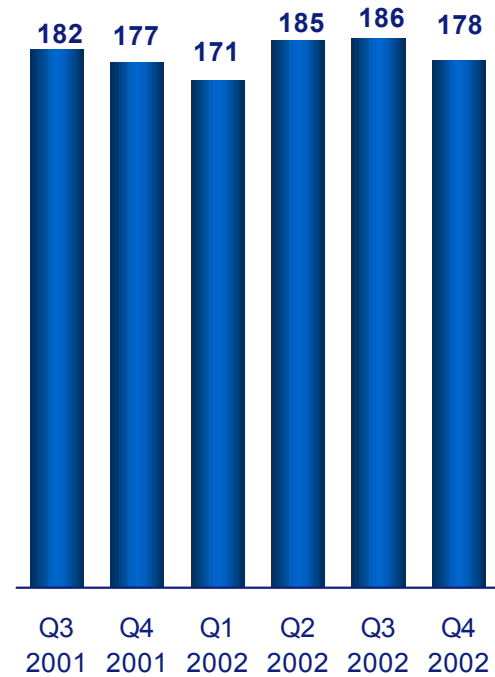
Subscribers



ARPU



MoU (AMPU)

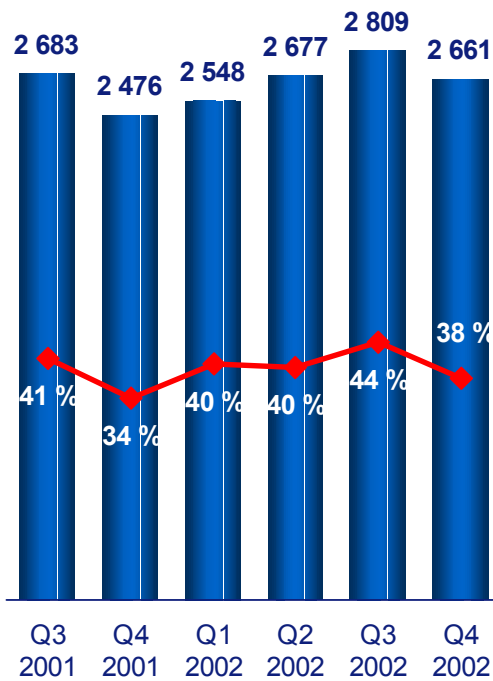


Figures represent mNorway



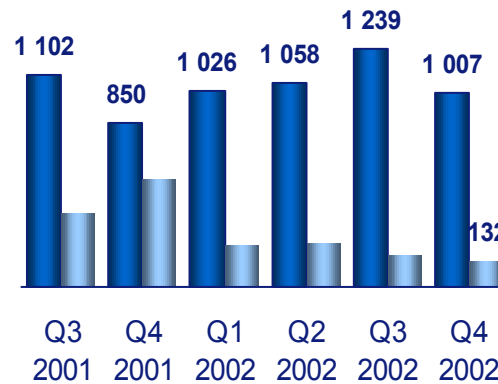
telenor mobil

Revenues / EBITDA %



EBITDA / CAPEX

EBITDA CAPEX

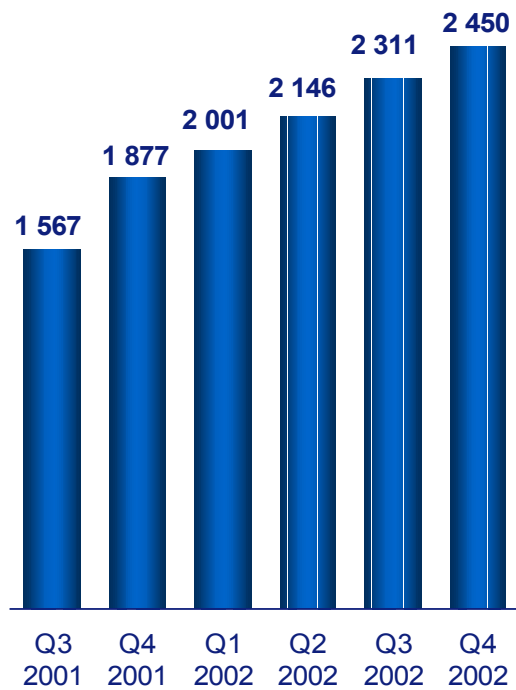


EBIT



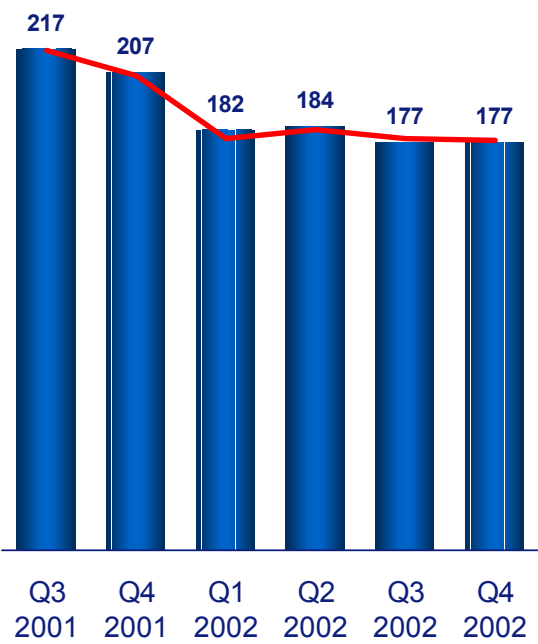
Figures represent mNorway, in NOK millions

Subscribers

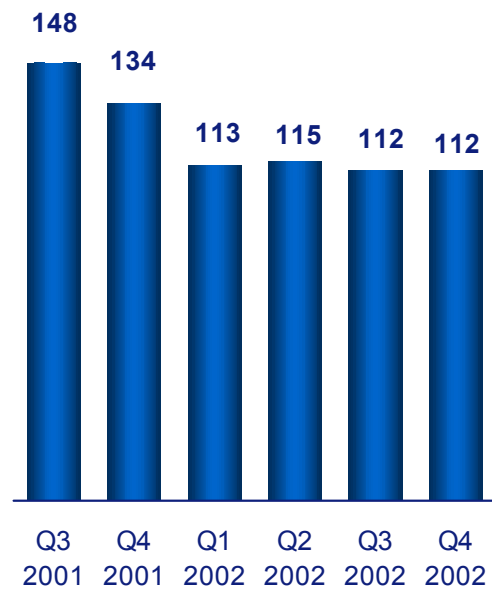


ARPU

■ NOK — HUF



MoU (AMPU)



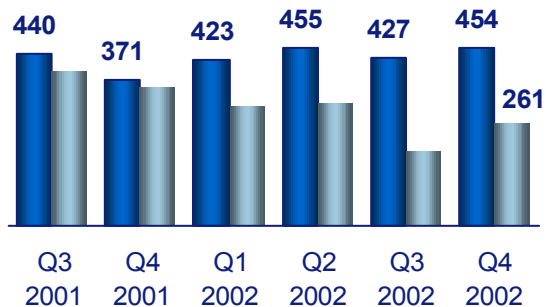
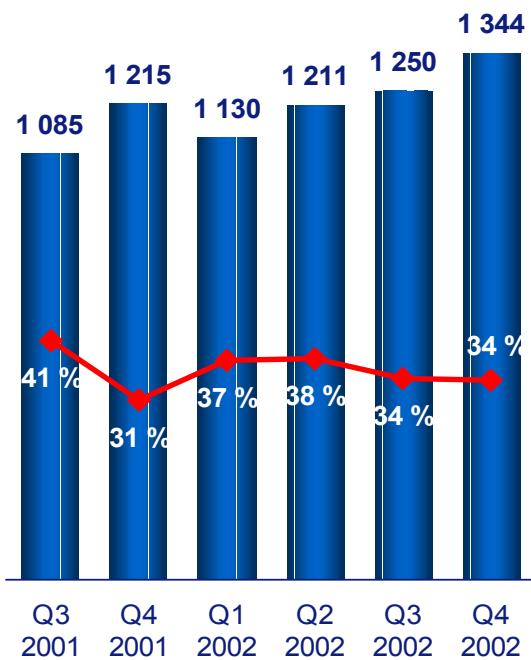
Subscriber figures based on 3 months churn for pre-paid

Revenues / EBITDA %

EBITDA / CAPEX

EBIT

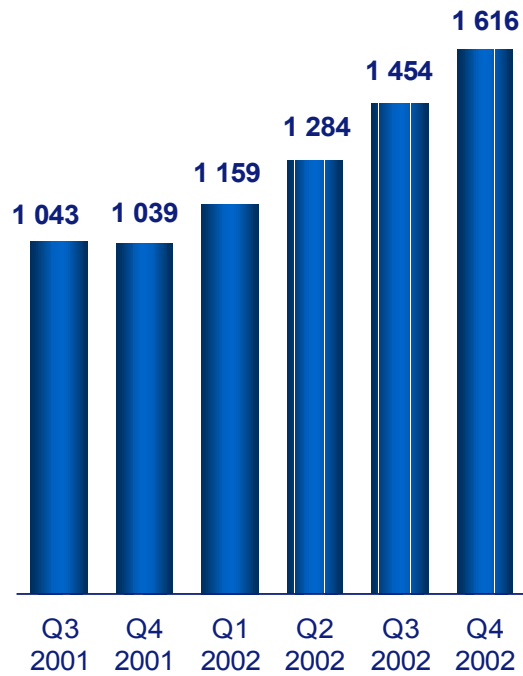
■ EBITDA ■ CAPEX



Figures in NOK millions

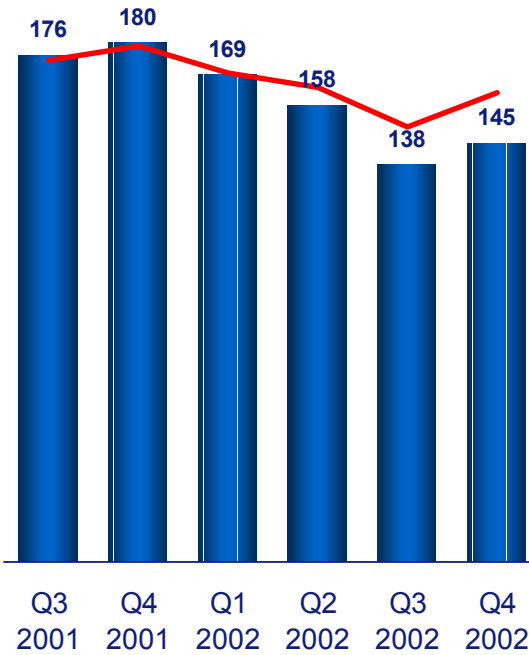


Subscribers

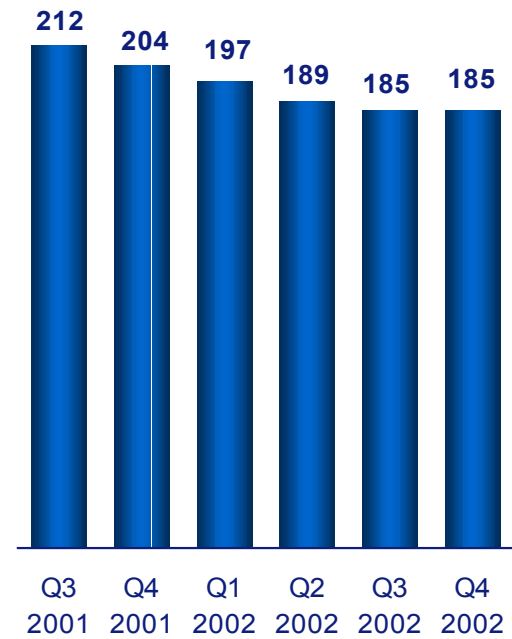


ARPU

■ NOK — MYR



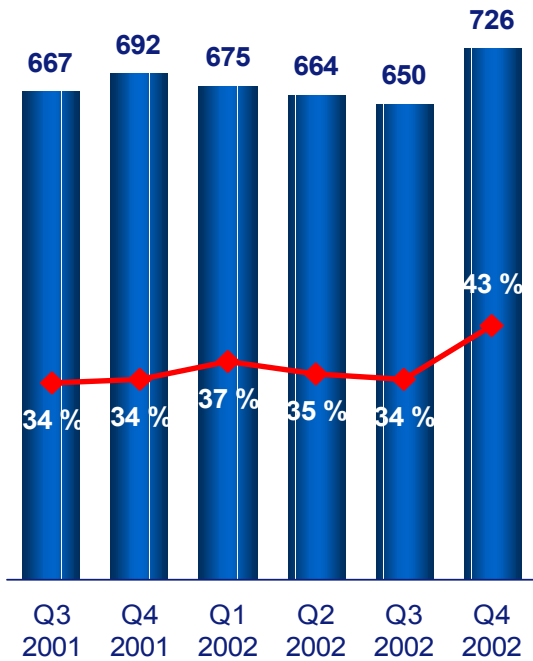
MoU (AMPU)



Subscriber figures based on 3 months churn for pre-paid

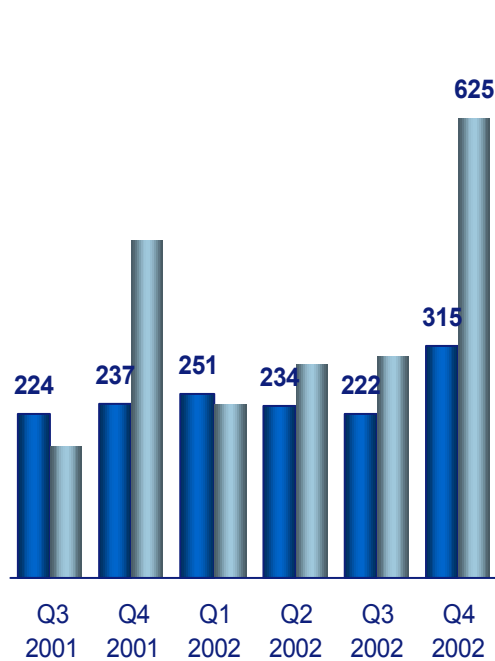


Revenues / EBITDA %

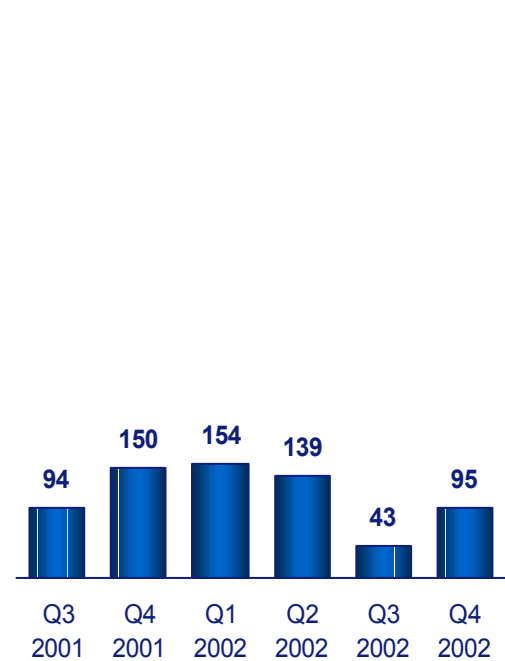


EBITDA / CAPEX

■ EBITDA ■ CAPEX

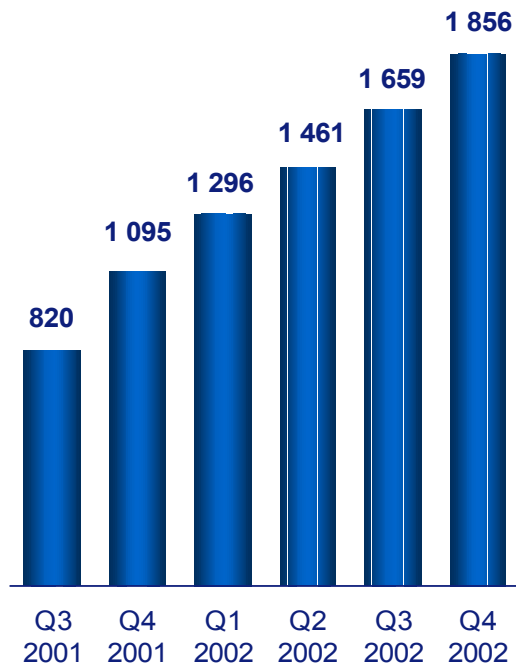


EBIT



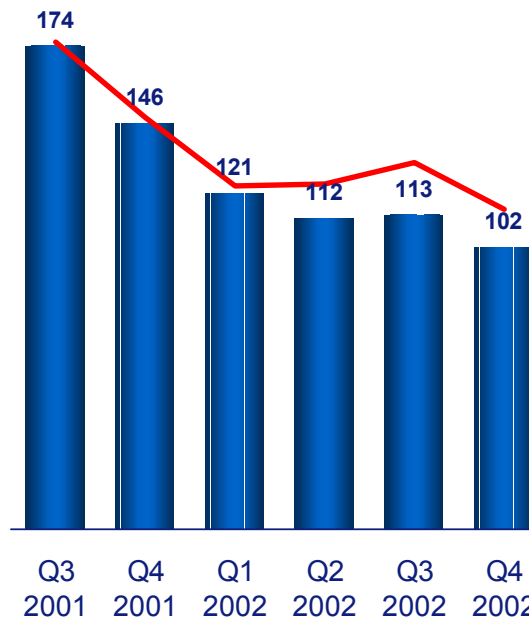
Q3 2001 figures are not audited, and calculated by DiGi due to change in Financial Year
 Figures in NOK millions

Subscribers

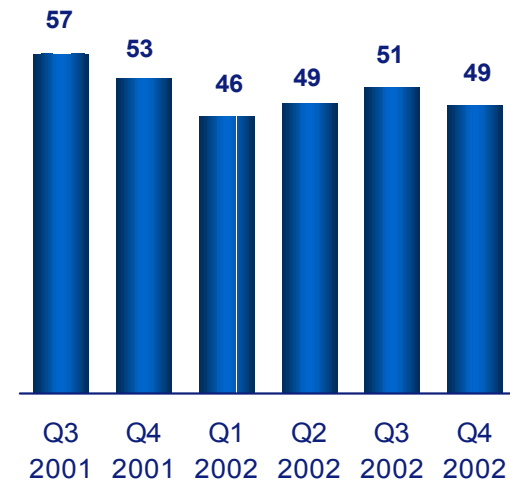


ARPU (NOK)

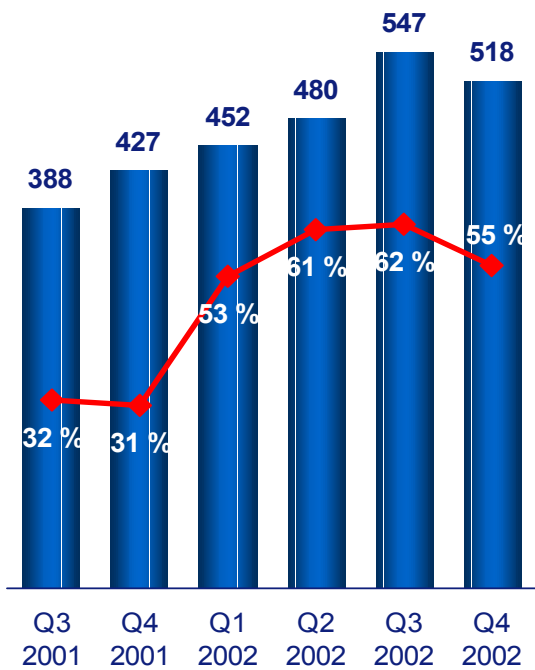
■ NOK — USD



MoU (AMPU)

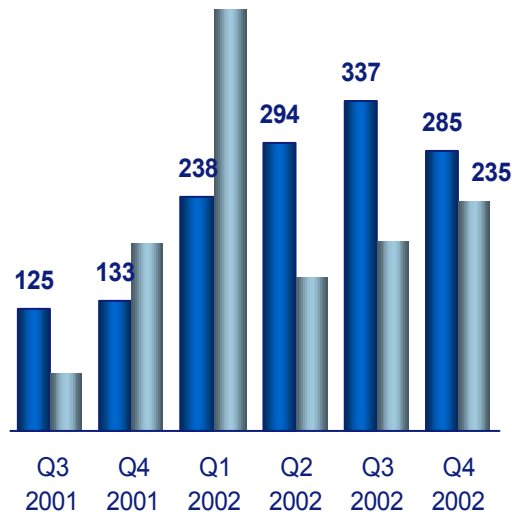


Revenues / EBITDA %

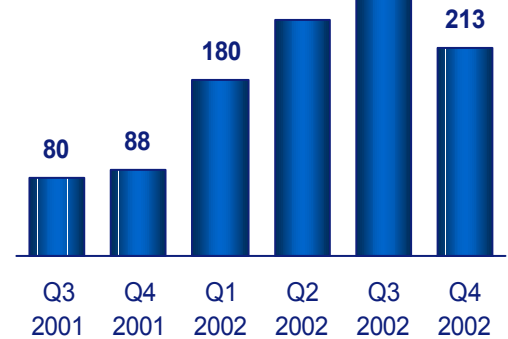


EBITDA / CAPEX

■ EBITDA ■ CAPEX

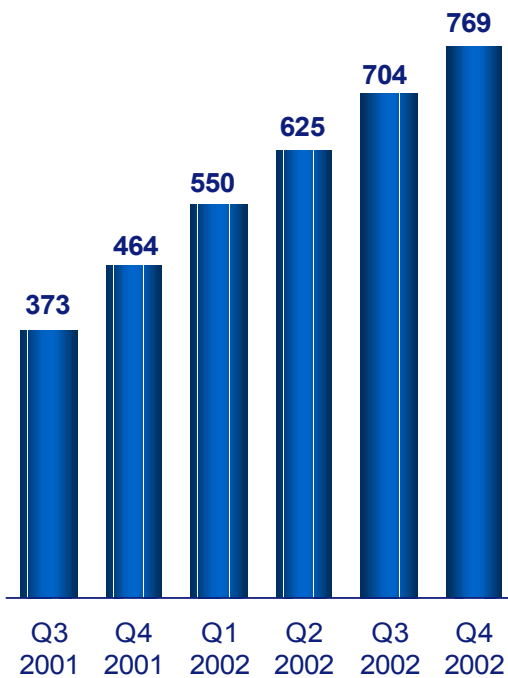


EBIT



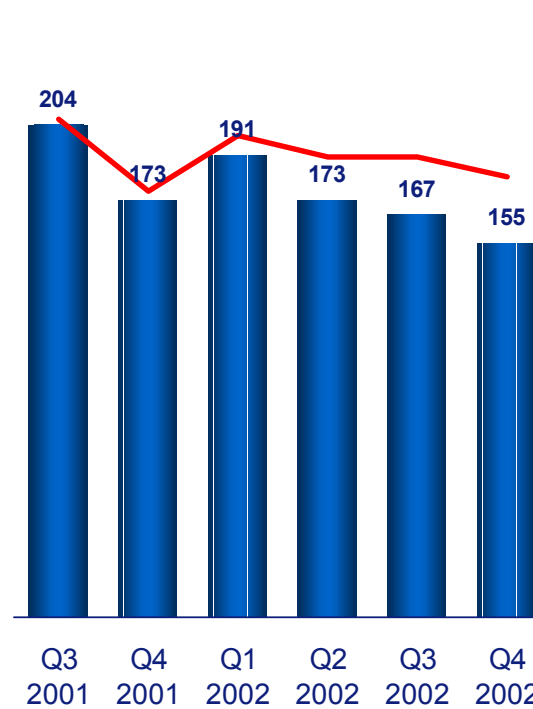


Subscribers

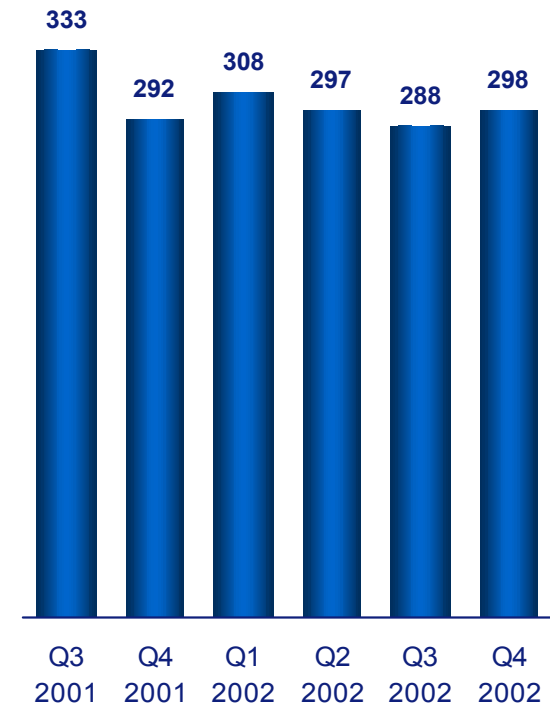


ARPU

■ NOK — BDT



MoU (AMPU)*



* Minutes of Use include both incoming and outgoing, including non-revenue generated incoming minutes. Figures can not be compared to other companies in portfolio

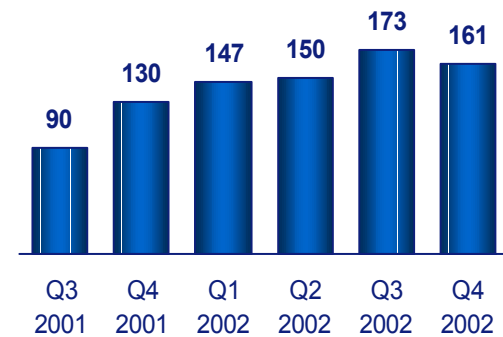
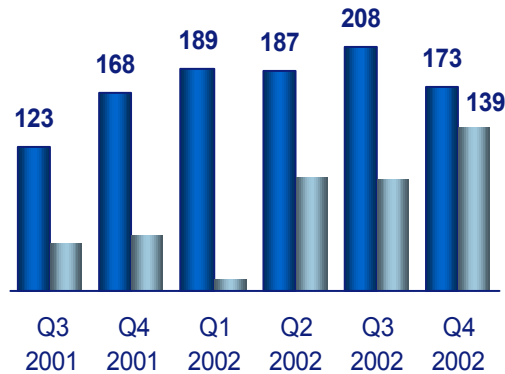
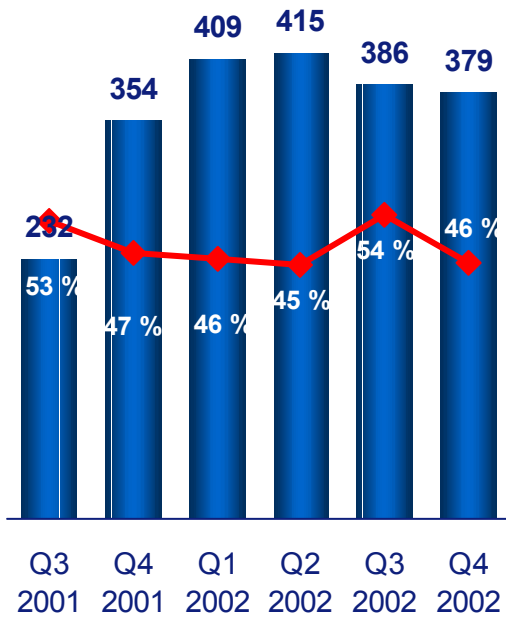


Revenues / EBITDA %

EBITDA / CAPEX

EBIT

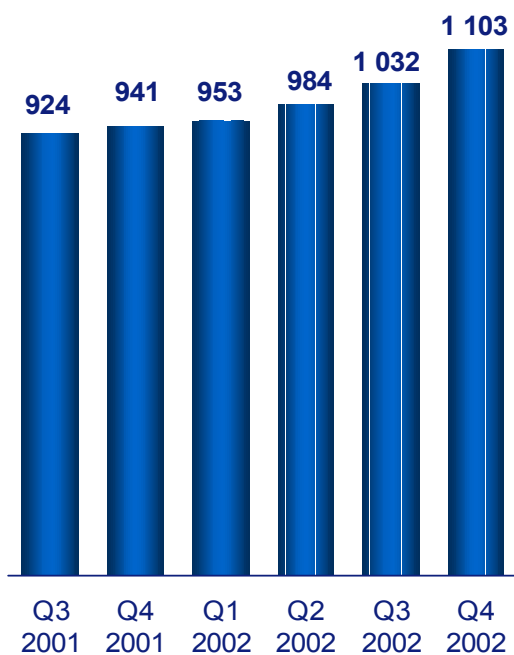
■ EBITDA ■ CAPEX



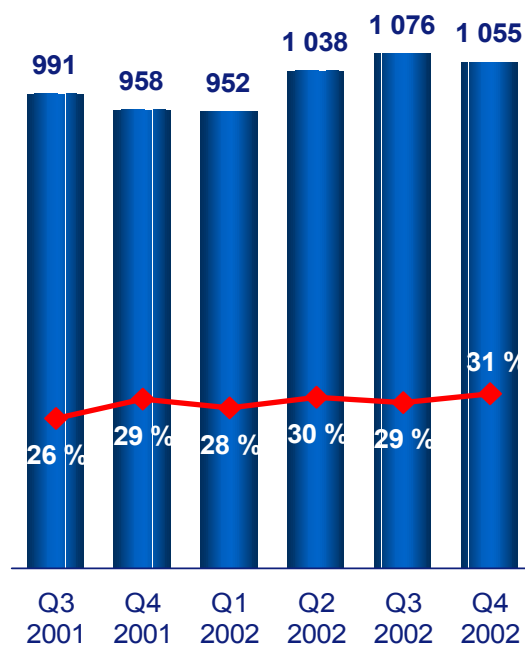
Figures in NOK millions



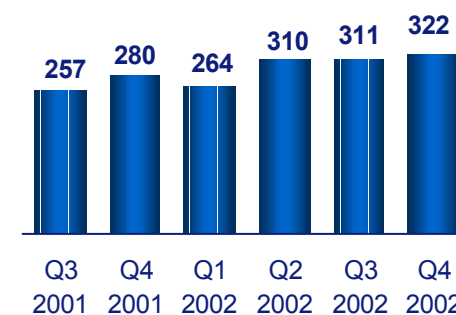
Subscribers



Revenues / EBITDA %



EBITDA



- Subscriber figures published by the Danish National Telecom Agency (excludes service providers and based on 12 month pre-paid churn).
- Q1 & Q3 2001-2002 subscriber figures have not been published and have been submitted by Sonofon
- Figures are based on actual company figures
- Figures in NOK Millions

Group Financial Overview

Q4 2002

Torstein Moland
CFO

Key messages

- Adjusted Group EBITDA of NOK 14.5 Bn in 2002
- Group CAPEX of NOK 8.9 Bn in 2002
- Write downs of NOK 6.6 Bn in 2002
- Delta 4 – On schedule
- 2003 – Strong growth in cash flow

Write Downs

Consolidated	Q4	2002
- Mobile (Mainly Digi)	2 176	2 289
- Business Solutions	90	734
- EDB BP	360	364
- Other	178	166
Total Consolidated	2 804	3 553

Associated	Q4	2002
- Sonofon	1000	1000
- DTAC/UCOM	881	881
- Oniway	316	316
- Other	10	84
Total Associated	2 207	2 281

Financial Items	649	744
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Group - Adjusted P&L

(NOK Mn)

	Q4 2002	Q4 2001	2002	2001
Revenue	13 002	10 874	48 668	40 604
EBITDA	4 101	2 417	14 478	9 502
EBIT	1 341	439	4 369	2 251
Assoc. comp	25	(363)	(205)	(1 746)
Profit Before Tax	827	(31)	2 552	(396)

Reported P&L

(NOK Mn)

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Revenue	13 042	15 920	48 826	46 040
EBITDA	3 562	7 348	13 441	14 250
EBIT	(2 002)	4 412	(221)	3 177
Associated Co.	(2 146)	(3 665)	(2 450)	8 237
Net Finance	(1 188)	(39)	(2 356)	(1 159)
Profit before Tax	(5 336)	708	(5 027)	10 255
Net Income	(4 491)	867	(4 213)	7 079

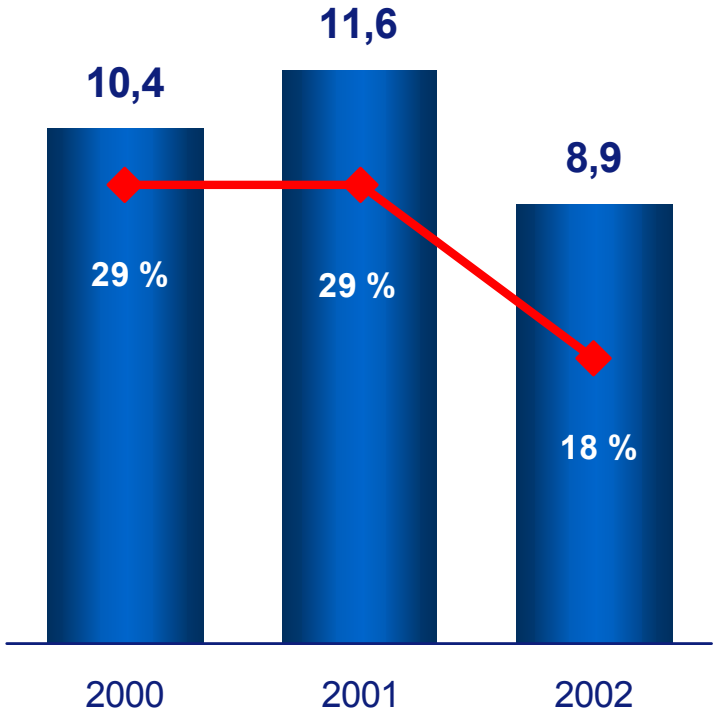
* 2001 Proforma

Reported EBITDA vs. Consensus

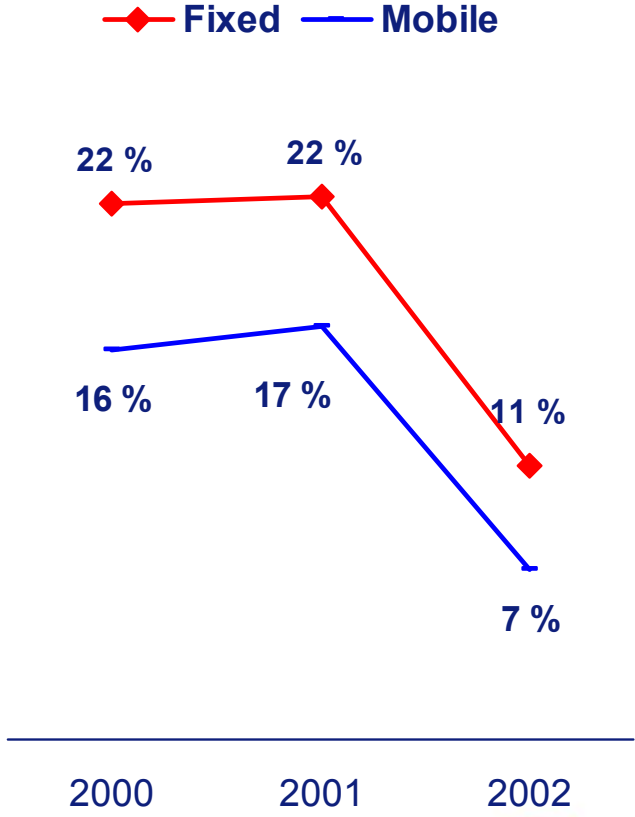
	EBITDA Q4		
	Reported	Consensus	Diff
Mobile	2 084	2 033	51
Networks	1 370	1 538	(168)
Plus	18	6	12
Business Sol	46	(29)	72
EDB	82	82	0
Other	93	76	17
Group Functions	(214)	(113)	(101)
Eliminations	83	(55)	138
Total	3 562	3 551	11

CAPEX/SALES

Group (NOK Bn)



Fixed Line/Domestic Mobile



Balance Sheet

	31 Dec 2002	30 Sept 2002	31 Dec 2001
Fixed Assets	74 048	78 399	66 095
Current Assets	15 303	14 708	16 528
Total Assets	89 351	93 107	82 623
Equity & Minorities	37 201	43 498	45 683
Interest-bearing debt	32 396	31 333	19 169
Non interest-bearing debt	19 754	18 276	17 771
Total Equity and debt	89 351	93 107	82 623

Outlook 2003

- Revenues – 7-10% revenue growth
- EBITDA – Increased margins
- EBIT - Strong underlying growth
- Capex - Approximately NOK 9 Bn

Telenor - Fourth Quarter 2002

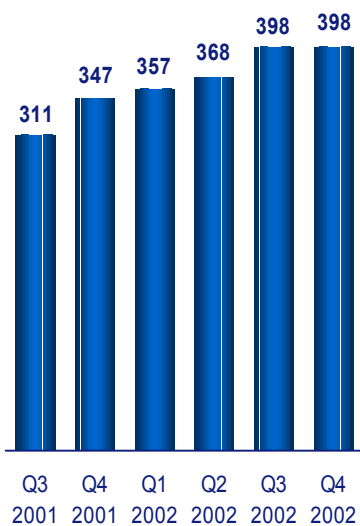
Appendix

Quarterly Figures (NOK mill)

SMS & Content

mNorway

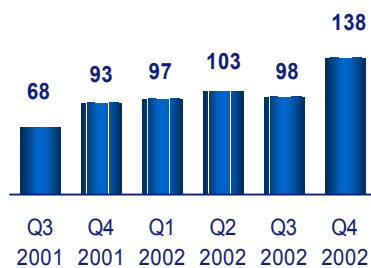
15% of sales in Q4



SMS & Content Revenue figures have been adjusted and now include revenue from terminated SMS

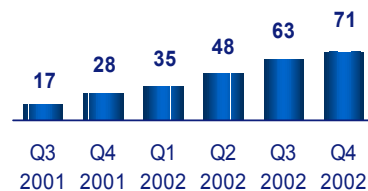
Pannon GSM

10% of sales in Q4



DiGi

10% of sales in Q4



Kyivstar

4% of sales in Q4



Telenor Mobile International Associates

Total per Company Q3 2001 - Q3 2002

(100% figures in NOK millions according to local GAAP)

	Subscriptions			Revenues YTD			EBITDA YTD ¹⁾			Net debt ²⁾
	September 30 2001	September 30 2002	%-change 2000/2001	September 30 2001	September 30 2002	%-change 2000/2001	September 30 2001	September 30 2002	%-change 2000/2001	September 30 2002
Nordic Region										
Sonofon ⁴⁾	924	1 032	12 %	2 870	3 034	6 %	700	848	21 %	3 605
Europe										
Connect Austria	1 229	1 294	5 %	3 362	3 390	1 %	463	788	70 %	9 777
Cosmote	2 740	3 369	23 %	5 496	6 795	24 %	2 394	2 940	23 %	3 288
Pro Monte	184	193	5 %	289	324	12 %	136	161	18 %	-53
Russia/Ukraine										
VimpelCom	1 480	4 028	172 %	2 611	4 434	70 %	948	1 953	106 %	2 397
StavTeleSot	58	136	135 %	102	154	51 %	64	86	34 %	63
Southeast Asia										
DTAC	2 300	5 130	123 %	4 389	4 902	12 %	1 339	1 518	13 %	7 122
UCOM ³⁾	-	-	-	2 677	2 359	-12 %	322	268	-17 %	941

1) EBITDA consists of earnings before interest, tax, depreciation and amortization excluding gains/(losses) from sales of fixed assets and operations

2) Net debt consists of long term and short term interest-bearing debt minus cash. Closing exchange rates used

3) UCOM classified according to NGAAP. Figures for TAC are not included

4) Subscriber figures published by the Danish National Telecom Agency (excluding service providers)