

telenor

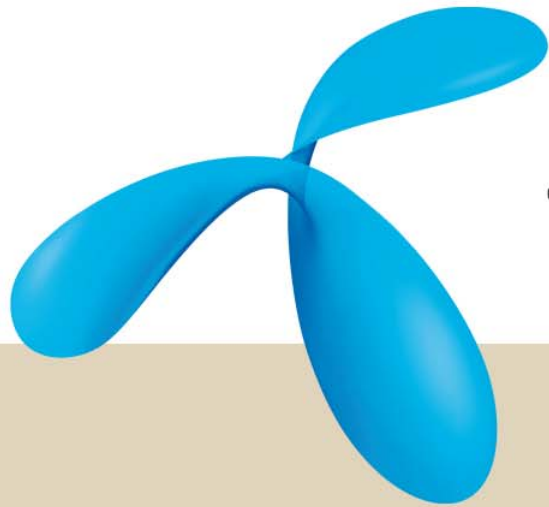
Telenor – Fourth Quarter 2006

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There are litigation and arbitration proceedings pending in New York involving Kyivstar's shareholders relating to Kyivstar's shareholders agreement. Further proceedings have recently been brought in Ukrainian courts by Storm LLC (43.5% shareholder in Kyivstar) and a related party challenging the authority of the company to appoint auditors. An injunction from Krasnolutsk City Court of Lugansk Region has been issued that, among other things, purports to prohibit Kyivstar's management from providing financial information to Kyivstar's international auditors, the company's shareholders, including Telenor, from using financial information already provided by Kyivstar and Kyivstar and Telenor's auditors from carrying out any audit work in relation to Kyivstar's year-end IFRS financial statements. Telenor is contesting these actions. As a result of not having the ability to obtain relevant financial information from Kyivstar, the information contained in Telenor's fourth quarter results relating to Kyivstar is based on estimated figures. Actual results could differ from these estimates.





# telenor

## Group Overview

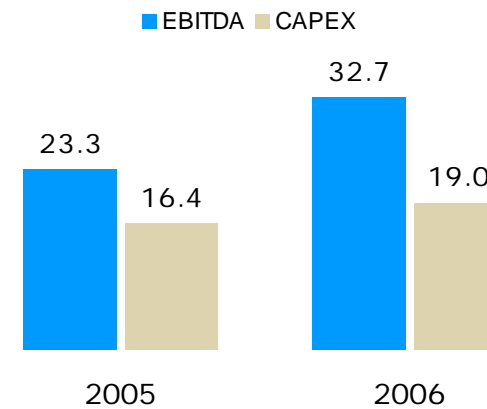
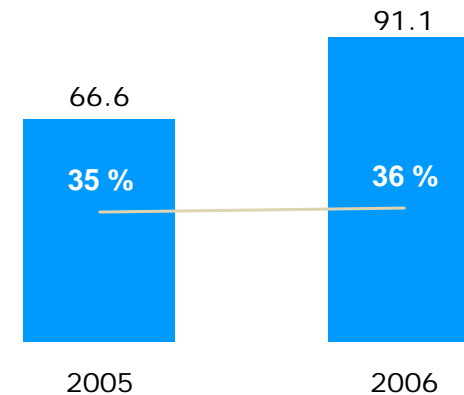
Jon Fredrik Baksaas  
President and CEO

2006

## An Outstanding Year

- Revenue growth of 37%
- EBITDA margin improved from 35% to 36%
- Significantly improved operating cash flow
- The underlying growth to continue in 2007

Revenues (NOKbn)/EBITDA %

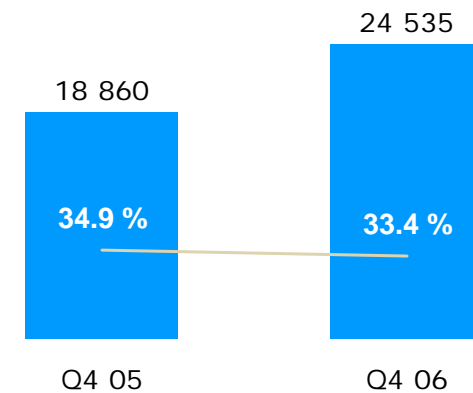


Q4 2006

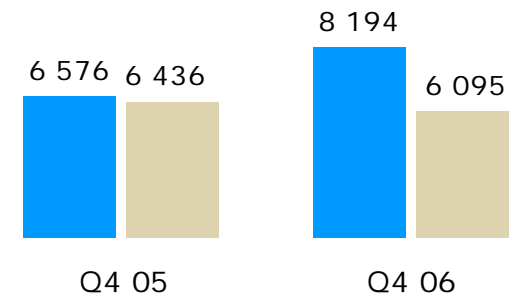
## Strong Growth with Reduced Margin

- Revenue growth of 30%
- 10 million new mobile subscriptions
- EBITDA margin of 33%
- Improved operating cash flow

Revenues (NOKm)/EBITDA %

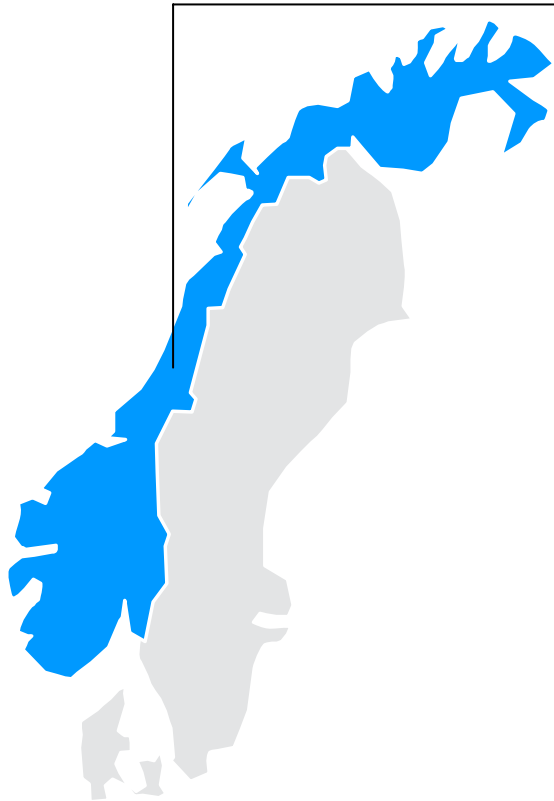


■ EBITDA ■ CAPEX



# Focusing on Customer Retention

Norway - Mobile



- Active migration to cheaper low churn subscriptions
- Increased loyalty through closed user group offerings

**FriFamilie – Nå også best i test**  
i Dine Penger, des 2006:

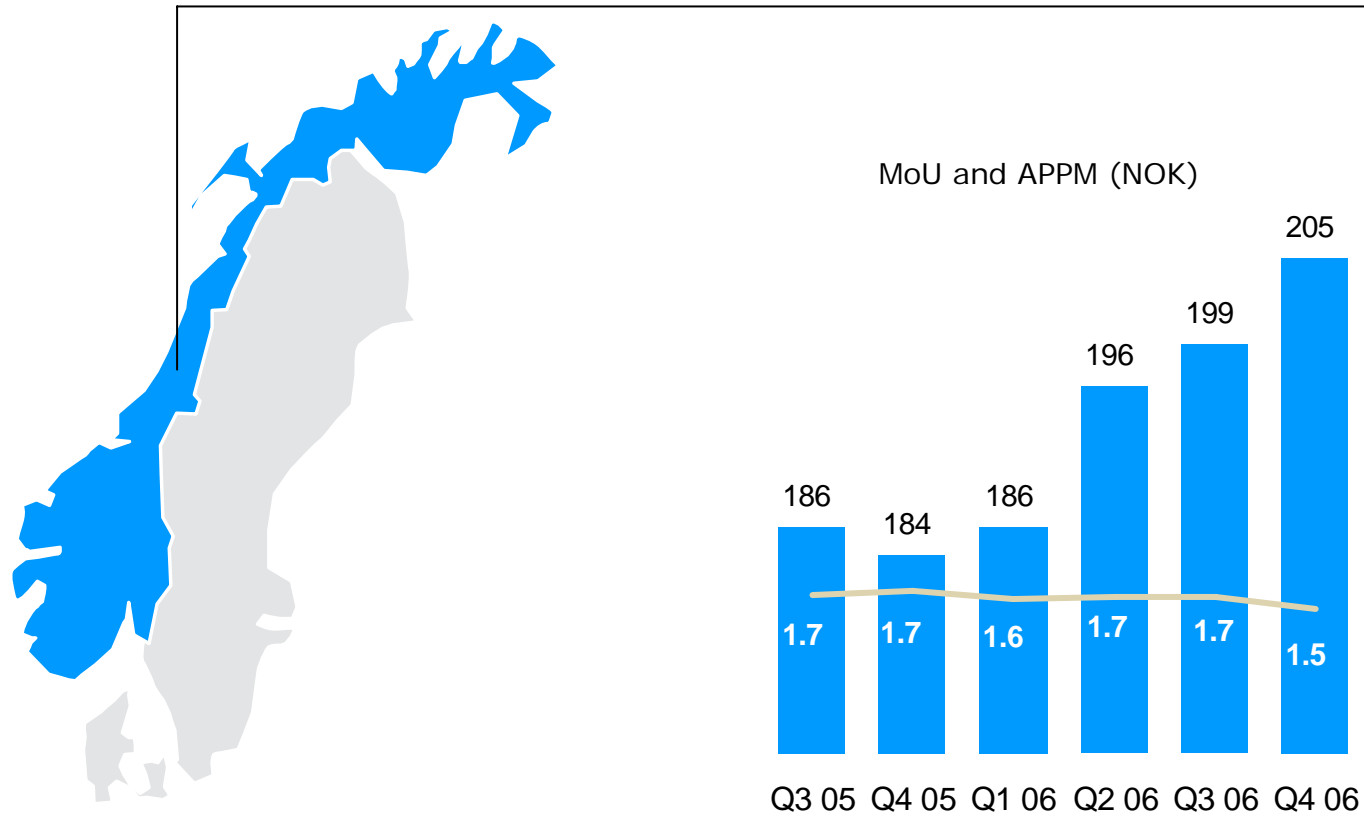
✓ Ring hele familien	0,-
✓ Ring fra kontantkort	0,-
✓ Ring til hjemmetelefon	0,-
✓ Etablering	0,-
✓ Månedspris	0,-

Ring 09000 eller besøk en Telenor-forhandler



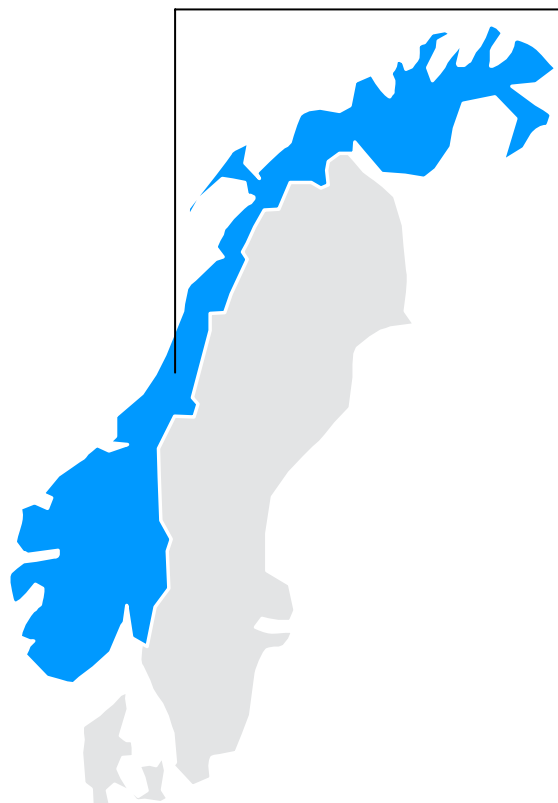
# Price Reductions Offset by Increased MoU

Norway - Mobile

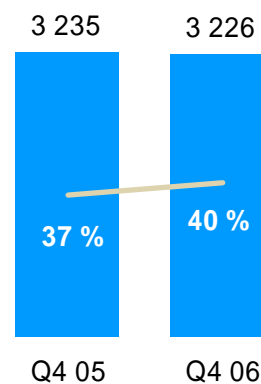


# Improved Margin due to Reduced Handset Subsidies

Norway - Mobile



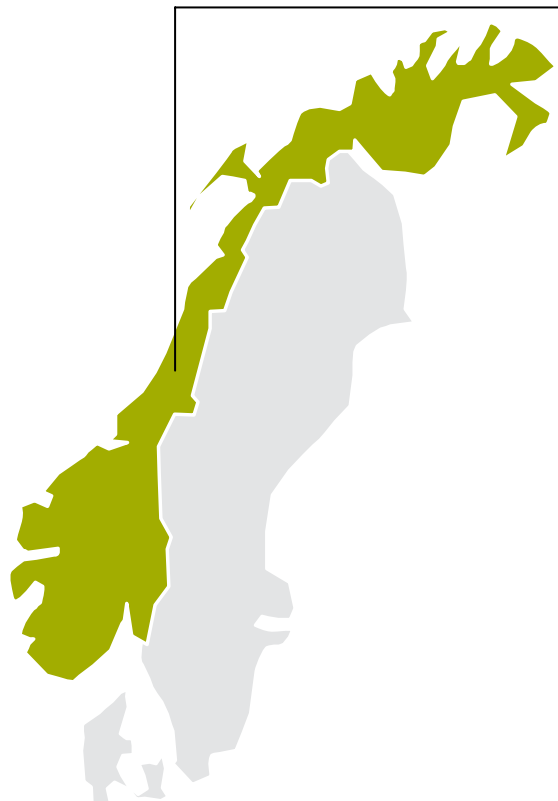
Revenues (NOKm) / EBITDA %





# Unchanged Market and Revenue Trends

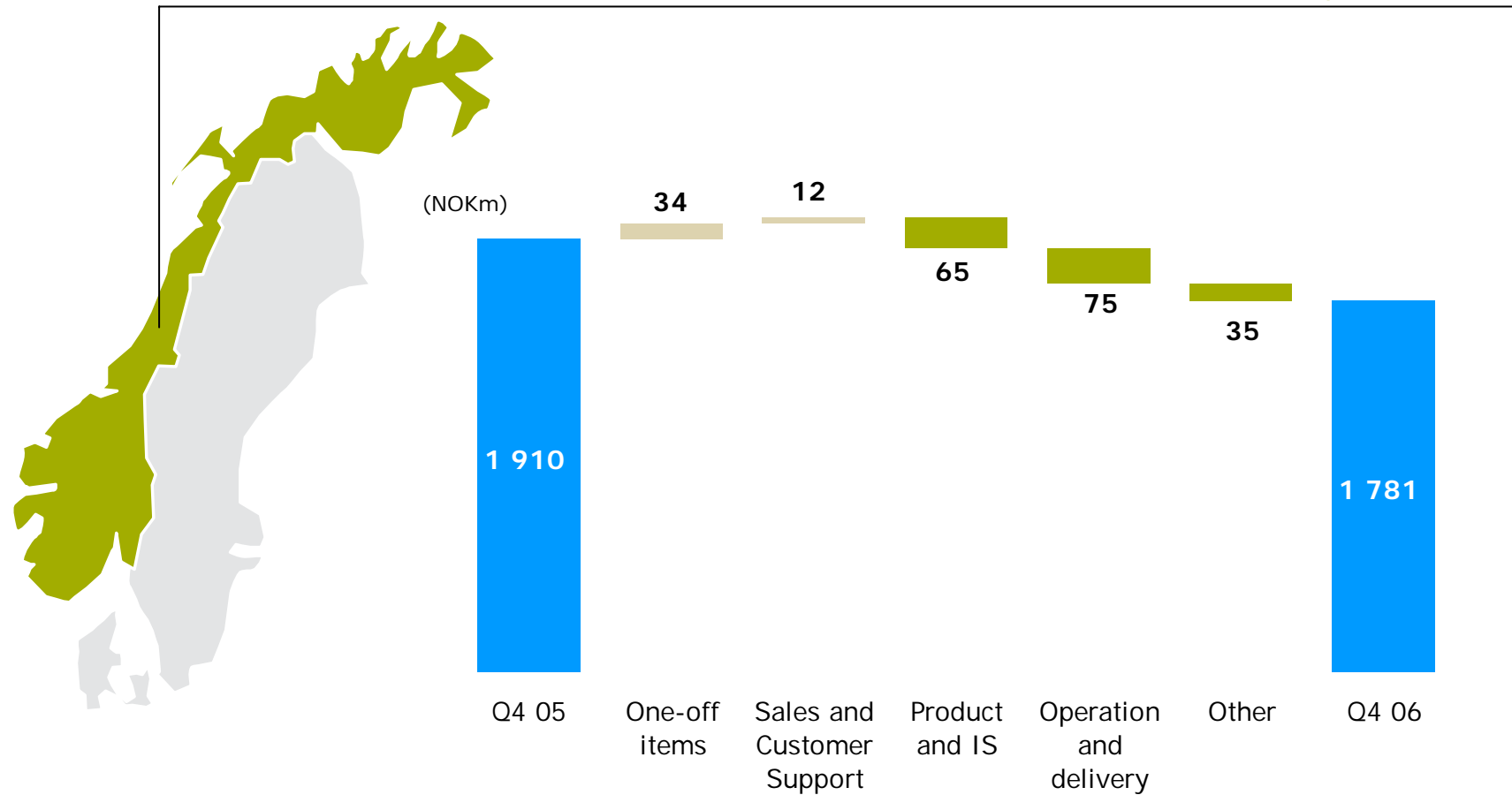
## Norway - Fixed



- Underlying revenue decline of 5.5%
- Stable broadband market share of 57% - revenue growth of 12%
- EBITDA margin of 30%
- Increased costs related to customer support and high network fault rate compared to Q3 2006

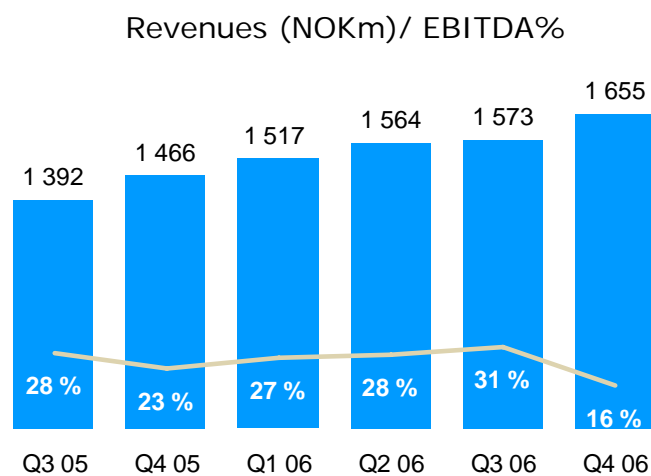
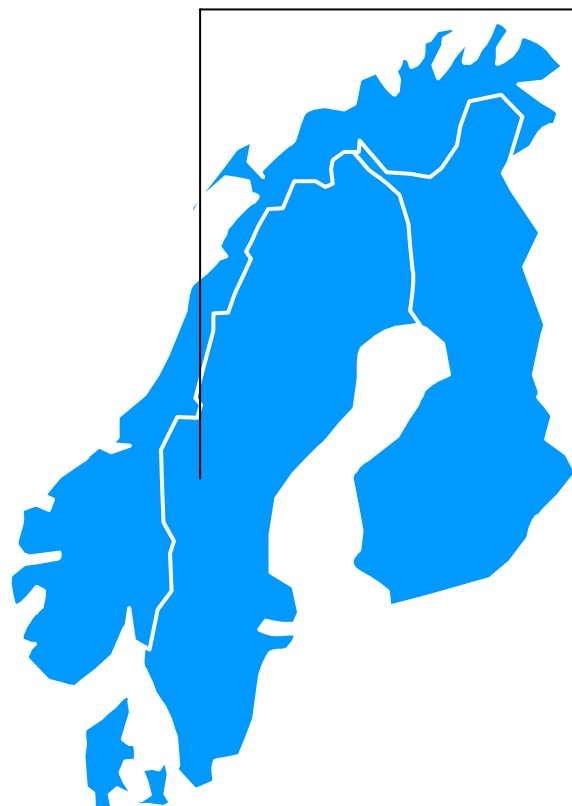
# Maintaining Cost Reduction Ambitions

Norway - Fixed



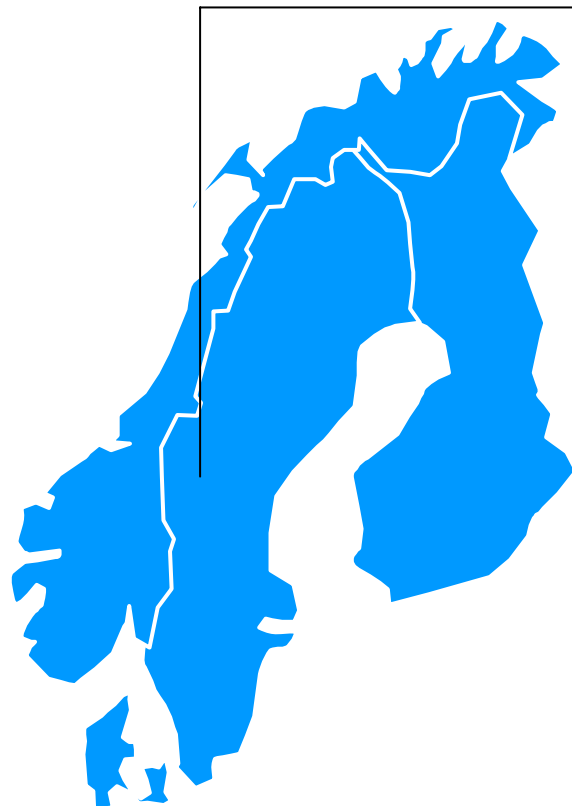
# Revenue Growth of 13% but Weak Margin

Broadcast



# Taking the Leading Position on HDTV

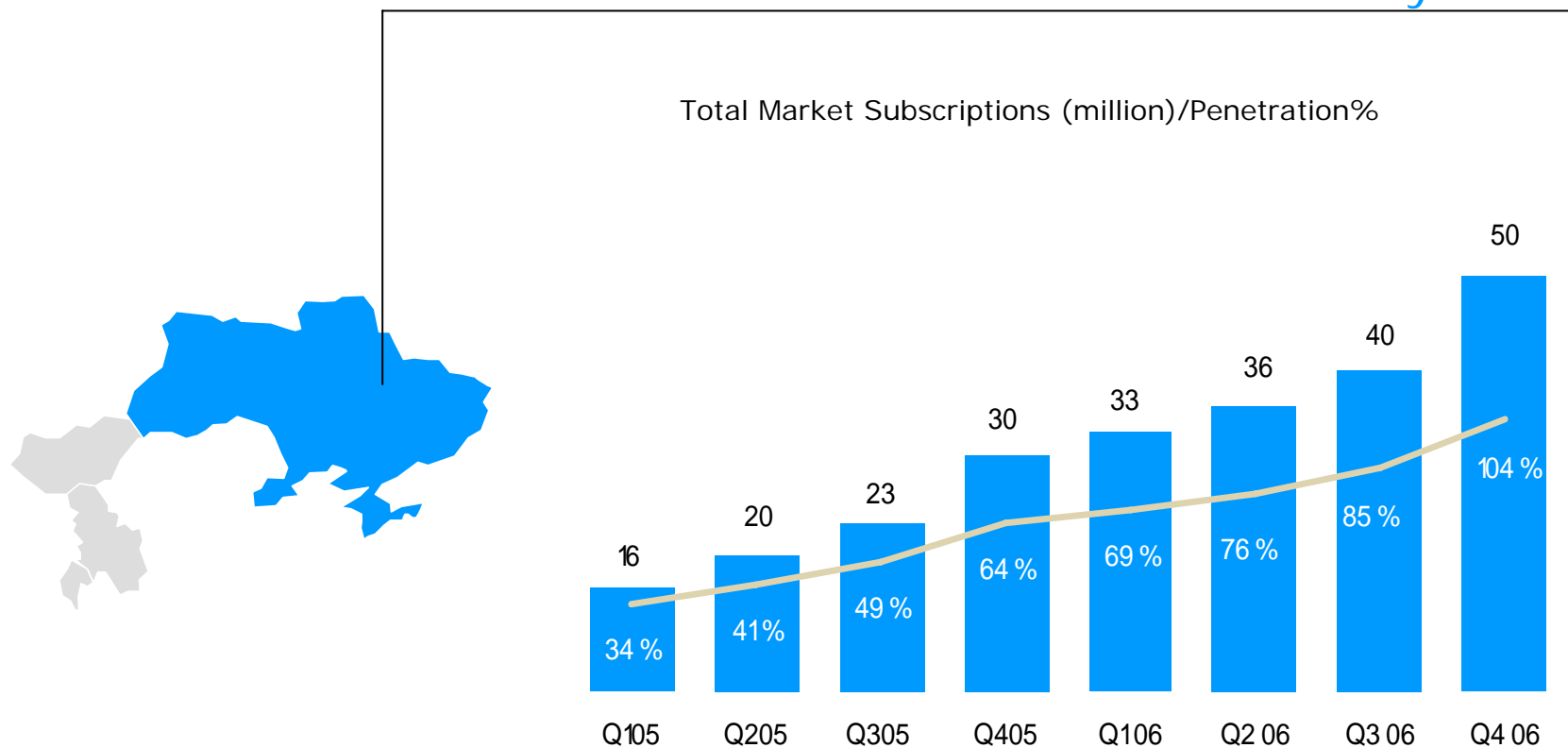
Broadcast



- First mover on HDTV with exclusive content
- Negotiation of content rights with effect from January 2006
  - Premier League for three seasons
  - UEFA EURO 2008
- Free installation and high decoder subsidies
- Replacement of satellite in H2 2007

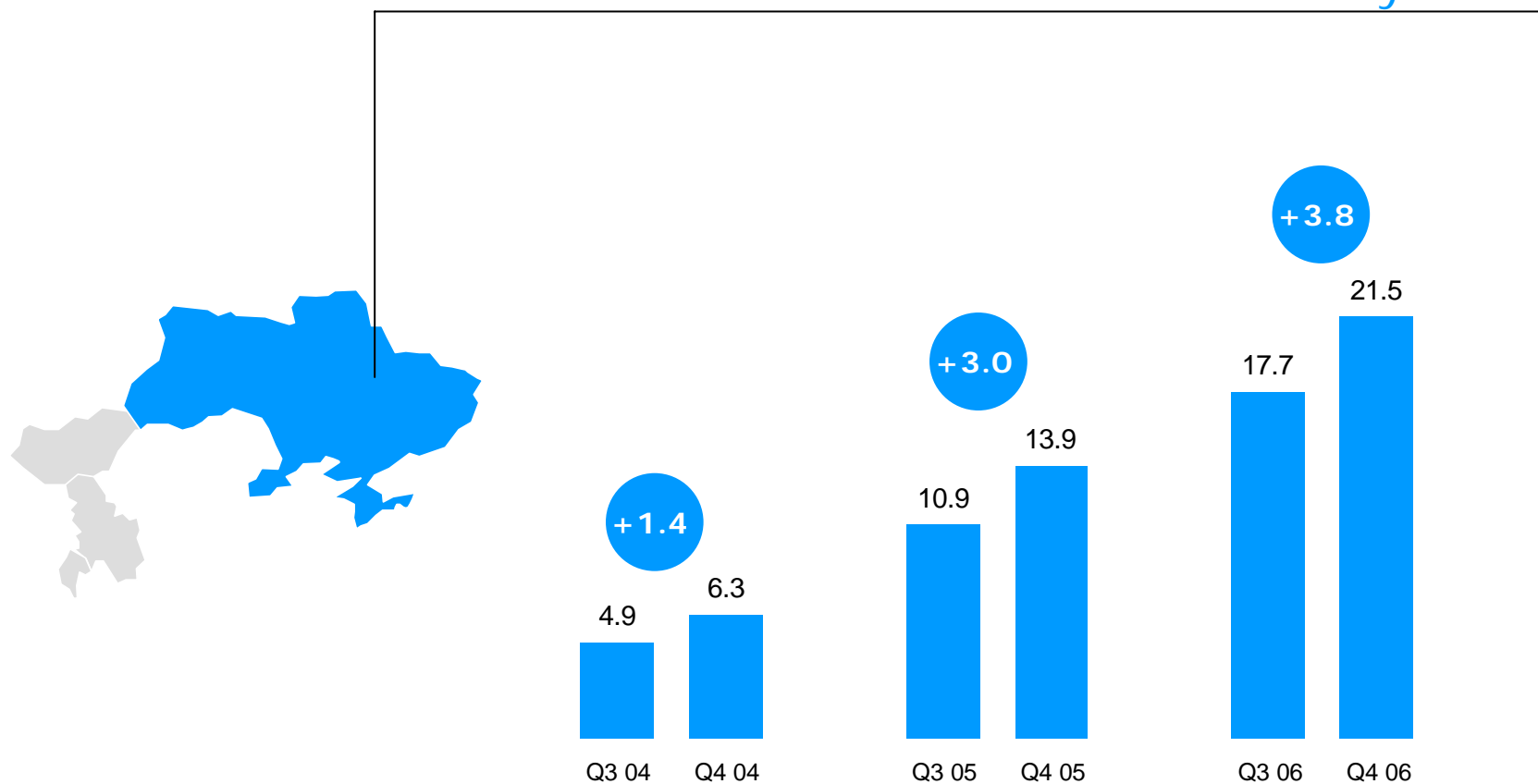
# SIM Penetration Above 100%

## Ukraine - Kyivstar



# Christmas Campaigns Boost Subscription Growth

Ukraine - Kyivstar

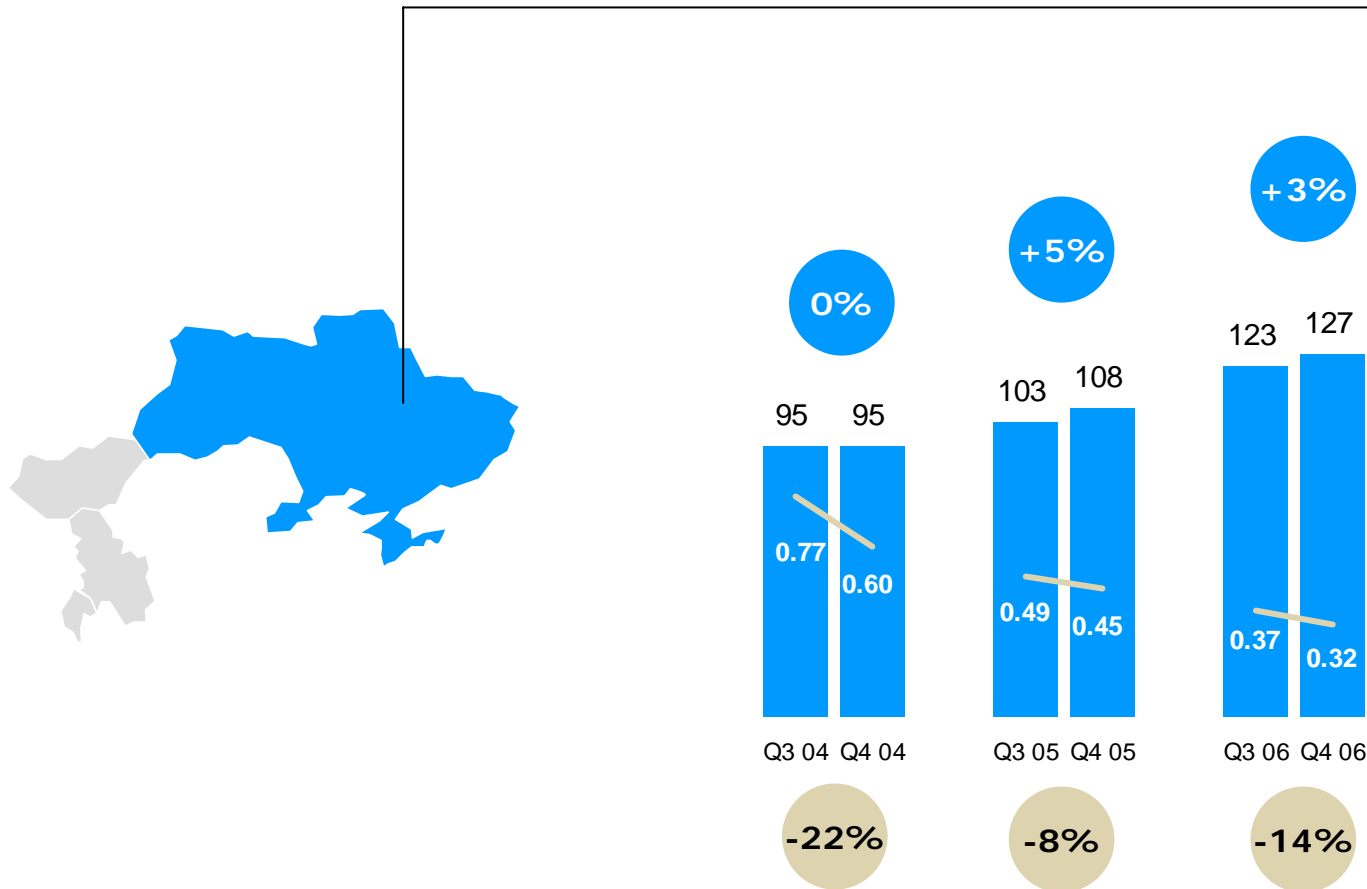


● Subscription growth (million)



# Increased Price Competition

Ukraine - Kyivstar



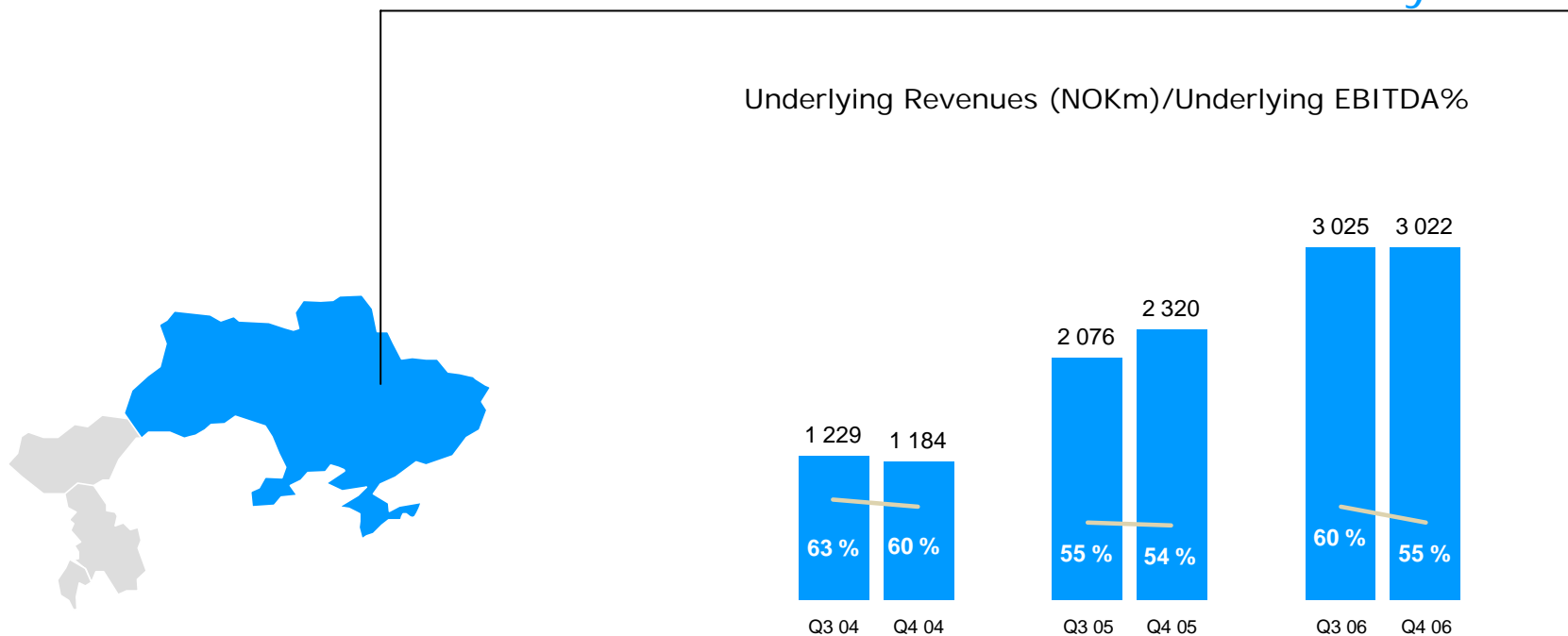
● QoQ Growth in MoU

● Change in Average Price Per Minute (Local Currency)



# Stable Revenues Compared to Q3 2006

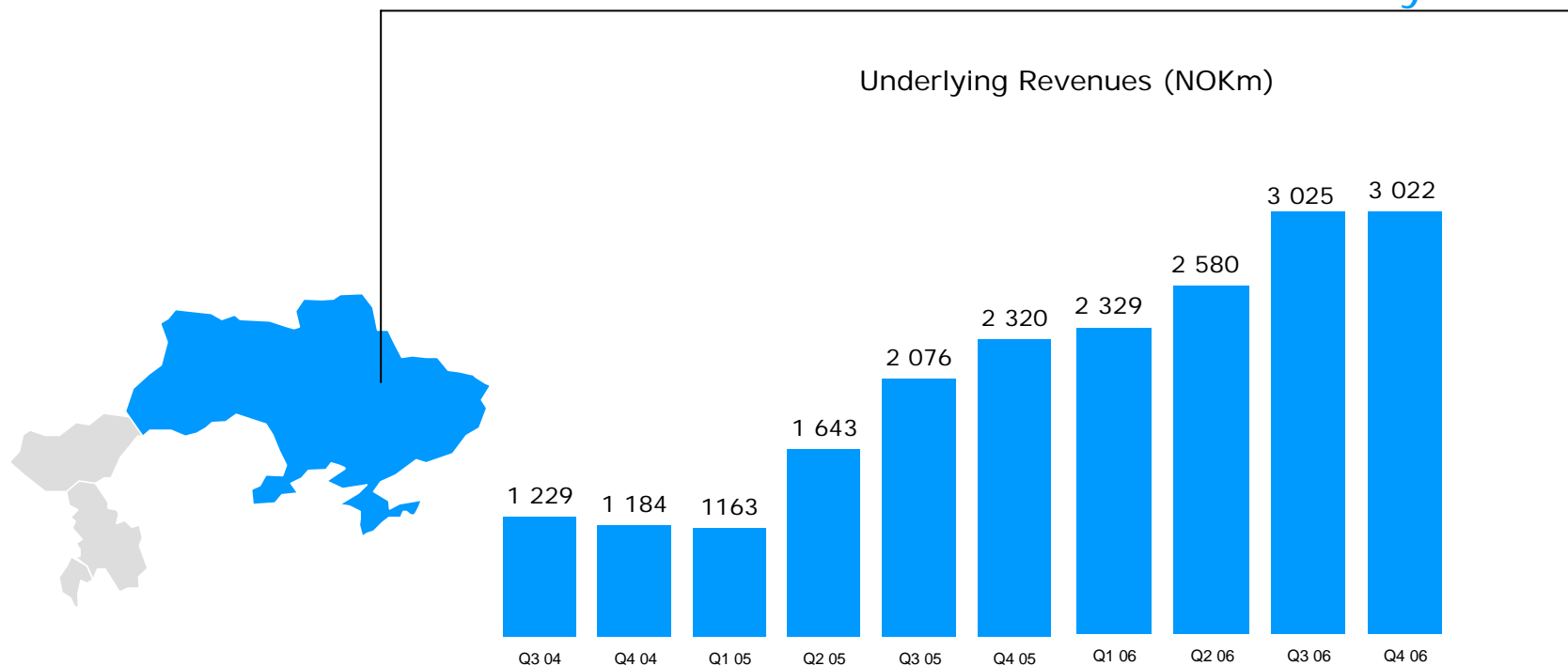
## Ukraine - Kyivstar





# Building Position for Future Revenue Growth

## Ukraine - Kyivstar

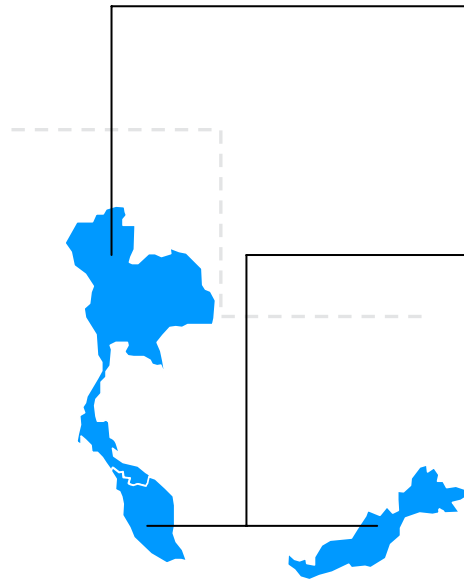


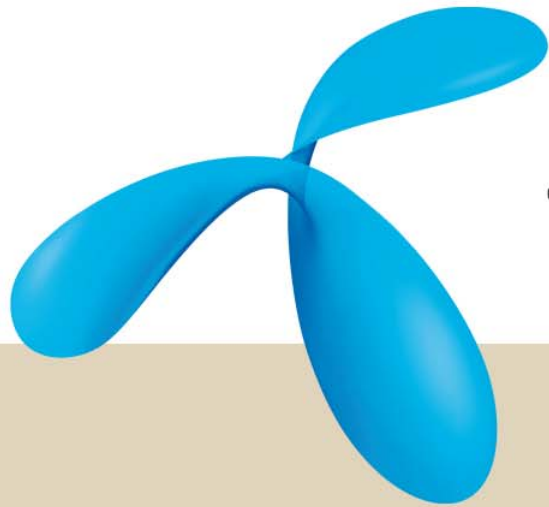
Thailand - DTAC

Interconnection implemented

Malaysia - DiGi

Well managed pre paid registration process





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Telenor Pakistan

Tore Johnsen  
CEO Telenor Pakistan

Telenor Pakistan

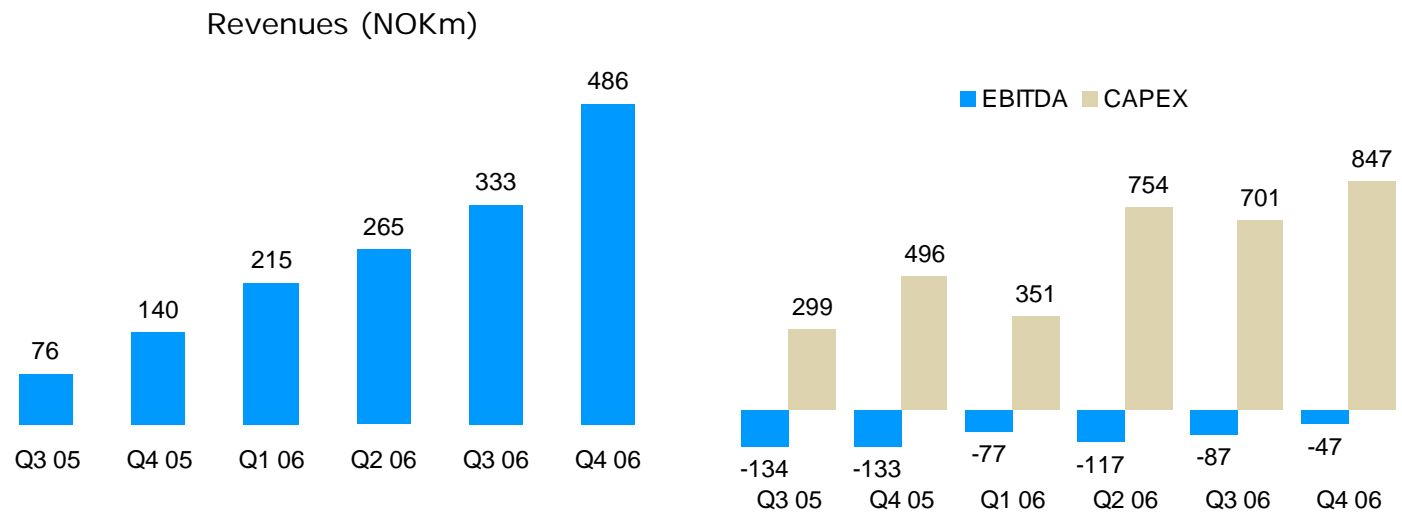
## Increasing Market Share and ARPU

- Passed 7 million subscriptions – net adds of 2.1 million in Q4
- Taking almost 50% of net adds in December
- Increased official market share to 14%
- Revenue growth of 46% in local currency compared to Q306
- ARPU of USD 4.5



Telenor Pakistan

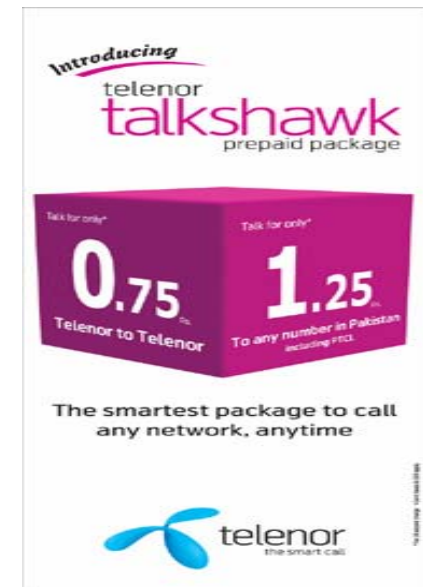
# Substantial Revenue and EBITDA Improvement



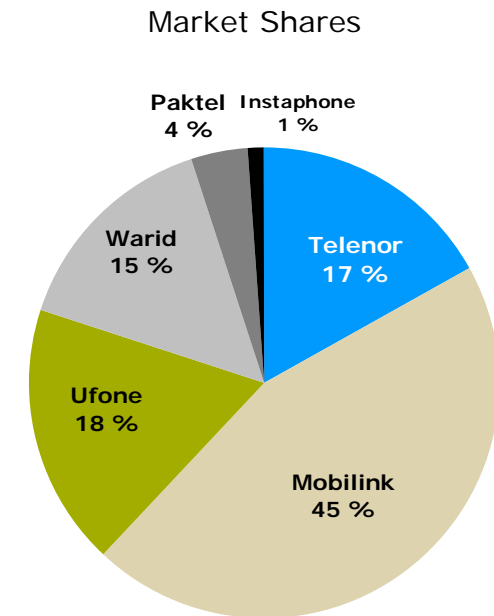
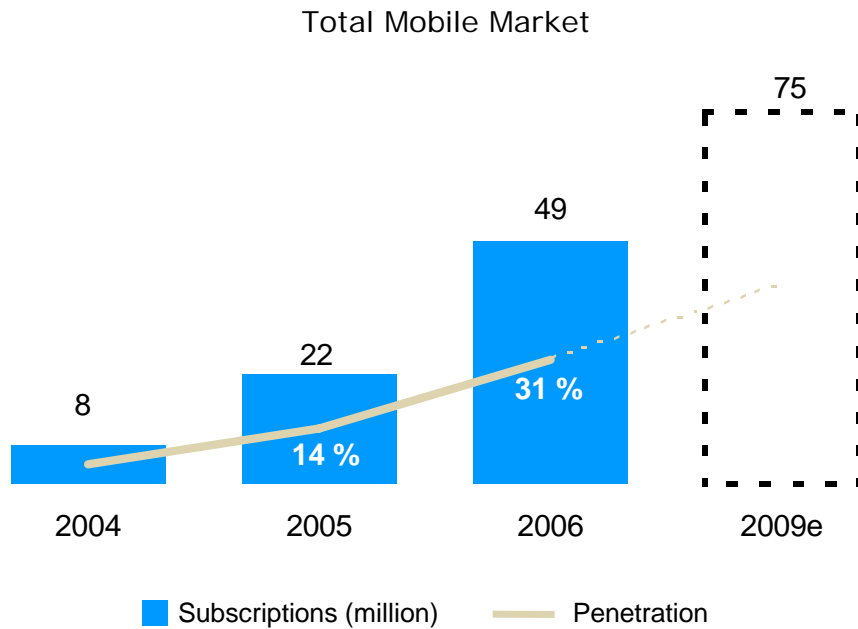
Telenor Pakistan

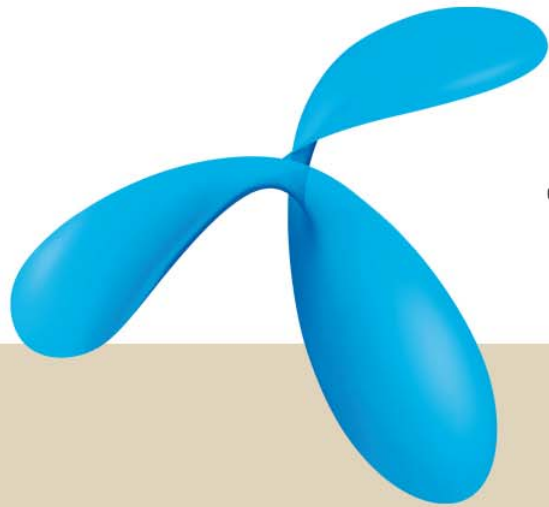
## The Quality Operator in Pakistan

- Second largest network with 45% population coverage
- More than doubled the number of cell sites in 2006
- Second largest distribution network with almost 100k retail outlets
- Introduced unique SMS solution to transfer uploaded accounts between Telenor subscribers



# Telenor Pakistan Real Market Share of 17%





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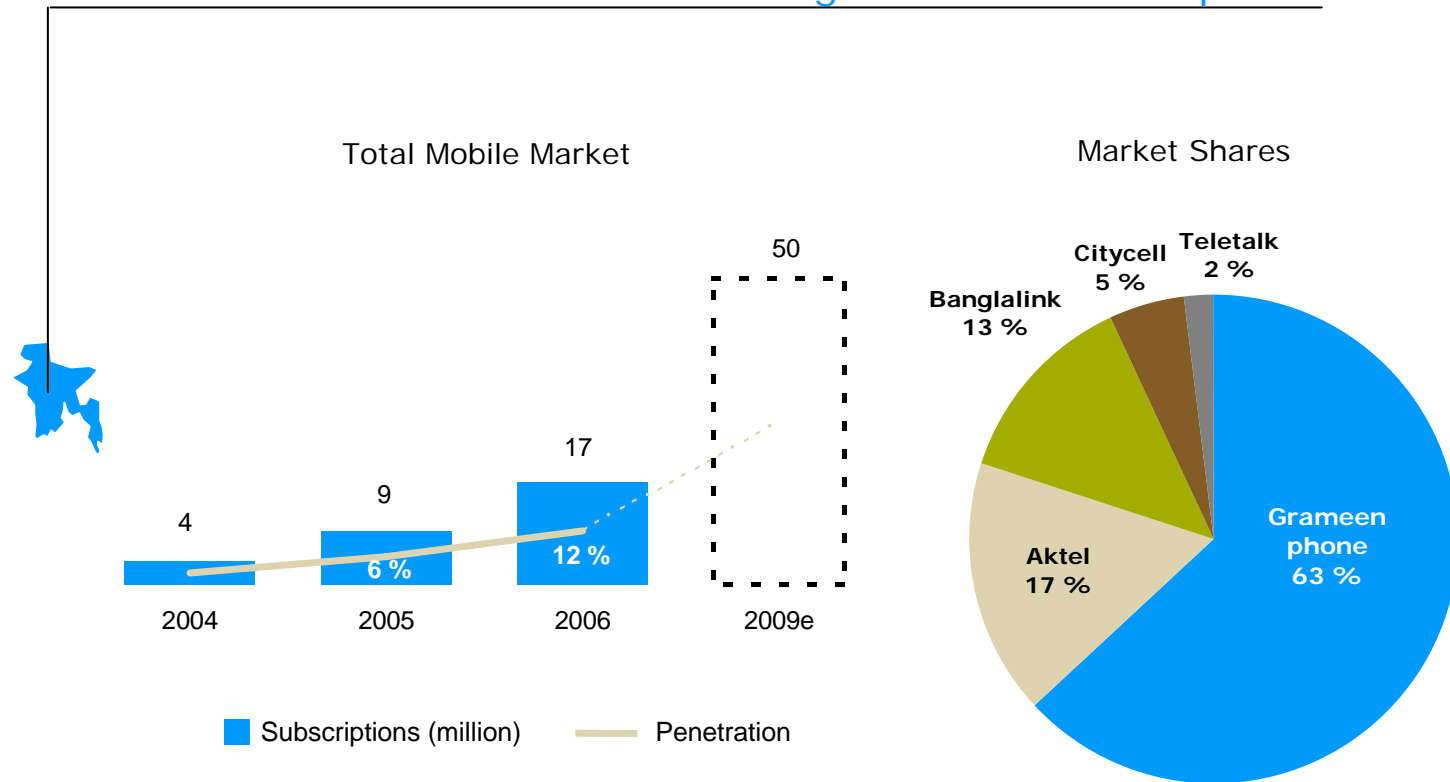
Grameenphone

Erik Aas  
CEO Grameenphone



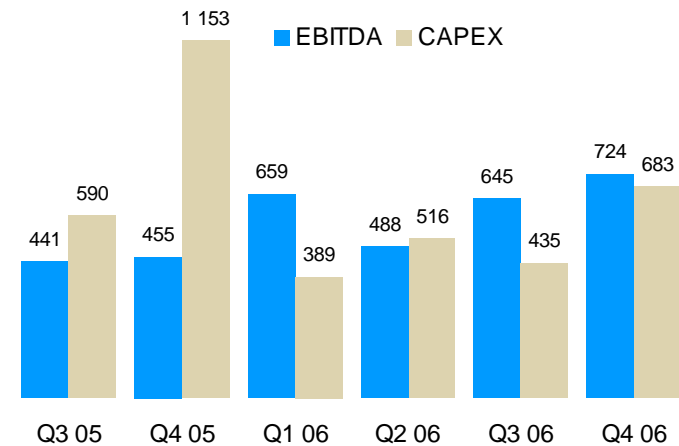
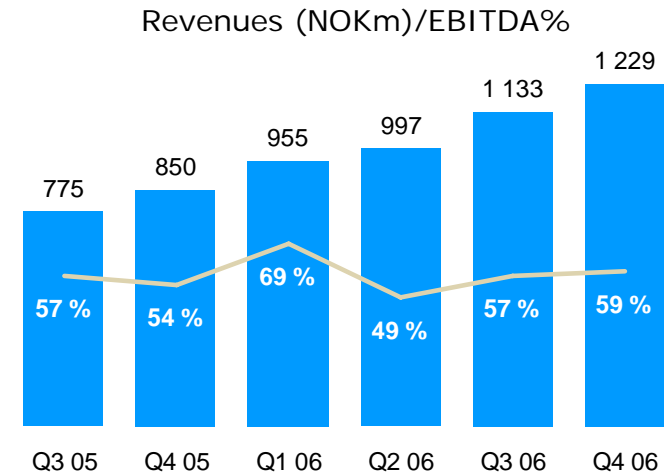
# Superior Position in a Booming Market

## Bangladesh - Grameenphone



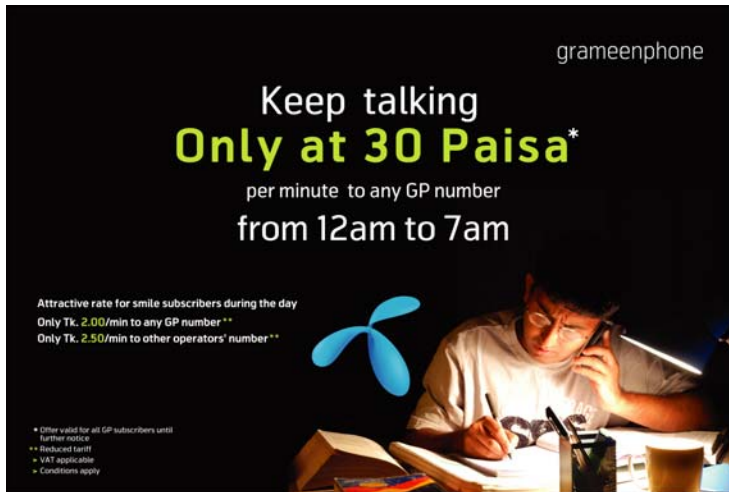
# Grameenphone Passing 11 Million Subscriptions

- Subscription growth of 1.4 mill in Q4
- Revenue growth of 57% in local currency
- Underlying EBITDA margin of 52%
- SIM tax of BDT 800 declared illegal – still pending in court

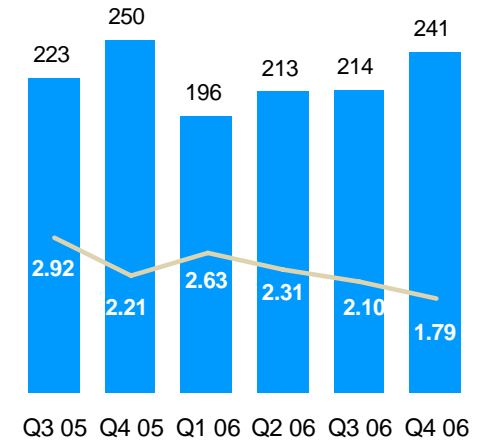


# Grameenphone Increased Competition

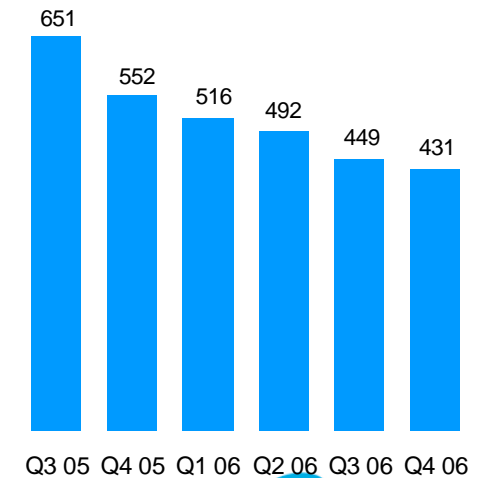
- Offerings in the market with flat tariff schemes below BDT 2
- Migration from multi-user to privately owned subscriptions

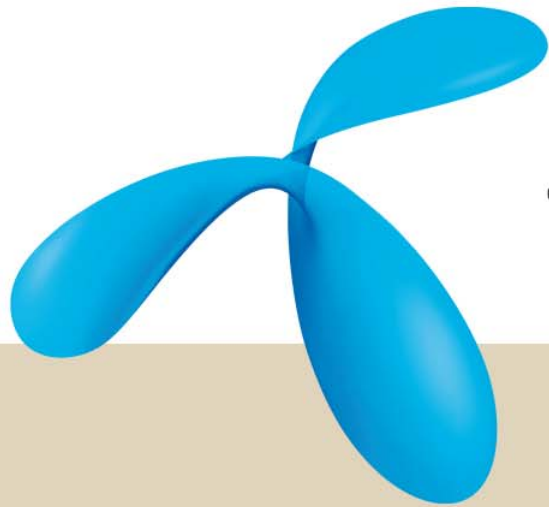


MoU and APPM (BDT)



ARPU (BDT)





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## Financials

Trond Westlie  
CFO

Q4 2006

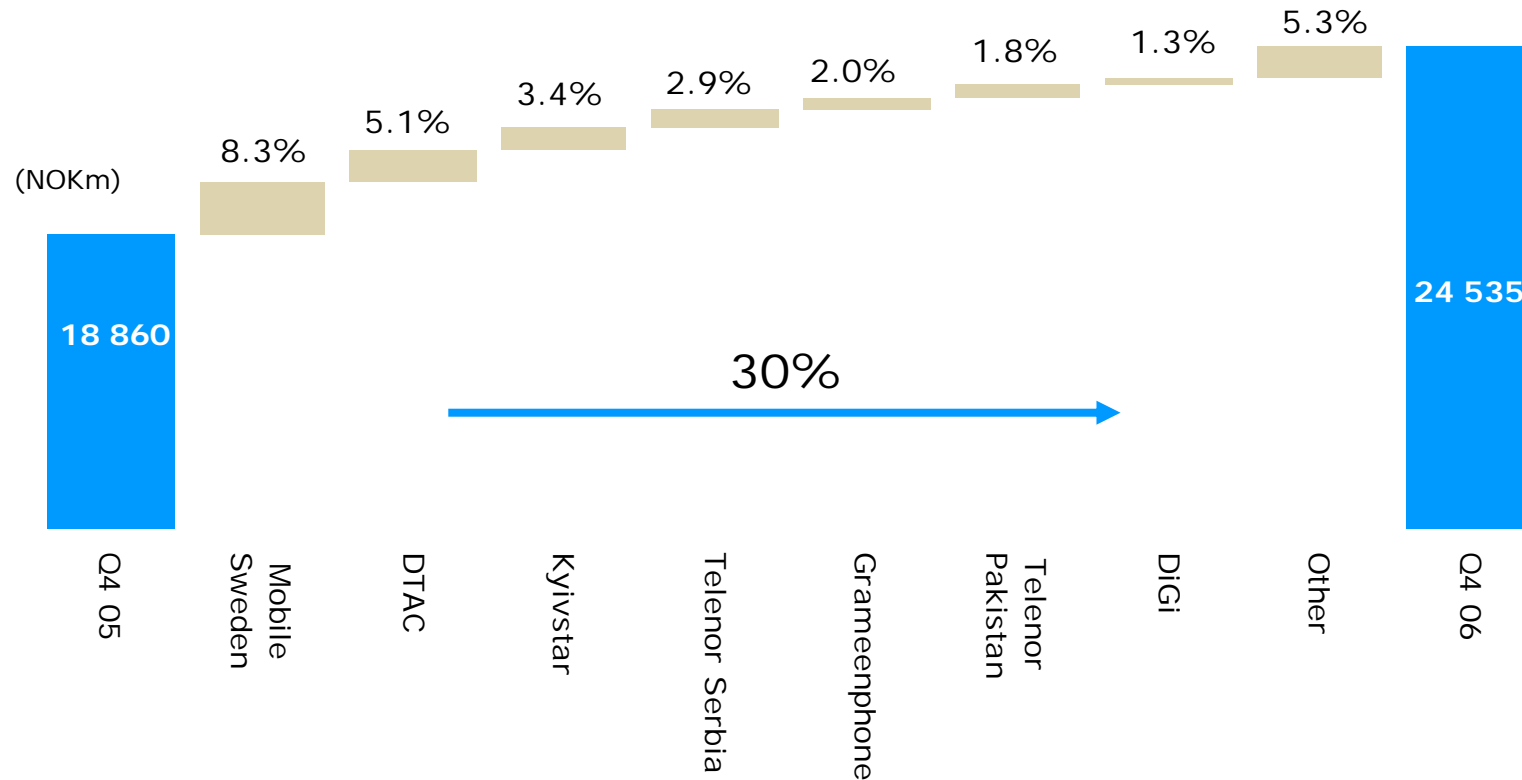
## Reported P&L

(NOKm)	Q4 06	Q4 05	2006	2005
Revenues	24 535	18 860	91 077	66 566
EBITDA	8 194	6 576	32 687	23 302
EBIT	3 980	2 875	17 708	11 438
Profit before Taxes	5 902	2 636	21 528	12 319
Net Income	6 184	1 695	15 899	7 646
EPS (NOK)	3.68	1.00	9.43	4.47



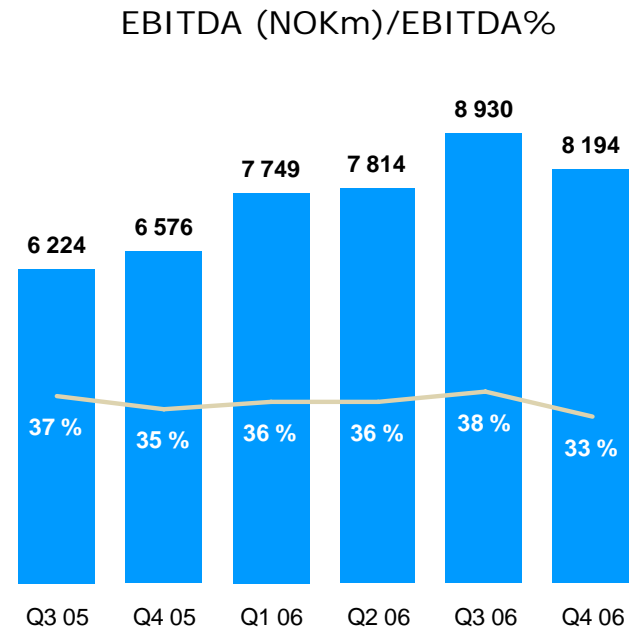
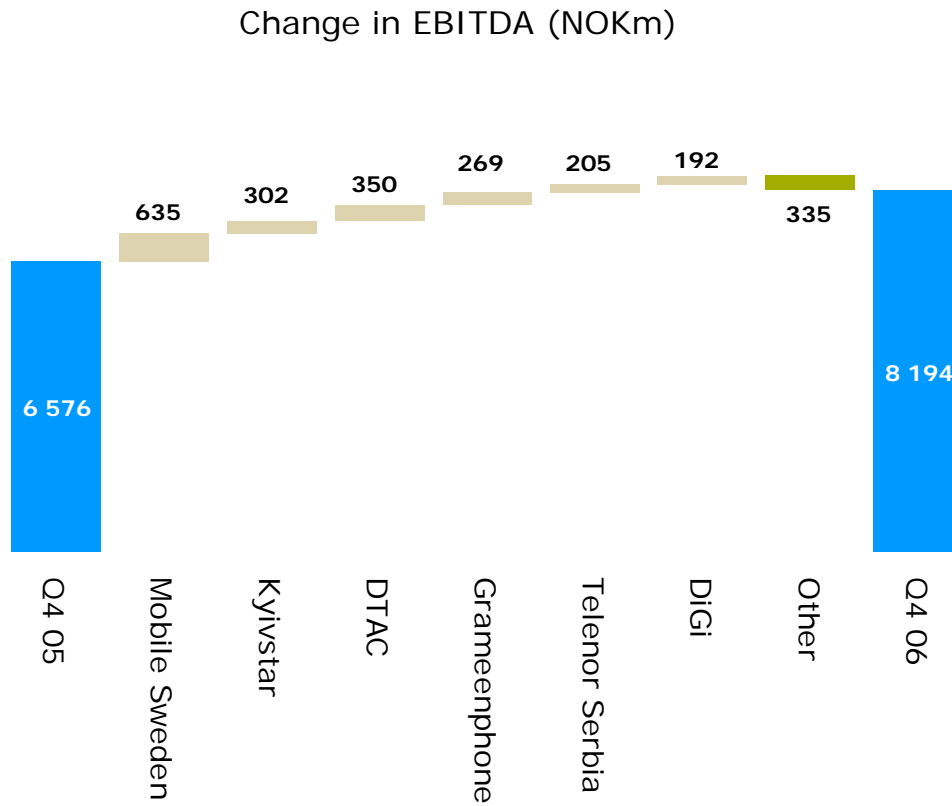
Q4 2006

# Revenue Development



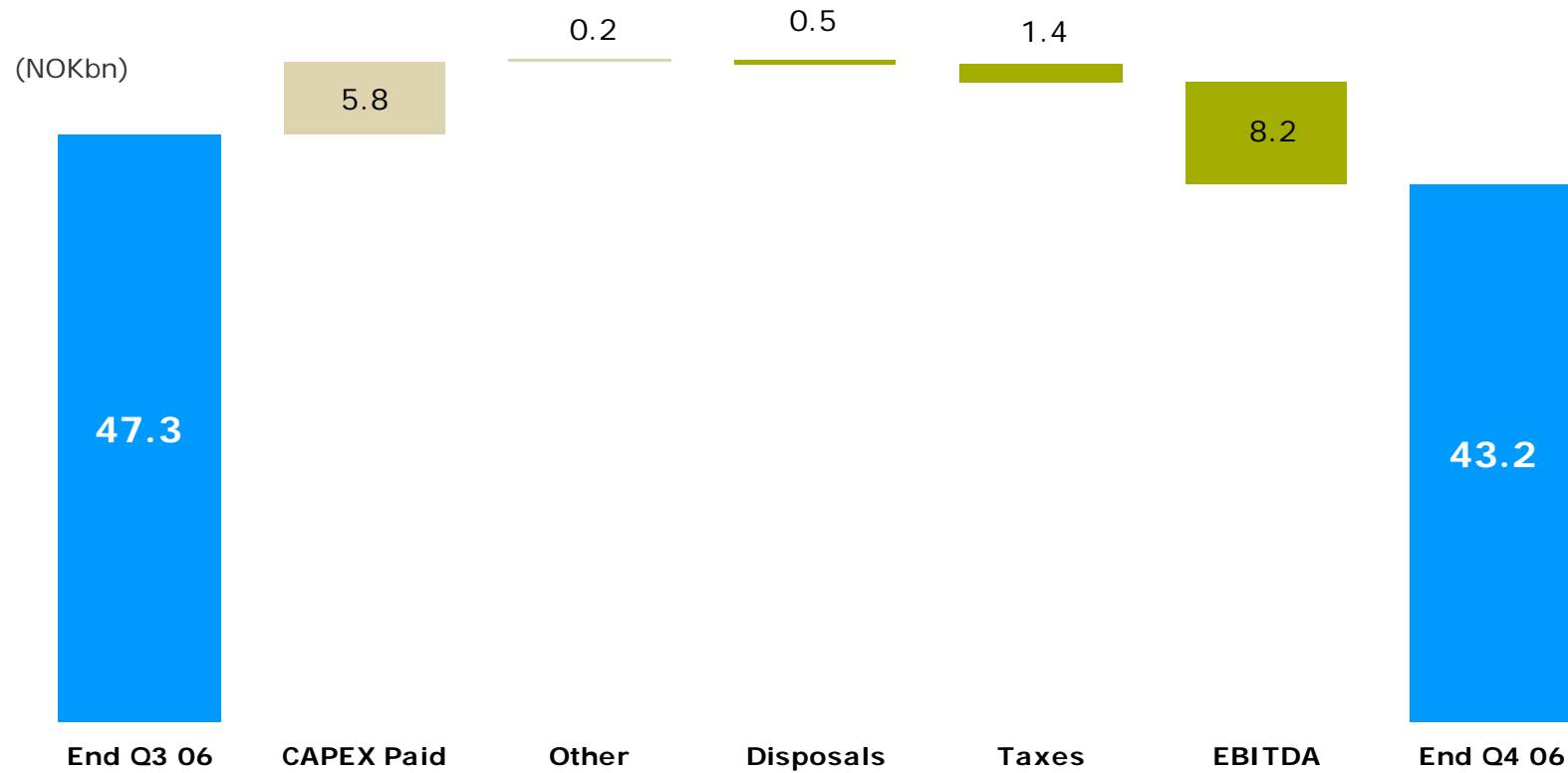
Q4 2006

# EBITDA Development



Q4 2006

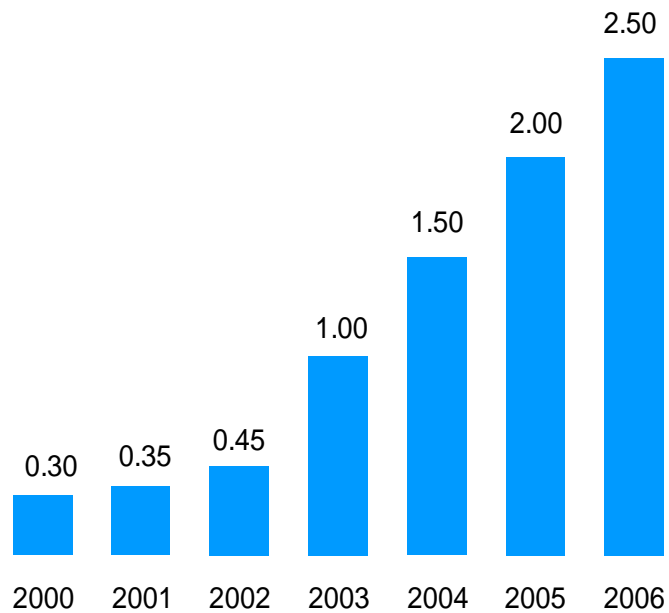
# Net Debt to LTM EBITDA of 1.3





2006

## Proposed Dividend of NOK 2.50 per Share



- Dividend policy remains at 40-60% of normalized net income
- Normalized 2006 EPS of NOK 5.84
- Pay out ratio of 43%

Outlook 2007

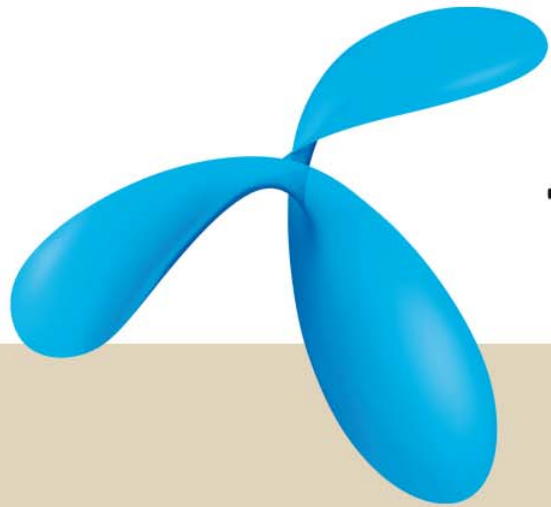
## Growth Continues in 2007

Revenue growth: 15 - 20%

EBITDA margin: Around 35%

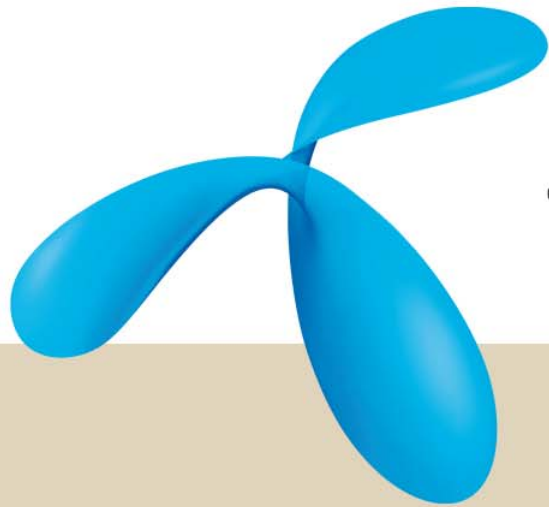
CAPEX/Sales: Around 20%





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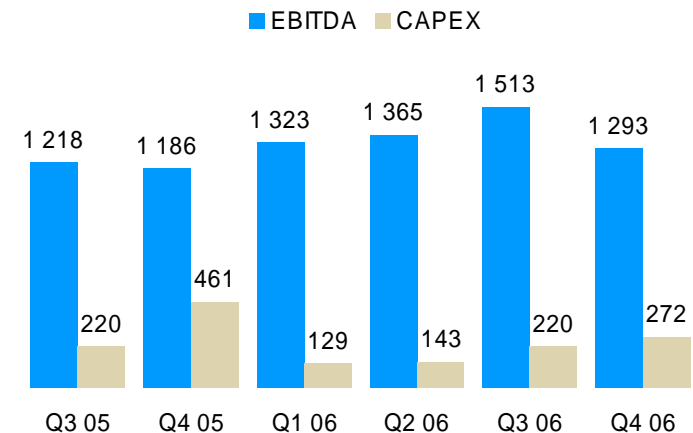
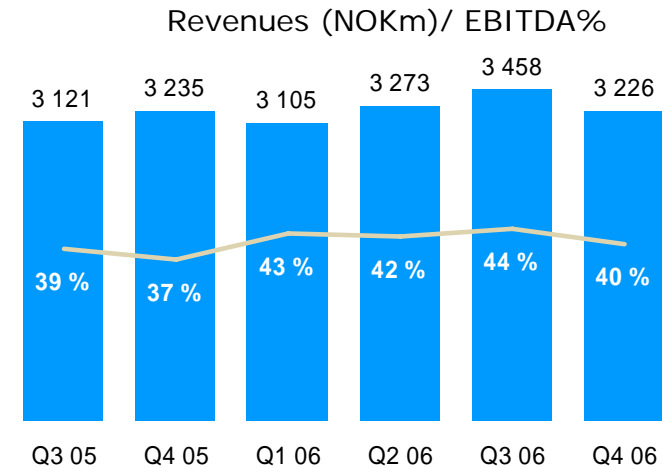
Telenor – Fourth Quarter 2006

Appendix

Mobile Norway

## Focusing on Customer Retention

- Active migration to cheaper low churn subscriptions
- Increased loyalty through community pricing
- Price reductions offset by increased MoU
- Stable revenues and improved EBITDA

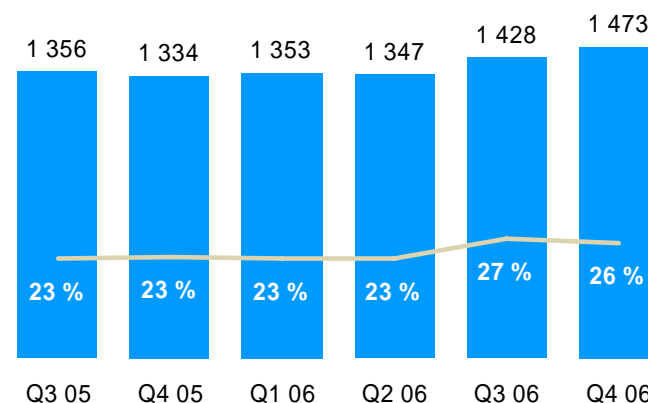


Sonofon

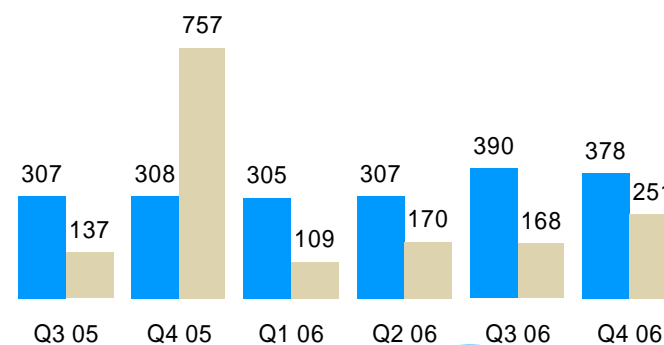
## Revenue Growth of 7% in Local Currency

- Revenue growth mainly driven by increased number of subscriptions
  - 56k net adds in Q4
  - 113k net adds in 2006
- Market share adjusted to 24%
- EBITDA margin from 23% to 26%

Revenues (NOKm)/EBITDA%



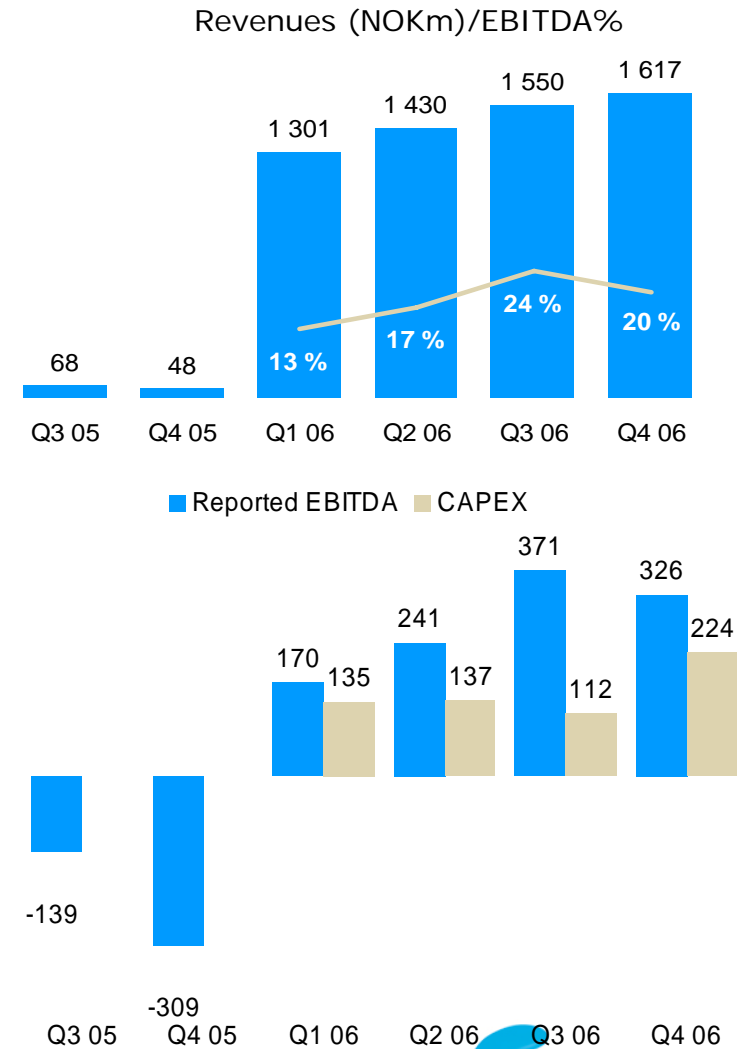
■ EBITDA ■ CAPEX



Mobile Sweden

## Successful First Year

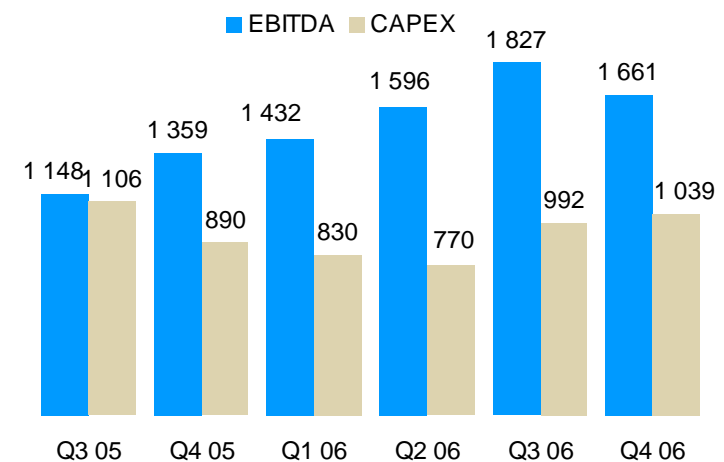
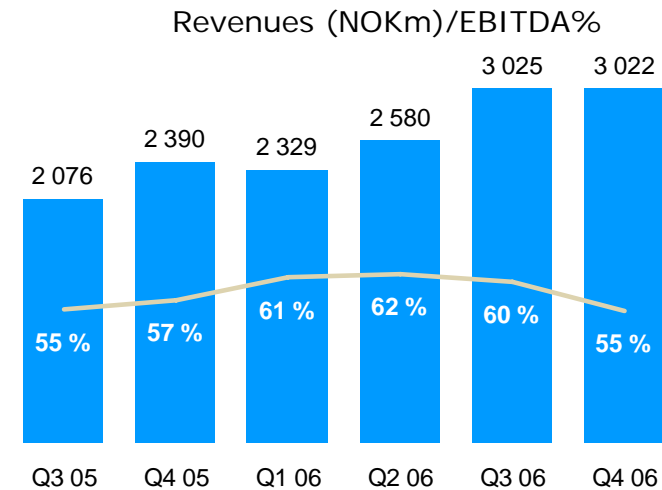
- Launched Glocalnet as a low price mobile brand
- Market share stable at 17%
- 25k net adds in Q4
- Continued focus on cost reductions



Kyivstar

# Christmas Campaigns Boost Subscription Growth

- Subscriptions passed 22 million
  - Net adds of 3.8 million in Q4
- Revenue growth of 31% in local currency
- APPM reduced by 14% in Q4
- EBITDA margin decreased due to high sales and marketing activities



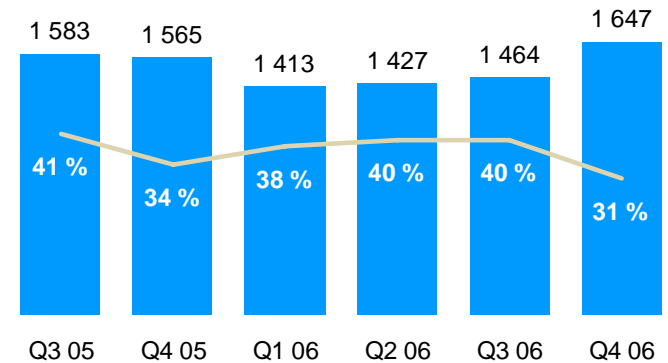


Pannon

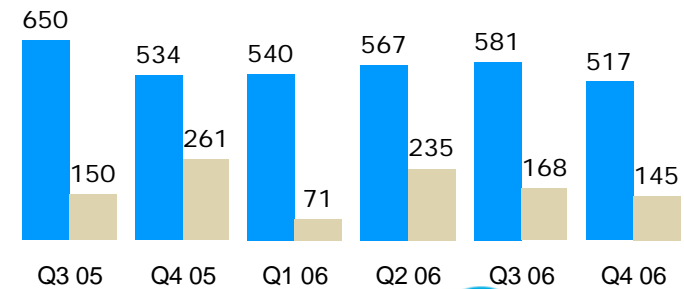
## Improved Market Share to 34%

- 172k net adds in Q4
- Revenue growth of 4% in local currency
- Underlying margin of 33%
- Improved operating cash flow in 2006 to NOK 1.6 billion

Revenues (NOKm)/EBITDA%



■ EBITDA ■ CAPEX

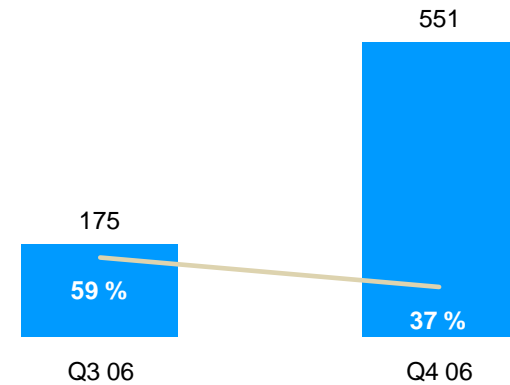


Telenor Serbia

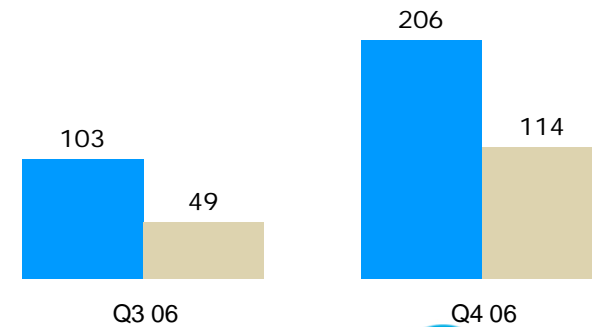
## Successful Rebranding

- Brand Awareness of 90%
- Market share of 41%
- 180k net adds in Q4
- Established a solid distribution network
- EBITDA margin reduced due to high marketing and sales activities
- Third GSM license awarded

Revenues (NOKm)/EBITDA%



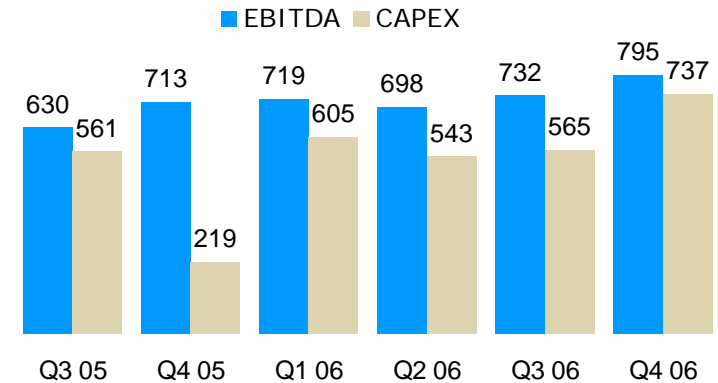
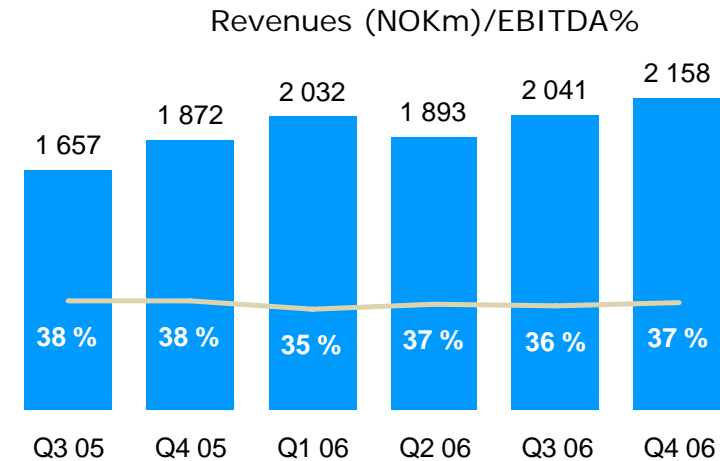
■ EBITDA ■ CAPEX



DTAC

## Interconnection Implemented

- Interconnection billing started February 2007
- Outlook 2007:
  - 10-15% organic revenue growth
  - Up to 30% additional revenues from interconnection
  - EBITDA margin of 26-28% with the implementation of interconnect
  - CAPEX of appr. THB 12 billion



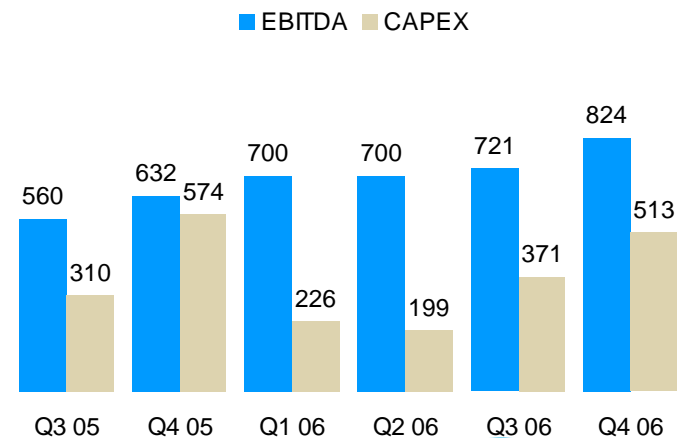
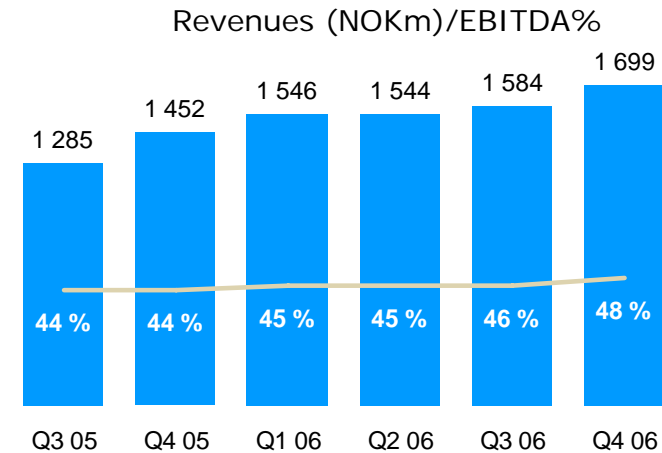
Revenue figures in 2005 according to Thai GAAP for trend purposes



DiGi

## Well Managed Prepaid Registration Process

- 500k subscriptions churned due to mandatory prepaid registration
- Market penetration adjusted from 82% to 73%
- Revenue growth of 17% in local currency
- Underlying EBITDA margin of 46%
- Outlook 2007:
  - Revenue growth: High single digit
  - EBITDA margin: Mid 40's
  - CAPEX: In line with 2006

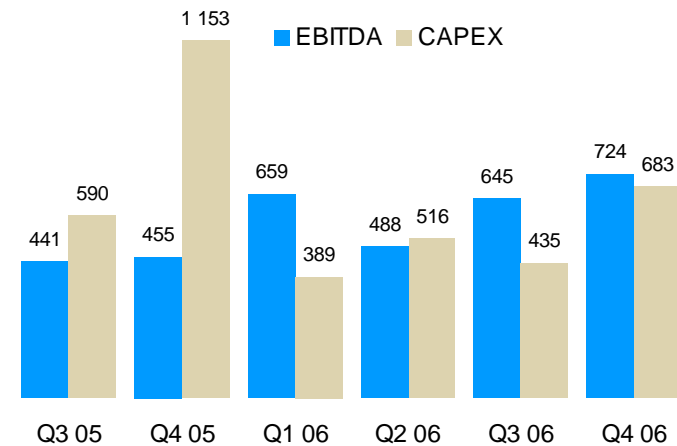
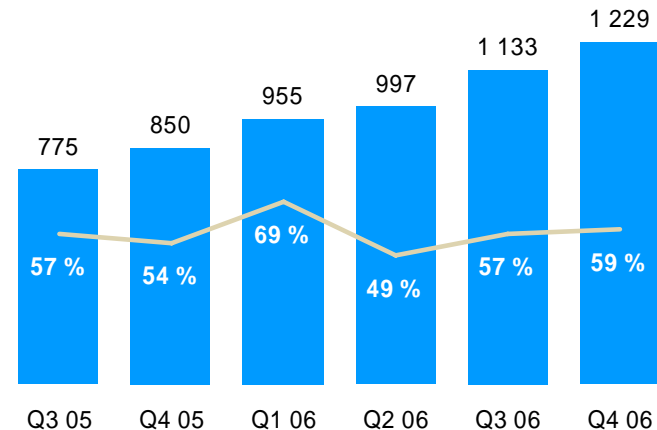


Grameenphone

# Passing 11 Million Subscriptions

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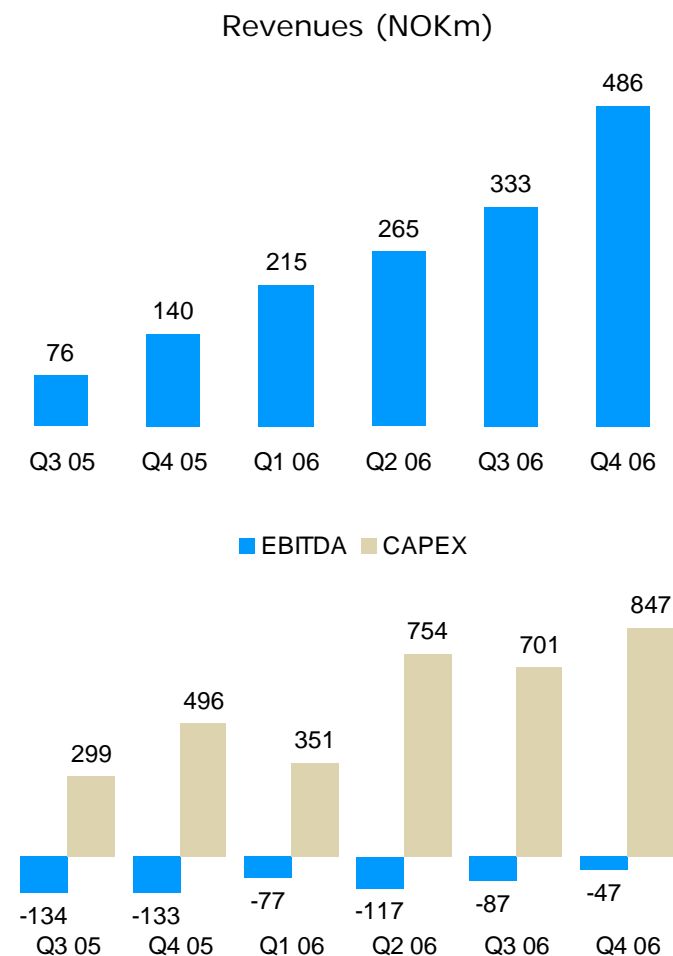
Revenues (NOKm)/EBITDA%



Telenor Pakistan

## Increasing Market Share and ARPU

- Passed 7 million subscriptions – net adds of 2.1 million in Q4
- Taking almost 50% of net adds in December
- Increased official market share to 14%
- Revenue growth of 46% in local currency compared to Q306
- ARPU of USD 4.5

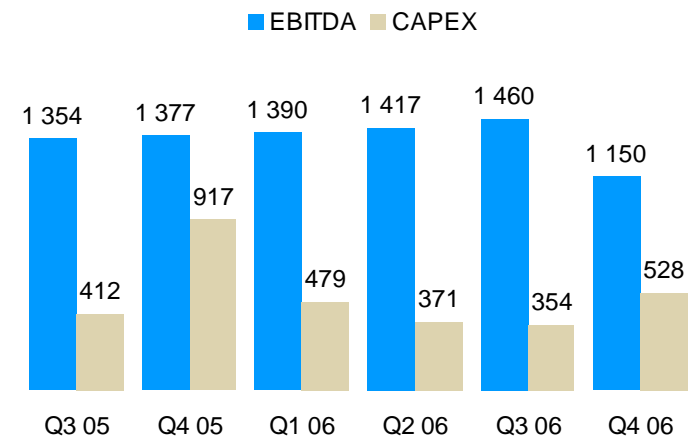
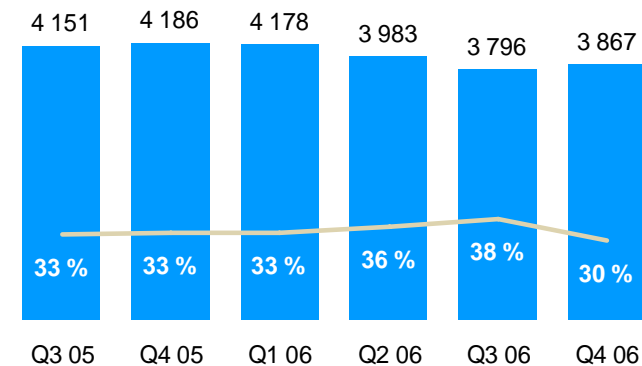


Fixed Norway

## Unchanged Revenue and Market Trends

- Underlying revenue decline of 5.5%
- Stable broadband market share of 57% - revenue growth of 12%
- Increased costs related to customer support and high network fault rate compared to Q3 2006

Revenues (NOKm)/EBITDA%

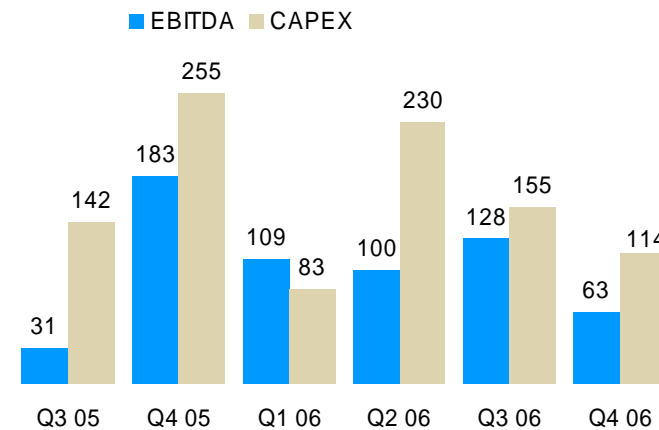
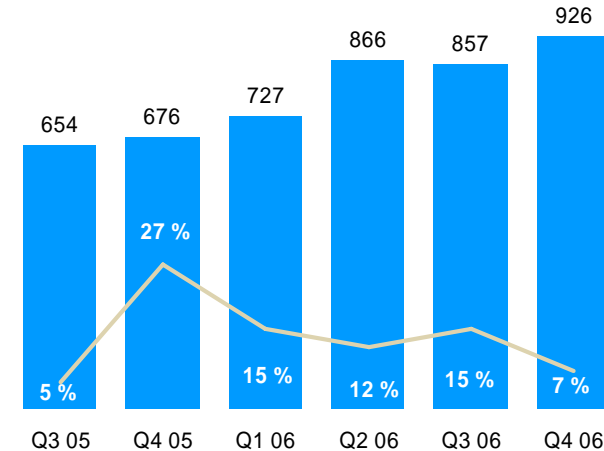


Fixed Sweden

## Continued Strong Competition

- Strong competition with reduced broadband prices
- Broadband net adds of 27k in Q4 to 575k
- VoIP net adds of 14k in Q4 to 161k
- Underlying EBITDA margin of 14%
- Acquired Spray for SEK 172 million in January 2007

Revenues (NOKm) / EBITDA %



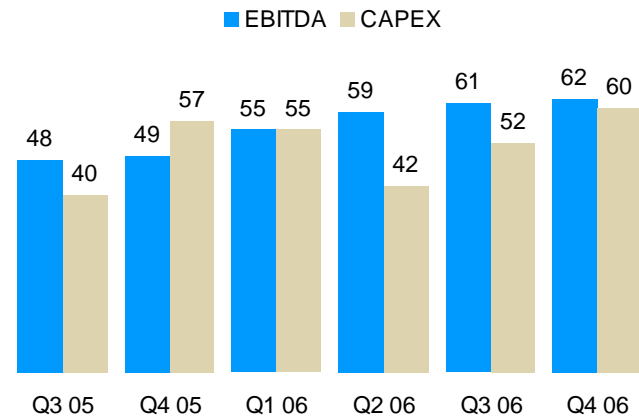
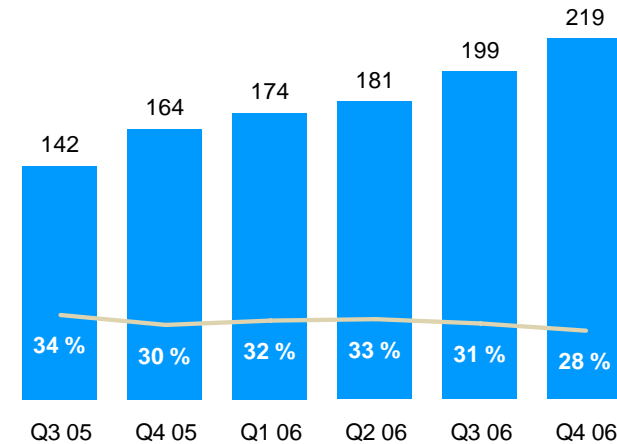


Fixed Denmark

# Revenue Growth of 31% in Local Currency

- Increased broadband market share to 17%
- 10k net adds broadband subscriptions to 174k in Q4
- VoIP net adds of 11k subscriptions to 63k in Q4

Revenues (NOKm) / EBITDA %

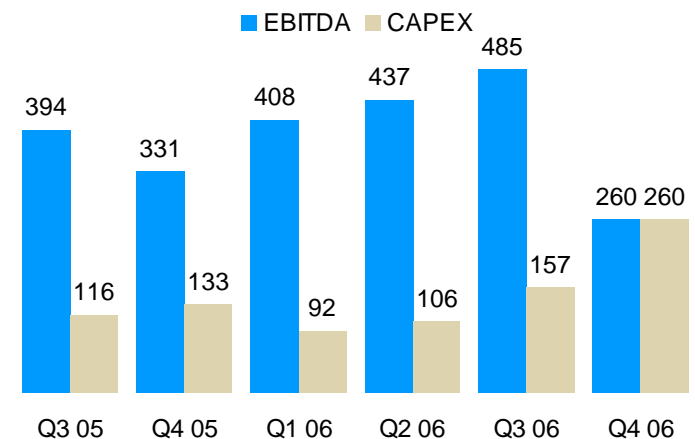
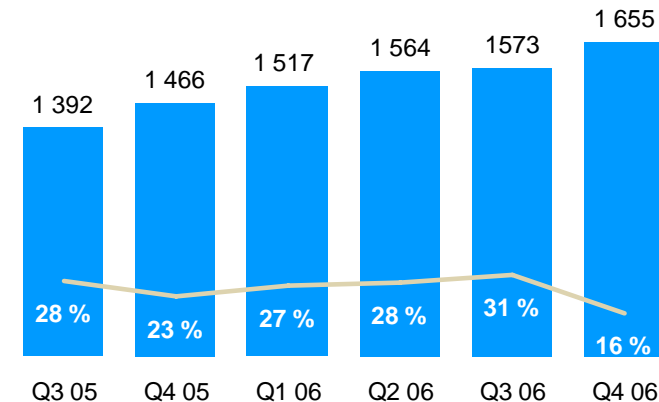


Broadcast

## Taking the Leading Position on HDTV

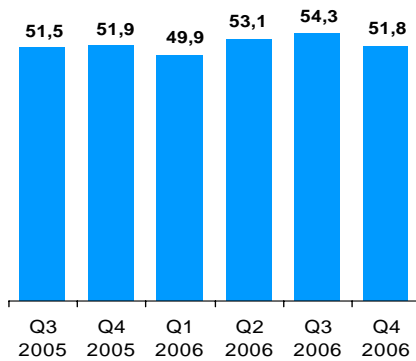
- First mover on HDTV with exclusive content
- Negotiation of content rights with effect from January 2006
  - Premier League for three seasons
  - UEFA EURO 2008
- Free installation and high decoder subsidies
- Replacement of satellite in H2 2007

Revenues (NOKm)/ EBITDA%

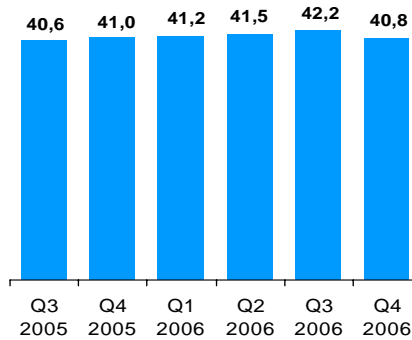


# Mobile Operations ARPU Development (USD\*)

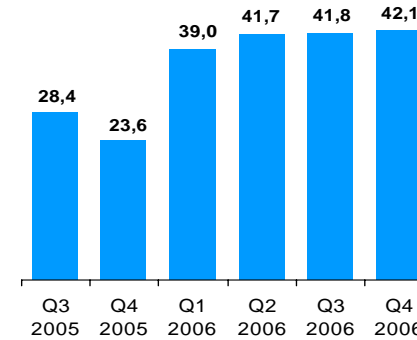
Mobile Norway



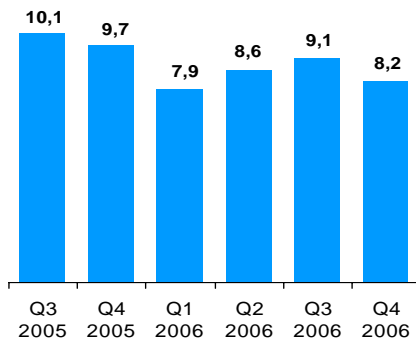
Sonofon



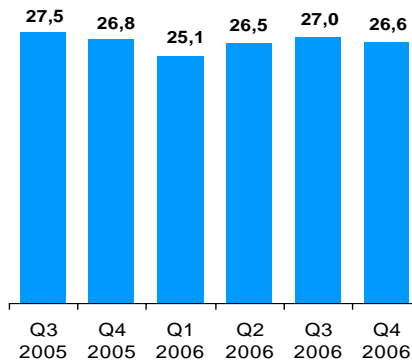
Mobile Sweden



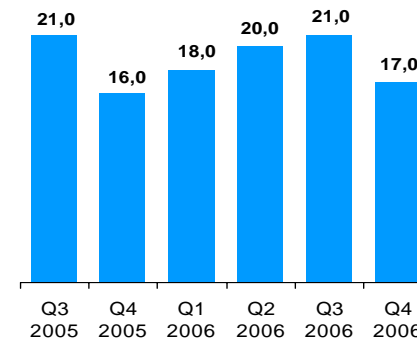
Kyivstar



Pannon



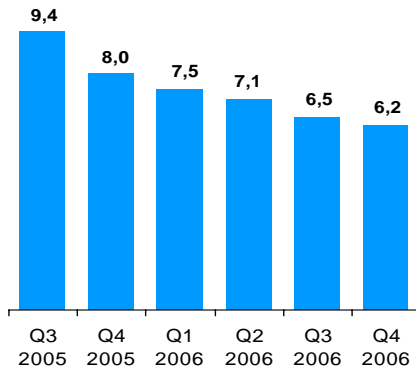
Promonte



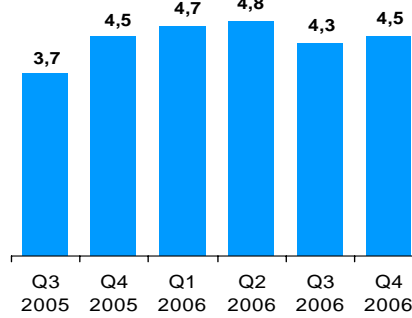
FX as at 31.12.2006

# Mobile Operations ARPU Development (USD\*)

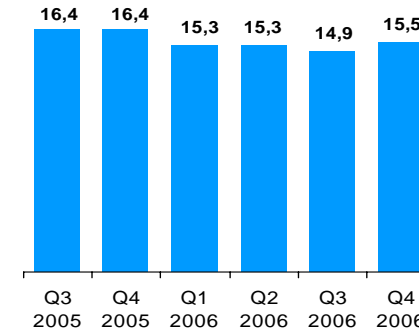
Grameenphone



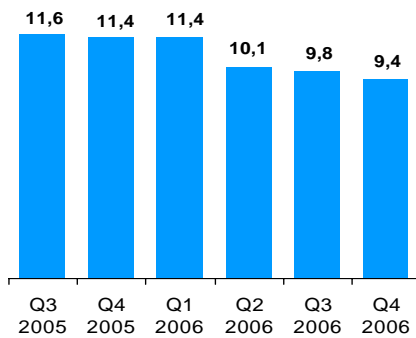
Telenor Pakistan



DiGi



DTAC

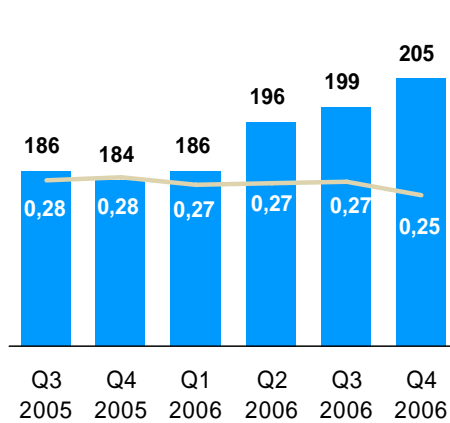


FX as at 31.12.2006

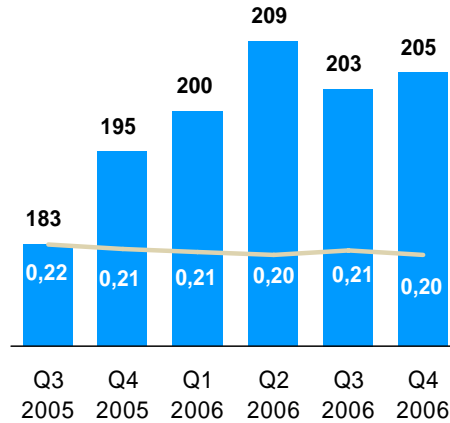
# Mobile Operations MoU/APPM Development



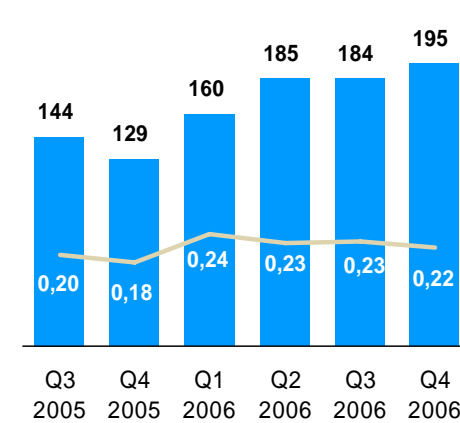
**Mobile Norway**



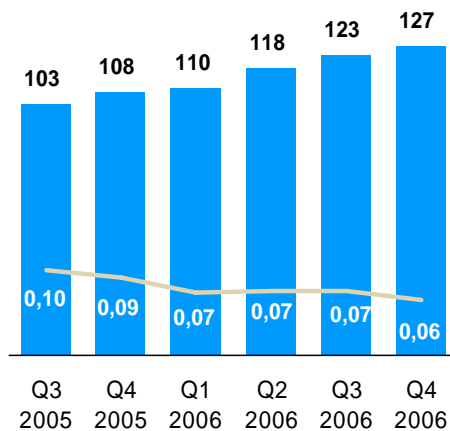
**Sonofon**



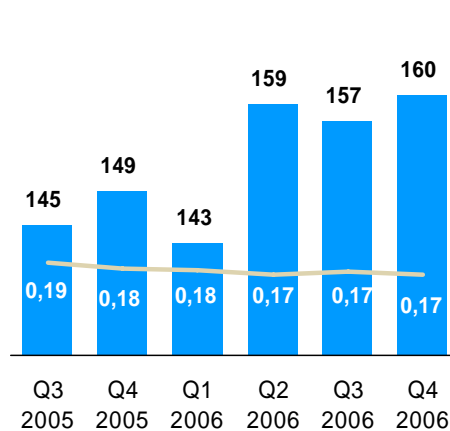
**Mobile Sweden**



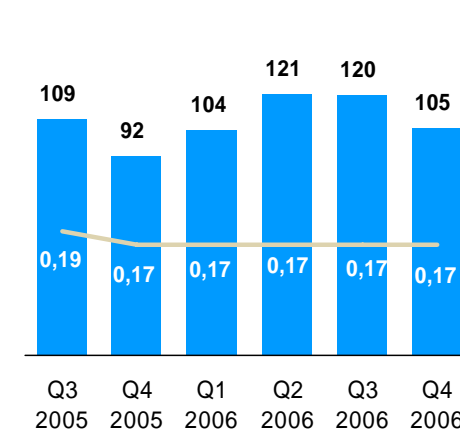
**Kyivstar**



**Pannon**



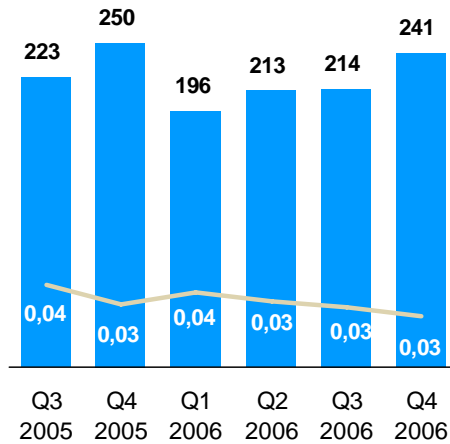
**Promonte**



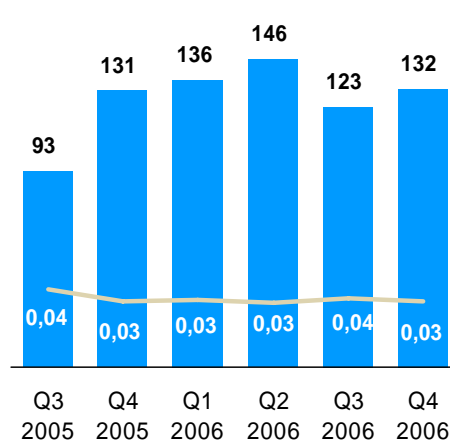
# Mobile Operations MoU/APPM Development



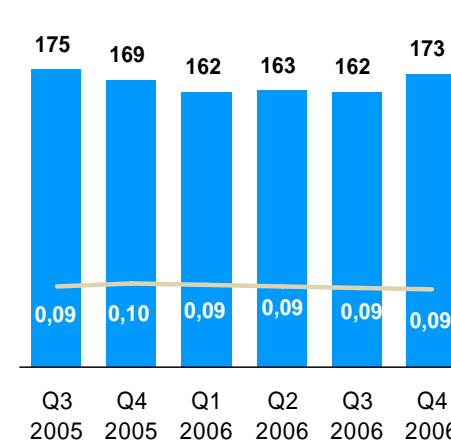
**Grameenphone**



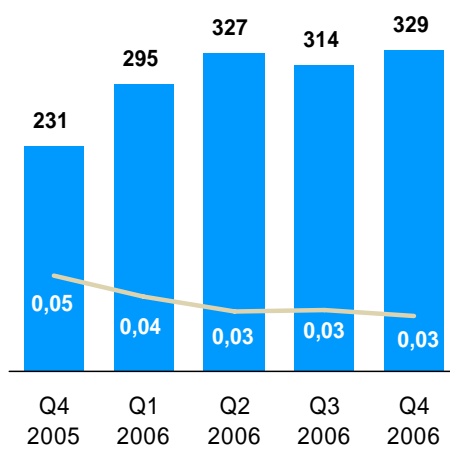
**Telenor Pakistan**



**DiGi**

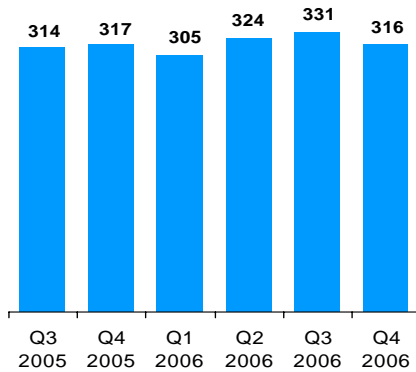


**DTAC**

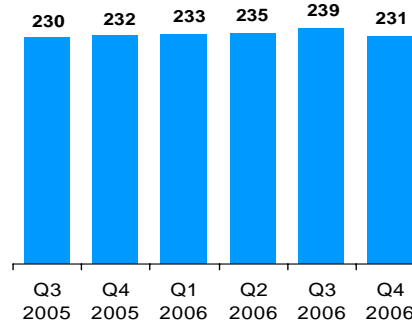


# Mobile Operations ARPU Development (local currency)

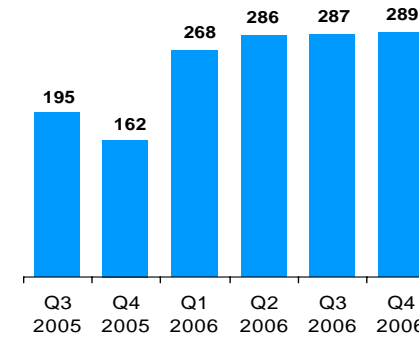
Mobile Norway (NOK)



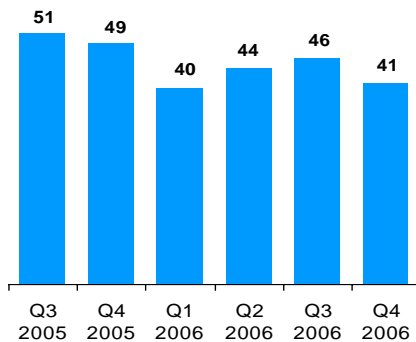
Sonofon (DKK)



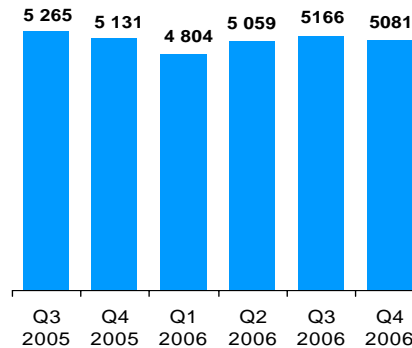
Mobile Sweden (SEK)



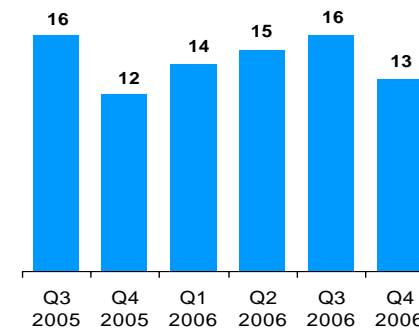
Kyivstar (UAH)



Pannon (HUF)



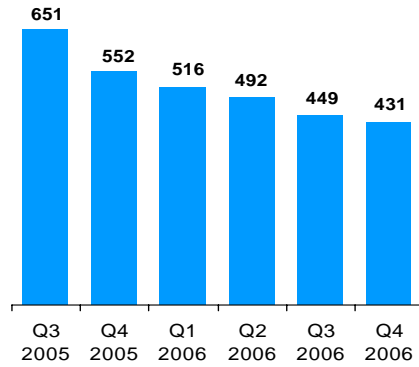
Promonte (EUR)



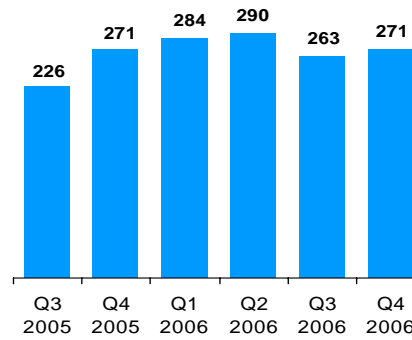
## Mobile Operations

# ARPU Development (local currency)

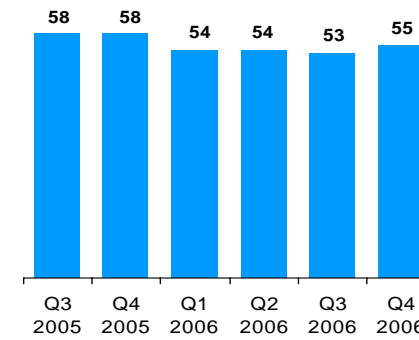
Grameenphone (BDT)



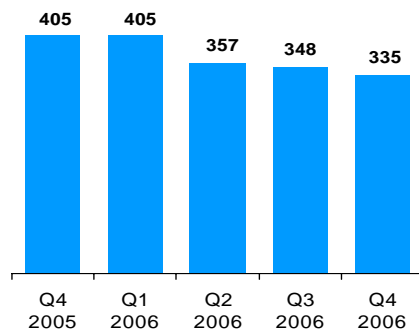
Telenor Pakistan (PKR)



DiGi (MYR)



DTAC (THB)

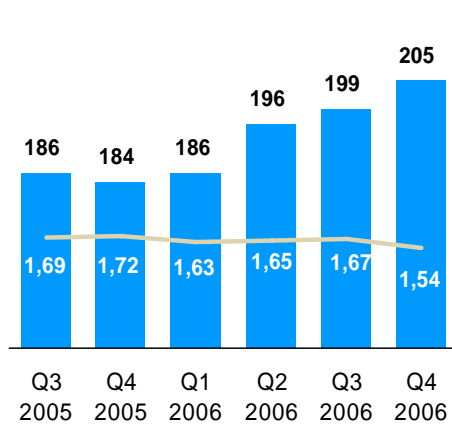




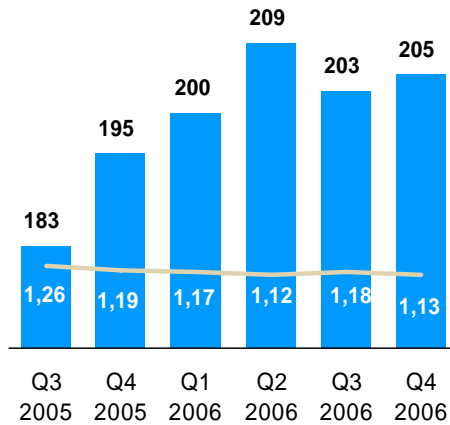
# Mobile Operations MoU/APPM Development



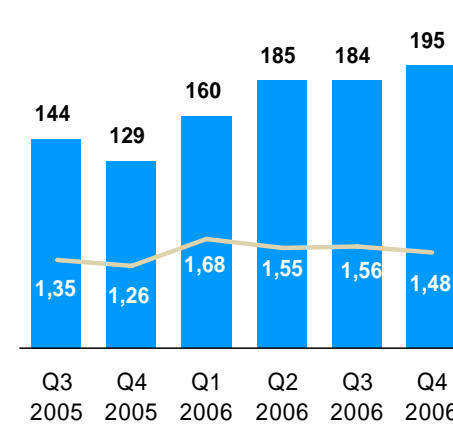
**Mobile Norway**



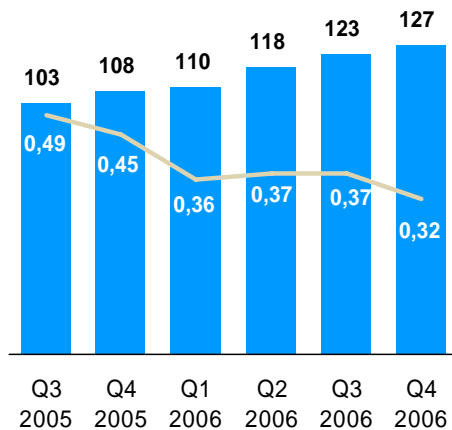
**Sonofon**



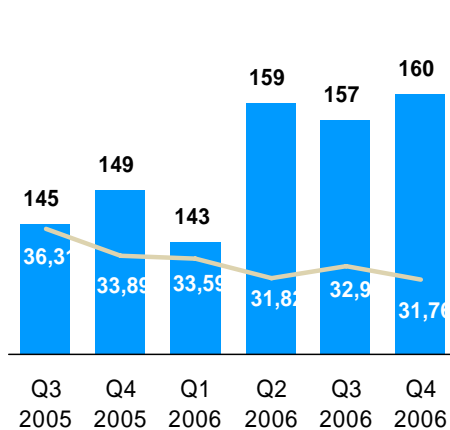
**Mobile Sweden**



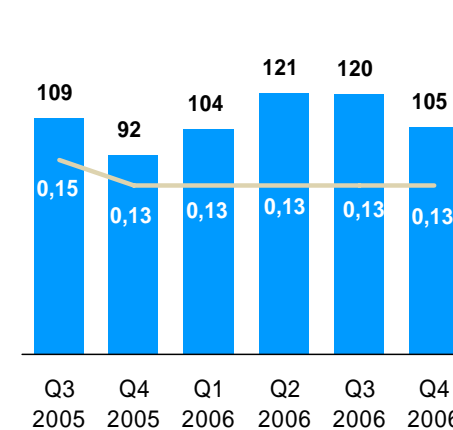
**Kyivstar**



**Pannon**



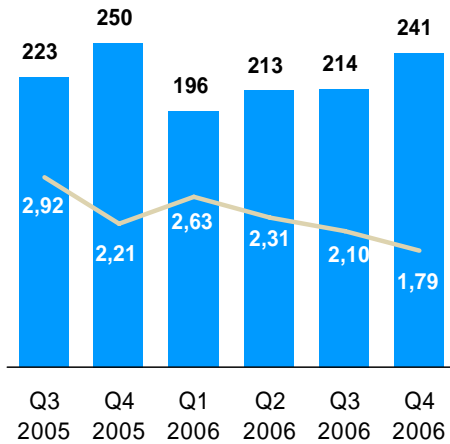
**Promonte**



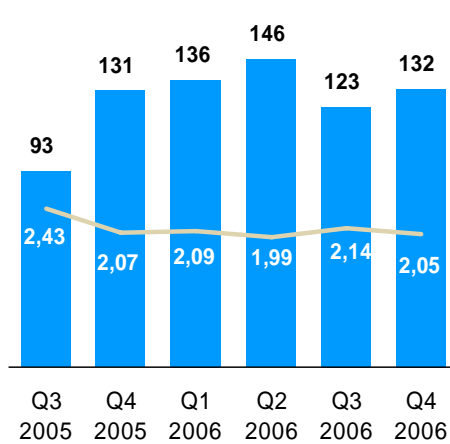
# Mobile Operations MoU/APPM Development

MoU      APPM (Local currency)

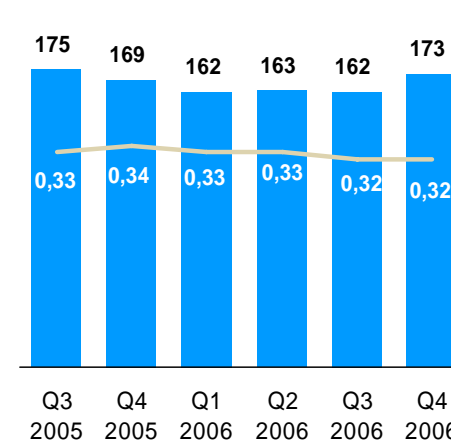
### Grameenphone



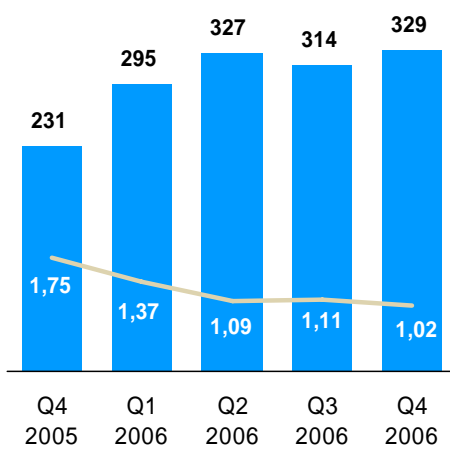
### Telenor Pakistan



### DiGi



### DTAC



# Net Interest-bearing Debt in Partly Owned Subsidiaries

(NOKm)		Q4 2006	Q3 2006	Q4 2005
DiGi	61.0%	-1 009	-1 472	-1 581
DTAC	73.2%	6 601	5 662	6 256
Kyivstar	56.5%	-59	214	2 146
Grameenphone	62.0%	464	624	749
EDB Business Partner	51.5%	1 756	1 939	449

# International Mobile Associates

## International Mobile Associates Total per Company 2005 - 2006

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

	Subscriptions ('000) <sup>1)</sup>			Revenues YTD			EBITDA YTD <sup>2)</sup>			CAPEX YTD		Net debt <sup>3)</sup>
	Sep 30 2005	Sep 30 2006	%-change 2005/2006	Sep 30 2005	Sep 30 2006	%-change 2005/2006	Sep 30 2005	Sep 30 2006	%-change 2005/2006	Sep 30 2005	Sep 30 2006	Sep 30 2006
<b>Europe</b>												
One (Austria)	1 612	1 777	10 %	3 902	3 867	-1 %	1 055	990	-6 %	314	237	4 499
<b>Russia</b>												
VimpelCom <sup>4)</sup>	40 053	52 381	31 %	14 988	21 486	43 %	7 502	11 081	48 %	6 226	6 148	11 256

1) Subscription figures based on companies own counting methods

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

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

4) VimpelCom CAPEX excludes acquisitions of new entities. 2004-figures are restated.

