

Telenor Group

Richard Aa, CFO

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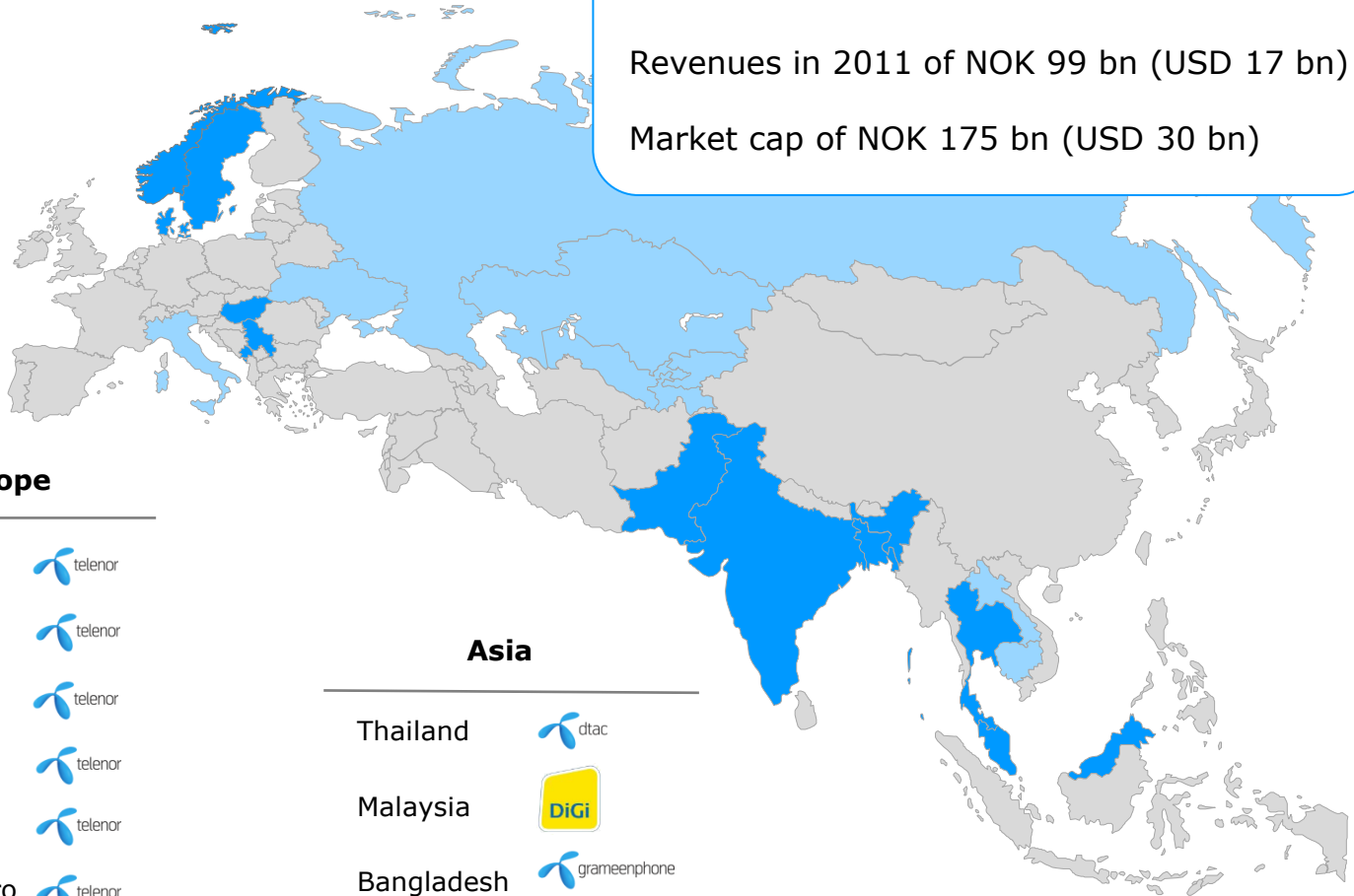
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# Telenor Group

149 million consolidated mobile subscribers  
Revenues in 2011 of NOK 99 bn (USD 17 bn)  
Market cap of NOK 175 bn (USD 30 bn)



## Europe

- Norway 
- Sweden 
- Denmark 
- Hungary 
- Serbia 
- Montenegro 

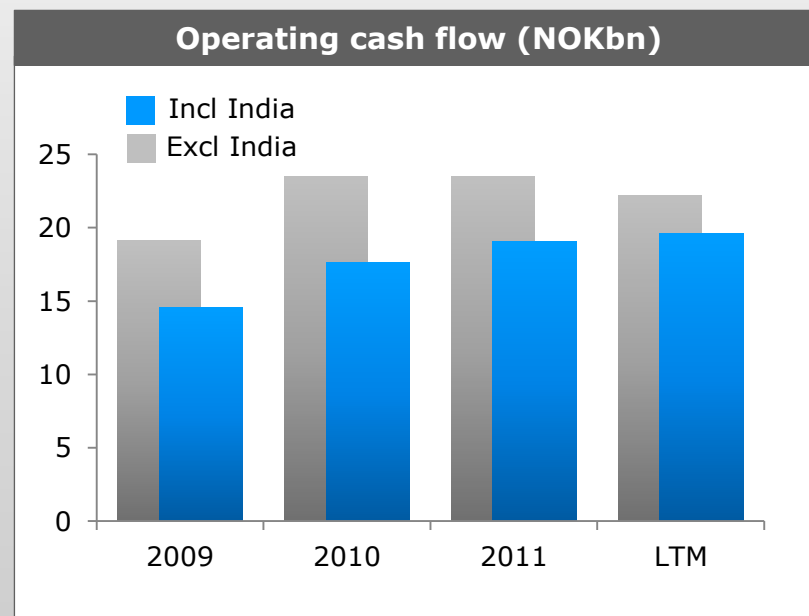
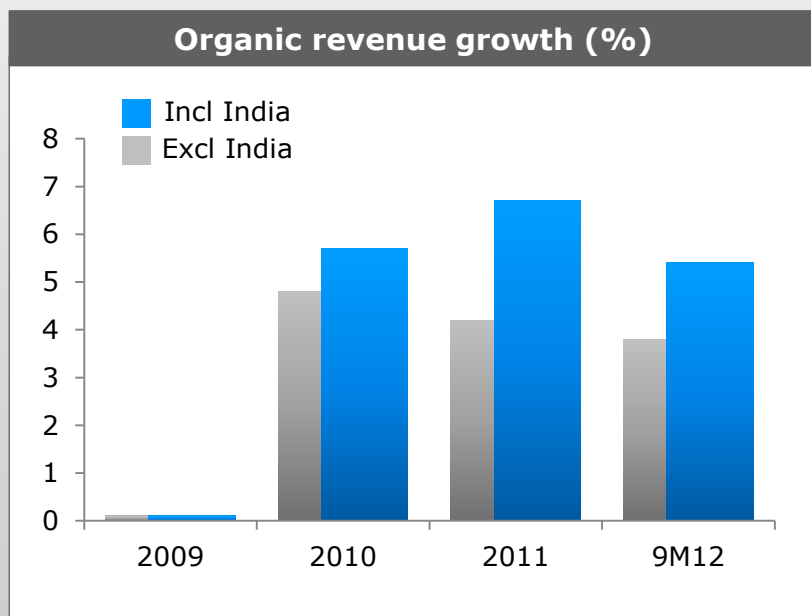
## Asia

- Thailand 
- Malaysia 
- Bangladesh 
- Pakistan 
- India 

 **VimpelCom Ltd.**

Telenor Group holds 35.7% economic and 43% voting stake in VimpelCom Ltd.

# Solid revenue growth and increasing cash flow



Operating cash flow defined as EBITDA before other items less capex, excl. spectrum fees. LTM: Last twelve months (Q411-Q312).

# Value creation through execution of strategy

Preferred by customers



**Monetise on mobile data**

**Take positions in new services**

Cost efficient operator

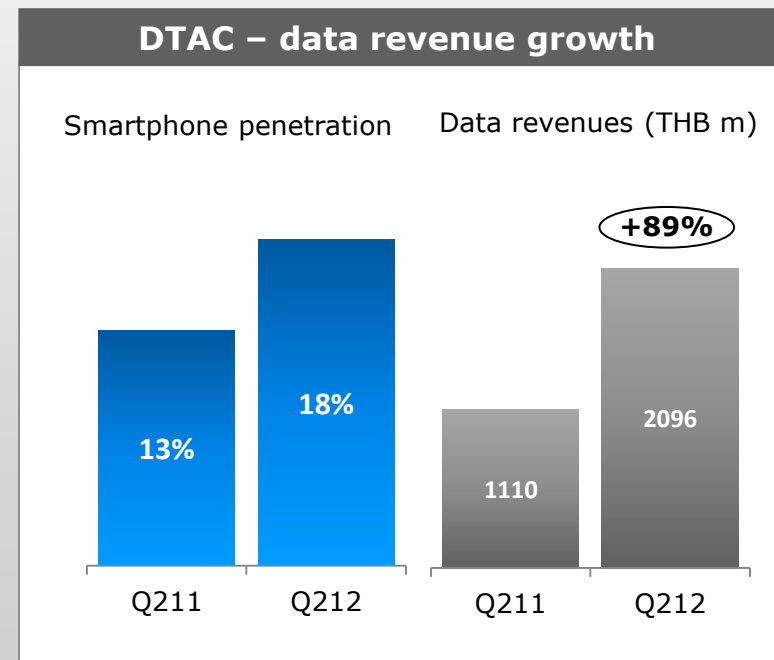
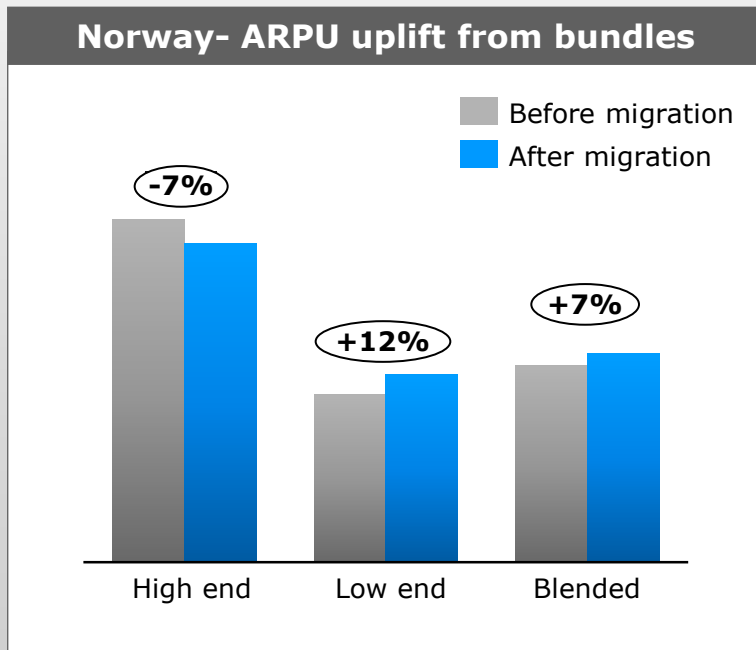


**Continuous improvement**

**New operating models**

Ambition assuming Group structure excl. India.  
EBITDA before other items. Capex excl. licence fees.

# Capturing the data growth opportunity



**Monetising on mobile data by smart pricing and services, supporting new communication needs**

# Implementing new operating models through six group-wide programmes

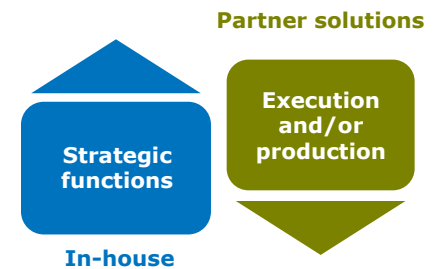
## Customer service



## Network sharing



## Managed services



## IT transformation



## Global roaming hub



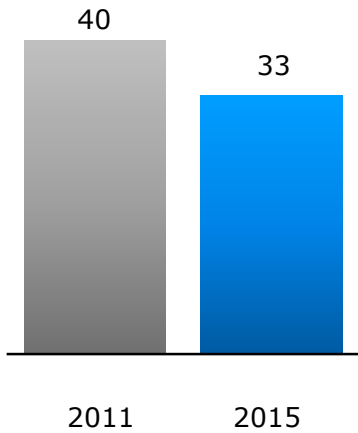
## Shared services



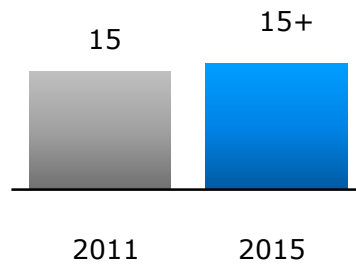
# Positioning Telenor Norway for the future



Opex/sales (%)



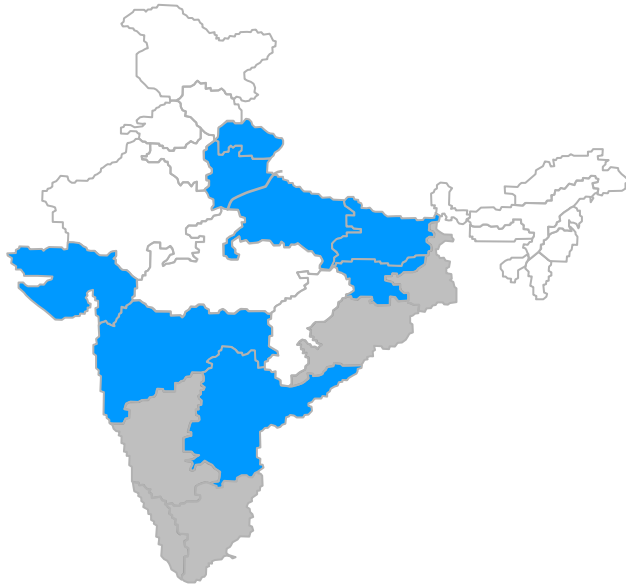
Capex/sales (%)





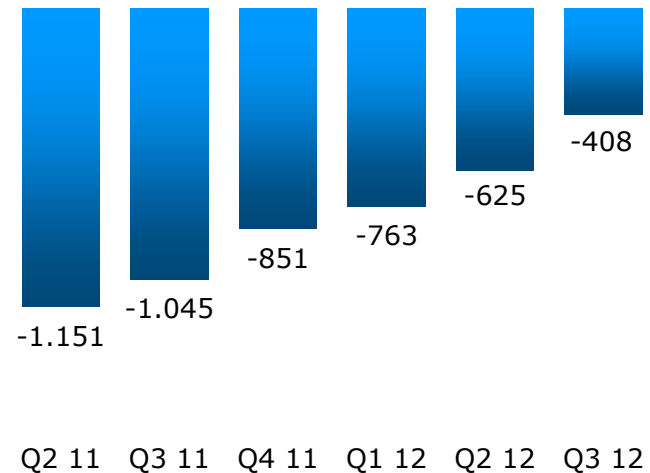
# Secured new spectrum in six best-performing circles in India

From 13 to 6 circles in India



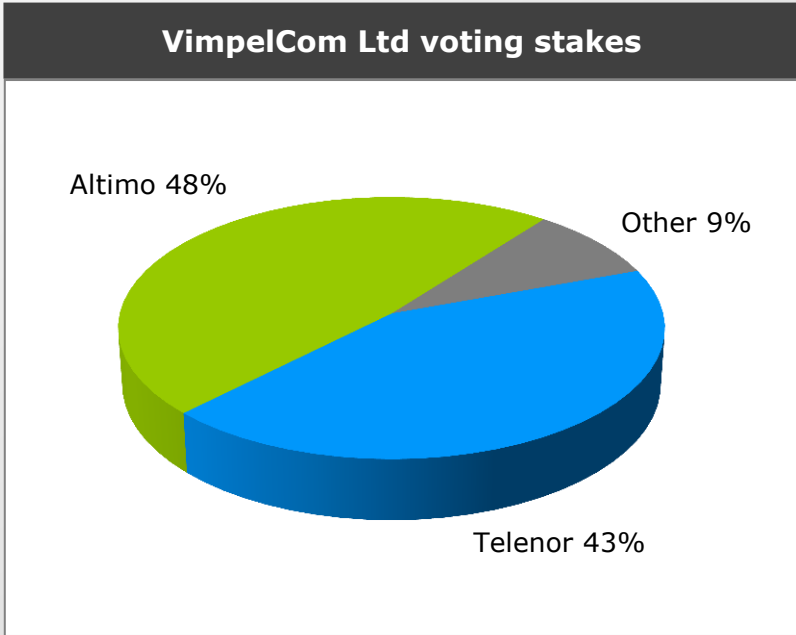
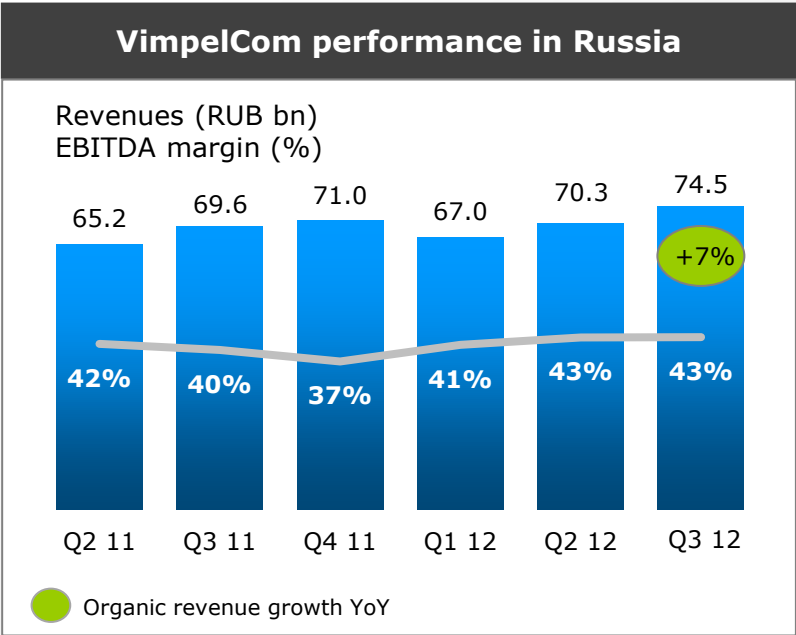
- Acquired spectrum in 6 circles in Nov 2012 for INR 40 bn (NOK 4.2 bn)
- Total population of 600 million, 40% real mobile penetration

Operating cash flow (NOK m)



- First circle EBITDA breakeven in Nov 2012
- INR 155 bn peak funding maintained
- Cash-flow breakeven by year-end 2013

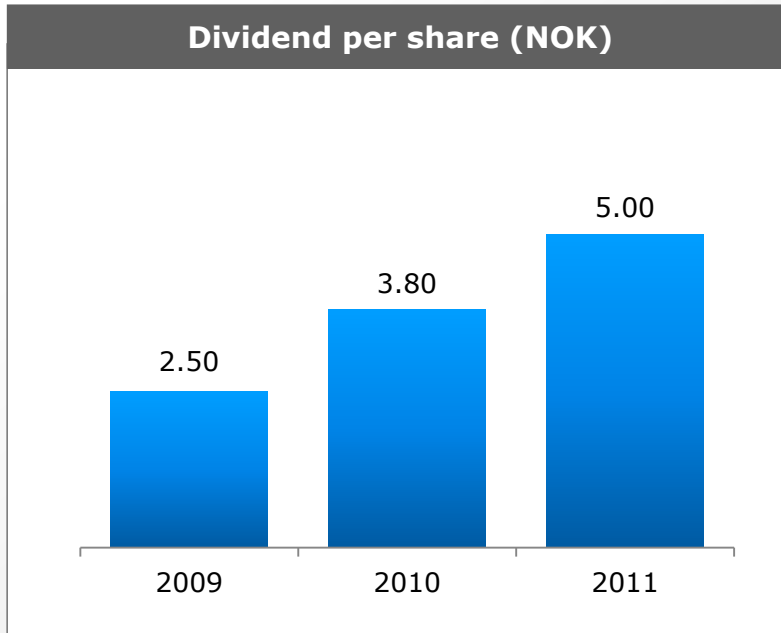
# Value creation perspective on VimpelCom ownership



# Priorities for capital allocation remain firm

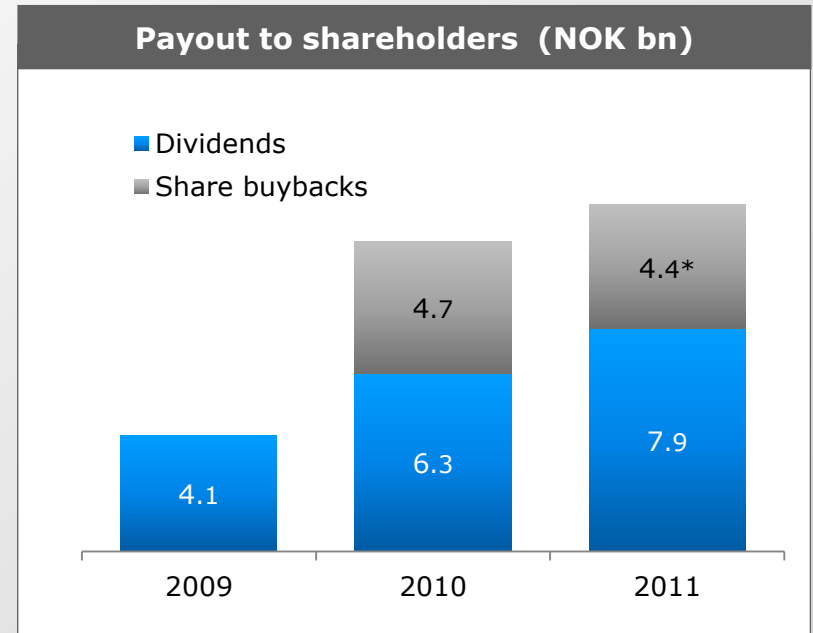
<b>1</b>	<b>Maintain a solid balance sheet</b>	<i>Net debt/EBITDA cap 2.0x</i>
<b>2</b>	<b>Competitive shareholder remuneration</b>	<i>50-80% dividend payout of normalised net income Aim for YoY growth in dividends</i>
<b>3</b>	<b>Disciplined and selective M&amp;A</b>	<i>Value driven, within core assets and regions</i>

# Growing shareholder remuneration



## Dividend policy:

- 50-80% of normalised net income
- Aim for YoY growth in dividend



- Total yield (dividend + buyback) of 8% in 2011
- New 3% buyback programme launched in July 2012 (~75% completed 7 Jan)

\*) Share buyback programme AGM 2011 – AGM 2012

# Aiming for NOK 28-30 bn operating cash flow in 2015

Preferred by customers



**Monetise on mobile data**

**Take positions in new services**

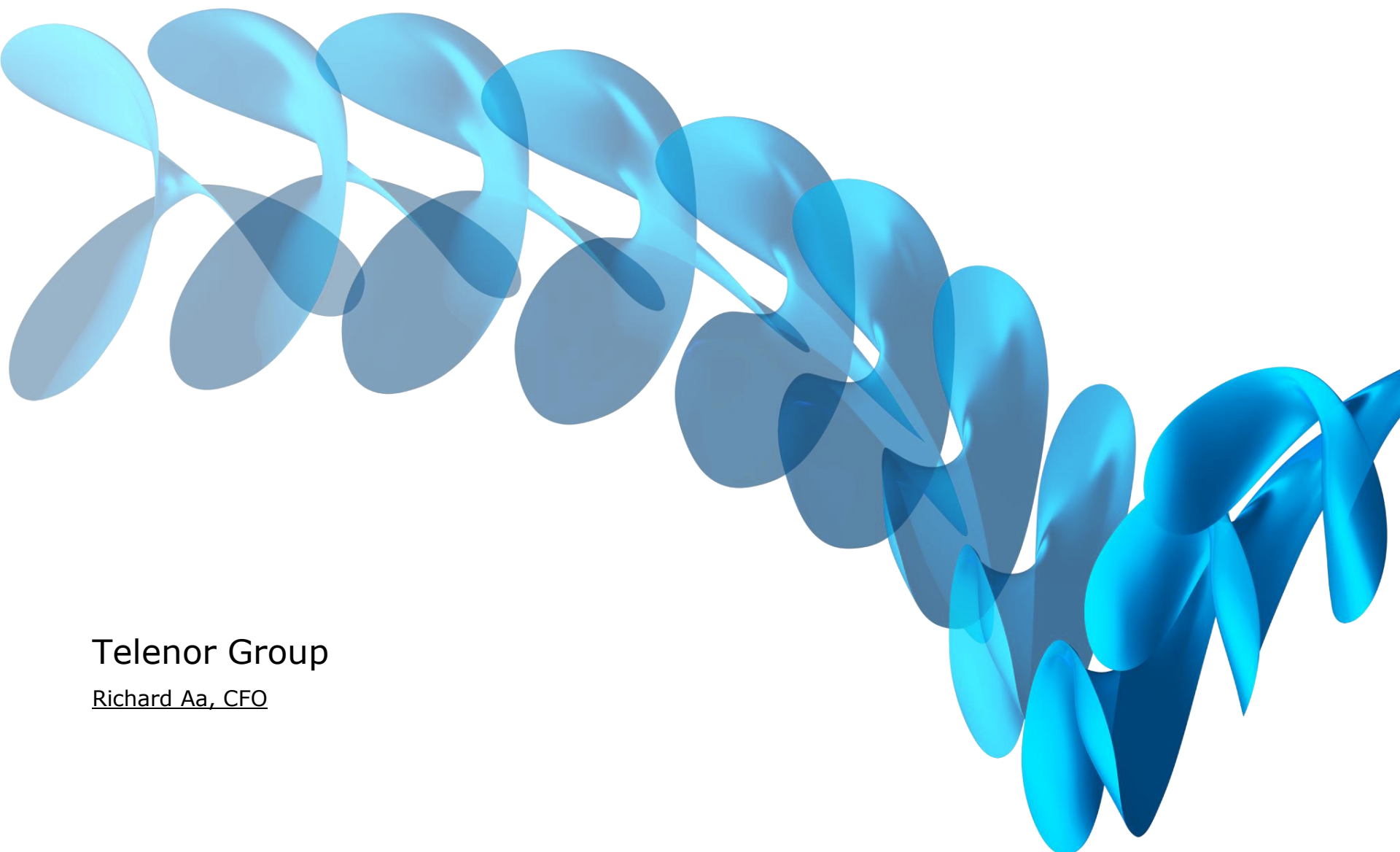
Cost efficient operator



**Continuous improvement**

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