

TELENOR TOWARDS 2020

TELENOR GROUP - DNB NORDIC TMT CONFERENCE 2017

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TELENOR IS COMING FROM A STRONG POSITION

- A diversified portfolio with strong market positions in Europe and Asia
- Strong operations based on quality networks and mass-market distribution capabilities
- Majority ownership enabling strong governance and global scale benefits

Scandinavia



Central &
Eastern Europe

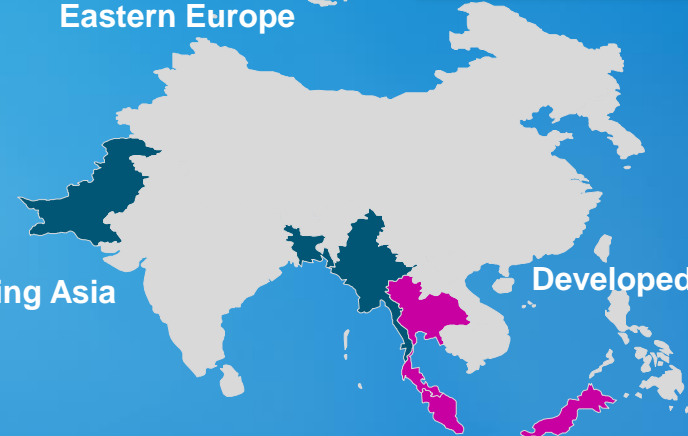
CUSTOMERS

174 million mobile subscribers

MARKET POSITIONS

#1 or #2 in 10 of 12 markets

Emerging Asia



Developed Asia

AN INCREASINGLY GLOBAL AND DIGITAL WORLD REPRESENTS NEW OPPORTUNITIES



MORE SIMILAR



THAN DIFFERENT



DIGITAL BEHAVIOR



CONNECTED WORLD

- Global operating models for products, network and IT
- Digital customer interactions
- Improved customer insight through multiple digital touchpoints
- Software defined networks and cloud-based IT platforms
- Growth opportunities in digital areas adjacent to core telecom business

KEY DRIVERS FOR VALUE CREATION TOWARDS 2020



GROWTH



EFFICIENCY



SIMPLIFICATION

HIGHLIGHTS SECOND QUARTER 2017

OPERATIONAL HIGHLIGHTS

- Improved revenue growth and all-time-high EBITDA
- Solid performance in core operations, with EBITDA margin expansion in all business units
- Executing on cost and simplification agenda
- Launching a 2% share buyback programme

KEY FINANCIALS

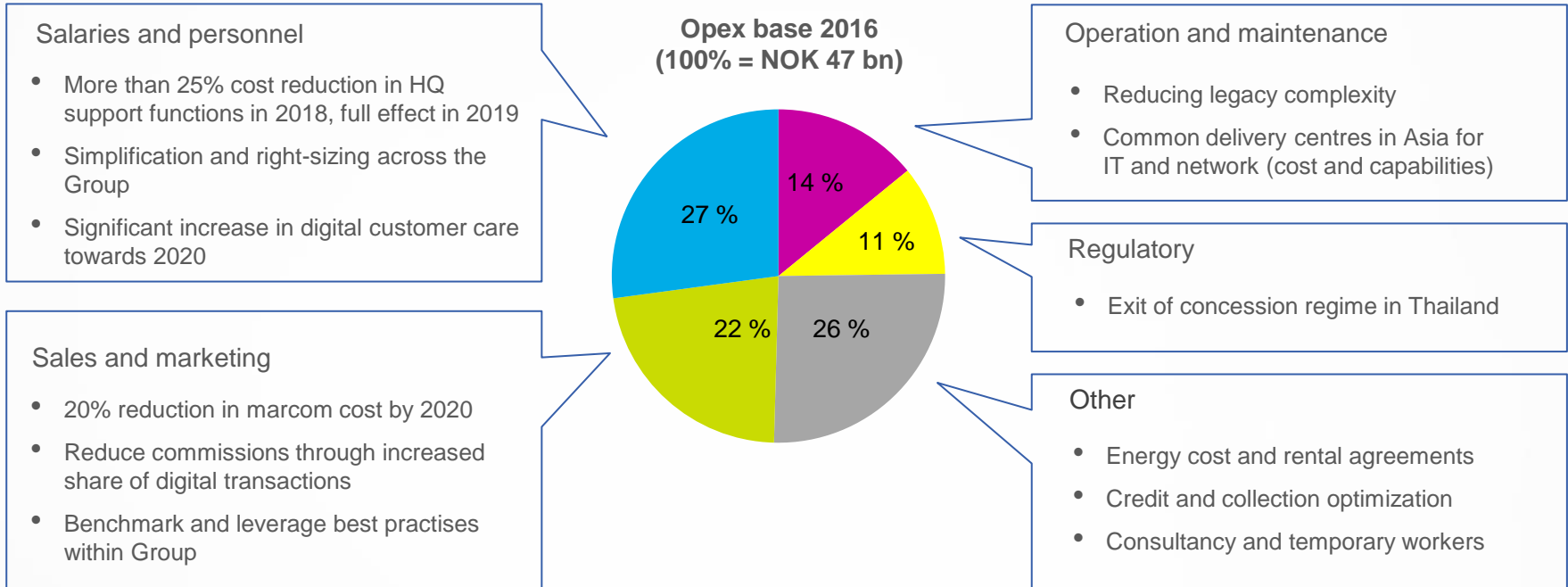
- Revenues of NOK 31.5 bn (+2%)
- Opex reductions of NOK 0.6 bn (-5%)
- EBITDA of NOK 12.7 bn (+13%)
- Free cash flow of NOK 9.9 bn

CREATING A LEANER TELENOR: IMPROVING COST EFFICIENCY

- Adapting to changes in customer behaviour, new digital players and technology opportunities
- Cost programmes and initiatives confirmed
- Cost reductions ahead of plan, now aiming for NOK 1 bn opex reductions in 2017
- Ambition of 1-3% net opex reduction per year for 2018-2020 maintained



AIMING FOR SAVINGS WITHIN ALL FUNCTIONAL COST AREAS TOWARDS 2020



CREATING A LEANER TELENOR: THE SIMPLIFICATION CONTINUES

Q1 2017

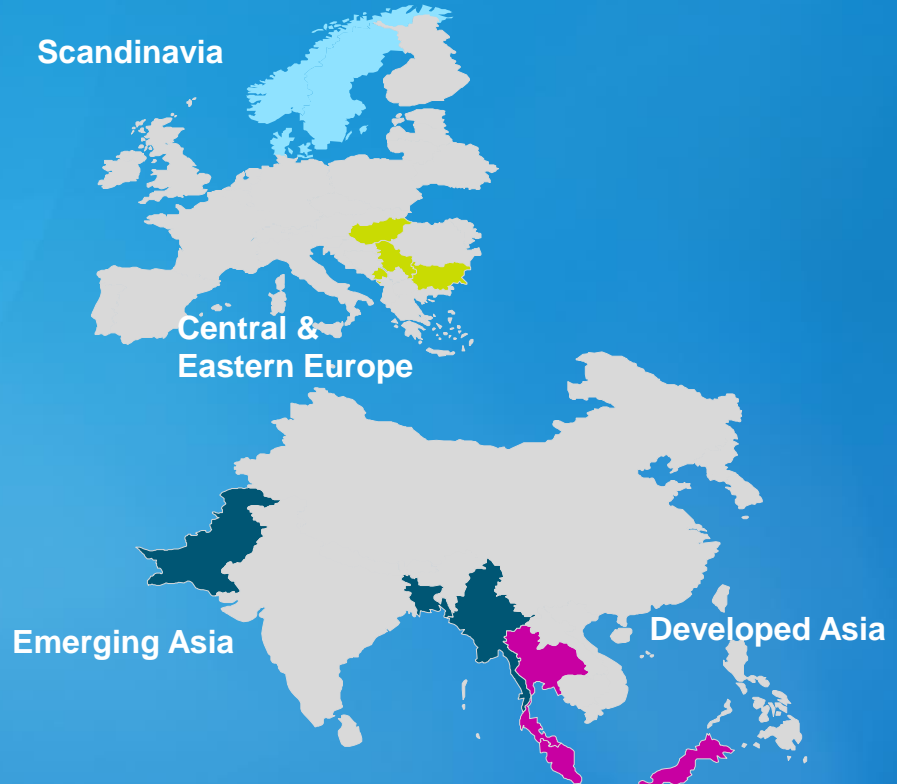
- Cluster organization launched in January
- India exit announced in February
- Disposal of internet portal Startsiden

Q2 2017

- Further sell-down in VEON in April
- Monetizing and focusing online classifieds portfolio

Q3 2017

- Divested financial services in Serbia

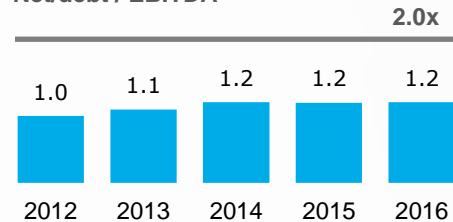


SOLID BALANCE SHEET AND GROWING DIVIDENDS

Solid balance sheet

Net debt/EBITDA below 2.0x

Net/debt / EBITDA

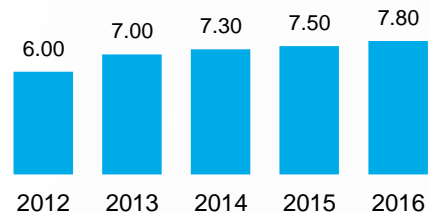


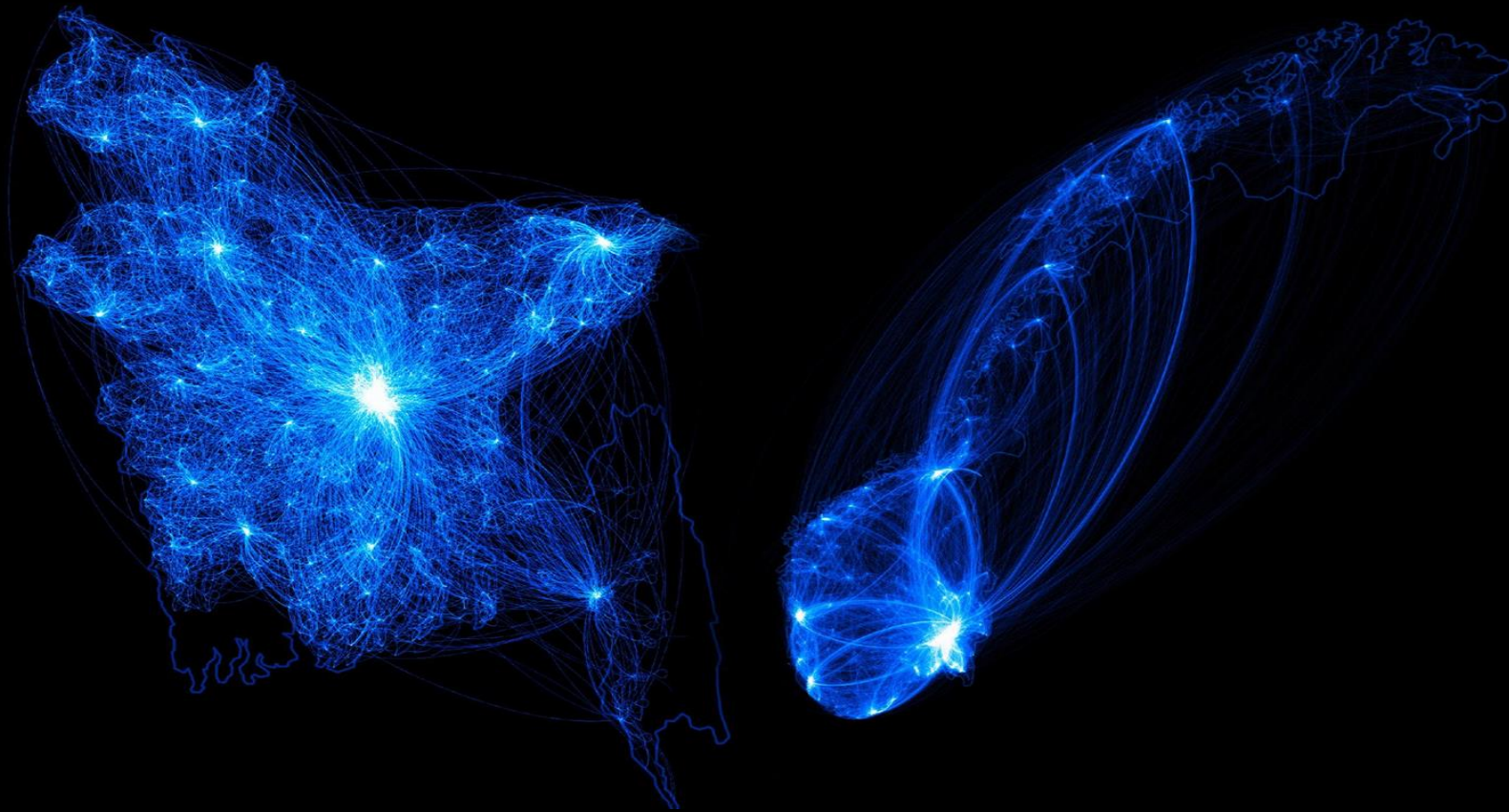
Competitive shareholder remuneration

Aiming for year-on-year growth in ordinary DPS

Buybacks and special dividends to be considered as supplement to the ordinary dividend on a case by case basis

Dividend per share (NOK)





Telenor Research: Measuring how nations move
One day of travel in Bangladesh and Norway, measured by data from cell towers

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GROWTH



EFFICIENCY



SIMPLIFICATION



Q&A