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Sigve Brekke: Good morning to everyone and welcome to our Q4 presentation. Before I go into the Q4 numbers, I would like to take one step back and reflect a little bit about the whole year 2020. When COVID hit us back in March, April, the situation was very uncertain. But due to the mobilization efforts that we have done over several years, we were well prepared to meet uncertainties. And we saw how our way of work and our operational model could be used to handle the top line challenges and still stay focused on free cash flow generation. We also started last year with a capital market state, we will lay out our strategy for the coming three years.

We talked about the three pillars: growth, modernization, and responsible business. And despite the pandemic, we decided to move on with implementation of the strategic efforts. And we even saw opportunities to accelerate some of these areas. We saw an opportunity to accelerate the digitalization of customer journeys, to modernize our organization even faster, but also to move towards zero touch operation. And as a result of this all this, I'm very pleased to see that despite the revenue challenges, we have delivered a 2% EBITDA growth and the free cash flow of NOK 21 billion. During the year, we also strengthened our responsible business. Empowering societies, as a part of our purpose through connectivity has never been more important.

I then now see how that is also helping us in strengthening the way we've worked together with governments across our portfolio and with our stakeholders. And later in the presentation, I will give an update on how we are progressing on the climate ambition that we also gave in that Capital Markets Day Presentation a year ago. We see the same uncertainties as we saw last year, also now going into 2021. However, as we did last year, we will remain staying focused on cash flow generation. We will continue to use our way of work and operating models to balance the

uncertainty. And I'm going to give a little bit more insight on, how we are doing that later in my presentation.

As we have discussed now many times before, we're also focused on reducing our risk exposure in the Asian portfolio. And we continue to look for potential consolidation opportunities. And that will also be a focus in the 2021. 2021 will be a year where we are handling the uncertainties and stay focused on the strength, we will have, coming out of the pandemic crisis. Before I go into the Q4 numbers, just a few words on the situation in Myanmar. We entered Myanmar in 2014 and we had been a part of the democratization process we have seen in this country. And it's sad to see that there is a step back on that happening now.

And I really hope that this is going to find a peaceful solution. The focus I have right now is to make sure our employees are staying safe and also to provide our customers with services and the network. The network is up running, the distribution is up running, and we are serving the customers and we think this is very important here also in this critical time. Then to the Q4. Let me start with the Nordics. I see a robust performance across the Nordics and other enrolling, we see quite limited COVID effects across the board for Nordic business units. And this time, I will claim that you see good performance across the four markets, including also Sweden and Denmark.

It has been challenging for us in Sweden and Denmark over the last quarters. And I'm happy now to see that some of the turnaround initiatives that we have taken is now paying off, and we are moving back to a growth territory. In Sweden, we saw in the quarter, a healthy intake of 15,000 new prospect customers. And we expect a stabilization of the revenues or the top line in the Q2 this year. In Denmark, we see good delivery on EBITDA growth backed by 2% higher subscriber base compared with last year. Then to Norway and Finland. I believe these two operations are good examples of what we can do across the four Nordic mature markets.

At the Capital Markets Day a year ago, we talked about three growth ambitions in the Nordics. We talked about building a future proof fixed network, modernizing the fixed network. We talked about value added services on top of data connectivity. And we talked about the opportunity that 5G gives us to upsell on speed, both the mobile and also on Fixed Wireless Access. And this is exactly what we are doing in Finland and Norway. In Norway, we added 13,000 new fiber connections in the quarter, and we added 6000 new Fixed Wireless Access customers in the quarter. And the copper modernization program is ongoing.

In 2020, we saw a decline in the DSL base of around 30,000 customers per month, sorry, per quarter. And we have now around 135,000 DSL customers left in our network. And they are churning out now quite rapidly. Fortunately, we see that we are able to keep 90% of the lost revenues with offering these customers, replacement products, being fibre and Fixed Wireless Access. In Norway, we also see value added services contributing to the mobile ARPU. These are services that we are putting on top of the data access. And then mobile ARPU increase of 3% is coming from these services, despite a rolling drag of 3% points.

In Finland, we saw an S&T growth of 2% and an underlying EBITDA growth of 6%. And we see this coming from the speed of selling from 4G to 5G. And typically when a customer moves from 4G to 5G, the customer pays around EUR 4 more for that speed advantage. We now have 5G deployment in around one third of the Finnish population. Then to Asia. Last year, we said that the biggest opportunity, not, so sorry, the biggest uncertainty we see in our portfolio is the duration of the pandemic in Asia. Unfortunately, now we see the second wave coming. So it will take some more time before the Asian markets have recovered.

And on this slide, we are showing the same graph, as I have showed you before, giving an indication of what's happening in both what they call them the developed Asia, Thailand, and Malaysia and also in the emerging part of Asia, Myanmar, Pakistan, and Bangladesh. In Thailand and Malaysia, we see a continuous impact of the tourist and migrant workers that are not coming

to the country, because the countries are basically closed. And unfortunately the market especially in Myanmar, no, sorry in Malaysia, is also locked down. We've also seen an increased competition in these two markets. In emerging Asia, we see the growth coming back. But the long-lasting situation starts to have an overall economic effect.

We expect a gradual recovery in the Asian markets during the H2 of 2021. In 2020, we, as I said got to test our ability to adapt to changing business environment. And honestly, I think we did quite well. And it came from the way we are operating our businesses. And we kept the operation going despite having 80% to 90% of our employees working from home. And this graph, this slide shows three examples on how we do that. Starting with Thailand. DTAC in Thailand has been on the change journey now for several years. It started with the need of acquiring more spectrum, we did that. Then we had to build a competitive data network. That is now done. And then we had to refocus the operation.

And now, I will say that we are where we want to be. And I'm satisfied to see that efforts are paying off. DTAC, as said, is hit by the strong position the company has in the migrant and the tourist segment. However, the organization is now refocusing and focusing their efforts on the domestic segment. And we see that in the domestic segment, and it's illustrated on this slide, that we have a good customer intake from September and onwards. In Pakistan, we are still waiting for more spectrum to be released in Pakistan. But in the midst of the pandemic situation, we have implemented a more granular cluster-based strategy.

We are learning, then taking learnings from other Asian markets, where we are basically going down almost to single base stations and single point of sale, making sure that we are utilizing and sweating our network assets as good as possible. This is why we see Pakistan is able to drive customer and revenue growth. And then to Myanmar. We have been hit quite three separate issues in Myanmar. It was the SIM registration that the government implemented, it was the

removal of the price floor and in addition, the COVID situation. This has resulted in a massive reduction on multiple SIMS in the market. And all the operators have been hit.

In addition, then an increased price pressure. However, this is a focused team. And I'm happy to see how we, despite these challenges, have been able to rebuild the customer base, healthy customer base. And I see also this now continuing into 2021. And I really hope that we can continue doing this, knowing the situation around the Group and the challenging political situation that we currently are facing. Then I want to give you a strategic update. And this slide is showing the three pillars that we talked about a year ago, in the Capital Markets Day. And we all now have started already of implementation of our activities, with industry pillars.

Starting with the first one, Growth. We believe, as we said in the Capital Markets Day, also a year ago, that we can deliver revenue growth in our portfolio. And we want to demonstrate exactly that when they're coming out of the COVID situation. The three main growth areas, we think that we can deliver growth on, it's data connectivity in Asia, it's value-added services in the Nordics and then later, Asia and it's what we call, beyond call connectivity, where 5G is an opportunity. Let me go a little bit into each of these three areas. Starting with, Data Growth in Asia. We see a significant uplift when our feature phone customers get his or her first smartphone.

We see that coming in with a relatively low data usage, but then they quickly adapt to and start using the different data services and the data consumption increases. And there is an affordability to pay for that. The smartphone penetration in these markets, it's still quite low. In Pakistan, Bangladesh, we still see that the smartphone, it's only around 40% of our customer base. And as you see on this slide, we are able to monetize this, because there is a willingness to pay. In addition, we see an opportunity to also start focusing on the B2B segment across our Asian portfolio. We haven't done much of that in the past, we have mainly been a consumer of a B2C driven operation.

But we see opportunities now also especially in the SME segment but also in the larger corporate clients. Then the other area, the value-added services in the Nordics. This is an attempt to then put close to core services on top of the data connectivity. And in Norway, we are doing that with the Security and Insurance Services. And we have demonstrated this now, over several quarters in Norway. And as I have said before, around two thirds of the mobile ARPU growth in Norway, is coming from these new services and is starting to be sizable, as you also see on this slide, NOK 1.9 billion in 2020.

We have set up a Nordic product house under our Head of the Nordics, Jukka Leinonen. And the idea with this Nordic product house, is to develop, take learnings from what we have done in Norway, develop services and roll them out across the four Nordic business units, both in the B2B segment, but also in the B2C. And then after getting more experience on that, also do the same in Asia. The last area on this slide is what we call, Beyond Core Connectivity with 5G. We think 5G, is an opportunity for us to actually move beyond only data connectivity. And we think 5G is an opportunity together with other technologies like storage, like analytics, like AI, like [inaudible] cloud, to then give more to our business customers.

And we want to go into this together with partners and also target specific verticals. So changing partnerships, together with global companies, hyperscalars IT companies, where we can utilize our strong brand position in this market, our strong distribution in this market and our existing customer relation. We are now having all signed up MOUs with several partners and we have now 10 pilots where we want to test this out, together with the partners, pilots that we are studying in Norway, then Sweden, Finland but also trying it out in Asia. And targeting both the private also the corporate customers, but also public.

Second pillar is Mobilization. We believe for us that modernization is a foundation for growth. And we will continue to focus on structural initiatives. We have reduced the costs significantly over the last years. And at the Capital Markets Day, as illustrated here on this slide, we talked about an

additional of reducing the cost around NOK 3 billion to NOK 4 billion in the coming three years, on top of the 3% OpEx reductions, we have done in the previous three years. And what is all done in 2020 was that we actually reduced the structural cost with around NOK 1.5 billion and NOK 0.9 billion was COVID related costs.

Some examples on how we do that. Starting with the sales and distribution. Historically, we have had advantages with a physical mass distribution model, across all our markets. Now, we want to do the same. But building a digital mass distribution, where customers are being served by Mytelenor app, where retailers are being served with a designed retail app. And with this, we can get customers to talk to us digitally. And as said on this slide, one example of this is what we did in Pakistan last year, where we actually increased the digital reshot with 44%. The result of this, it's low cost, less commission, fewer people on the street. It's increased customer satisfaction. But it's also an ability that we get access to more customer data such that we can do upselling.

In addition to that, we are also looking at the same for our call centers. We have millions of calls going into physical call centers across Telenor today. We wanted to also then gradually replace that with these two tools. In the postpaid market it's a little bit different because, in the postpaid market, it's also a lot of Bolt device bundles. So in the postpaid market, we also think that our customers will be digitally first, but we also need to implement an omni-channel approach. Second area that we are looking at, it's the modernization of our organization. Digitalization is reducing the number FTEs and we saw that last year. And we will continue to see that. And we are not changing the way we are organized, in to be more simpler organizations, flatter and more agile.

We're also implementing a flexible way of work and a trust-based leadership model. In addition, we are building future competence, lifting all our employees into what we think is needed for the future. We have implemented a 40-hour challenge, where all our employees are being given the opportunity to up skill themselves within five future competence areas. And then on the infrastructure. In Norway, we are sun setting the legacy of fixed copper infrastructure, it goes on as

planned. And we hope to be closing down that network in the end of next year. And in the whole Telenor Group we are implementing a zero-touch operation using AI, robotics, and other technologies.

And we are implementing a Cloud First Strategy for data traffic and for our infrastructure. Today, 91% of all data traffic is on Telenor Hybrid Cloud. 56% of network functionality and 38% of IT processes are also moved to the Telenor Hybrid Cloud. Last but not least, Responsible Business. We believe that responsible business is an important part of maintaining and strengthening the trust in Telenor. And it's an enabler for business and for stakeholder dialogue and empowering societies. One central element in our responsible business strategy is to reduce over climate emissions. At the Capital Markets Day, we committed to be carbon neutral in the Nordics by 2030. And we said that we also want to cut the emission in Asia with 50%, also by 2030.

And we are committing now to use standardized measurements, where we can be focusing on both direct emission of Scope 1 and 2, but also the indirect emission Scope 3. We have taken the first steps into this strategy. And I'm happy to see, as you also see on this slide, that we have now been able to break the energy usage curve. And we did that last year. We have achieved a 1.50% reduction in energy consumption, even though a total data increase with 42%. And we do this with infrastructure modernization, smart networks, smart network operation and investment into renewable energy.

We have made a roadmap for all our nine business units. And we have a clear plan in the Nordics, towards the carbon neutral operation, by 2030. In Asia, the task is tougher, and more than 90% of our emission, comes from Asia and most of that is unfortunately related to dirty grids. And over the next 10 years, we forecast a 35% increase in energy consumption from increased data volumes, in our networks. We will continue to work on modernization and utilize renewable energy to take down our energy consumption. But it will not be enough only to modernize our networks. So we don't therefore also need to look into access to greener energy sources to reach our targets in Asia.

That concludes my introduction, and I will then hand over to Tone, our CFO. Please, Tone.

Tone Hegland: Thank you very much Sigve and good morning, everyone. The solid results for 2020, demonstrates the strength of our operating model. The results for the full year are in accordance with the guiding, we gave you. For 2020, we see a 2% reduction in S&T revenues, which has been under pressure from the pandemic. Through the year, we have steadily executed on our modernization agenda and combined with other effects, we see OpEx reductions of 7%. As a result, we deliver a full year organic EBITDA growth of 2%. Solid operational performance in combination with continued portfolio simplification, leads to a strong free cash flow of NOK 21 billion for the year.

For the quarter, we see trends which are much in line with previous quarters. Top line remains under pressure, leading to an S&T decline of 3%. The strong momentum we have on OpEx that Sigve has also explained, is resulting in a 7% reduction also for the quarter. As a result, organic EBITDA is stable, compared to last year, despite tough comparables. Let us now have a closer look at the Group figures and I start with, Revenues. Organic S&T revenues for the quarter, as I said, decreased by 3%. We continued to see the solid performance in Norway, with a 2% S&T growth, driven mainly as Sigve also talked about growth in domestic mobile services of 4%, which is coming from value added services and upselling, with an ARPU increase of 3%.

The S&T growth in Finland was 2% for the quarter and is driven by continuous upselling to higher data speeds and good momentum on the 5G subscriptions. In Bangladesh, we saw good subscriber growth of 1.4 million. However, S&T revenues decreased by 3% as a result of somewhat weaker economic activity. In Myanmar, the growth came in at minus 7% which was aided by a positive one off. As communicated and as also Sigve talked about, we talked about this also at our Q3, the suspended price floor regulation, the SIM re-registration and also the COVID restriction, is

impacting the numbers. Towards the end of the quarter, we saw positive subscriber growth in Myanmar, which we also saw continuing into 2021.

In Sweden, we are rebuilding our customer base. First, we continue to face tough competition, in certain segments such as to B2B. This leads to a 6% reduction in S&T revenues compared to last year. And as also mentioned by Sigve, we believe we should see stabilization in Sweden in the Q2 of this year. For Thailand and Malaysia, the continued loss of tourists' and migrants' revenues and the increased competition are the main drivers for the negative development we see in these markets. For the full year, we see the S&T decrease of 2%, where the main driver is the developed Asian markets, as we said, Thailand and Malaysia and also the loss of roaming and then in particular, in the Nordics.

Moving to a bit more on the OpEx. We delivered the strong OpEx reduction of 7%, both for the Q4 and for the year as a whole. In nominal terms, the reduction is NOK 2.6 billion. The reductions are seen across all categories and all operating businesses and are primarily driven by three elements. In 2020, as also Sigve talked about, we accelerated our modernization journey. The structural programs have delivered the strong NOK 1.5 billion in reduction. This is close to 60% of the total decrease. Of the structural programs, we see that network and IT modernization, across several businesses, accounts for almost 50% of this reduction.

Further, we see that the direct effects of COVID are estimated to NOK 900 million. This is approximately one third of the total decrease. We do expect parts of these costs to gradually return, as we start to see market recovery and activity picking up. And finally, we see also that the lower investment level in 2020 and also lower other costs such as salary increases and energy, leads to a lower-than-normal general OpEx increases across the businesses. In the Q4, we deliver a stable EBITDA compared to 2019. And as you remember, in 2019, we ended the year with a solid 5% organic EBITDA growth. In addition to the strong performance in Norway and DNA, Denmark and Pakistan see improved EBITDA, driven by the better operational performance.

In addition, the material positive EBITDA contribution from the other segment, is a result of efficiency initiatives in the corporate functions and also a more technical effect coming from that our satellite revenues now are classified as external revenues. And these are the revenues that we have in our JV with the NENT, which used to be in total revenues. If we look at the full year EBITDA for 2020, we had a solid Q1 and as COVID started to impact us towards the end of Q1, our operations in the Nordic proved resilient, except from the loss of the roaming revenues. In Asia, the pressure on revenue is following through to the EBITDA. And we have seen as I just talked about, material pressure on revenues, in particular, in Thailand and Malaysia through the year.

And then again, in the other segments, it's the same OpEx that I just talked about. Despite the top line pressure, we've seen, the steady execution on our structural efficiency programs, resulted in a full year EBITDA growth of 2%. Since our Capital Markets Day, back in 2017, we have been systematically working on simplifying and develop our asset portfolio. Our aim has been to focus on core telecom assets, where we believe we have the competence and know-how to create value. In 2020, despite being a challenging year, this steady execution of our strategy continued.

During the year, we have entered an agreement to sell our financial services business. We have also sold Tapad and we have disposed a portfolio of development properties and the headquarters in Norway. In addition, we have made smaller strategic transactions to support some prioritized areas, such as the acquisition of KNL Networks to support expansion of our IoT business. Total proceeds from sale of these assets amounted to approximately NOK 10 billion for the year. In 2020, we established our infrastructure company in Norway. We have so far seen good performance with increased external revenues, and we have a Tenancy Ratio of ground-based towers, above two.

We are currently working on a similar setup for the owned towers we have in the Nordics. And we intend to be ready to disclose key figures for these operations within end of 2021. In Asia, we will take market by market approach. Our focus remains to harvest operational synergies within this area. The aim going forward is to treat passive infrastructure as separate businesses in order to optimize the operational performance. Reported net income to equity holders of Telenor ASA, in the Q4 was NOK 7.7 billion, an increase of NOK 5.9 billion. This was mainly due to gain on disposal of assets. The sale of Tapad contributed with a gain of NOK 2.1 billion and the sale and partial lease pact of the headquarter office in Norway, contributed with another NOK 1.2 billion.

In addition, we see positive developments in net financial items as a result of currency gains. The improvement in 'Other,' is a consequence of the provision of NOK 1.7 billion we made in the Q4 last year, related to the court ruling in India. For the full year 2020, Net Income to Equity Holders of Telenor ASA increased by NOK 9.6 billion to NOK 17.3 billion. This was primarily a result of a stronger EBITDA, but also lower taxes and the gains realized in the Q4, as I have explained. In addition, gain on the completion of the transaction related to Canal Digital, accounted for NOK 1.7 billion, earlier in the year and also the leaseback of the development properties in Norway, of NOK 0.5 billion earlier in the year, contributed positively.

In 2020, we delivered a free cash flow before M&A of NOK 12.5 billion and a total free cash flow of NOK 21 billion. As planned, CapEx increased towards the end of the year, in the Q4, CapEx was NOK 5.8 billion, corresponding to a CapEx to Sales Ratio of 19. For the year, CapEx to Sale was 13% as guided. CapEx was driven by network modernization in several of our markets, fiber and 5G rollout in Norway and the 5G rollout in Finland. And also network capacity and coverage expansion related to the 700 MHz spectrum in Thailand in the Q4. Free cash flow before M&A was NOK 2 billion in the Q4, an increase of NOK 1.5 billion.

The increased cash flow was mainly a result of the lower taxes, improved working capital, and also we received a dividend of NOK 1.2 billion from [inaudible]. Total free cash flow for the quarter was

NOK 9.1 billion and that includes the proceeds from the sale of the headquarters with NOK 4.9 billion and the sale of TAPAD with NOK 2.4 billion. Higher EBITDA, the strengthening of the Norwegian kroner and a strong free cash flow in the quarter, led to a leverage ratio of 1.95. This compares to 2.1 last quarter. Dividends. For 2020, the Telenor Board of Directors, proposed a dividend of NOK 9 per share.

The proposed dividend represents a total payout of NOK 12.6 billion to shareholders and gives an estimated dividend yield of 6%. The proposed dividend represents a 3% increase in ordinary dividend per share, compared to 2019. Our current dividend policy remains with a YOY growth in ordinary dividend per share. Including this proposed dividend for 2020, Telenor will have returned NOK 85 billion to shareholders, over the last five years. The dividend will, as usual be paid in two tranches, in June and in October. Then moving to the outlook for 2021. We see, the effects from the pandemic on our operations in Asia, is ongoing. We also see lockdowns and closed borders, continue into 2021.

During 2020 we have accelerated modernization, and this contributed to a reduction of OpEx up to NOK 2.6 billion. We estimate that approximately NOK 900 million of these cost reductions, are directly related to the pandemic. And we see that these costs might come back as markets recover. Further, as you all remember, we had a very strong performance in the Q1 last year, which gives us tough comparables for the next quarter. In our outlook, we expect a gradual recovery in the Asian markets, during the H2 of 2021. Based on this and for the full year 2021, we expect both organic SERPs and traffic revenues and EBITDA to be around 2020 levels.

In the Nordics, we see an opportunity to continue to grow and capitalize on 5G and for the year, we foresee a CapEx to Sales Ratio in the area of 15% to 16%. As Sigve mentioned, our strategic priorities remain and we confirm the midterm ambitions, given at our Capital Markets Day in March 2020.

So by this, Sigve, that concludes the presentation. We are now ready to take off, but we should try to limit ourselves to one question per caller if that is possible. So may we have the first question please?

Operator: Morris Patrick, Barclays.

Morris: Yes. Good morning guys, this is Morris here. Thanks for the [inaudible]

Sigve Brekke: I think we lost you.

Operator: Morris Patrick, please unmute your line.

Sigve Brekke: We lost the first caller.

Operator: Peter Nielsen, ABG.

Peter Nielson: Thank you very much. Yes, I'd restrict myself to one question. And Sigve, your introductory remarks about Asia and continuing to seek consolidation in Asia. You're sounding perhaps a bit more direct, but you've said the same previously, but you sound a bit more direct. Are you sensing that you have something a bit more imminent? Or are you feeling a bit more confident that this is something you can achieve? Any elaboration here would be appreciated. Thank you.

Sigve Brekke: Well, thanks for the question. And nice try. Now, I think we're saying the same as we've said several times last year. And there is opportunities in the Asian markets. And as I have said, especially in Malaysia, in Myanmar, and in Pakistan and we are looking at those opportunities, but there is nothing more I can say at this point in time.

Peter Nielson: [inaudible] follow up and ask, are you looking more on a country specific, country by country basis? Or are you still exploring opportunities similar to the one you had last year with [inaudible], et cetera, on a broader scale in Asia?

Sigve Brekke: We are doing both. So we are looking at the in-market opportunities, which we see it's a lot of cost synergies coming out of that. But as we also said, we're not able to conclude the [inaudible] last year, we are not ruling out that similar structure could emerge again. So we are looking at both.

Peter Nielson: Okay, thank you.

Operator: Theron Ansui, Morgan Stanley.

Theron Ansui: Thank you. Good morning, everyone. And thanks again for the presentation. I just had a question around the outlook, please. You delivered plus 2% EBITDA growth in 2020. You're guiding to around flat for 2021. And you made a point about the Asian markets seeing some pressure. I was just wondering whether you can elaborate on, why these markets are seen as more competitive or why you see the prospects for these markets compared to the last lockdown. And why perhaps you're thinking that says, we're going to be a greater negative impacts in the upcoming year? Thank you.

Sigve Brekke: Yes. I cannot comment specifically on each of the markets. There's a lot of uncertainties. And what we tried to say in our presentation is that we see the growth coming slowly back in the emerging Asia, Pakistan, Myanmar, and Bangladesh. But we see also the continuous effect of the lockdowns in Malaysia and Thailand. So it's too uncertain to see when these markets are coming back. And that uncertainty is what we have built into the guiding.

Theron Ansui: Okay, thank you.

Operator: Joanna Alquist, ACB.

Joanna Alquist: Yes. Then a question on, maybe two actually, it's a follow up on your previous question on the guidance you state, what you say in terms of expectations for Sweden and also Asia. But how about Myanmar, how do you predict to get back to growth in Myanmar, in your guidance of flat EBITDA? And then a question of my own is related to CapEx, if I may, given the five-year role out coming up, I guess CapEx is up in the Nordics for 2021. So, I'm just thinking, is there any country where you expect CapEx to decrease this year to compensate for that growth. Or if it, yes, that's the second question. Thank you.

Sigve Brekke: Yes. I can take the Myanmar and then maybe you take the CapEx, Tone. On Myanmar, well, as I also said in my presentation, we are coming back in Myanmar after the SIM registration process that took down a lot of numbers of SIM cards, not customer. Remember that this is a market where a SIM card and a customer is two different things. Most customers would have multiple SIM cards from all the players. So we are coming back from that and that is what we saw in the Q4. And we hope that that will continue going into this year. How the current political situation is going to influence that, that's way too early to say.

Tone Hegland: Yes. And then on the CapEx, we have a 13%, CapEx to Sales in 2020. So we are now indicating a growth up to 15% to 16%. And you're right that we have in 2020 had a high CapEx level, both particularly in Norway and Finland, based on the 5G rollout and also the fiber in Norway. And we will continue to prioritize these investments. And then we have our standard approach of looking at CapEx investments across the portfolio, based on the outlooks we see on a continuous basis. Plus given that we indicate to spend more, we will increase our spending, of course in 2021.

Joanna Alquist: Thank you.

Operator: Frank, now, D&B. Please go ahead.

Frank: Yes. Good morning. So I was wondering if you could elaborate a little bit about the cost development in the Norwegian and Swedish operations. If you could go a little bit into how that developed in Q4, compared to your expectations? Were there any particular effects around perhaps costs related to the handset cycle or anything around progress of taking out structural costs? That was different from what you had expected? Or was everything basically, in line? So you were happy with the progress on cost takeout in Norway? And that's my main question. Thank you.

Sigve Brekke: Yes, Frank. No, we are happy with the efficiency in Sweden and Norway, also for the Q4. But remember that, this goes a little bit up and down between the different quarters. And the main cost reductions, you see in these two markets, it's coming from [inaudible] reduction, is coming from IT simplification and it's coming from the digitalization of the customer journeys. That's where the cost reduction is coming from. And sometimes we see bigger take on costs in the quarter, and sometimes it takes some time.

So, there is nothing new to that. I'm actually, I must say that I'm very pleased with both Sweden and Norway, when it comes to their ability to [inaudible] in Sweden turnaround operation and still be cost efficient and create a more leaner organization. And in Norway, as the incumbent being able to now compensate for legacy revenues and also for roaming effects and still grow the top line and also have that efficiency in parallel. So, this is something that we'll continue also in the coming quarters.

Frank: Okay, great. Thanks.

Operator: Andrew Lee, Goldman Sachs.

Andrew Lee: Yes. Good morning, everyone. Quick one from me on cost cutting. You've normally had a cost cutting tailwind, that's enabled your EBITDA trends to be superior to your revenue trends over time, particularly last year. And so it looks like a surprise that with flat revenues, you don't have, your cost cutting was able to deliver better than flat EBITDA growth for 2021. Could you just give some color on that, please?

Sigve Brekke: Well, we took down 7% of our OpEx last year, 7%, NOK 2.6 billion. And we did that. I'm not using the word, cost cutting. I'm using the word, the effects of the mobilization agenda that we had, because most of this is not coming from the structural initiatives. I think Tone said in her presentation that out of the NOK 2.6 billion, NOK 1.5 billion last year came from these structural initiatives. And that's going to continue. And of course, there is tough comparables here, because we have done this now for many years. So we will continue to do that.

I'm also quite confident that what we do on the structural efficiencies, is not hurting our growth, ambitions. And Norway is the best and even Finland, are the two markets where we actually demonstrate that, that we are making yourself more efficient. We are able to take down OpEx at the same time. We are able to grow the customer relationship and with that our [inaudible]. So that is the balance that we are going to continue to do. And but again, you cannot think about this as every quarter being the same, it's the same question that was the same also, I had to Frank. Because the structure initiatives, some of them are long term, some of them are investments before we can view some results.

So, that's why, why this differs a bit from quarter to quarter. But we stay focused on our ambition on reducing costs, 1% to 3% is what we said at the Capital Markets Day. We took down much more in 2020. But we have to look at this in a little bit longer horizons.

Andrew Lee: Thank you guys. As my follow up question, can I just have a clarification on your comments on consolidation at the start of the presentation? Were those comments restricted to Asia? Or would you include Nordic consolidation in, amongst those ambitions?

Sigve Brekke: No, they were not restricted to Asia. We also think that the dangerous markets should be consolidated. However, it's more challenging, as you know, in Europe due to the US competition authorities' views on this. But I will say the same in our danger operation.

Andrew Lee: Thank you.

Operator: Rouge Riepe from Jefferies. Please go ahead.

Rouge Riepe: Yes. Thanks very much. I wanted to explore a little bit, the assumptions or expectations or drivers of your expectation of recovery in Asia in the H2 of this year. Is this essentially based on trends you're already seeing? You seem to be talking about things in some markets and getting better already, is this essentially rising forth those trends and that's where this comes from, or is it a top-down view on the impact of the vaccinations and the pandemic petering out? Or what exactly are you assuming, when you talk about that recovery in Asia in the H2?

Sigve Brekke: No, it's a top-down estimate. And it is based on what we see now in Malaysia, for example, the countries closed, the markets are locked down. And what we see in Thailand, also a closed country, no tourists coming back. But it also based on that we think, we will see coming back or recovering in the H2. So we don't know, of course. We don't know when the vaccine is coming to these markets. We don't know what the government policies are going to be. But underlying is that we see especially in emerging markets, that the growth is coming back slowly.

And the markets are also opening up. But this is uncertain, as it was, when we went into the pandemic in March, April last year. So it's uncertain and that uncertainty we have built into the

outlook. And again, as we have said many times, our only way to handle that uncertainty, is to stay focused on balancing the top line with cost efficiencies, such that we can keep their cash flow generation.

Rouge Riepe: That's great. Thank you. Can I [inaudible] concrete follow up on market share [inaudible] mobile? Obviously, you have a challenger that is growing in the market and you're highlighting the opportunities through the value-added services. So is the focus on the value-added services upsell opportunity, if you will, is that essentially meant as an indication that the market share drift towards the challenge will continue and you're just going to try to drive revenues through that? Or do you think the market share trends could stabilize at some point?

Sigve Brekke: Well, Norway, has been, is and will be a competitive market, the competition remains. And we see in our competition, both from the two other network players, but also for the more than 15 service providers, we have in Norway. There's almost 20 offers you have in Norwegian markets. So for example, if you see in the Q4, we added 3000 new postpaid subscribers, but then we lost on the very price sensitive segment, which is basically prepaid cards. And do you see that the customer market share is, because of that, going down? But we stay focused on the most valuable customers and we stay focused on engaging even more with those customers.

And that's why we have that value added services. We would welcome the competitors to do the same because, we think there is a room to actually give services to our customers, which we have demonstrated. So I cannot answer to your market share question because, what we are focusing on, is basically to give our customers what they want. And we think that close to core services like security and insurance, is something that we should actually deliver. Because it's something that we can use our trusted brand to give our customers.

And this is early effects. As I showed in my presentation that their revenues coming out from this value-added services last year was around NOK 1.9 billion. But it's only 10%, 15% of our customers

that so far have taken it up. So this is something that we will gradually build up with the entire customer base, but also look at other type of, close to core services.

Rouge Riepe: Thank you very much.

Sigve Brekke: And then export that to the rest of Asia, no, sorry, rest of Nordics. That's also plan. Sorry.

Operator: Ben Lyons, Credit Suisse.

Ben Lyons: Good morning. And thank you for taking my question. I just had a question on pricing strategy in the Nordics. And given the success of the speed pricing in Finland, are you still looking to do a more formal strategy in the other markets? Any color on the impact of the Telia strategy up there would be great as well. Thank you.

Sigve Brekke: What was the second part of your question? I missed that.

Ben Lyons: Any color on the Telia strategy update would be great. Thank you.

Sigve Brekke: Now, I'm not commenting on competitors' strategies, that's up to them. About your first question, yes, we have had some success on the speed-based pricing in Finland. And we also see some potential of this in Norway. We introduced a new tariff next last summer, which is basically unlimited data, but you have to pay them for free speed. And we have got a very good feedback from our customers on that tariff. And we will use the tariff also to try to upsell speed on 5G in the Norwegian markets. And of course, when we are launching 5G in Sweden and Denmark, that's something we are going to see a potential in those markets as well.

Ben Lyons: Great, thank you.

Operator: Andre Gabecek, UBS, please go ahead.

Andre: Hi, thank you. I've got a short follow up question on the CapEx question previously. So you invested 13% of sales in 2020 year guiding for 15% - 16% in 2021. And then midterm, you stick to the 15% target. Does that mean that a one percentage point invested potentially in 2021 is enough to catch up? Are you confident that you haven't fallen behind any competitors, especially in Asia? Is this what the guidance means?

And then, my own question, please. In terms of infrastructure optionality in the Nordics, are we talking about something more along the lines of the DNA, to the announcement? Or is there potentially something more substantial, from a capital perspective? Thank you.

Tone Hegland: Yes. If I start with CapEx, as you say, we have a guiding of around 15% for the three-year period, we delivered the 13% or invested for 13% in 2020. And we now see that there are opportunities that will increase the potential in 2021, for increased CapEx. We do not think that we missed out on anything in 2020. Plus and we are looking into 2021 and prioritizing our CapEx investments based on the opportunities we see. I'm sure you've also seen the guiding also from some of the Asian [inaudible] like Malaysia, where they are also indicating a higher CapEx spend.

So, we are focused on investing what we need to invest to maintain and grow our market shares, also, of course, in the Asian markets. Then on infrastructure. We set up the Norwegian company and we see that we get a lot of gains out of the focus, we're able to put on, by having this separately operated under a dedicated management team. So our primarily focus now will be in the areas where we have owned towers, like in Sweden and in DNA, to look for similar setups in these countries and also to establish these operations the same way we have done in Norway.

And then we take this step by step, as we have done and see which opportunities we see going forward.

Andre: Thank you very much.

Operator: Florian Henritzi from Bank of America.

Florian Henritzi: Yes, good morning. Thanks for taking my question. I have more of a macro related one. Could you elaborate a bit more how you think about FX risk related to [inaudible] operations? [inaudible] of these economies, they are a bit under pressure from COVID, which may negatively affect their currencies. I understand a stronger knock might help you from net debt perspective. But are you concerned that this kind of potential FX weakness could potentially offset any organic growth you have from Asia?

And just secondly, as a quick follow up, could you remind us how much of your CapEx is typically paid in US dollar versus local currencies, especially in the case of your emerging markets? Thank you very much.

Tone Hegland: Yes, FX risk in Asia. This is of course, as you say, these countries come from time to time under pressure. And we have seen during 2020 that they have held up against the particularly the dollar then, pretty firm. Plus going forward that is of course, something that can happen, that we will have to manage that, as we have done in the past managing these operations. And respect to CapEx in US dollars, we will have to revert to that figure. You can take that with the investor relations team.

Florian Henritzi: Okay, thanks.

Operator: Husmandeep, Deren Barret, please go ahead.

Husmandeep: Hello, I just want to make sure you can hear me.

Sigve Brekke: Yeah, we can.

Husmandeep: Great. Thank you. I've just got two questions, please if I can. This one on Sweden, you've indicated, the confidence in turning that business around. But as you tell it to today, I've actually, their commentary is suggesting there will be no growth in the DC and Sweden until 2022. So just, in terms of the competitive dynamic, it still seems quite volatile market, particularly in B2B. So just wanted to see what kind of risks and opportunities you see on your Swedish estimate there?

And then just, second question, very quick one, was just on the towers? Is maintaining control over the tower portfolio, important for Telenor? Or would you be happy to offload it, if you get, given the entry of American towers in the European market, et cetera? Seems like, you could monetize that well. Thank you.

Sigve Brekke: Yes, I will do Sweden and then you can do the infrastructure Tone. Now, what we hope for in Sweden, is that we will stabilize the revenues in the Q2. And then [inaudible] come back to growth, that's the plan of the Q2, this year. Yes, the competition in the B2B segment is still quite tough, especially in the public sector. We stay focused on there, and we are really value driven, such that, if it doesn't make sense for us, we will not even try to win some of those tenders.

So, the growth you see, now coming out of Sweden, it's in the B2C segment mainly. And we added 15,000 new subscribers in the quarter alone. And that is what, why we now see that we are getting back into the growth area.

Tone Hegland: Yes, and then on infrastructure. We have various operating models for towers, today. We lease towers, we own towers in joint ventures, and we have our own towers, as we said. So we used to operate in towers together with others and also on our own. So we will look at this also from market to market. For some markets, it's, we don't foresee to give up control and powers.

Whereas in other markets, we might have the more pragmatic approach, as we already have today, in this area.

But the primary focus now is to focus on the operational perspectives to grow revenue, to reduce costs, have efficient investments and by that improve the profitability of this part of our business.

Thank you.

Sigve Brekke: It seems like there are no more callers left. No? Okay. Thanks for the questions. Thanks for following our presentation. And we hope to see you soon again and until then, stay safe. Have a good day.

Tone Hegland: Thank you. Bye-bye.