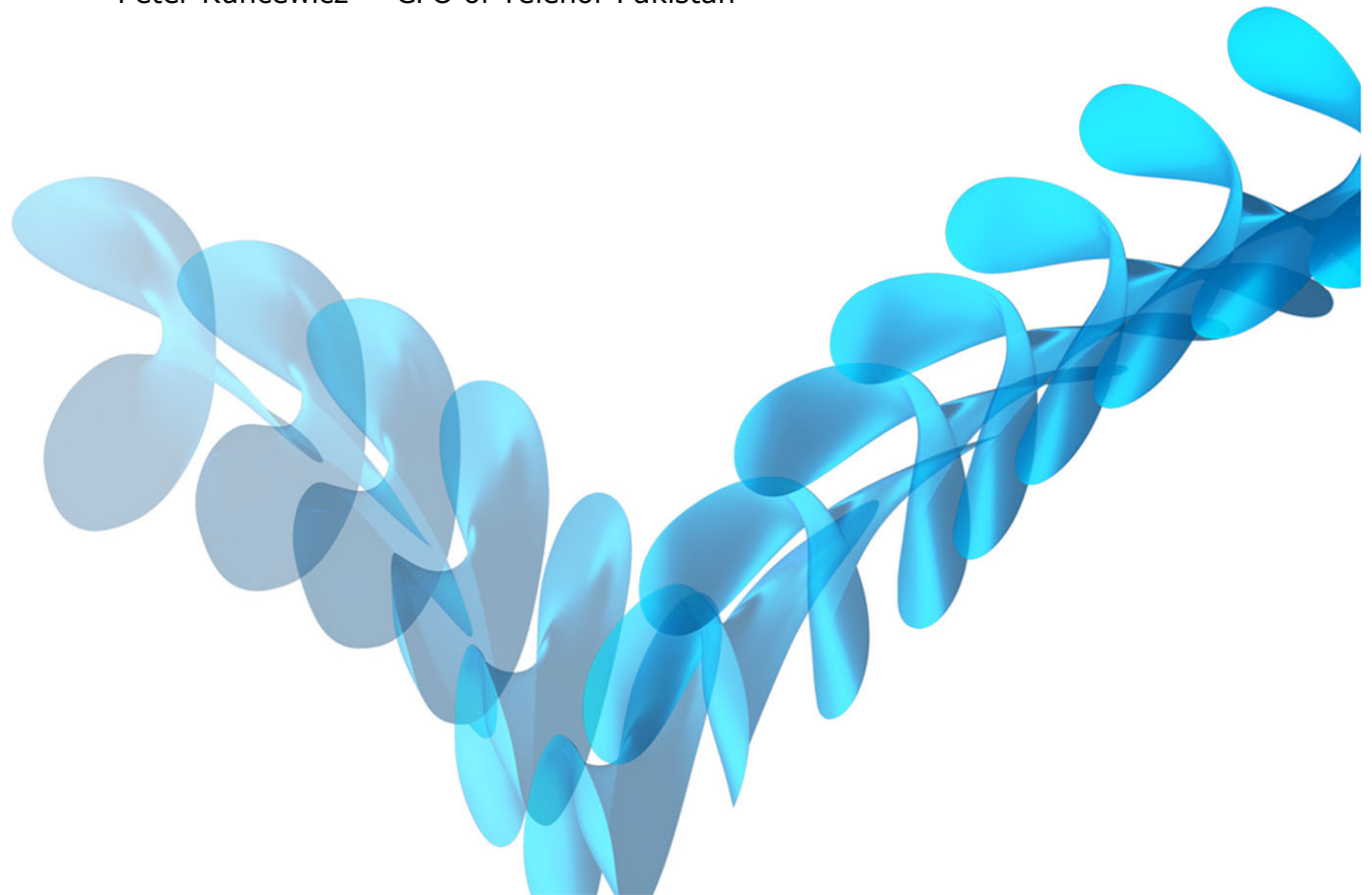


Investor's Presentation

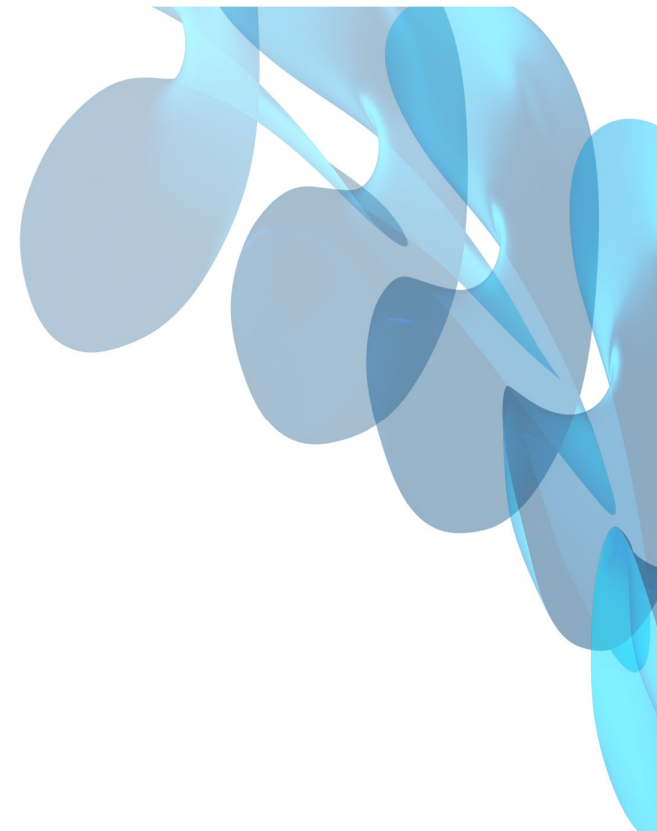
2008

Telenor Pakistan

Peter Kuncewicz – CFO of Telenor Pakistan

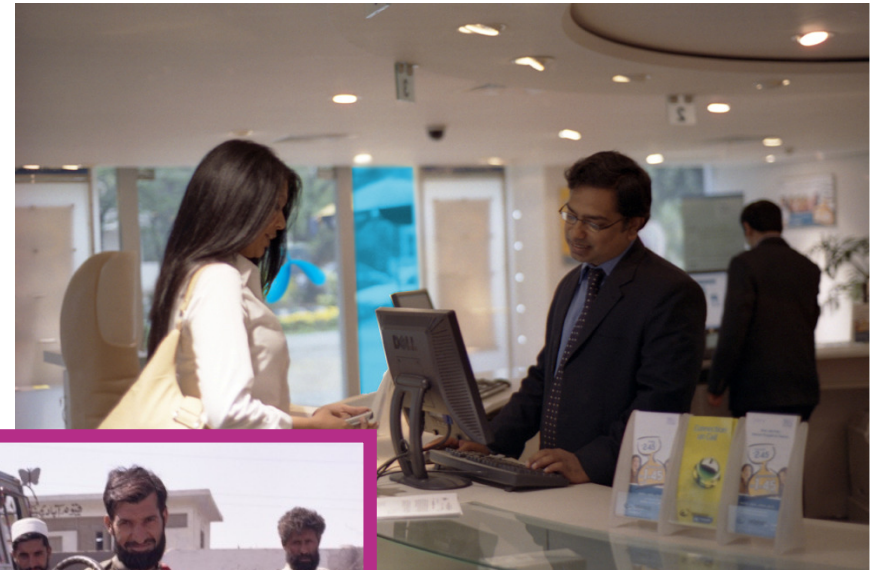


Pakistan's Economic Landscape



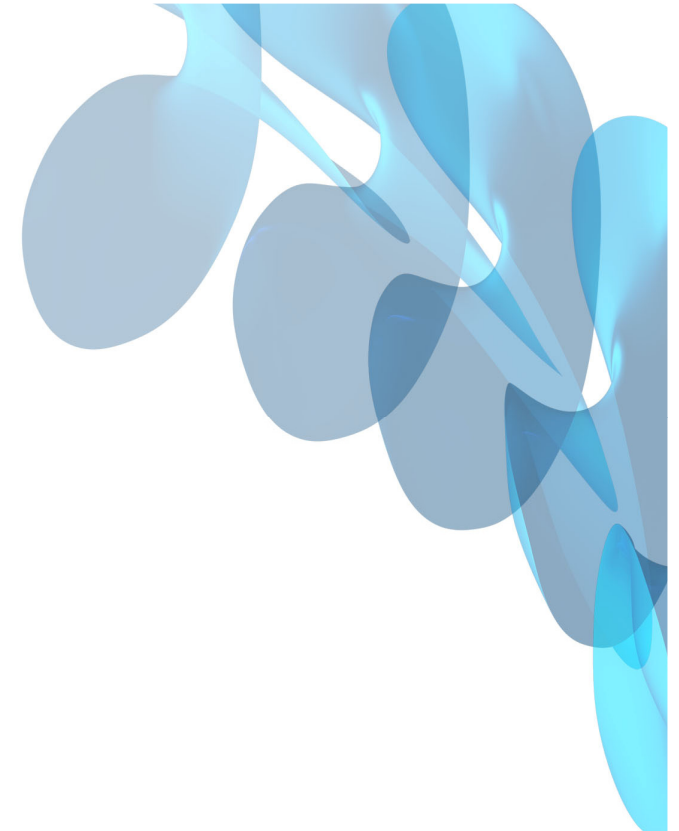
Pakistan - A brief look at economics and politics

- Population of 165 million
- Per capita income increasing
- High inflation rate
- Prevailing political tension
- Security situation fairly stable



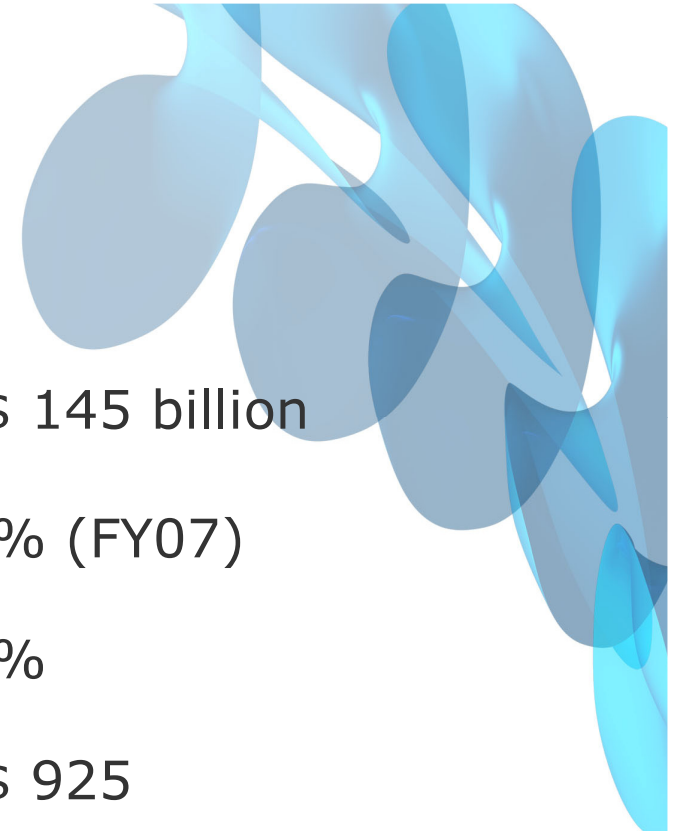
Key Facts

- World's 6th most populous nation
- Population of 165 million
 - Approx. 100 mn < 30 yrs
 - Median age approx. 20.1 yrs
- On current trajectory, Pakistan likely to be 4th largest country by 2050



Economic overview

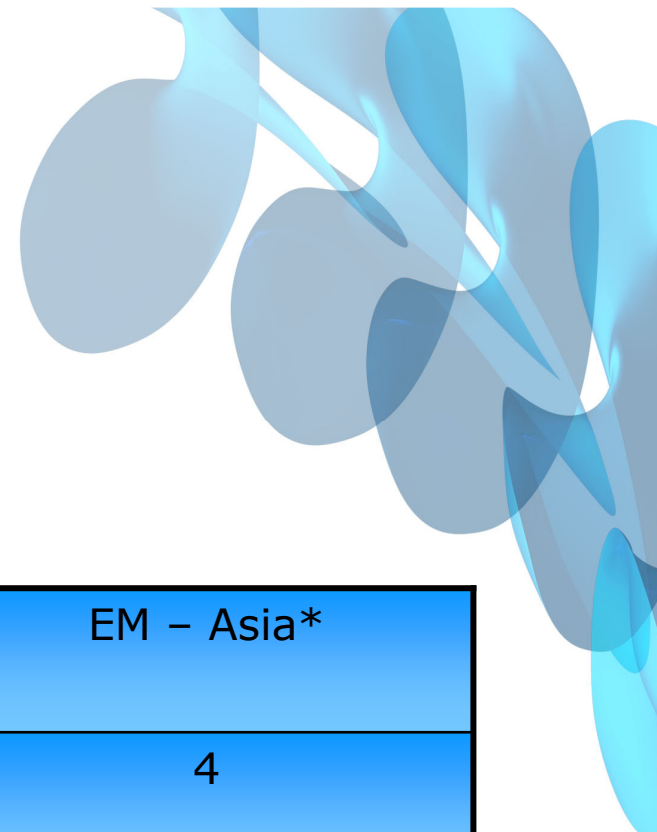
- GDP : US\$ 145 billion
- GDP growth : 7.0% (FY07)
 - FY03-07 avg. : 7.0%
- Per-capita GNP : US\$ 925
 - PPP basis : US\$ 2,591 2007-est
- Growth in p.capita: 13% FY07/06
 - FY03-07 avg. : 12%+



Key Facts

- 6th largest EM (ex-China & India)
 - 4th largest EM in Asia (ex-China & India)

<i>Pakistan:</i>	EM – All*	EM – Asia*
Rank	6	4
Share	4.3%	11.9%
<i>*ex-China & India</i>		

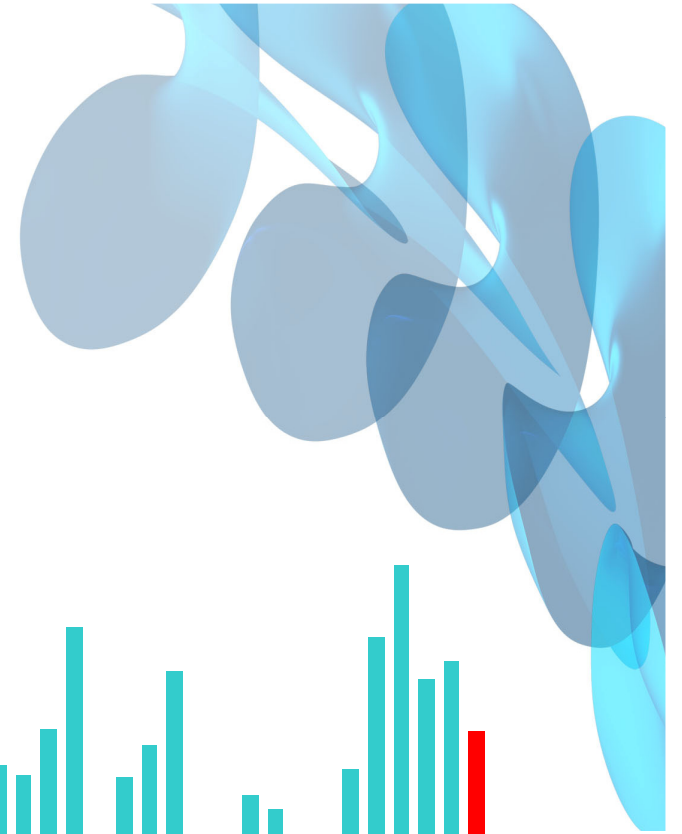
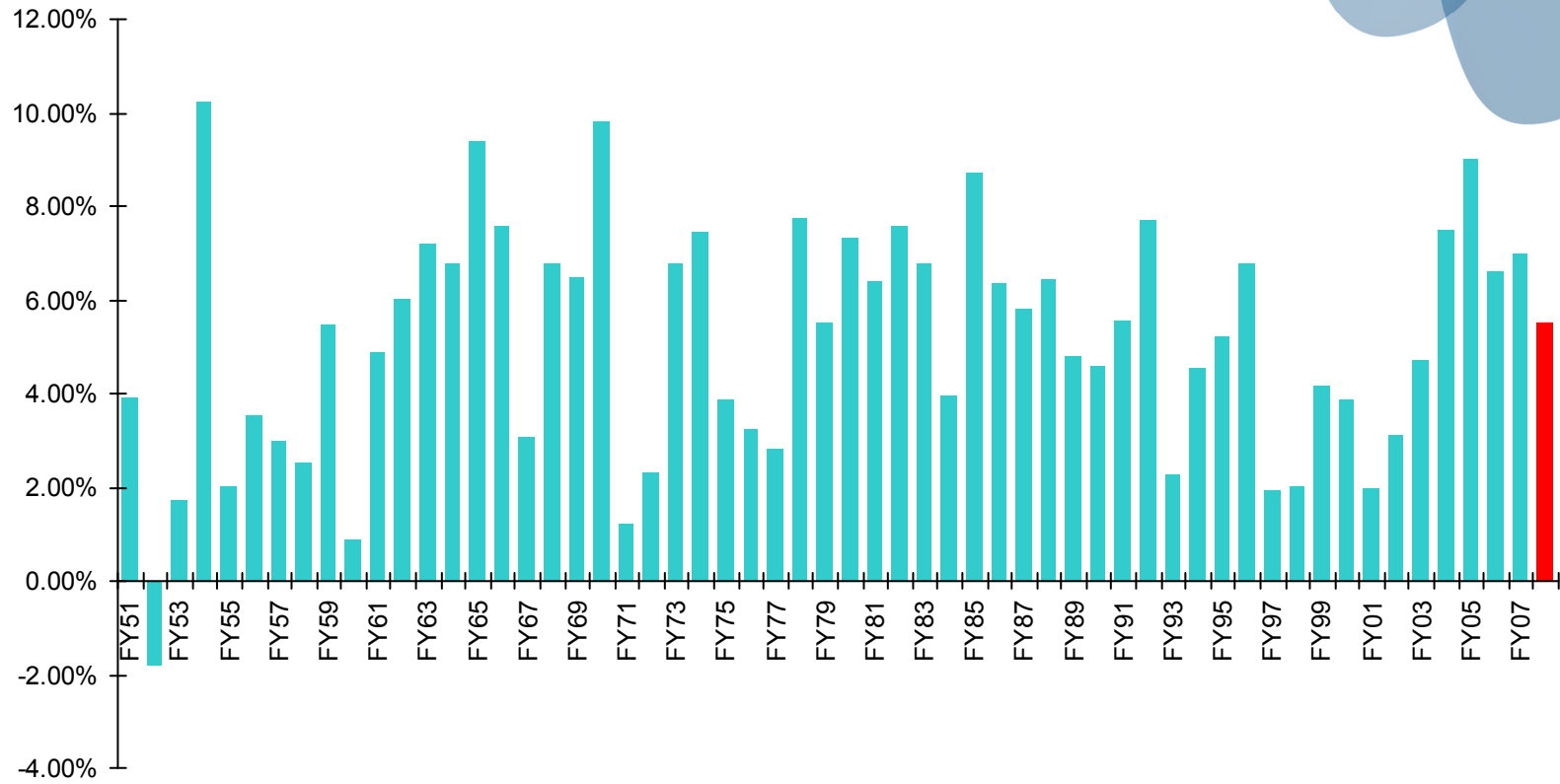


Key Facts

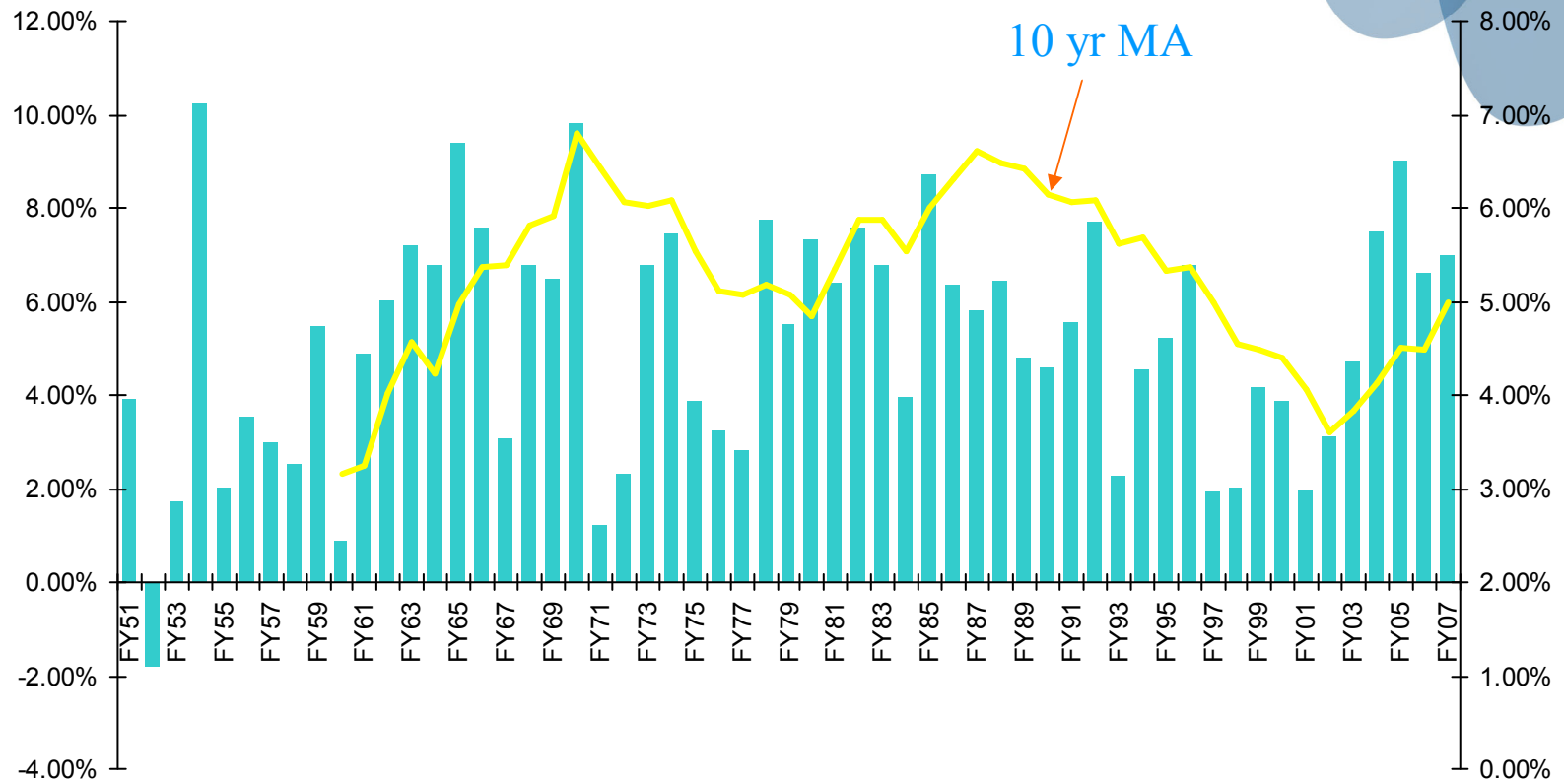
- One of only 10 economies of world with:
 - GDP > US\$100bn AND
 - POP > 100 million



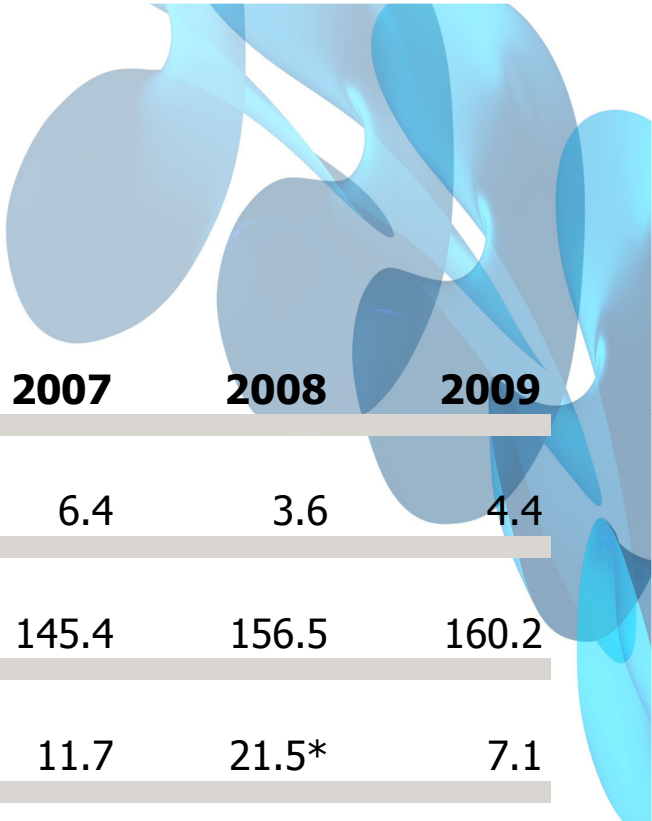
Pakistan's LT growth



Pakistan's LT growth



Key Economic Indicators



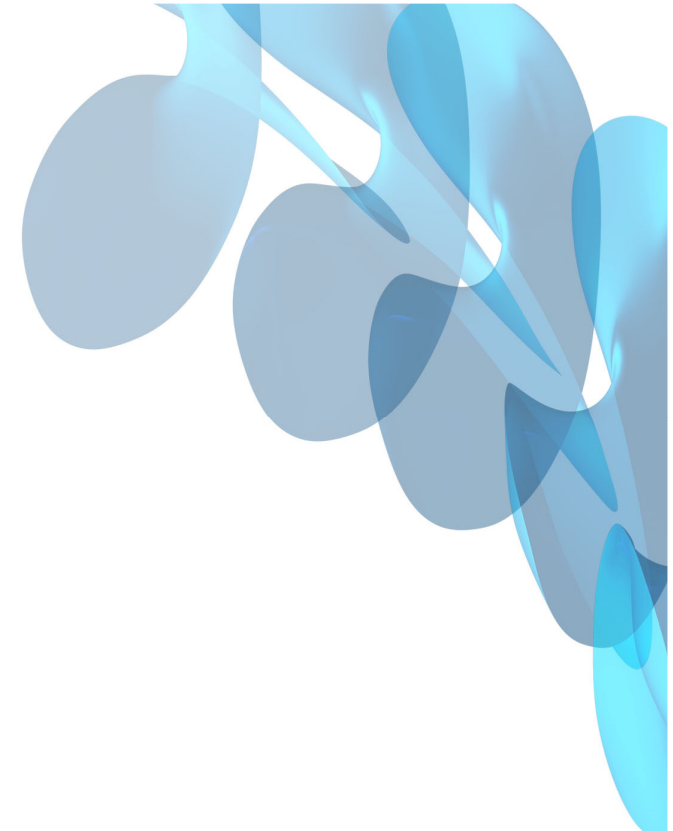
	2006	2007	2008	2009
Real GDP growth	6.9	6.4	3.6	4.4
Nominal GDP (US\$ bn)	126.8	145.4	156.5	160.2
Consumer Price Inflation*	9.4	11.7	21.5*	7.1
Exchange Rate Rs : US\$*	60.9	61.2	71.9*	67.8
GDP per head (US\$)	809	886	936	941

Source: Country Report Pakistan by Economist Intelligence Unit, London

* As of July 2008

Currently...

- Pakistan's economy in rough patch
- Facing severe headwinds/challenges
 - Global commodity prices
 - Weakening fiscal situation
 - Policy path uncertain
- Resilience from reform paying off
- Politics a potential wild card



In Sum ...

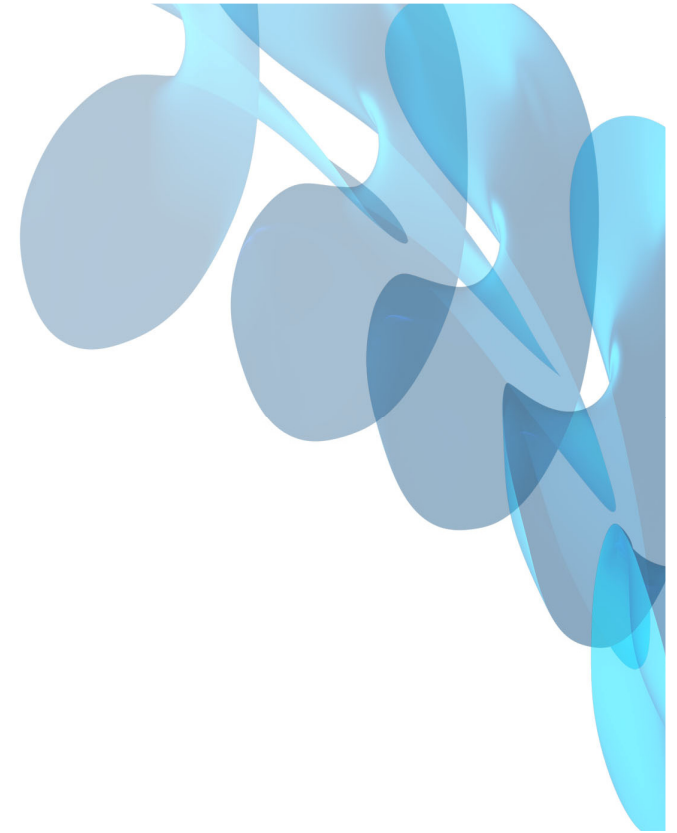
To conclude:

- Pakistan is experiencing a strong pay-off from reforms
- Robust growth & investment are leading to rising incomes – & spending
- Challenges remain ...
- ... but underlying longer term business opportunities remain compelling



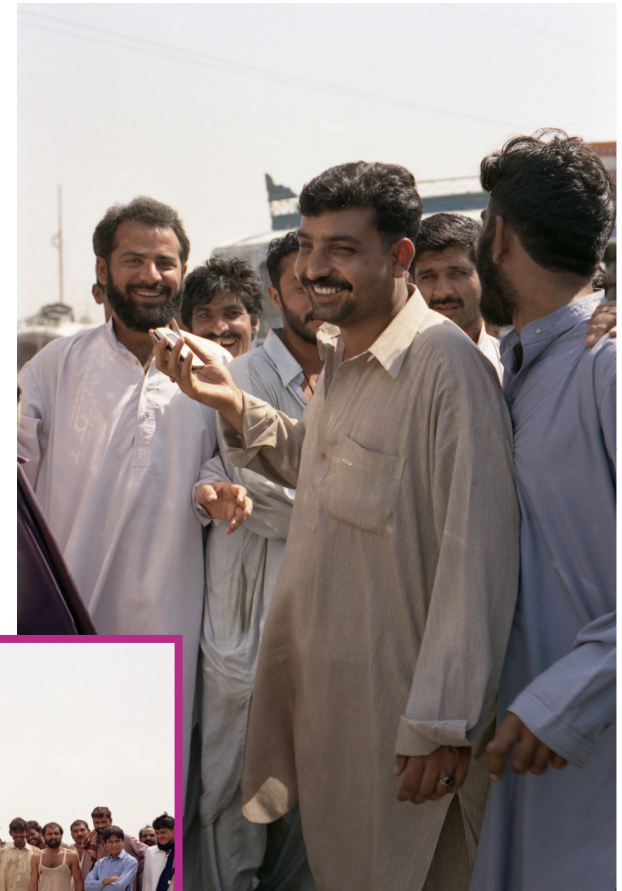
Five criteria identified before entering Pakistan..

- High growth potential
- Forward looking telecom policy
- Investment friendly climate
- Good regulatory execution
- Acceptable political and economic situation



Initial assumptions vs actual development..

	Initial business case 2007	Actual 2007
SIM penetration	11%	48%
Telenor subs (mill)	2.9	14.6
ARPU (PKR)	663	269
Capex (PKR bn)	13	41



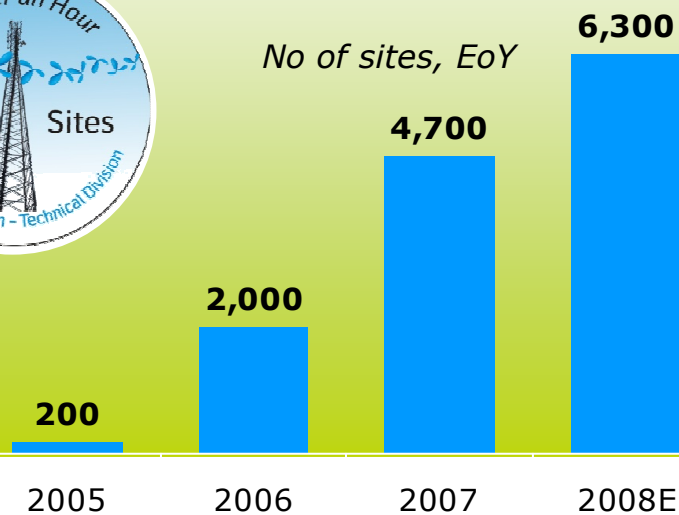
3 years of building network and distribution

Network

- 5,500 sites and 55% coverage
- Largest Edge network in Pakistan



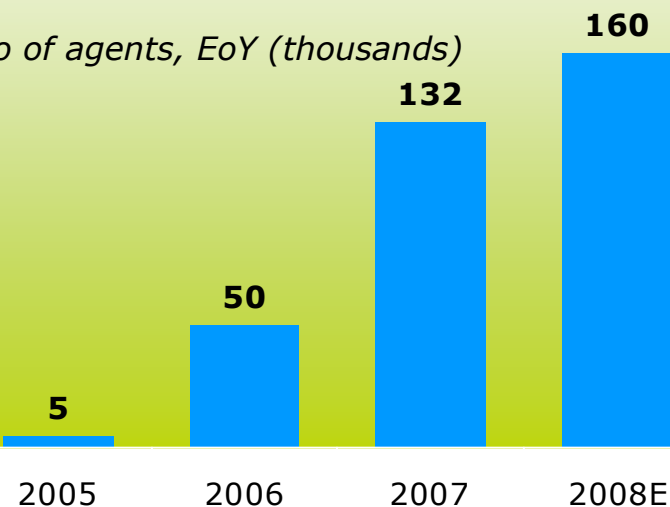
No of sites, EoY



Distribution

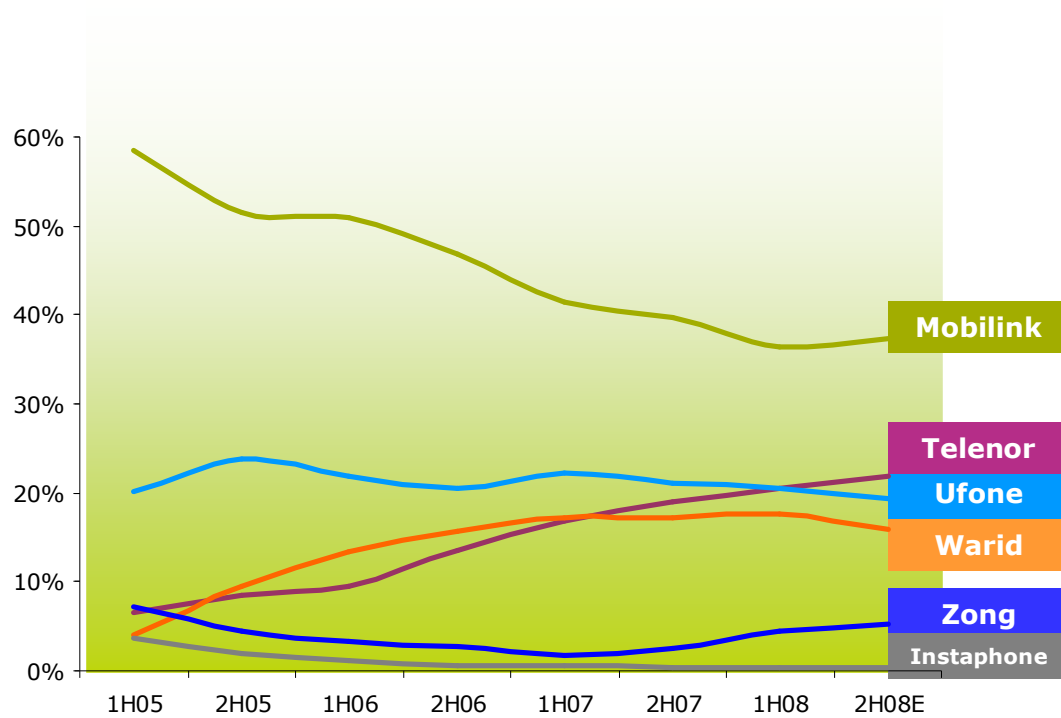
- 125,000 scratch card agents
- 110,000 easy load top-up points
- 60,000 SIM distribution agents

No of agents, EoY (thousands)

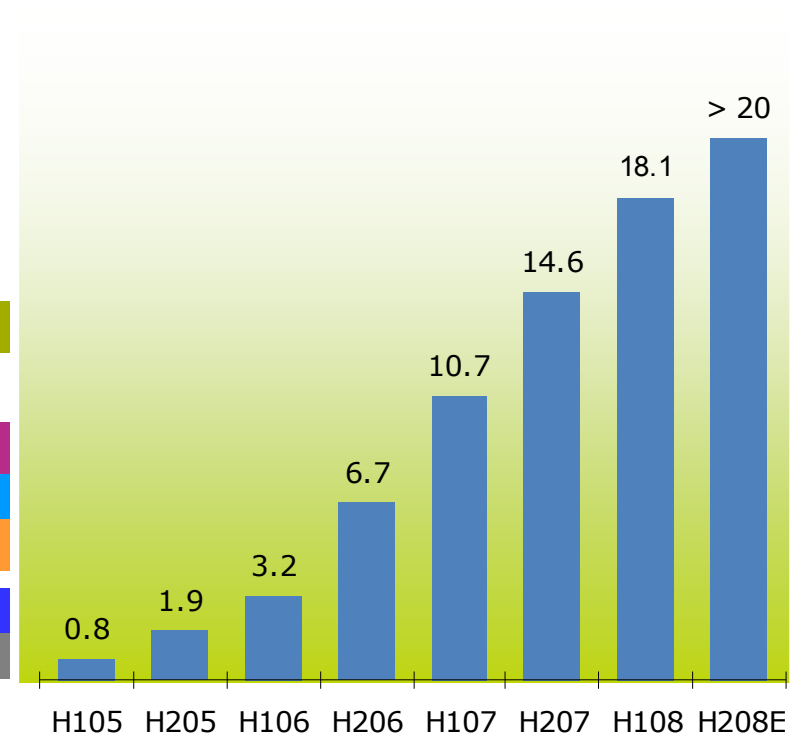


3 years of tremendous growth

Market share



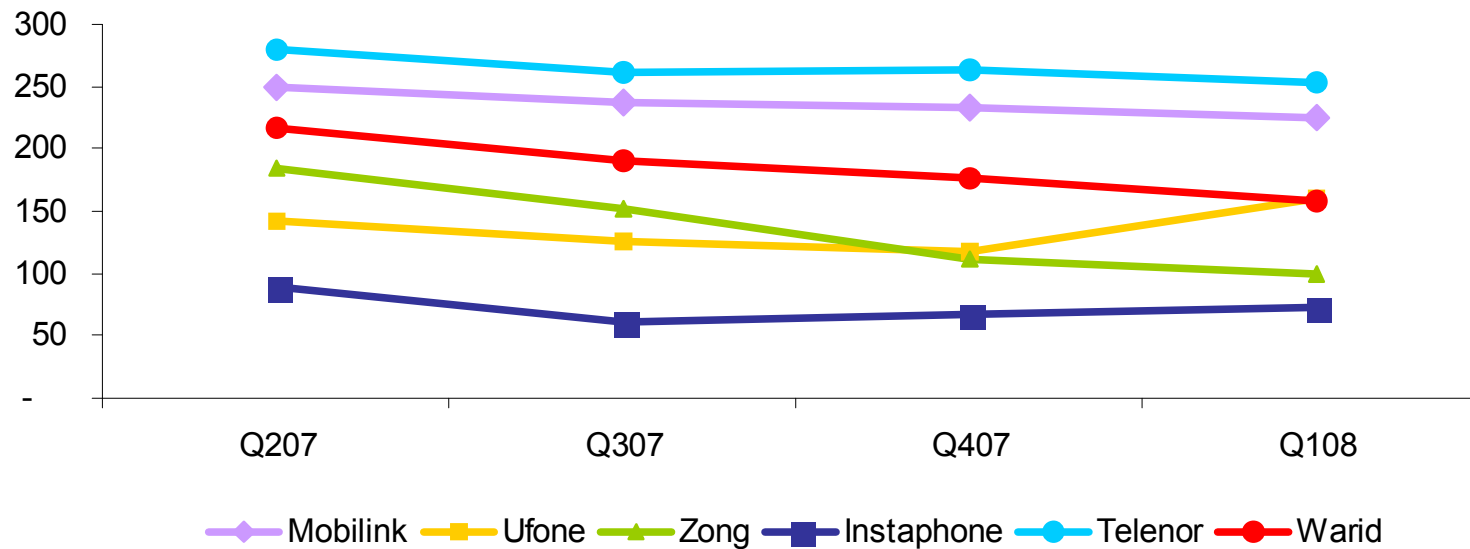
Telenor subscribers (mill)



Market statistics Q108

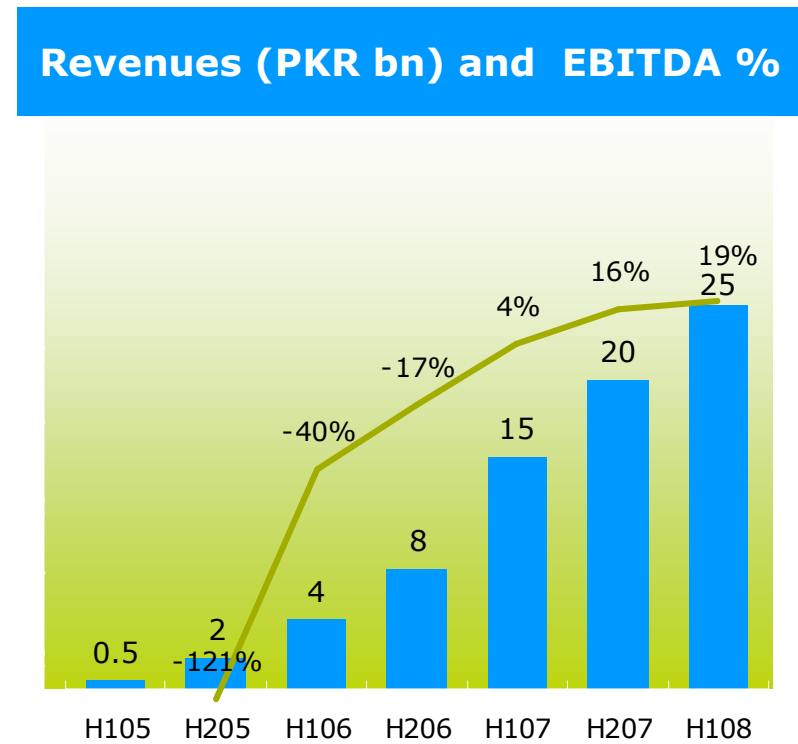
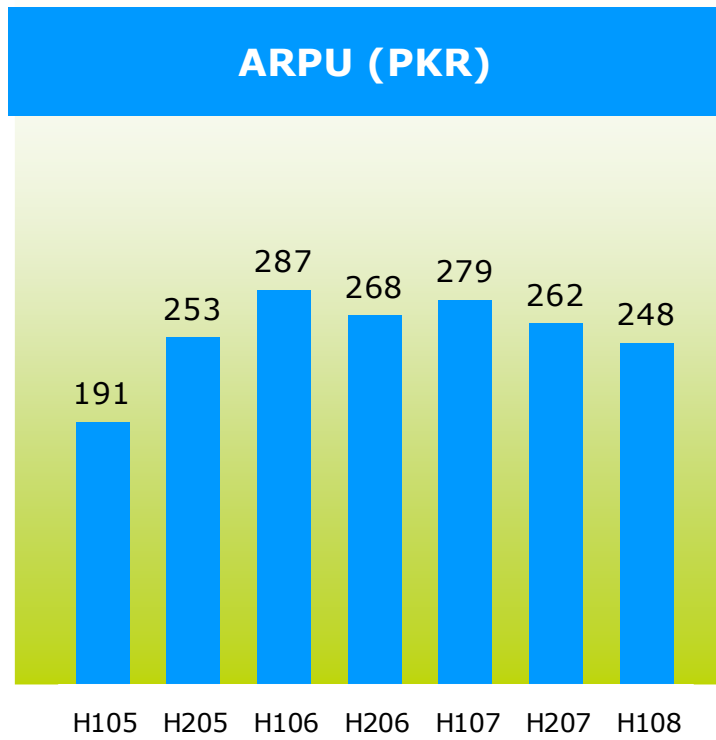
Q108	Mobilink	Ufone	Zong	Instaphone	Telenor	Warid
Subscribers base (000)	31,774	17,198	2,142	271	16,702	14,395
Revenue (in million)	21,215	7,987	618	65	12,099	6,542
ARPU (based on PTA closing subs)	226	160	100	72	242	158

Market ARPU Trend



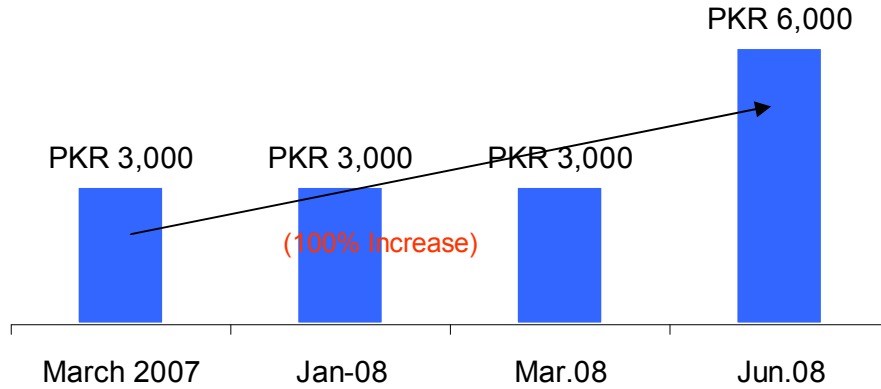
- Revenue figures are from PTA quarterly report
- ARPU figures are calculated using revenue and subscriber numbers as per PTA report

Stable ARPU and improving margins



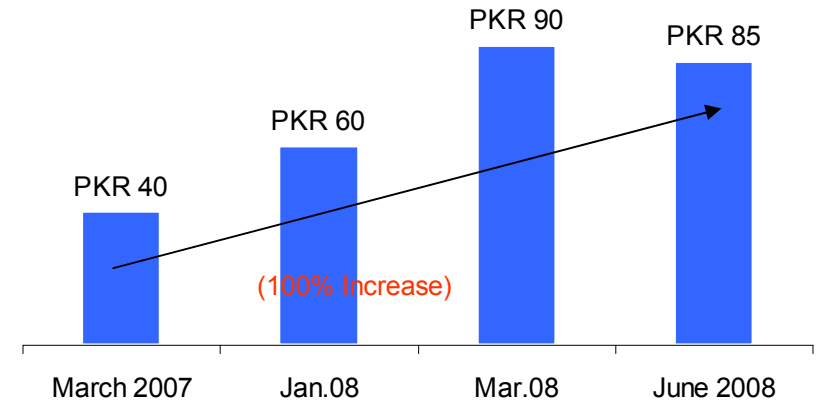
Some areas of price hike

"Minimum wage" increase Jan-March, 2008



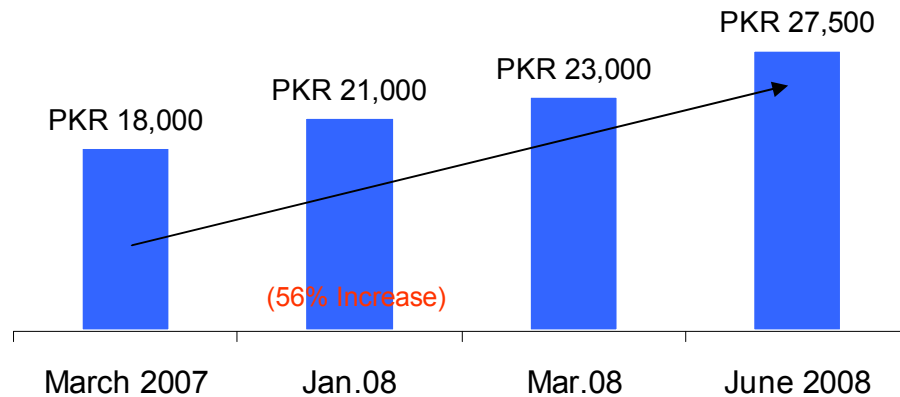
Source: Ministry of Labor and Manpower Pakistan

"Processed Steel prices" increase since March 2007



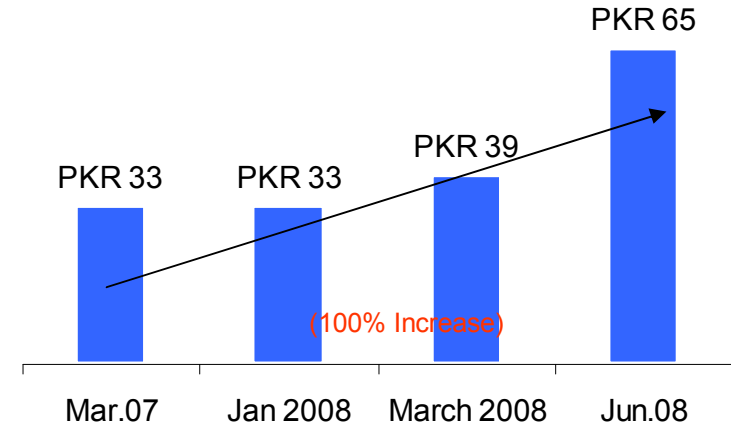
Source: Pakistan Steel Mills

"Concrete Prices" increase since March 2007



Source: Construction Industry

"Diesel Prices" increase Jan-March, 2008

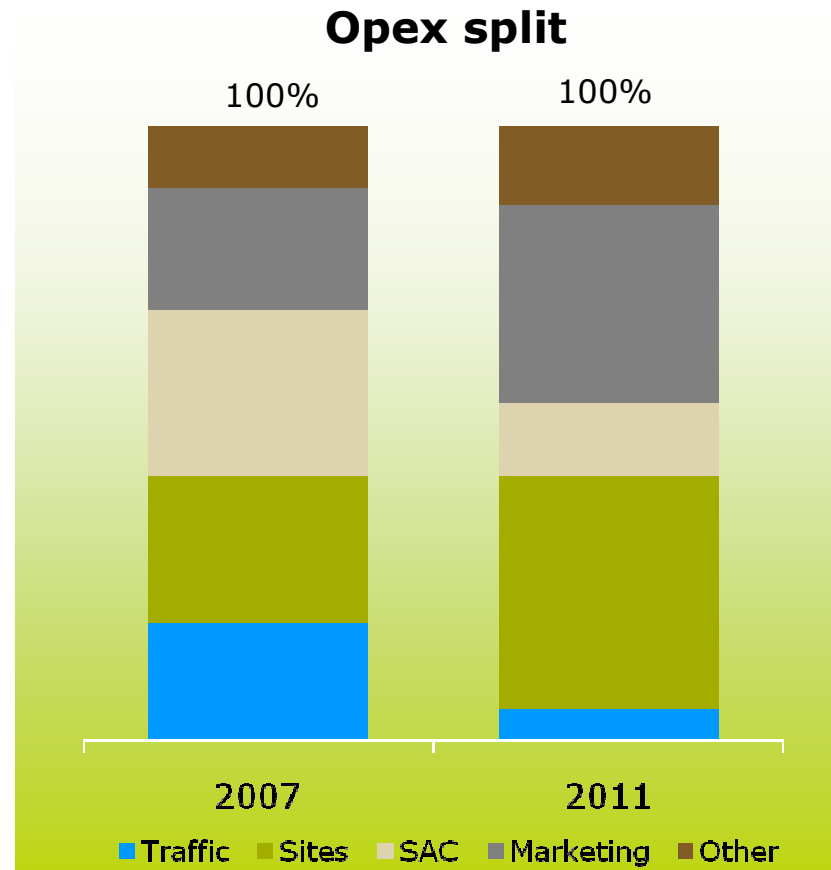


Source: Ministry of Petroleum (Per Litter Price)

Note; %age represents month on month increase

Operating expenses driven by site costs

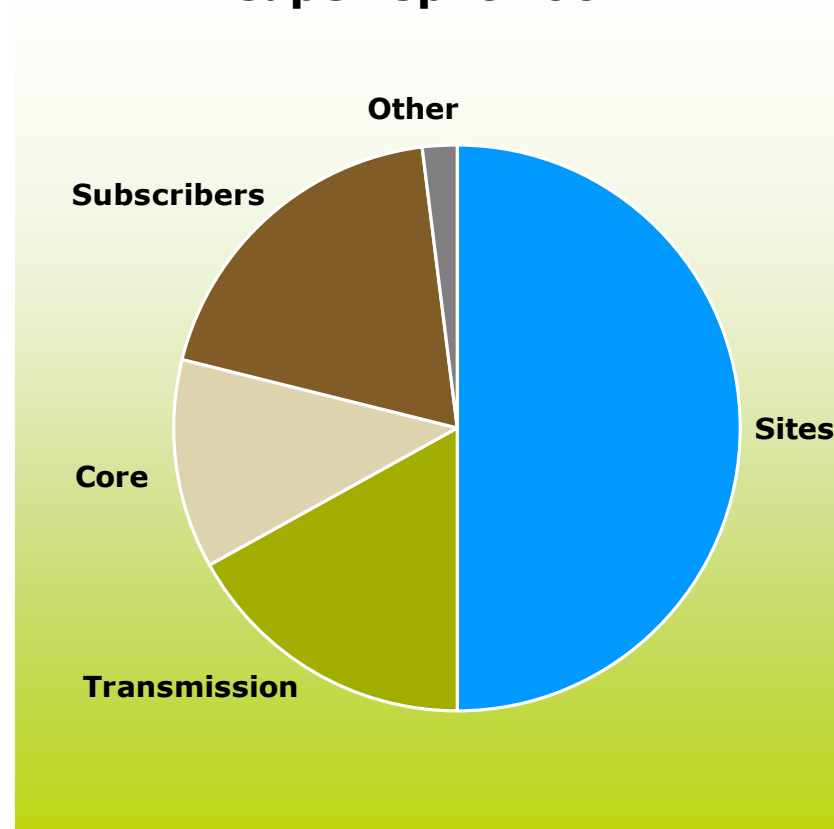
- Fibre backbone to reduce traffic costs
- Site related costs driven by number of sites and increased energy costs
- SAC driven by subscriber growth
- General marketing costs increasing



Capex driven by increased traffic

- Around 50% of capex related to sites. Outlook stable
- Scale effects expected in transmission and core network
- Subscriber driven capex will increase slightly

Capex split 2007



3G coming up

- 6 blocks of 5MHz available
- 3 operators to be allocated 3G spectrum
- Uncertainty regarding timeline and conditions



Internet ANYWHERE

100% EDGE coverage on Pakistan's largest data network

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It's mobile internet, for everyone.

Fixed | Broadband | Mobile TV | MMS | Internet | Wireless Laptop Connectivity

3G

Maintaining competitive edge

- Maintain innovator position
- Leverage on brand, distribution, and quality network
- Enrich customer experience
- Operational efficiencies to secure long term profitability
- Exploit broadband opportunities



Telenor Pakistan Outlook 2010-2011



- SIM penetration above 70%
- Market share above 25%
- EBITDA in mid thirties
- Capex/sales below 25%

Summary

- Still strong growth potential
- Tough competition but solid market position
- High quality network and distribution
- 2G capex peak in 2007
- Manageable surroundings

