

Telenor – First Quarter 2005

**Jon Fredrik Baksaas
President and CEO**

Operational highlights Q1 2005

- **Strong subscriber growth in international mobile**
- **Successful launch in Pakistan**
- **EBITDA margin in Sonofon above 20%**
- **Domestic fixed line revenues down 4.5%**



Reported P&L

	Q1 2005	Q1 2004	2004	2003*
Revenue	15 270	14 245	60 701	52 889
EBITDA	5 106	5 048	20 957	18 302
EBIT	2 425	2 537	6 789	7 560
Profit before Tax	2 815	5 033	9 296	7 426
Net Income	1 710	3 131	5 677	4 560

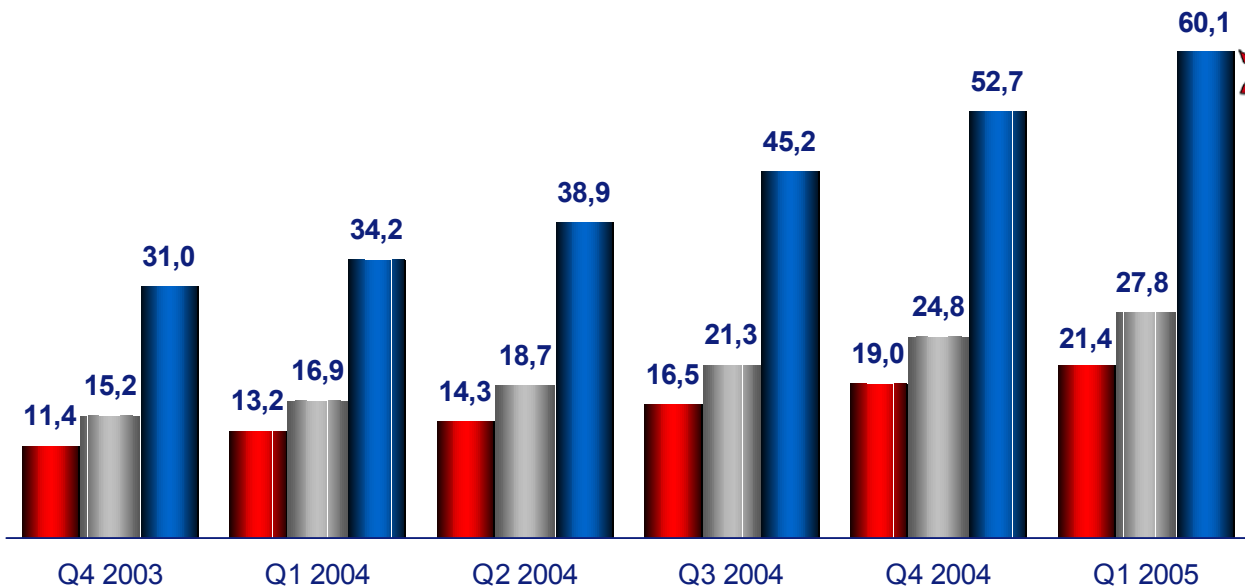
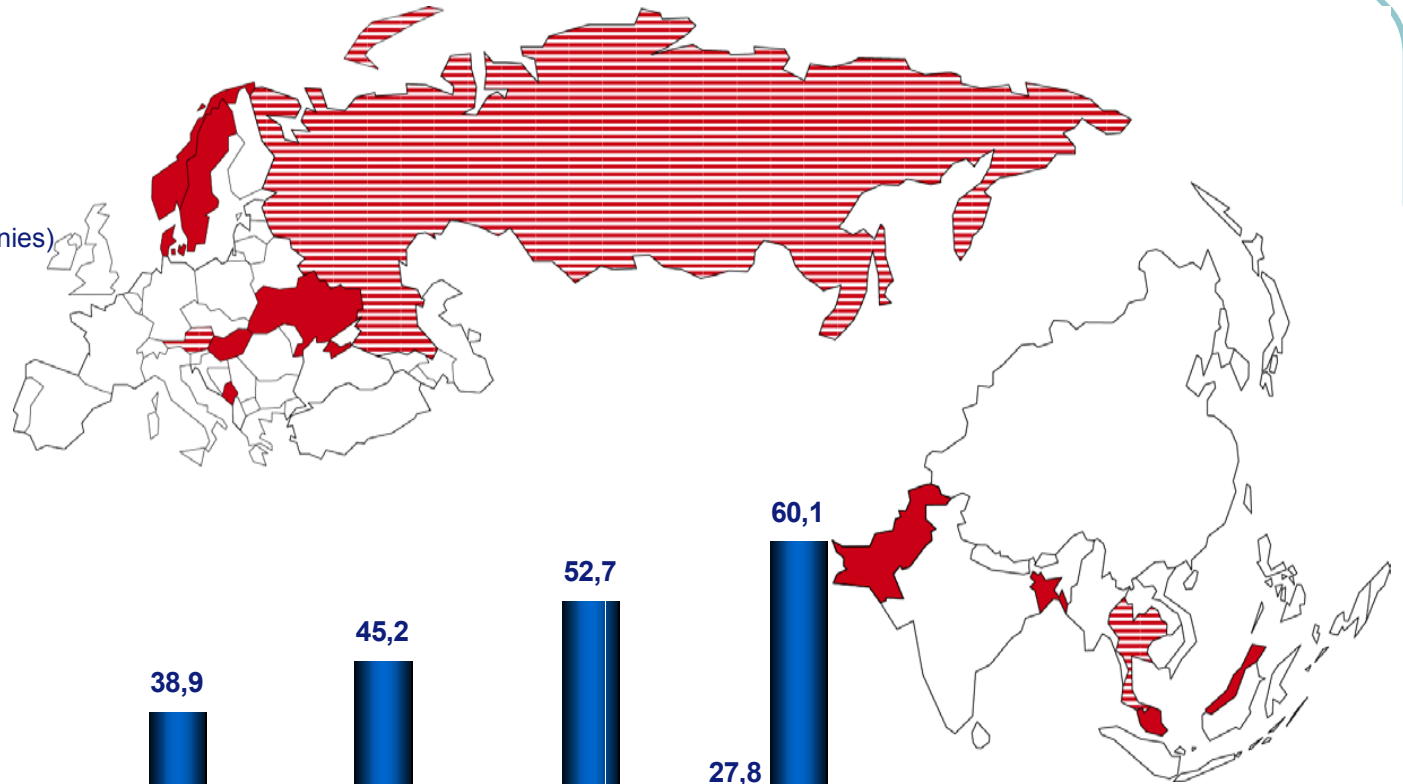
NOKm

* Accounting figures and key figures for periods prior to 2004 are not restated to comply with IFRS

Mobile

Continued strong growth

- Total Consolidated
- Total Pro Rata
- 100% figures (all companies)

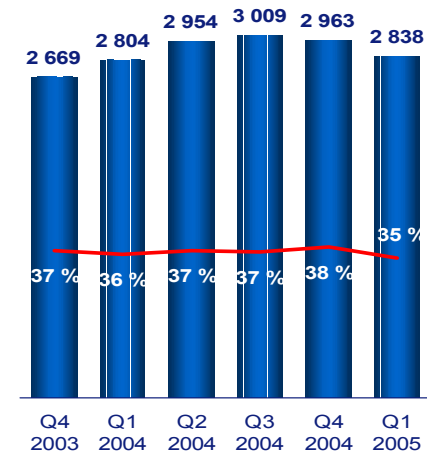


Maintained the strong position

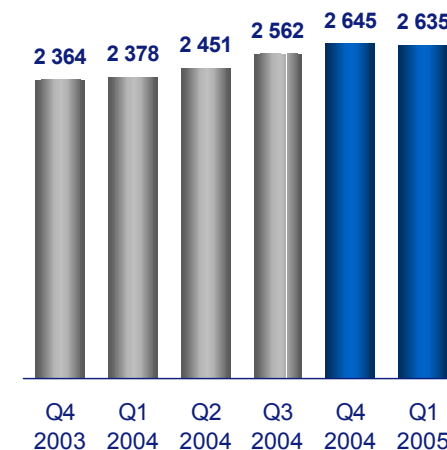
- Net addition of 12.000 GSM subscribers
- Stable market share at 56%
- Revenues increased 1%
- EBITDA margin slightly decreased
- ARPU decreased NOK 18 to NOK 297



Revenues (NOKm) / EBITDA %



Subscriptions ('000)

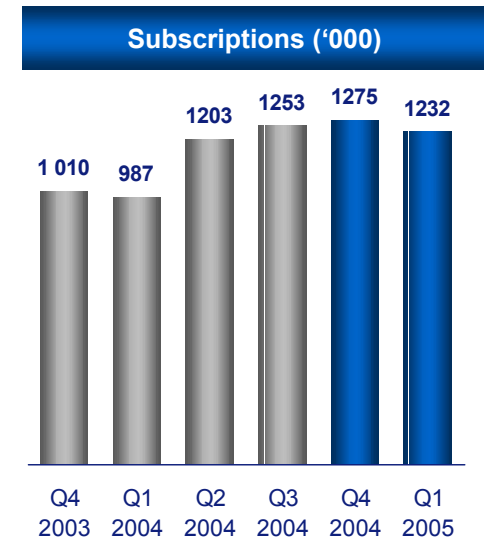
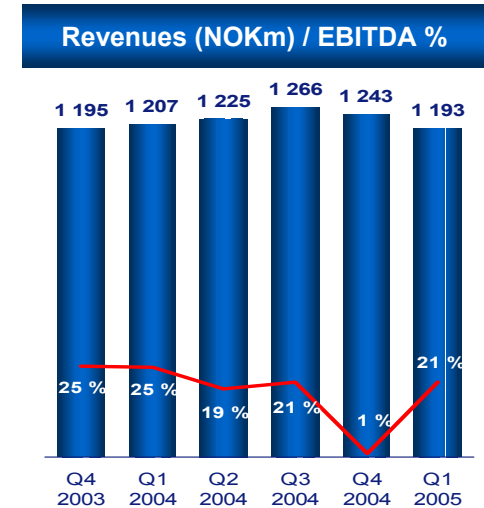


Balancing margin and market share

- EBITDA margin 21%
- Market share down 1 pp to 26%
- 3% revenue growth in local currency
- Low CAPEX level



Figures from period as associated company are according to local GAAP



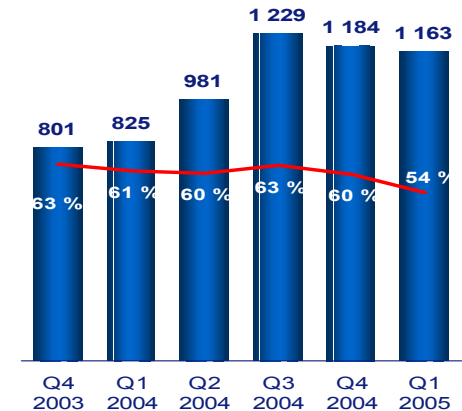
Kyivstar – Ukraine

Continued strong growth

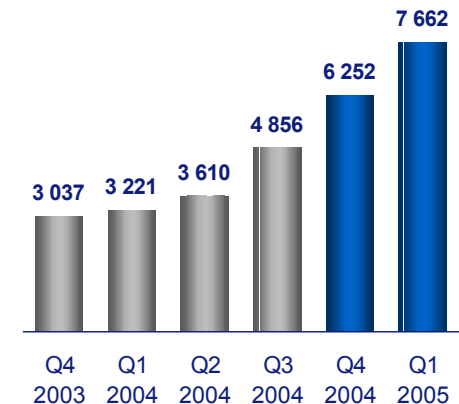
- Market share from 45% to 48%
- 1.4 million new subscribers
- Revenue growth of 56% in local currency
- High subscriber growth affects ARPU and margins negatively
- High CAPEX to accommodate the strong growth



Revenues (NOKm) / EBITDA %



Subscriptions ('000)



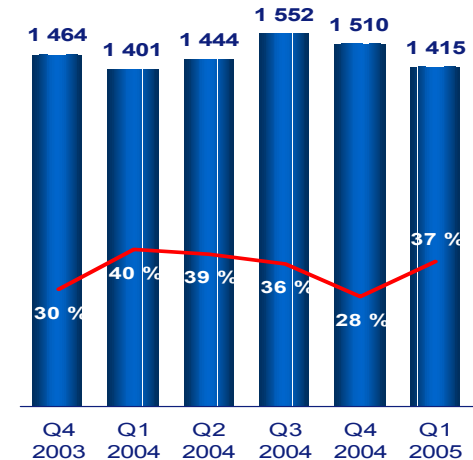
Pannon GSM – Hungary

Increased market share

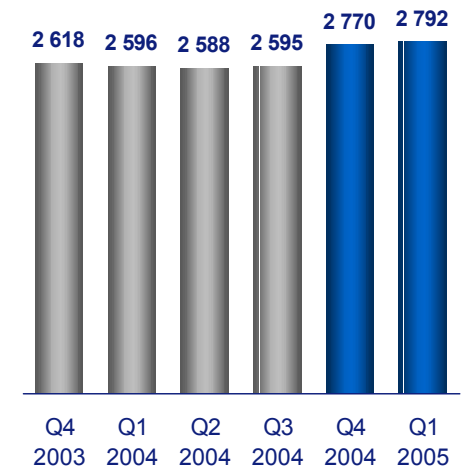
- Revenue growth of 1%
- Net addition of 22K subs
- Market share 34%
- The first operator to launch mobile broadband in Hungary



Revenues (NOKm) / EBITDA %



Subscriptions ('000)



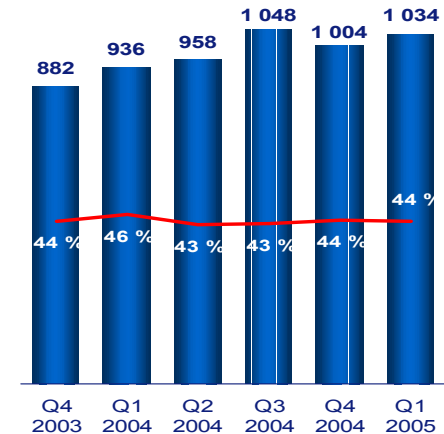
DiGi – Malaysia

Positive on all parameters

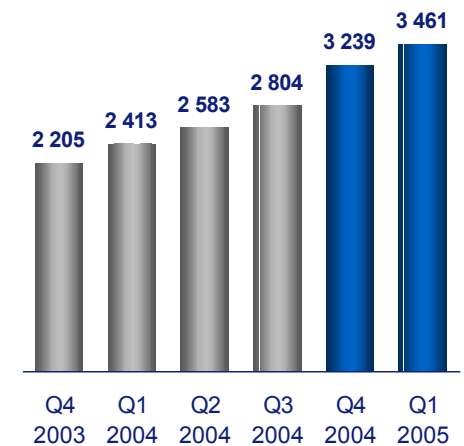
- Mobile penetration at 60%
- Revenue growth of 23% in local currency
- Net addition of 222K subscribers
- EBITDA margin 44%



Revenues (NOKm) / EBITDA %



Subscriptions ('000)



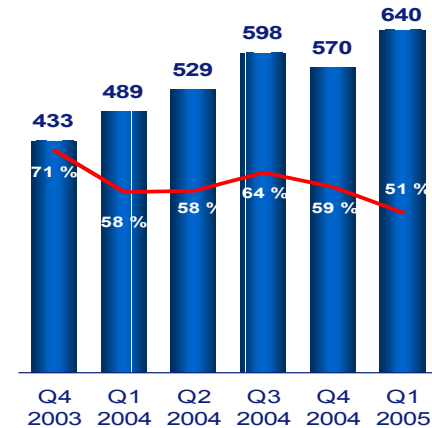
GrameenPhone – Bangladesh

Record high subscriber growth

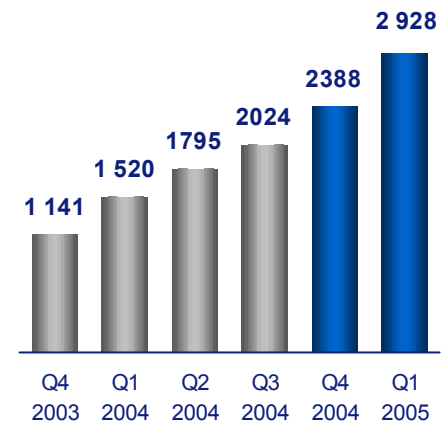
- Net addition of 540K subscribers
- Revenue growth of 53% in local currency
- Expanding network for future growth
- Launched djuice



Revenues (NOKm) / EBITDA %



Subscriptions ('000)



Successful launch in Pakistan



- **Less than a year from awarded licence to launch**
- **Population coverage at launch: 32 million**
- **343K subscribers after 17 days of operations**
- **Record low equipment prices**

Vimpelcom – Corporate governance restored

- **Strong growth in subscribers**

- VimpelCom¹

- 29,7 Million in Russia end of March. Net adds of 4 mill. in 1Q05 ¹
- 1,1 Million in Kazakhstan¹
- Stable market share at 34,6%

- **Telenor' share of Market Value**

- VimpelCom: 13.5 NOKBn ²

Note 1 Source: AC&M

Note 2: Stock exchange rates as at April 25st

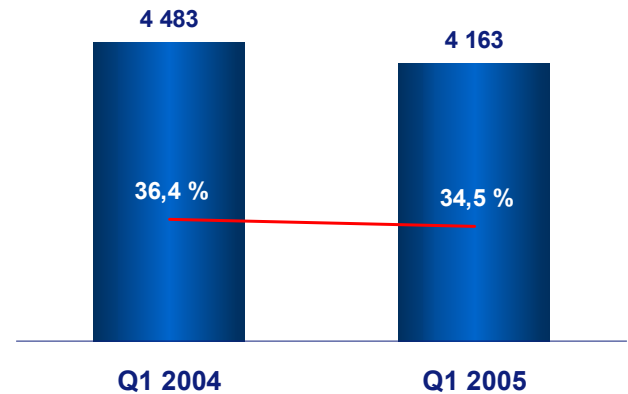
Fixed Line - Norway

Adjusted Revenues and EBITDA

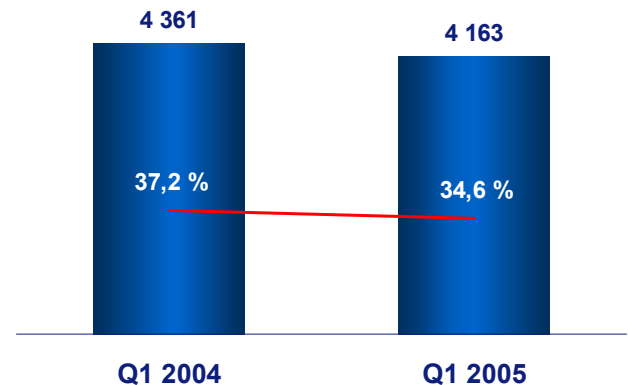
- Adjusted revenues down 4.5%
- Adjusted EBITDA margin of 34%
- Maintained market shares within voice minutes and ADSL
- Net addition of 59.000* retail ADSL subscribers

* Including 19,000 from acquisition of Tiscali

Reported Revenues (NOKm) / EBITDA %



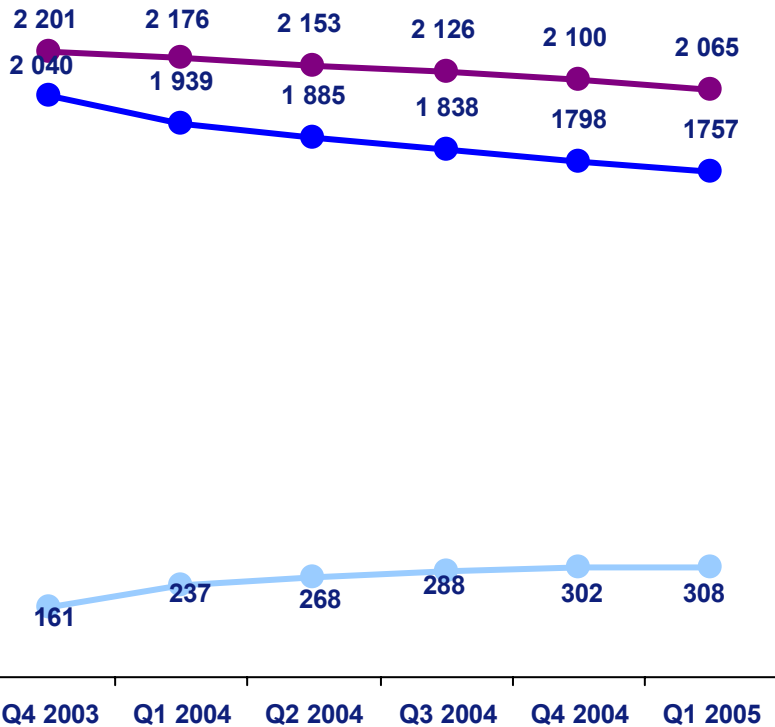
Adjusted Revenues (NOKm) / EBITDA %



Domestic Fixed Line

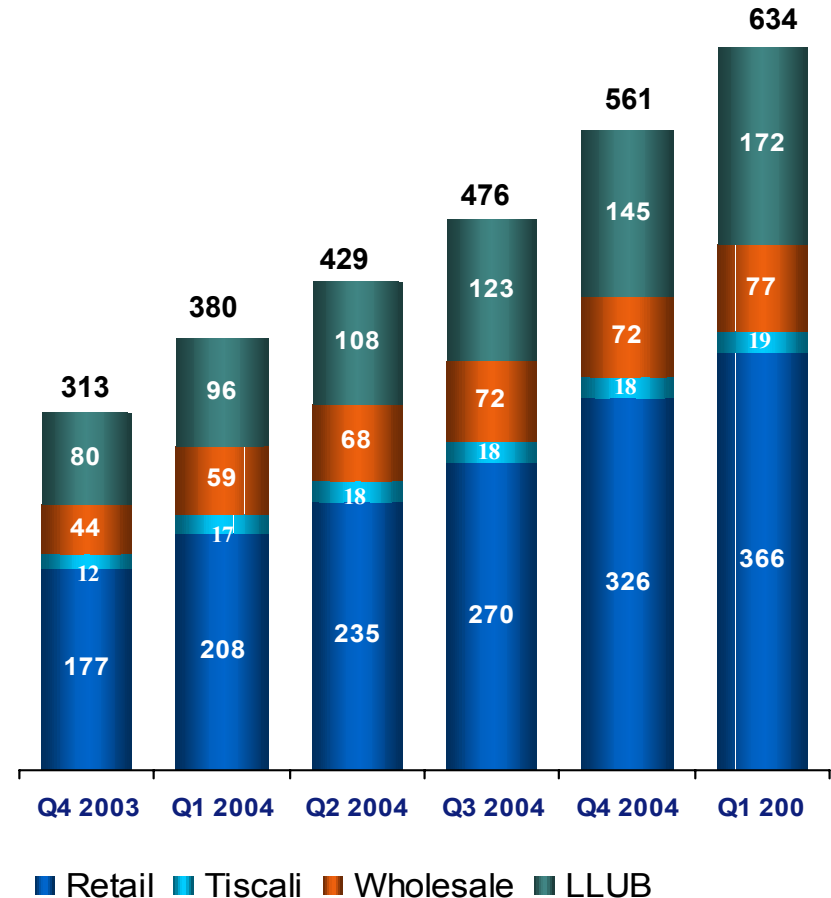
Migration to broadband and mobile

Fixed Telephony Subscribers



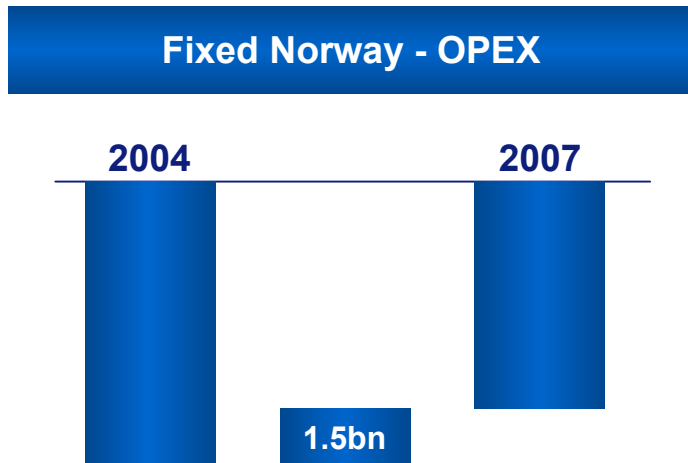
— WLR — TEL End users — Total subscribers

ADSL subscribers



■ Retail ■ Tiscali ■ Wholesale ■ LLUB

Cost reductions within Fixed Line



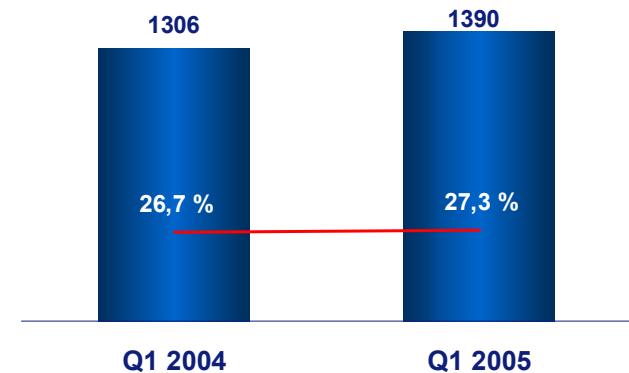
- Reduce costs by NOK 1.5 Bn by 2007
- From 2010 - “All IP” infrastructure
- Maintain a high DSL market share
- Facilitate new services

Strong performance

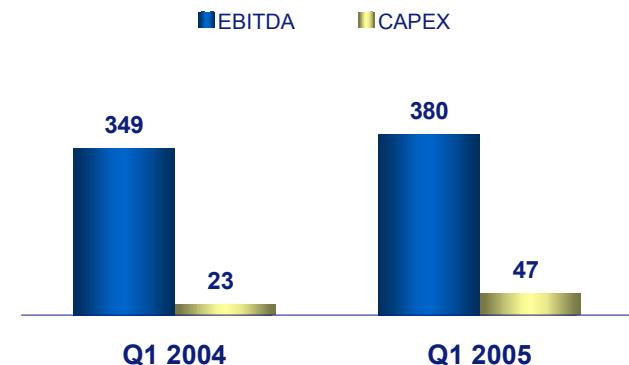
- Revenue growth of 6 %
- EBITDA margin of 27%
- Continued subscriber growth within DTH
- Gain of NOK 386 Mn from sale of Intelsat *

* Recorded as a financial item

Revenues (NOKm) / EBITDA %

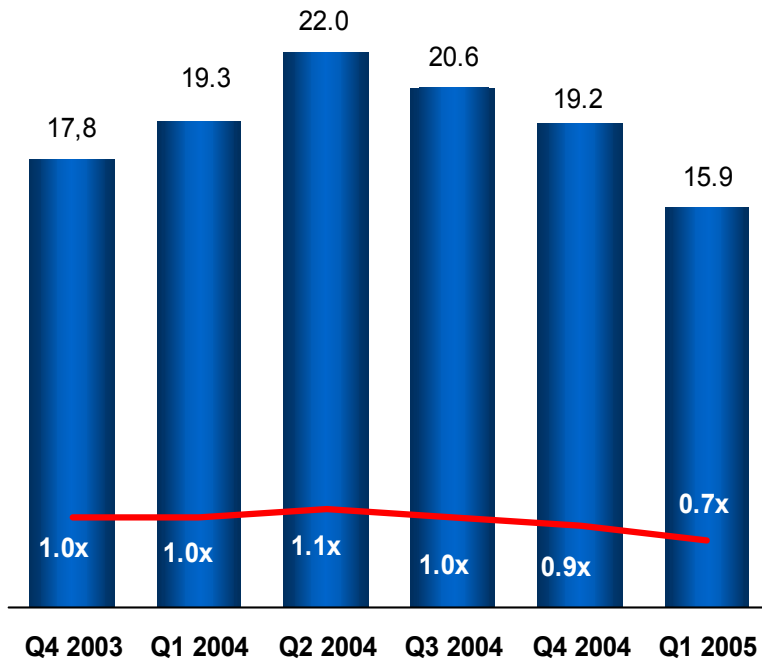


EBITDA and Capex (NOKm)



Net Debt/EBITDA reduced to 0.7x

Net Debt (NOKbn) to LTM EBITDA (x)



Net Debt Changes (NOKbn)

Net Debt 31 Dec 2004	19.2
EBITDA	- 5.1
Net interest	0.4
Taxes Paid	0.2
Net investments	1.4
Share buy back	0.3
Currency adj. Debt	- 0.5
Net Debt 31 March 2005	15.9

Outlook for 2005

**Telenor
Group**

- **Continued growth in revenues and EBITDA**
- **Capex/Sales in line with 2004**