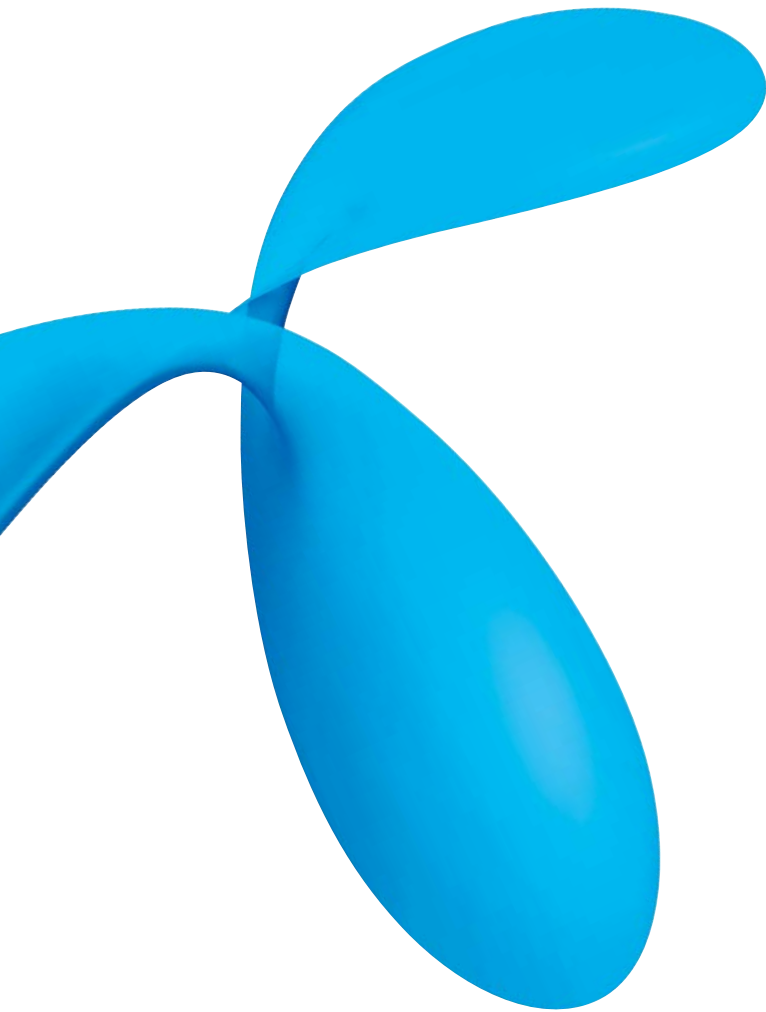


Q1 2006

In the first quarter of 2006, Telenor's revenues amounted to NOK 21.9 billion, which was an increase of 43% compared to the first quarter of 2005. Profit before taxes was NOK 5.9 billion.



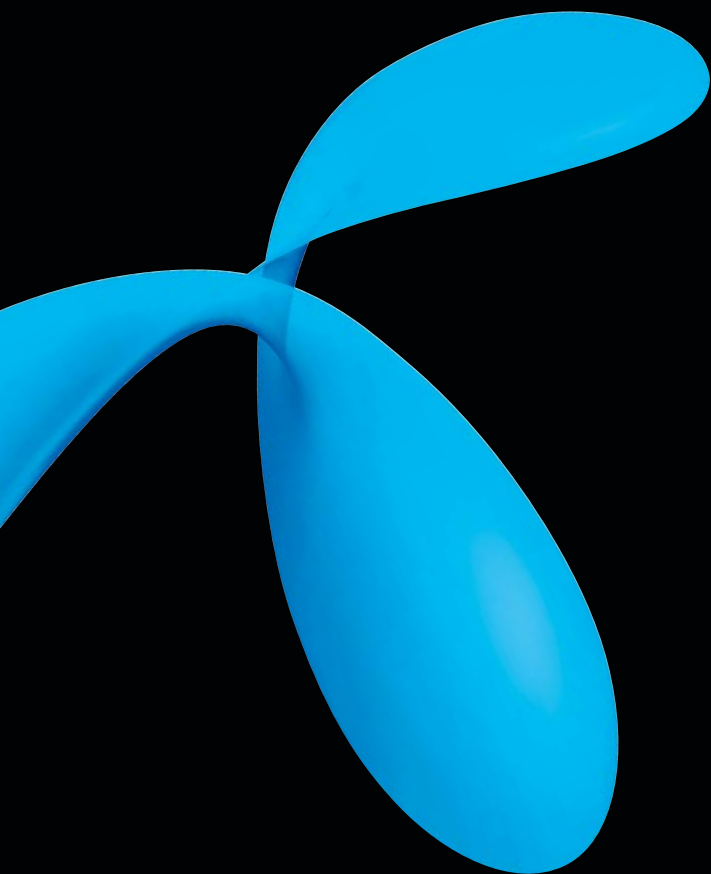
Contents

COMMENTS

Overview	1
TELENOR'S OPERATIONS	2
Nordic mobile operations	2
Central Eastern European operations	3
Asian operations	4
Fixed	6
Broadcast	7
Other units	8
Other profit and loss items for the Group	8
Outlook for 2006	9

TABLES

Profit and Loss Statement	10
Balance Sheet	11
Changes in Equity	12
Cash Flow Statement	13
Analytical information	14
Statements of P&L items by operations	17
Special Items	18
Reconciliations	19
Specification of depreciation and amortization	19
Definitions	20



Strong growth and higher profits

HIGHLIGHTS FIRST QUARTER 2006:

- Revenue growth of 43% – underlying growth of 15%
- EBITDA margin before other income and expenses increased from 33% to 36%
- Increased ARPU in mature mobile markets
- EBITDA margin of 43% in Telenor Mobile Norway and 33% in Fixed Norway
- Financial gain from sale of shares in Inmarsat of NOK 1.8 billion.



President and CEO
Jon Fredrik Baksaas

"I am pleased to present a very strong quarter with significant growth in revenues and higher profits. Previous investments in a growing subscriber base and in increased capacity and coverage are now showing high return. At the same time, all our mobile operations successfully defended or even improved their market positions.

We are especially satisfied that Kyivstar maintained its market leader position while delivering strong results. We are also particularly pleased with the record-high growth in DTAC in Thailand, which passed 10 million subscriptions in April. At the end of the first quarter, the companies in which we have ownership interests had 90 million mobile subscriptions and we are on our way to passing the 100-million milestone already this year" said President and CEO of Telenor Jon Fredrik Baksaas.

KEY FIGURES

(NOK in millions except earnings per share)	First quarter		Year
	2006	2005	2005
Revenues	21 872	15 270	68 927
EBITDA before other income and expenses	7 951	5 085	24 078
EBITDA before other income and expenses/Revenues (%)	36.4	33.3	34.9
Adjusted operating profit	4 430	2 381	12 534
Adjusted operating profit/Revenues (%)	20.3	15.6	18.2
Profit after taxes and minority interests (Net income)	3 692	1 710	7 646
Earnings per share from total operations, basic, in NOK	2.18	0.99	4.47
Capex	3 703	3 360	16 439
Investments in businesses	8 943	50	8 858
Net interest-bearing liabilities	34 956	15 933	30 858

EXTRACT FROM OUTLOOK FOR 2006

For 2006, Telenor expects a revenue growth of around 30% with an EBITDA margin before other income and expenses above 34%. Capital expenditure as a proportion of revenues is expected to be above 20%.

Please refer to page 9 for the full outlook for 2006. For definitions, refer to page 20.

Telenor's operations

Unless otherwise stated, the statements below are related to Telenor's development in the first quarter of 2006 compared to the first quarter of 2005.

Nordic Mobile Operations

Telenor Mobile – Norway

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	2 023	1 927	8 148
Interconnection revenues	446	407	1 754
Mobile revenues company's subscriptions	2 469	2 334	9 902
Other mobile revenues	532	362	1 825
Total mobile revenues	3 001	2 696	11 727
Non-mobile revenues	104	142	516
Total revenues ¹⁾	3 105	2 838	12 243
¹⁾ Of which internal revenues	266	278	1 171
EBITDA	1 323	1 001	4 471
Depreciation and amortization ¹⁾	216	213	889
Write-downs	-	(2)	16
Operating profit	1 107	790	3 566
¹⁾ Of which amortization of Telenor's net excess values	1	1	4
EBITDA/Total revenues (%)	42.6	35.3	36.5
Operating profit/Total revenues (%)	35.7	27.8	29.1
Capex	129	194	1 218
ARPU – monthly (NOK)	305	297	309
No. of subscriptions (in thousands)	2 722	2 635	2 731

- The number of contract subscriptions increased by 28,000 in the first quarter of 2006, while the total number of subscriptions decreased by 9,000.
- Telenor Mobile's estimated market share was stable at 56%, in line with the end of 2005.
- The increase in ARPU was due to increased average usage per subscription (AMPU) due to higher share of contract subscriptions, partially offset by lower average prices.
- Mobile revenues from own subscriptions were positively affected by an increase in contract subscriptions and ARPU. Other mobile revenues increased due to higher revenues from the sale of capacity on a wholesale basis. Total mobile revenues increased by approximately 11%.
- Non-mobile revenues decreased due to lower sales of customer equipment.
- The EBITDA margin increased mainly due to higher total mobile revenues and lower costs, including costs related to sales and marketing activities.
- Telenor Mobil won the case in the appeal court 3 April 2006, in which Telenor Mobil has been sued by Reitan group/Sense for charging excessive reseller prices in previous years. The parties may appeal the case to the high court by 7 May 2006.
- In April 2006 the Ministry of Transportation in Norway made decisions in the appeal process regarding the price of the mobile interconnection charges of Telenor and Netcom. According to the decision, Telenor Mobil was instructed to reduce its interconnection charges by NOK 0.08 to NOK 0.63 from 1 July 2006. Telenor Mobile's cost of terminating calls in Netcom's network was reduced by NOK 0.10 to NOK 0.91 per minute from 1 July 2006.

Sonofon – Denmark

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	622	571	2 361
Interconnection revenues	348	300	1 300
Mobile revenues company's subscriptions	970	871	3 661
Other mobile revenues	145	143	638
Total mobile revenues	1 115	1 014	4 299
Non-mobile revenues	238	179	892
Total revenues ¹⁾	1 353	1 193	5 191
¹⁾ Of which internal revenues	30	20	132
EBITDA	305	253	1 176
Depreciation and amortization ¹⁾	286	353	1 285
Operating profit (loss)	19	(100)	(109)
¹⁾ Of which amortization of Telenor's net excess values	137	157	555
EBITDA/Total revenues (%)	22.5	21.2	22.7
Operating profit/Total revenues (%)	1.4	nm	nm
Capex	109	28	1 062
Investments in businesses	-	-	4
ARPU – monthly (NOK)	250	229	243
No. of subscriptions (in thousands)	1 299	1 232	1 284

Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Danish Krone by approximately 3% in the first quarter of 2006.

- The number of subscriptions increased by 15,000 in the first quarter of 2006.
- Sonofon's estimated market share was 27%, in line with the end of 2005.
- ARPU in local currency increased by 13% primarily as a result of increased average usage (AMPU) and higher revenues driven by flat rate products.
- Total mobile revenues in local currency increased by 13%, mainly due to an increase in subscriptions and ARPU. Non-mobile revenues in local currency increased by 38% mainly due to low handsets sales in the first quarter of 2005.
- Increased EBITDA margin was a result of higher revenues without a corresponding increase in costs, partially offset by a lower gross margin due to higher handset subsidies. EBITDA measured in local currency increased by 24%.
- The decrease in depreciation and amortization was mainly a result of certain assets being fully depreciated.
- Capital expenditure increased primarily due to start-up of roll-out of the UMTS network and a low investment level in the first quarter of 2005.
- In January 2006, the Danish regulatory authorities decided to reduce the interconnection charges in the Danish market for mobile telephony. From 1 May 2006, Sonofon is instructed to reduce its interconnection charges, including set-up charges, from the current DKK 0.94–0.96 to DKK 0.84. From 1 May 2007, the interconnection charges will be further reduced to DKK 0.72 and from 1 May 2008, to DKK 0.62. TDC and TeliaSonera were instructed to reduce their mobile termination prices according to the same gliding path.

Telenor Mobile – Sweden

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	902	37	130
Interconnection revenues	206	15	60
Mobile revenues company's subscriptions	1 108	52	190
Other mobile revenues	89	11	54
Total mobile revenues	1 197	63	244
Non-mobile revenues	104	-	-
Total revenues ¹⁾	1 301	63	244
¹⁾ Of which internal revenues	48	28	124
EBITDA	202	(10)	(476)
Depreciation and amortization ¹⁾	333	-	-
Operating loss	(131)	(10)	(476)
¹⁾ Of which amortization of Telenor's net excess values	52	-	-
EBITDA/Total revenues (%)	15.5	nm	nm
Operating profit/Total revenues (%)	nm	nm	nm
Capex	135	-	-
Investments in businesses	7 739	-	-
ARPU – monthly (NOK)	229	164	158
No. of subscriptions (in thousands)	1 660	107	95

Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Swedish Krone by approximately 6% in the first quarter of 2006. On 5 January 2006 Telenor acquired 100% of the shares in Vodafone Sweden. The company is consolidated as a part of Telenor's mobile operation in Sweden effective from that date. The comments below are related to the mobile operation in Sweden including the acquired business.

- Revenues and EBITDA in the acquired business in Sweden were NOK 1,263 million and NOK 225 million, respectively. In the first quarter of 2006, NOK 47 million were expensed as costs for workforce reductions.
- For the total mobile operation in Sweden, the number of contract subscriptions increased by 12,000 during first quarter of 2006, while the number of total subscriptions decreased by 14,000.
- The estimated market share at the end of the first quarter of 2006 was 17%.
- Since the acquisition, several activities related to the integration of the two mobile operations have been implemented, such as re-branding and cost efficiency initiatives, including staff reductions.

Central Eastern European Operations

Kyivstar – Ukraine

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	1 749	807	5 122
Interconnection revenues	528	313	1 888
Mobile revenues company's subscriptions	2 277	1 120	7 010
Other mobile revenues	36	23	158
Total mobile revenues	2 313	1 143	7 168
Non-mobile revenues	16	20	104
Total revenues ¹⁾	2 329	1 163	7 272
¹⁾ Of which internal revenues	-	1	6
EBITDA	1 432	632	4 050
Depreciation and amortization ¹⁾	379	231	1 209
Write-downs	-	-	15
Operating profit	1 053	401	2 826
¹⁾ Of which amortization of Telenor's net excess values	24	22	93
EBITDA/Total revenues (%)	61.5	54.3	55.7
Operating profit/Total revenues (%)	45.2	34.5	38.9
Capex	830	735	3 650
ARPU – monthly (NOK)	53	53	61
No. of subscriptions (100% in thousands)	14 965	7 662	13 925

At the end of the first quarter of 2006, Telenor's ownership interest in Kyivstar was 56.5%. Compared to the first quarter of 2005, the Norwegian Krone depreciated against the Ukrainian Hryvnia by approximately 13% in the first quarter of 2006.

- In the first quarter of 2006, the number of subscriptions increased by 1 million. Compared to the first quarter of 2005, the number of subscriptions increased by 7.3 million.
- Kyivstar defended its position as market leader with an estimated market share of 45%.
- ARPU in local currency decreased by 12% due to lower average prices mainly as a result of campaigns to meet the increased competition and a higher share of prepaid subscriptions.
- Total revenues in local currency increased by 78%, due to significant increase in the number of subscriptions.
- EBITDA in local currency increased by more than 100%, mainly due to higher revenues. The increase in EBITDA margin was primarily a result of a higher share of traffic within Kyivstar's own network and low costs, mainly related to sales and marketing activities.
- Depreciation and amortization increased as a result of increased capital expenditure in the intervening quarters and a reduction of the estimated useful life of certain assets from 2005.
- Capital expenditure measured in local currency was in line with the first quarter of 2005 and was mainly related to increased capacity to accommodate the subscription growth.

Pannon – Hungary

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	926	880	3 768
Interconnection revenues	400	430	1 735
Mobile revenues company's subscriptions	1 326	1 310	5 503
Other mobile revenues	23	28	144
Total mobile revenues	1 349	1 338	5 647
Non-mobile revenues	64	77	414
Total revenues¹⁾	1 413	1 415	6 061
¹⁾ Of which internal revenues	3	2	10
EBITDA	540	517	2 185
Depreciation and amortization ¹⁾	279	316	1 171
Write-downs	-	-	7
Operating profit	261	201	1 007
¹⁾ Of which amortization of Telenor's net excess values	84	90	345
EBITDA/Total revenues (%)	38.2	36.5	36.1
Operating profit/Total revenues (%)	18.5	14.2	16.6
Capex	71	109	763
ARPU – monthly (NOK)	150	157	162
No. of subscriptions (in thousands)	2 939	2 792	2 929

Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Hungarian Forint by approximately 7% in the fourth quarter of 2006.

- The number of subscriptions increased by 10,000 in the first quarter of 2006. Compared to the first quarter of 2005, the number of contract subscriptions increased by 224,000.
- Pannon's market share was 34%, in line with the end of 2005.
- ARPU in local currency increased by 3%. Increased average usage (AMPU) was almost offset by lower average prices.
- Measured in local currency, total mobile revenues increased by 8% primarily due to an increase in the number of subscriptions. Non-mobile revenues decreased primarily due to lower revenues from sale of handsets.
- The EBITDA margin increased primarily due to higher subscription and traffic revenues and improved gross margin as a result of lower handset subsidies, partially offset by somewhat higher operating expenses.
- Depreciation and amortization decreased due to certain fixed assets being fully depreciated.
- Capital expenditures decreased due to low investment activities in the first quarter of 2006.

ProMonte – Montenegro

(NOK in millions)	First quarter		Year
	2006	2005	2005
Total revenues	114	104	519
EBITDA	55	55	260
Operating profit¹⁾	16	12	95
Capex	4	5	38
No. of subscriptions (in thousands)	324	279	310
¹⁾ Of which amortization of Telenor's net excess values	3	20	80

Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Euro, which is the functional currency of ProMonte GSM, by approximately 3% in the first quarter of 2006. ProMonte is part of 'Other mobile operations' in the table on page 17.

- In the first quarter of 2006 the number of subscriptions increased by 14,000.
- ProMonte's estimated market share was 60%, an increase of 2 percentage point compared to the end of 2005.

Asian Operations

DTAC – Thailand

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	1 852	-	1 074
Interconnection revenues	33	-	25
Mobile revenues company's subscriptions	1 885	-	1 099
Other mobile revenues	131	-	74
Total mobile revenues	2 016	-	1 173
Non-mobile revenues	16	-	18
Total revenues¹⁾	2 032	-	1 191
¹⁾ Of which internal revenues	11	-	6
EBITDA	719	-	445
Depreciation and amortization ¹⁾	337	-	220
Operating profit	382	-	225
¹⁾ Of which amortization of Telenor's net excess values	51	-	35
EBITDA/Total revenues (%)	35.4	-	37.4
Operating profit/Total revenues (%)	18.8	-	18.9
Capex	605	-	146
Investments in businesses	85	-	2 664
ARPU – monthly (NOK)	70	-	71
No. of subscriptions (100% in thousands)	9 823	-	8 677

At the end of the first quarter of 2006, Telenor's economic stake in DTAC was 70.2%. Compared to the fourth quarter of 2005, the Norwegian Krone depreciated against the Thai Baht by approximately 5% in the first quarter of 2006. The preceding table shows figures for DTAC from the time of consolidation, 26 October 2005.

The following comments are made against the whole fourth quarter of 2005.

- DTAC experienced a record growth of 1.1 million subscriptions in the first quarter of 2006.
- DTAC's estimated market share was 30%, an increase of around 2 percentage points.
- ARPU in local currency decreased slightly, but increased compared to the first quarter of 2005.
- Total revenues in local currency increased by 6%, primarily due to the increased number of subscriptions.
- The EBITDA margin decreased due to higher costs related to sales and marketing as a result of high gross sales and higher regulatory costs due to the increased subscriber base.
- Capital expenditure was high to accommodate capacity to the higher number of subscriptions and network expansion.

DiGi – Malaysia

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	1 279	792	3 949
Interconnection revenues	166	137	594
Mobile revenues company's subscriptions	1 445	929	4 543
Other mobile revenues	21	14	65
Total mobile revenues	1 466	943	4 608
Non-mobile revenues	80	91	324
Total revenues ¹⁾	1 546	1 034	4 932
¹⁾ Of which internal revenues	2	1	4
EBITDA	700	451	2 142
Depreciation and amortization ¹⁾	252	257	1 038
Write-downs	-	1	5
Operating profit	448	193	1 099
¹⁾ Of which amortization of Telenor's net excess values	4	17	51
EBITDA/Total revenues (%)	45.3	43.6	43.4
Operating profit/Total revenues (%)	29.0	18.7	22.3
Capex	226	108	1 170
ARPU – monthly (NOK)	97	92	98
No. of subscriptions (100% in thousands)	5 086	3 461	4 795

At the end of the first quarter of 2006, Telenor's ownership interest in DiGi was 61.0%. Compared to the first quarter of 2005, the Norwegian Krone depreciated against the Malayan Ringgit by approximately 10% in the first quarter of 2006.

- The number of subscriptions increased by 291,000 in the first quarter of 2006 and by 1.6 million compared to the first quarter of 2005.
- DiGi's market share was estimated at 25%, in line with the end of 2005.
- ARPU measured in local currency decreased by 4% primarily due to lower incoming traffic coupled with reduction in interconnect access pricing on mobile terminating traffic with effect from 15 February 2006.
- Total mobile revenues measured in local currency increased by 42%, primarily due to the higher subscription base, partially offset by decreased ARPU.
- The EBITDA margin improved by 1.7 percentage points primarily due to economy of scale. Measured in local currency, EBITDA increased by 42%.
- The increase in capital expenditure was related to investments in the network due to increased usage, a higher subscription base and improved coverage.
- Two additional 3G spectrum blocks were tendered by the Malaysian telecommunication authorities in November 2005. In March 2006 they announced that the licenses were granted to two new players. DiGi was not granted a license. Despite this decision, DiGi remains committed to continue to enhance its mobile and broadband service offering.

GrameenPhone – Bangladesh

(NOK in millions)	First quarter		Year
	2006	2005	2005
Subscription and traffic	871	598	2 741
Interconnection revenues	73	34	188
Mobile revenues company's subscriptions	944	632	2 929
Other mobile revenues	6	5	22
Total mobile revenues	950	637	2 951
Non-mobile revenues	5	3	19
Total revenues ¹⁾	955	640	2 970
¹⁾ Of which internal revenues	-	-	1
EBITDA	659	329	1 559
Depreciation and amortization	159	77	439
Operating profit	500	252	1 120
EBITDA/Total revenues (%)	69.0	51.4	52.5
Operating profit/Total revenues (%)	52.4	39.4	37.7
Capex	389	496	2 596
ARPU – monthly (NOK)	51	81	68
No. of subscriptions (100% in thousands)	6 427	2 928	5 542

At the end of the first quarter of 2006, Telenor's ownership interest in GrameenPhone was 62.0%. Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Bangladeshi Taka by approximately 2% in the first quarter of 2006.

- The number of subscriptions increased by 885,000 in the first quarter of 2006 and by 3.5 million compared to the first quarter of 2005.
- GrameenPhone's estimated market share was 62%, in line with the previous quarter.
- ARPU in local currency decreased by 36% primarily due to decrease in average prices and dilution due to strong subscription growth.
- Measured in local currency, total revenues increased by 51% primarily due to the increased number of subscriptions. This was partially offset by a reduction in ARPU.
- The EBITDA margin was positively affected by the reversal of accruals following regulatory changes as stated below. Adjusted for accruals between the quarters, the EBITDA margin would have been approximately 55%.
- Depreciation and amortization increased as a result of increased capital expenditure in the intervening quarters.
- Capital expenditure decreased due to lower network roll-out as a result of re-planning of network and improved price conditions following renegotiations with vendors.
- The Bangladeshi Telecommunication Regulatory Commission (BTRC) has announced new regulatory conditions for mobile operators. With effect from 1 July 2005 all mobile operators must pay an annual license fee of 50 million Bangladeshi Taka and an annual increase in revenue share of 4.5 percentage points to 5.5% on collected line rental and call charges, and quarterly network spectrum charges as fixed by the BTRC. The change in regulatory conditions resulted in reversal of provisions made in the period 1 July 2005 to 31 December 2005.

Telenor – Pakistan

(NOK in millions)	First quarter		Year
	2006	2005	2005
Total revenues	215	1	265
EBITDA	(77)	(133)	(572)
Operating loss	(175)	(147)	(798)
Capex	351	1 139	1 843
No. of subscriptions (in thousands)	2 527	344	1 868

Compared to the first quarter of 2005, the Norwegian Krone depreciated against the Pakistani Rupee by approximately 7% in the first quarter of 2006. Pakistan is part of 'Other mobile operations' in the table on page 17.

- The number of subscriptions increased by 659,000 in the first quarter of 2006.
- Telenor Pakistan's estimated market share was 9%.
- ARPU in local currency increased by 5% from last quarter to NOK 32. Average usage (AMPU) increased, while average prices remained stable.
- Compared to the fourth quarter of 2005, total revenues in local currency increased by 49% mainly due to subscription growth and increase in ARPU.
- Capital expenditure in the first quarter of 2005 was high and related to the launch of commercial operations.

Fixed

(NOK in millions)	First quarter		Year
	2006	2005	2005
Revenues			
Norway	4 178	4 163	16 867
Other operations	919	436	2 581
Eliminations	(30)	(28)	(135)
Total revenues¹⁾	5 067	4 571	19 313
¹⁾ Of which internal revenues	518	461	2 173
EBITDA	1 559	1 408	5 885
Depreciation and amortization ¹⁾	761	783	3 236
Write-downs ²⁾	-	(22)	587
Operating profit	798	647	2 062
¹⁾ Of which amortization of Telenor's net excess values	24	1	66
²⁾ Of which write-downs of Telenor's net excess values	-	(31)	(24)
EBITDA/Total revenues (%)	30.8	30.8	30.5
Operating profit/Total revenues (%)	15.7	14.2	10.7
Capex	617	381	2 776
Investments in businesses	461	43	5 816

- Investments in businesses in the first quarter of 2006 were related to the acquisition of shareholding in Glocalnet.

Fixed – Norway

(NOK in millions)	First quarter		Year
	2006	2005	2005
Revenues			
Telephony	1 703	1 871	7 232
xDSL/Internet	568	461	2 039
Data services	215	232	963
Other revenues	357	342	1 465
Total retail revenues	2 843	2 906	11 699
Wholesale revenues	1 335	1 257	5 168
Total revenues¹⁾	4 178	4 163	16 867
¹⁾ Of which internal revenues	545	463	2 190

EBITDA	1 390	1 438	5 701
Depreciation and amortization	602	705	2 707
Write-downs ¹⁾	-	(22)	(25)
Operating profit	788	755	3 019

¹⁾ Of which write-downs of Telenor's net excess values	-	(31)	(36)
---	---	------	------

EBITDA/Total revenues (%)	33.3	34.5	33.8
Operating profit/Total revenues (%)	18.9	18.1	17.9
Capex	479	337	2 169
Investments in businesses	1	43	44
No. of Telephony subscriptions (in thousands)	1 577	1 757	1 622
– of which PSTN subscriptions (in thousands)	1 054	1 165	1 089
– of which ISDN subscriptions (in thousands)	479	592	509
– of which VoIP subscriptions (in thousands)	44	-	24
No. of xDSL subscriptions (in thousands)	511	385	475

- The trend from previous quarters continued in the first quarter of 2006, with an increase in the number of VoIP and xDSL subscriptions and a decrease in the number of PSTN/ISDN subscriptions.
- Telenor's estimated market share for xDSL in the retail market was 58%, in line with the end of the fourth quarter of 2005. Measured in traffic minutes, Telenor's estimated market share was 65% compared to 66% at the end of fourth quarter 2005.
- Revenues from telephony decreased due to a reduction in the number of subscriptions and lower traffic volumes. The number of subscriptions decreased primarily due to migration to broadband telephony with other fixed network operators, as well as a decrease in the total market for fixed telephony subscriptions. The decrease in traffic volumes were due to a decrease in the number of voice minutes per subscription as a result of migration of voice traffic from fixed to mobile telephony.
- Revenues from xDSL/Internet increased due to growth in the number of xDSL subscriptions. This was partially offset by lower revenues from Internet traffic and Internet subscriptions.
- The decrease in revenues from Data services was due to price decreases and a shift in the product portfolio towards products with lower prices.
- Increased wholesale revenues from telephony, broadband (xDSL/LLUB) and international interconnect and transit, offset the decrease in national interconnect and transit.
- The EBITDA margin decreased mainly due to lower gross margin as a result of a shift in the revenue portfolio towards products with higher costs of materials and traffic charges.
- The decrease in depreciation and amortization was primarily due to decrease in capital expenditure in recent years. The decrease was partially offset by the increased amortization for expenses associated with transactions that provide the rights to use assets, such as local loop unbundling.
- The increase in capital expenditure was primarily related to improving processes and higher IP transport capacity.
- On 20 February 2006, the Norwegian regulatory authorities (PT) decided to decrease the price for unbundled access to the local loop. According to the decision, the price for full access should be reduced from the current price of NOK 135 per month to NOK 105 on 1 June 2006 and then further decrease to NOK 95 per month from 1 January 2007. Telenor appealed the decision on 13 March 2006, final decision is still pending, but suspension of the implementation was not granted.

Fixed – Other operations

(NOK in millions)	First quarter		Year
	2006	2005	2005
Revenues			
Fixed – Sweden	727	392	2 096
Fixed – Denmark	174	-	306
Other countries/eliminations	18	44	179
Total revenues¹⁾	919	436	2 581
¹⁾ Of which internal revenues	3	26	118
EBITDA			
Fixed – Sweden	109	(29)	158
Fixed – Denmark	55	-	97
Other countries/eliminations	10	2	(70)
Total EBITDA	174	(27)	185
Depreciation and amortization ¹⁾	159	78	528
Write-downs ²⁾	-	-	617
Operating profit (loss)	15	(105)	(960)
Of which:			
Fixed – Sweden	(4)	(93)	(866)
Fixed – Denmark	12	-	29
Other countries/eliminations	7	(12)	(123)
¹⁾ Of which amortization of Telenor's net excess values	24	1	66
²⁾ Of which write-downs of Telenor's net excess values	-	-	12
Capex			
Fixed – Sweden	83	40	485
Fixed – Denmark	55	-	97
Other countries	-	4	25

Fixed Sweden consists of Telenor AB, Bredbandsbolaget and Glocalnet. Bredbandsbolaget and Glocalnet AB were consolidated with effect from 8 July 2005 and 1 March 2006, respectively. As of 31 March 2006 Telenor's ownership interest in Glocalnet was 96.6%. Fixed Denmark consists of Cybertycity, which was consolidated with effect from 5 July 2005. Compared to the first quarter of 2005, the Norwegian Krone appreciated against the Swedish Krone by approximately 6% and against the Danish Krone by approximately 3% in the first quarter of 2006. Other countries include operations in the Czech Republic and Slovakia. These operations were sold with effect from 30 January 2006.

Fixed Sweden

- Revenues in Telenor AB decreased, primarily due to decreased revenues from wholesale telephony and fall in data revenues as a result of price decreases and a shift in the product portfolio towards products with lower prices.
- EBITDA in Telenor AB increased and turned positive as a result of increased gross margin for voice traffic and xDSL and decreased operating expenses. EBITDA was positively affected by the change in accounting treatment which was implemented in the fourth quarter of 2005 for transactions that provide the rights to use assets. Changes in estimated costs in previous periods for termination of traffic in other network also affected EBITDA positively.
- In Bredbandsbolaget, the number of xDSL and LAN subscriptions increased by 15,000 to 385,000 in the first quarter of 2006, and the number of VoIP subscriptions increased by 15,000 to 119,000. EBITDA was negatively affected by high price pressure in the Swedish market and increased costs related to sales and marketing activities.
- Glocalnet's revenues amounted to NOK 84 million and EBITDA was negative by NOK 9 million. At the end of first quarter the number of xDSL and telephony subscriptions was 113,000 and 285,000, respectively.

Fixed Denmark

- The number of xDSL subscriptions increased by 16,000 to 138,000 in the first quarter of 2006, and the number of VoIP subscriptions increased by 11,000 to 37,000.

Broadcast

(NOK in millions)	First quarter		Year
	2006	2005	2005
Revenues			
Distribution	1 251	1 139	4 615
Transmission	312	297	1 207
Other/Eliminations	(46)	(46)	(173)
Total revenues¹⁾	1 517	1 390	5 649
¹⁾ Of which internal revenues	35	28	131
EBITDA			
Distribution	234	213	818
Transmission	175	174	713
Other/Eliminations	(1)	(7)	(15)
Total EBITDA	408	380	1 516
Depreciation and amortization ¹⁾	154	144	554
Write-downs ²⁾	3	-	(53)
Operating profit	251	236	1 015
Of which:			
Distribution	172	143	494
Transmission	89	106	564
Other/Eliminations	(10)	(13)	(43)
¹⁾ Of which amortization of Telenor's net excess values	11	14	56
²⁾ Of which write-downs of Telenor's net excess values	-	-	75
EBITDA/Total revenues (%)	26.9	27.3	26.8
Operating profit/Total revenues (%)	16.5	17.0	18.0
Capex	92	47	392
Investments in businesses	-	-	42
No. of DTH pay-TV subscribers (in thousands)	918	851	906
No. of Cable TV subscribers (in thousands)	684	616	681
No. of households in satellite master antenna TV-networks (in thousands)	1 120	1 197	1 177
No. of Cable TV Internet access (in thousands)	78	48	73

- The number of DTH pay-TV subscribers increased by 12,000 in the first quarter of 2006, the number of Cable TV (CATV) subscribers increased by 3,000, and the number of Cable TV internet access subscribers increased by 5,000.
- Total revenues have increased primarily due to higher number of subscribers in Distribution and higher revenues from satellite- and terrestrial distribution in Transmission.
- The increase in EBITDA was primarily due to increased revenues and lower costs, including costs related to sales and marketing activities.
- The increase in capital expenditure was mainly related to upgrade of the Cable TV network in Norway, and development of a new subscription management system in Distribution.

Other Units

(NOK in millions)	First quarter		Year
	2006	2005	2005
Revenues			
EDB Business Partner	1 335	1 231	4 991
Satellite Services	607	589	2 428
Venture	133	116	490
Corporate functions and Group activities	522	582	2 266
Other	-	18	25
Eliminations	(45)	(69)	(233)
Total revenues¹⁾	2 552	2 467	9 967
1) Of which internal revenues	638	788	2 907
EBITDA			
EDB Business Partner	191	177	785
Satellite Services	77	68	393
Venture	(17)	6	(2)
Corporate functions and Group activities	(104)	(6)	(77)
Other/eliminations	(11)	(3)	(8)
Total EBITDA	136	242	1 091
Depreciation and amortization ¹⁾	243	250	1 033
Write-downs ²⁾	-	-	10
Operating profit (loss)	(107)	(8)	48
Of which			
EDB Business Partner	99	81	377
Satellite Services	14	4	125
Venture	(25)	2	(23)
Corporate functions and Group activities	(182)	(92)	(420)
Other/eliminations	(13)	(3)	(11)
¹⁾ Of which amortization of Telenor's net excess values	3	2	8
²⁾ Of which write-downs of Telenor's net excess values	-	-	5
Capex	156	125	832
Investments in businesses	658	7	332

EDB Business Partner

- Revenues increased mainly due to acquisitions of operations made at the end of the fourth quarter of 2005 and the beginning of 2006.
- The EBITDA margin was in line with the first quarter of 2005.
- In the first quarter of 2006, EDB Business Partner entered into an agreement to acquire Guide Konsult, an IT consulting company in Sweden, for a total consideration of approximately NOK 560 million.

Satellite Services

- The increase in revenues was primarily due to growth within the VSAT business, while revenues in the Inmarsat segment decreased due to lower volumes and prices. Revenues and operating profit were positively affected by the stronger US Dollar against the Norwegian Krone in the first quarter of 2006. Operating profit was also positively affected by a decrease in other operating expenses.

Venture

- The increase in revenues was primarily due to acquisition of new business within Opplysningen. Operating profit decreased primarily due to the new business in the second half of 2005, which was partially offset by gains on disposal of operations.

Corporate Functions and Group Activities

- Increased EBITDA loss was mainly due to increased costs related to international activities, costs related to new branding, lease back of sold properties and less gain on disposal of properties.
- Depreciation and amortization decreased due to the disposal of certain buildings.

Other Profit and Loss Items for the Group

Depreciation, amortization and write-downs

(NOK in millions)	First quarter		Year
	2006	2005	2005
Depreciation ^{*)}	2 240	1 949	8 083
Amortization ^{**)}	1 281	755	3 461
Total depreciation and amortization	3 521	2 704	11 544
Write-downs [*]	3	8	488
Write-downs of goodwill	-	(31)	46
Write-downs ^{**}	-	-	53
Total write-downs	3	(23)	587
Total depreciation, amortization and write-downs	3 524	2 681	12 131

^{*)} Property, plant and equipment.

^{**)} Other intangible assets and prepaid lease payments.

See page 19 for more specifications.

- The increase in total depreciation and amortization was primarily due to acquired businesses and increased capital expenditure, partially offset by fully depreciated assets.
- In general, depreciation and amortization is also affected by changes in exchange rates and investment levels in the previous quarters.

Associated companies

(NOK in millions)	First quarter		Year
	2006	2005	2005
Telenor's share of¹⁾			
Profit after taxes	316	255	1 452
Amortization of Telenor's net excess values	(4)	(16)	(46)
Write-downs of Telenor's net excess values	-	-	(172)
Gains (losses) on disposal of ownership interests	-	-	(1)
Net result from associated companies	312	239	1 233

¹⁾ For certain associated companies, financial statements as of the Group's balance sheet date are not available. In such instances, the most recent financial statements (as of a date not more than three months prior to the Group's balance sheet date) are used, and estimates for the last period are made based on publicly available information. Actual figures may deviate from the preliminary figures. The consolidated profit and loss statement contains only the line "Net result from associated companies". The preceding table includes Telenor's share of profit after taxes from DTAC and UCOM until 26 October 2005. Thereafter DTAC is consolidated, while UCOM is treated as a discontinued operation. Glocalnet was included until 28 February 2006. Thereafter Glocalnet is consolidated as a subsidiary.

- At the end of the first quarter of 2006, Telenor's ownership interest in VimpelCom in Russia was 29.9%. The value of Telenor's share of the company based on the quoted share price as of 31 March 2006 was NOK 18.2 billion. According to telecom analysts, VimpelCom had approximately 48 million mobile subscriptions at the end of the first quarter of 2006.
- On 20 March 2006, Telenor made a proposal for VimpelCom to acquire 100% of the Ukrainian mobile operator Kyivstar, our consolidated subsidiary in which we hold a 56.5% ownership interest, for more than USD 5 billion in cash. A condition to Telenor's proposal is that Telenor and Alfa Group enter into a market-based separation mechanism. If implemented and activated, this mechanism would permit the party placing the highest value on VimpelCom to offer to purchase all of the other party's shares and obligate the other party to sell all its shares.

Financial items

(NOK in millions)	First quarter		Year
	2006	2005	2005
Financial income	117	77	447
Financial expenses	(587)	(344)	(1 639)
Net foreign currency gains (losses)	(113)	(25)	84
Change in fair value of financial instruments	(26)	26	243
Net gains (losses) and write-downs	1 815	417	518
Net financial items	1 206	151	(347)
Gross interest expenses	(576)	(354)	(1 594)
Net interest expenses	(500)	(291)	(1 309)

- Increased financial expenses were due to increased long term interest-bearing liabilities following the acquisition of businesses.
- Net foreign currency losses were primarily due to liabilities and placements in Telenor ASA and some subsidiaries in other currencies than the relevant companies' functional currencies.
- Change in fair value of financial instruments was primarily related to interest rate derivatives used for economic hedge of interest-bearing liabilities that do not fulfill the requirements for hedge accounting.
- Net gains were primarily gain from sale of shares in Inmarsat of NOK 1,785 million.

Taxes

- The nominal Norwegian corporate income tax rate is 28%. The effective tax rate for the Telenor Group for the fiscal year 2006 is estimated at approximately 27% of profit before taxes and minority interests. The gain on sale of shares in Inmarsat of NOK 1.8 billion is not taxable. Adjusted for this gain, the effective tax rate for 2006 is estimated to approximately 30%. The effective tax rate is also affected by taxes related to companies outside Norway and non-deductible expenses.
- The actual effective tax rate for 2006 may deviate from the estimated rate.

Balance sheet

- Total assets as of 31 March 2006 increased by NOK 10.5 billion compared to 31 December 2005, primarily due to the acquisition of Vodafone Sweden. See note 1 to the 2005 financial statements for more information about the preliminary allocation of net assets and goodwill related to this acquisition.
- Net interest-bearing liabilities increased by NOK 4.1 billion in the quarter to NOK 35.0 billion as of 31 March 2006, of which the effect of the purchase and consolidation of Vodafone Sweden contributed with NOK 7.6 billion.
- Translation differences reduced equity in the first quarter of 2006 by NOK 0.8 billion, due to the appreciation of the Norwegian Krone compared to most of the functional currencies of Telenor's foreign subsidiaries and associated companies as of 31 March 2006 compared to 31 December 2005, of which Pannon contributed to the largest amount.

- During the first quarter of 2006, Telenor did not purchase any own shares in the market. For the year 2005, Telenor purchased own shares for NOK 2.3 billion. If Telenor's Annual General Meeting in 2006 approves redemption of shares owned by the Kingdom of Norway corresponding to Telenor's repurchase of own shares in the market in the second and third quarter of 2005, in such a way that the Kingdom of Norway's ownership interest remains unchanged, shareholders equity will be reduced by an additional NOK 0.9 billion at the time of the Annual General Meeting.
- If Telenor's Annual General Meeting in 2006 approves the suggested dividend of NOK 2.00 per share, shareholders equity will be reduced by an additional NOK 3.4 billion at the time of the Annual General Meeting.

Outlook for 2006

Based upon the strong results for the first quarter of 2006, the outlook for the full year has been evaluated and revised compared to the report for the fourth quarter of 2005:

- The strong growth in mobile subscriptions during 2005 gives Telenor a solid foundation for further growth in revenues. We expect a growth in reported revenues of around 30%.
- We expect a continued high growth in EBITDA, in particular driven by the international mobile operations. Telenor will continue previously introduced initiatives and identify new means of improving cost efficiency. We expect the EBITDA margin before other income and expenses for 2006 to be above 34%.
- We expect high capital expenditure to continue, and capital expenditure as a proportion of revenues is expected to be above 20%. Capital expenditure is expected to continue to be driven by high subscription growth within Telenor's mobile operations in emerging markets.
- A growing share of Telenor's revenues and profits is derived from operations outside Norway. Currency fluctuations may to an increasing extent influence the reported figures in Norwegian Krone. Political risk, including regulatory conditions, may also influence the profits. We expect seasonal variations between the quarters.

The accounts submitted with the report have not been audited.

This report contains statements regarding the future in connection with Telenor's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the section "Outlook for 2006" contains forward-looking statements regarding the group's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements. These factors include the risk factors relating to Telenor's activities described in Telenor's 2005 Annual Report on Form 20-F filed with the Securities and Exchange Commission in the USA under the headings "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" (available at www.telenor.com/ir/).

Oslo, 3 May 2006

The Board of Directors of Telenor ASA

Profit and Loss Statement

Telenor Group

(NOK in millions except earnings per share)	First quarter		Year
	2006	2005	2005
Revenues	21 872	15 270	68 927
Costs of materials and traffic charges	5 620	3 996	17 711
Own work capitalized	(175)	(122)	(704)
Salaries and personnel costs	3 075	2 536	10 236
Other operating expenses	5 400	3 775	17 606
Other (income) and expenses	63	(21)	242
EBITDA	7 888	5 106	23 836
Depreciation and amortization	3 521	2 704	11 544
Write-downs	3	(23)	587
Operating profit	4 364	2 425	11 705
Associated companies	312	239	1 233
Net financial items	1 206	151	(347)
Profit before taxes	5 882	2 815	12 591
Taxes	(1 588)	(845)	(3 453)
Profit from continuing operations	4 294	1 970	9 138
Loss from discontinued operations 1)	(22)	-	(4)
Profit from total operations	4 272	1 970	9 134
Attributable to:			
Non-controlling interests (Minority interests)	580	260	1 488
Equity holders of Telenor ASA (Net income)	3 692	1 710	7 646
Earnings per share in NOK			
From continuing operations:			
Basic	2.19	0.99	4.47
Diluted	2.19	0.99	4.47
From total operations:			
Basic	2.18	0.99	4.47
Diluted	2.18	0.99	4.47
US GAAP			
Net income	3 662	1 625	7 427
Earnings per share in NOK (basic)	2.16	0.94	4.34
Earnings per share in NOK (diluted)	2.16	0.94	4.34

1) Loss from discontinued operations relates to UCOM

Balance Sheet

Telenor Group

(NOK in millions)	31 March 2006	31 March 2005	31 December 2005
Deferred tax assets	2 501	2 890	3 052
Goodwill	22 689	13 378	20 700
Intangible assets	23 178	10 809	21 245
Tangible assets	49 132	38 952	43 958
Associated companies	7 501	6 980	7 424
Other financial assets	2 546	2 796	2 267
Total non current assets	107 547	75 805	98 646
Accounts receivable	8 405	6 078	7 778
Other current assets	9 246	7 050	10 113
Assets held for sale			667
Liquid assets	9 691	8 187	7 191
Total current assets	27 342	21 315	25 749
Total assets	134 889	97 120	124 395
Shareholders equity	47 624	41 936	46 399
Minority interests	7 621	4 289	7 134
Total equity and minority interests	55 245	46 225	53 533
Pension obligations	2 645	2 443	2 440
Deferred tax liabilities	3 611	2 293	2 669
Other provisions	949	865	928
Provisions	7 205	5 601	6 037
Non-current interest-bearing liabilities	25 397	21 492	27 139
Non-current non-interest-bearing liabilities	590	572	580
Total non-current liabilities	25 987	22 064	27 719
Current interest-bearing liabilities	20 024	3 681	11 908
Accounts payable	6 448	4 900	6 215
Current non-interest-bearing liabilities	19 980	14 649	18 696
Current non-interest-bearing liabilities (held for sale)	-	-	287
Total current liabilities	46 452	23 230	37 106
Total equity and liabilities	134 889	97 120	124 395
Equity ratio including minority interests (%)	41.0%	47.6%	43.0%
USGAAP			
Shareholders equity	48 577	43 930	47 457

Consolidated statement of changes in equity
Telenor Group

(NOK in millions)	Attributable to equity holders of Telenor ASA						
	Total paid capital	Other reserves	Retained earnings	Cumulative translation differences	Total	Minority interest	Total equity
Balance as of 1 January 2005	27 350	625	13 205	(605)	40 575	3 954	44 529
Translation differences	-	-	-	525	525	441	966
Business combinations and increased ownership interests in subsidiaries	-	1 829	-	-	1 829	-	1 829
Available-for-sale investments	-	1 052	-	-	1 052	(4)	1 048
Cash flow hedges	-	24	-	-	24	3	27
Equity adjustments in associated companies	-	1	-	-	1	-	1
Tax on items taken directly to or transferred from equity	-	(459)	-	(12)	(471)	(1)	(472)
Net income (loss) recognized directly in equity	-	2 447	-	513	2 960	439	3 399
Profit for the year 2005	-	-	7 646	-	7 646	1 488	9 134
Total recognized income and expense for the period	-	2 447	7 646	513	10 606	1 927	12 533
Dividends	-	-	(2 595)	-	(2 595)	(171)	(2 766)
Share buy back	(2 267)	-	-	-	(2 267)	-	(2 267)
Sale of shares, share issue, and share options to employees	74	6	-	-	80	5	85
Transactions with minorities in subsidiaries	-	-	-	-	-	1 419	1 419
Balance as of 31 December 2005	25 157	3 078	18 256	(92)	46 399	7 134	53 533
Translation differences	-	-	-	(716)	(716)	(85)	(801)
Business combinations and increased ownership interests in subsidiaries	-	7	-	-	7	-	7
Available-for-sale investments:							
- Valuation gains (losses) taken to equity	-	7	-	-	7	2	9
- Transferred to profit or loss on sale	-	(1 732)	-	-	(1 732)	(6)	(1 738)
Cash flow hedges:							
- Valuation gains (losses) taken to equity	-	(25)	-	-	(25)	1	(24)
- Transferred to initial carrying amount of hedged items	-	(1)	-	-	(1)	-	(1)
Tax on items taken directly to or transferred from equity	-	7	-	(42)	(35)	-	(35)
Net income (loss) recognized directly in equity	-	(1 737)	-	(758)	(2 495)	(88)	(2 583)
Profit for the period	-	-	3 692	-	3 692	580	4 272
Total recognized income and expenses for the period	-	(1 737)	3 692	(758)	1 197	492	1 689
Sale of shares, share issue, and share options to employees	23	5	-	-	28	1	29
Transactions with shareholders in subsidiaries	-	-	-	-	-	(6)	(6)
Balance as of 31 March 2006	25 180	1 346	21 948	(850)	47 624	7 621	55 245

(NOK in millions)	Attributable to equity holders of Telenor ASA						
	Total paid capital	Other reserves	Retained earnings	Cumulative translation differences	Total	Minority interest	Total equity
Balance as of 1 January 2005	27 350	625	13 205	(605)	40 575	3 954	44 529
Translation differences	-	-	-	197	197	106	303
Available-for-sale investments	-	(325)	-	-	(325)	(8)	(333)
Cash flow hedges	-	(13)	-	-	(13)	-	(13)
Tax on items taken directly to or transferred from equity	-	97	-	-	97	-	97
Net income (loss) recognized directly in equity	-	(241)	-	197	(44)	98	54
Profit for the period	-	-	1 710	-	1 710	260	1 970
Total recognized income and expenses for the period	-	(241)	1 710	197	1 666	358	2 024
Dividends	-	-	-	-	-	(25)	(25)
Share buy back	(329)	-	-	-	(329)	-	(329)
Sale of shares, share issue, and share options to employees	22	2	-	-	24	1	25
Transactions with minorities in subsidiaries	-	-	-	-	-	1	1
Balance as of 31 March 2005	27 043	386	14 915	(408)	41 936	4 289	46 225

Cash Flow Statement

Telenor group

(NOK in millions)	1st quarter		Year
	2006	2005	2005
Profit before taxes and minority interests	5 882	2 815	12 591
Taxes paid	(638)	(231)	(1 369)
Net (gains) losses, including write-downs and change in fair value of financial items	(1 817)	(466)	(929)
Depreciation, amortization and write-downs	3 524	2 681	12 131
Associated companies	(312)	(239)	(1 233)
Difference between expensed and paid pensions	156	169	211
Currency (gains) losses not related to operating activities	109	25	(18)
Change in other accruals	(132)	453	956
Net cash flow from operating activities	6 772	5 207	22 340
Payments on purchase of property, plant and equipment and intangible assets	(4 097)	(2 271)	(14 213)
Payments on purchase of subsidiaries and associated companies, net of cash received	(8 578)	(3)	(8 128)
Proceeds from sale of property, plant and equipment and intangible assets and businesses, net of cash transferred	438	59	1 279
Proceeds from sale of and payments for other investments	2 196	768	1 064
Net cash flow from investment activities	(10 041)	(1 447)	(19 998)
Proceeds from and payments of interest-bearing liabilities	6 185	(686)	4 175
Issuance of shares and repayment of equity	61	22	74
Share buy-back	-	(329)	(2 267)
Dividends paid to minority interests	-	(25)	(219)
Dividends paid to Telenor's shareholders	-	-	(2 595)
Net cash flow from financing activities	6 246	(1 018)	(832)
Effect on cash and cash equivalents of changes in foreign exchange rates	(100)	47	215
Net change in cash and cash equivalents	2 877	2 789	1 725
Cash and cash equivalents at the beginning of the period	6 806	5 081	5 081
Cash and cash equivalents at the end of the period	9 683	7 870	6 806

Analytical Information

	2004				2005				2006	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
MOBILE OPERATIONS										
Telenor Mobile – Norway										
No. of mobile subscriptions (in thousands)	2 378	2 451	2 562	2 645	2 635	2 687	2 736	2 731	2 722	2 722
– of which prepaid	1 091	1 118	1 178	1 228	1 218	1 267	1 285	1 222	1 222	1 185
Average traffic minutes per subscription per month (AMPU) in the quarter	179	187	187	182	175	191	186	184	184	186
Average revenue per subscription per month (ARPU) in the quarter	315	332	328	318	297	308	314	317	317	305
– of which contract	464	491	499	491	453	465	475	472	472	446
– of which prepaid	147	146	129	119	117	129	133	136	136	126
Sonofon – Denmark										
No. of mobile subscriptions (in thousands)	987	1 203	1 253	1 275	1 232	1 250	1 261	1 284	1 284	1 299
– of which prepaid	250	451	485	462	413	420	420	425	425	429
Average traffic minutes per subscription per month (AMPU) in the quarter	147	157	139	151	153	182	183	195	195	200
Average revenue per subscription per month (ARPU) in the quarter	250	233	219	207	229	253	243	246	246	250
– of which contract	287	291	281	267	284	306	292	285	285	292
– of which prepaid	135	111	120	111	126	146	146	166	166	164
Telenor Mobile – Sweden										
No. of mobile subscriptions (in thousands)	84	92	96	105	107	99	97	95	95	1 660
– of which prepaid	48	55	56	57	56	51	50	48	48	575
Average traffic minutes per subscription per month (AMPU) in the quarter	73	96	104	108	113	141	144	129	129	160
Average revenue per subscription per month (ARPU) in the quarter	169	181	182	169	164	167	164	136	136	229
– of which contract	252	262	265	241	215	216	215	183	183	330
– of which prepaid	106	122	125	117	121	121	115	90	90	49
Kyivstar – Ukraine										
No. of mobile subscriptions (100% in thousands)	3 221	3 610	4 856	6 252	7 662	9 335	10 943	13 925	13 925	14 965
– of which prepaid	2 675	3 031	4 211	5 532	6 892	8 500	10 021	12 901	12 901	13 895
Average traffic minutes per subscription per month (AMPU) in the quarter	68	74	95	95	91	90	103	108	108	110
Average revenue per subscription per month (ARPU) in the quarter	84	93	95	68	53	62	66	64	64	53
– of which contract	191	213	223	184	165	187	200	197	197	175
– of which prepaid	62	69	72	52	40	49	53	53	53	43
Pannon – Hungary										
No. of mobile subscriptions (in thousands)	2 596	2 588	2 595	2 770	2 792	2 824	2 856	2 929	2 929	2 939
– of which prepaid	1 977	1 935	1 886	1 991	1 955	1 915	1 894	1 904	1 904	1 878
Average traffic minutes per subscription per month (AMPU) in the quarter	111	121	127	131	125	143	145	149	149	143
Average revenue per subscription per month (ARPU) in the quarter	165	170	184	171	157	162	166	162	162	150
– of which contract	399	389	400	356	327	316	314	299	299	272
– of which prepaid	92	96	103	96	84	89	89	86	86	80

Analytical Information (cont.)

	2004			2005			2006		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
DTAC – Thailand									
No. of mobile subscriptions (100% in thousands)	-	-	-	-	-	-	-	-	-
- of which prepaid	-	-	-	-	-	-	-	-	-
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	-	-	-	-	-	-	-
Average revenue per subscription per month (ARPU) in the quarter	-	-	-	-	-	-	-	-	-
- of which contract	-	-	-	-	-	-	-	-	-
- of which prepaid	-	-	-	-	-	-	-	-	-
DiGi – Malaysia									
No. of mobile subscriptions (100% in thousands)	2 413	2 583	2 804	3 239	3 461	3 765	4 187	4 795	5 086
- of which prepaid	2 301	2 453	2 653	3 067	3 259	3 525	3 880	4 441	4 704
Average traffic minutes per subscription per month (AMPU) in the quarter	167	164	170	165	163	170	175	169	162
Average revenue per subscription per month (ARPU) in the quarter	113	107	110	98	92	99	100	102	97
- of which contract	312	312	297	238	233	216	192	174	172
- of which prepaid	104	97	100	90	84	93	93	97	92
GrameenPhone – Bangladesh									
No. of mobile subscriptions (100% in thousands)	1 520	1 795	2 024	2 388	2 928	3 704	4 215	5 542	6 427
- of which prepaid	1 258	1 501	1 730	2 092	2 625	3 375	3 860	5 159	6 030
Average traffic minutes per subscription per month (AMPU) in the quarter	239	246	249	241	237	223	223	250	196
Average revenue per subscription per month (ARPU) in the quarter	120	106	103	87	81	69	65	56	51
- of which contract	331	287	302	257	288	284	282	258	258
- of which prepaid	71	69	67	60	54	47	45	39	37
Telenor – Pakistan									
No. of mobile subscriptions (in thousands)	-	-	-	-	344	836	1 200	1 868	2 527
- of which prepaid	-	-	-	-	342	829	1 183	1 836	2 495
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	-	-	-	74	93	131	136
Average revenue per subscription per month (ARPU) in the quarter	-	-	-	-	-	22	25	30	32
- of which contract	-	-	-	-	-	154	99	72	59
- of which prepaid	-	-	-	-	-	21	24	29	31
ProMonte – Montenegro									
No. of mobile subscriptions (in thousands)	-	-	340	279	279	303	394	310	324
- of which prepaid	-	-	297	234	235	263	352	265	276
Average traffic minutes per subscription per month (AMPU) in the quarter	-	-	113	87	91	105	109	92	104
Average revenue per subscription per month (ARPU) in the quarter	-	-	139	107	115	129	126	95	111
- of which contract	-	-	309	284	288	338	339	269	284
- of which prepaid	-	-	111	79	82	97	103	71	81
Associated companies									
No. of mobile subscriptions (100% in thousands)	21 028	24 594	28 662	33 763	38 645	42 328	46 615	40 593	41 869

Analytical Information (cont.)

	2004				2005				2006		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q3	Q1	
FIXED – Norway											
Retail market											
No. of Telephony subscriptions (in thousands)	1 932	1 886	1 838	1 800	1 757	1 705	1 664	1 622	1 664	1 577	
– of which PSTN subscriptions (in thousands)	1 248	1 219	1 196	1 182	1 165	1 139	1 118	1 089	1 118	1 054	
– of which ISDN subscriptions (in thousands)	684	667	642	618	592	562	538	509	538	479	
– of which VoIP subscriptions (in thousands)	-	-	-	-	-	4	8	24	8	44	
No. of xDSL subscriptions (in thousands)	208	235	270	326	385	415	444	475	444	511	
Telephony generated traffic (million minutes)	3 725	3 279	2 851	3 171	2 848	2 644	2 289	2 502	2 289	2 277	
Wholesale market											
No. of Telephony subscriptions (in thousands)	339	385	414	438	448	459	458	453	458	316	
– of which PSTN subscriptions (in thousands)	151	170	180	188	192	200	202	202	202	203	
– of which ISDN subscriptions (in thousands)	188	215	234	250	256	259	256	251	256	113	
No. of xDSL subscriptions (in thousands)	76	86	90	91	77	87	97	109	97	117	
No. of LLUB (in thousands)	96	108	123	145	172	192	209	235	209	254	
FIXED – Sweden											
Bredbandsbolaget											
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	200	214	200	229	
No. of LAN subscriptions (in thousands)	-	-	-	-	-	-	156	155	156	156	
No. of VoIP subscriptions (in thousands)	-	-	-	-	-	-	91	104	91	119	
Glocalnet											
No. of PSTN subscriptions (in thousands)	-	-	-	-	-	-	-	-	-	285	
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	-	-	-	113	
FIXED – Denmark											
No. of xDSL subscriptions (in thousands)	-	-	-	-	-	-	109	122	109	138	
No. of VoIP subscriptions (in thousands)	-	-	-	-	-	-	18	26	18	37	
BROADCAST											
No. of television subscribers in the Nordic region											
– DTH pay-TV subscribers (in thousands)	778	782	800	824	851	853	876	906	876	918	
– Cable TV subscribers (in thousands)	605	611	614	624	616	619	636	681	636	684	
– Households in satellite master antenna TV-networks (in thousands)	1 132	1 161	1 190	1 212	1 197	1 205	1 184	1 177	1 184	1 120	
– Cable TV Internet access (in thousands)	34	35	38	44	48	50	53	73	53	78	
GROUP											
No. of man-years	20 600	20 200	20 700	20 900	21 900	22 400	23 400	27 600	23 400	30 450	
– of which outside Norway	8 650	8 750	9 450	9 500	10 600	11 100	12 400	16 700	12 400	19 400	

The Operations First Quarter

(NOK in millions)	Revenues		Growth		EBITDA		Operating profit (loss)		Profit (loss) before taxes and minority interests	
	2006	2005	2006	2005	Margin	2005	Margin	2005	2006	2005
Telenor Mobile – Norway	3 105	2 838	1 323	1 001	42.6%	1 001	35.3%	1 107	1 129	809
Sonofon – Denmark	1 353	1 193	305	253	22.5%	253	21.2%	19	(37)	(142)
Telenor Mobile – Sweden	1 301	63	202	(10)	15.5%	(10)	nm	(131)	(131)	(16)
Kyivstar – Ukraine	2 329	1 163	1 432	632	61.5%	632	54.3%	1 053	970	306
Pannon – Hungary	1 413	1 415	540	517	38.2%	517	36.5%	261	295	220
DTAC – Thailand	2 032	-	719	-	35.4%	-	nm	382	268	-
DiGi – Malaysia	1 546	1 034	700	451	45.3%	451	43.6%	448	458	165
GrameenPhone – Bangladesh	955	640	659	329	69.0%	329	51.4%	500	454	245
Other mobile operations	329	105	(22)	(78)	nm	(78)	nm	(159)	105	144
Fixed	5 067	4 571	1 559	1 408	30.8%	1 408	30.8%	798	705	549
Broadcast	1 517	1 390	408	380	26.9%	380	27.3%	251	1 986	551
Other operations	2 552	2 467	136	242	5.3%	242	9.8%	(107)	(261)	68
Eliminations	(1 627)	(1 609)	(73)	(19)	nm	(19)	nm	(58)	(59)	(84)
Total	21 872	15 270	7 888	5 106	36.1%	5 106	33.4%	4 364	5 882	2 815

Special Items

(NOK in millions)	First quarter		Year
	2006	2005	2005
Gains on disposal of fixed assets and operations			
Sonofon – Denmark	-	-	1
Pannon – Hungary	4	5	10
Fixed	5	3	88
Broadcast	-	1	1
EDB Business Partner	-	-	31
Other business units	17	-	22
Corporate functions and Group activities	5	22	163
Eliminations	-	-	4
Total gains on disposal of fixed assets and operations	31	31	320
Losses on disposal of fixed assets and operations			
Telenor Mobile – Norway	-	4	16
Telenor Mobile – Sweden	2	-	-
Pannon – Hungary	2	4	19
DiGi – Malaysia	-	-	5
GrameenPhone – Bangladesh	-	-	10
Other mobile operations	-	-	1
Fixed	(12)	-	65
Broadcast	2	-	1
Other business units	-	-	1
Corporate functions and Group activities	9	-	33
Eliminations	-	-	1
Total losses on disposal of fixed assets and operations	3	8	152
Expenses for workforce reductions and loss contracts			
Telenor Mobile – Norway	9	(1)	(2)
Sonofon – Denmark	3	-	12
Telenor Mobile – Sweden	47	-	414
Pannon – Hungary	-	-	10
Fixed	25	7	159
EDB Business Partner	-	-	18
Other business units	6	(1)	15
Corporate functions and Group activities	1	(3)	29
Eliminations	-	-	(245)
Total workforce reductions and loss contracts	91	2	410
Total other (income) and expenses	63	(21)	242
Write-downs			
(NOK in millions)			
Write-downs			
Telenor Mobile – Norway	-	(2)	16
Kyivstar – Ukraine	-	-	15
Pannon – Hungary	-	-	7
DiGi – Malaysia	-	1	5
Fixed	-	(22)	587
Broadcast	3	-	(53)
Other business units	-	-	8
Corporate functions and Group activities	-	-	2
Total write-downs	3	(23)	587
Special items associated companies			
(Gains) losses on disposal of ownership interests	-	-	1
Write-downs associated companies	-	-	172
(Gains) losses on disposal and write-downs of associated companies	-	-	173
Net (gains) losses and write-downs financial items	(1 815)	(417)	(518)

Reconciliations

(NOK in millions)	First quarter		Year
	2006	2005	2005
Profit from total operations	4 272	1 970	9 134
Profit (loss) from discontinued operations	(22)	-	(4)
Profit from continuing operations	4 294	1 970	9 138
Taxes	(1 588)	(845)	(3 453)
Profit before taxes	5 882	2 815	12 591
Net financial items	1 206	151	(347)
Associated companies	312	239	1 233
Depreciation and amortization	3 521	2 704	11 544
Write-downs	3	(23)	587
EBITDA	7 888	5 106	23 836
EBITDA	7 888	5 106	23 836
Other (income) and expenses	63	(21)	242
EBITDA before other income and expenses	7 951	5 085	24 078
Operating profit	4 364	2 425	11 705
Write-downs	3	(23)	587
Other (income) and expenses	63	(21)	242
Adjusted operating profit	4 430	2 381	12 534
Profit before taxes	5 882	2 815	12 591
Net (gains) losses and write-downs financial items	(1 815)	(417)	(518)
(Gains) losses on disposal and write downs of associated companies	-	-	173
Write-downs	3	(23)	587
Other (income) and expenses	63	(21)	242
Adjusted profit before taxes	4 133	2 354	13 075

Specification of depreciation and amortization

(NOK in millions)	First quarter		Year
	2006	2005	2005
Depreciation of tangible assets			
Telenor Mobile – Norway	159	157	661
Sonofon – Denmark	91	111	416
Telenor Mobile – Sweden	217	-	-
Kyivstar – Ukraine	265	163	868
Pannon – Hungary	137	156	594
ProMonte – Montenegro	17	19	70
DTAC – Thailand	33	-	26
DiGi – Malaysia	232	224	912
GrameenPhone – Bangladesh	149	71	410
Telenor – Pakistan	64	4	117
Fixed	573	705	2 689
Broadcast	137	127	486
Other operations	196	210	837
Eliminations	(30)	2	(3)
Total depreciation	2 240	1 949	8 083
Amortization of other intangible assets and prepaid lease payments			
Telenor Mobile – Norway	57	56	228
Sonofon – Denmark	195	242	869
Telenor Mobile – Sweden	116	-	-
Kyivstar – Ukraine	114	67	341
Pannon – Hungary	142	160	577
ProMonte – Montenegro	22	24	95
DTAC – Thailand	304	-	194
DiGi – Malaysia	20	33	126
GrameenPhone – Bangladesh	10	6	29
Telenor – Pakistan	34	10	109
Fixed	188	78	547
Broadcast	17	16	68
Other operations	47	42	196
Eliminations	15	21	82
Total amortization	1 281	755	3 461

Definitions

- Underlying growth is defined as revenue growth adjusted for the effects of acquisition and disposal of operations, and currency effects.
- For reconciliation of EBITDA before other income and expenses and adjusted operating profit, see the table “Reconciliations” on page 19.
- Capex is investments in tangible and intangible assets.
- Investments in businesses comprise acquisitions of shares and participations, including acquisitions of subsidiaries and businesses not organised as separate companies.

Mobile Operations

Revenues

Subscription and traffic

- consist of subscription and connection fees, revenues from voice outgoing airtime, non-voice traffic, outbound roaming and other mobile service revenues. Subscription and traffic includes only revenues from the company's own subscriptions.

Interconnection revenues

- consist of revenues from incoming traffic. Revenues from incoming traffic related to service provider subscriptions are not included.

Other mobile revenues

- consist of inbound roaming, national roaming and revenues related to service providers and MVNOs (Mobile Virtual Network Operators).

Non-mobile revenues

- consist of revenues from customer equipment and businesses that are not directly related to mobile operations.

Key Figures

Subscriptions

Contract subscriptions are counted until the subscription is terminated.

Prepaid subscriptions are counted as active if there has been outgoing or incoming traffic or if the SIM-card has been reloaded during the last three months. Service provider and MVNO subscriptions are not included. Data only SIM-cards are included, but SIM-cards used for telemetric applications are excluded. Telemetric is defined as machine-to-machine SIM-cards (M2M), for example, vending machines and meter readings.

Average traffic minutes per subscription per month (AMPU)

Traffic minutes per subscription per month are calculated based on total outgoing and incoming rated minutes from the company's own subscriptions. This includes zero rated minutes and outgoing minutes from own subscriptions while roaming. Outgoing and incoming minutes related to inbound roaming, national roaming, service providers and MVNOs are not included.

Average revenue per subscription per month (ARPU)

ARPU is calculated based on mobile revenues from the company's own subscriptions, divided by the average number of subscriptions for the relevant period.

“Mobile revenues company's subscriptions” consist of “Subscription and traffic” and “Interconnection revenues” and do not include revenues from inbound roaming, national roaming, service providers, MVNOs, sale of customer equipment and incoming traffic related to service provider subscriptions.

SMS/MMS and content messages

The number of messages is based on outgoing and incoming messages from the company's own subscriptions. Included are rated and free messages related to SMS, MMS and content domestically and when roaming. Outgoing and incoming messages related to inbound roaming, national roaming, service providers and MVNOs are not included.

Fixed – Norway

Revenues

Telephony

- consist of subscription and connection fee, traffic (fixed-fixed, to mobile network, to other countries, value added services, other) for PSTN/ISDN and Voice over Internet Protocol (VoIP).

xDSL/Internet

- consist of subscription fee for xDSL and Internet and traffic charges for Internet traffic (810/815).

Data services

- consist of Nordicom, Frame relay and IP-VPN.

Other revenue

- consist of leased lines, managed services and other retail products.

Wholesale revenues

- consist of sale to service providers of telephony (PSTN/ISDN) and xDSL, national and international interconnect, transit traffic, leased lines, other wholesale products and contractor services.

Broadcast

Revenues

Distribution

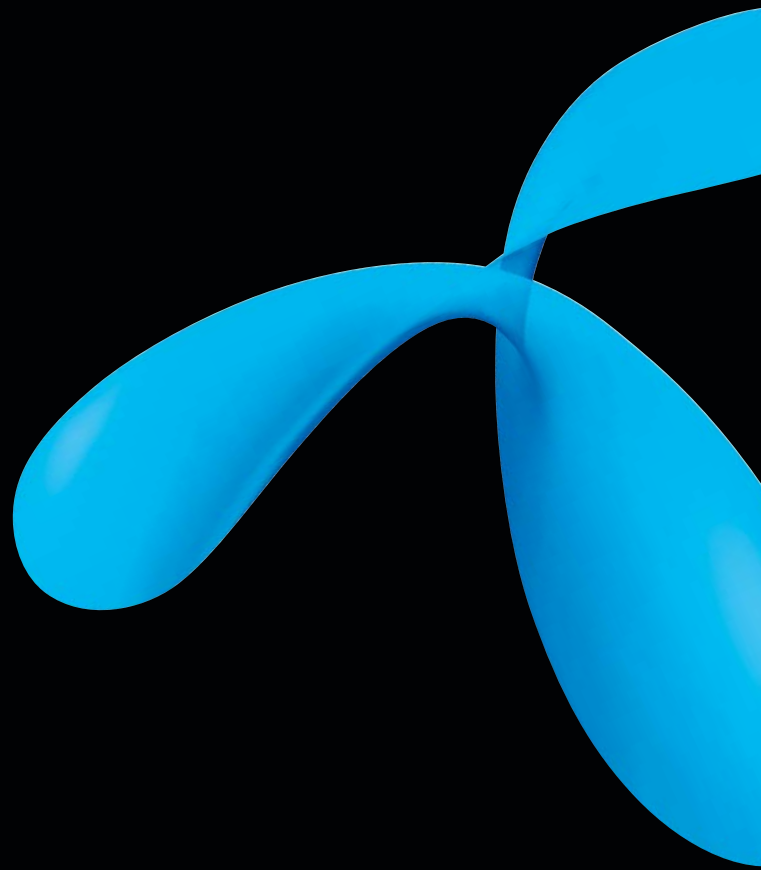
- consist of revenues from Pay-TV subscribers and basic tier households on DTH (direct to home), cable TV subscribers, households in SMATV networks and DTT (Digital terrestrial TV) Pay-TV subscribers.

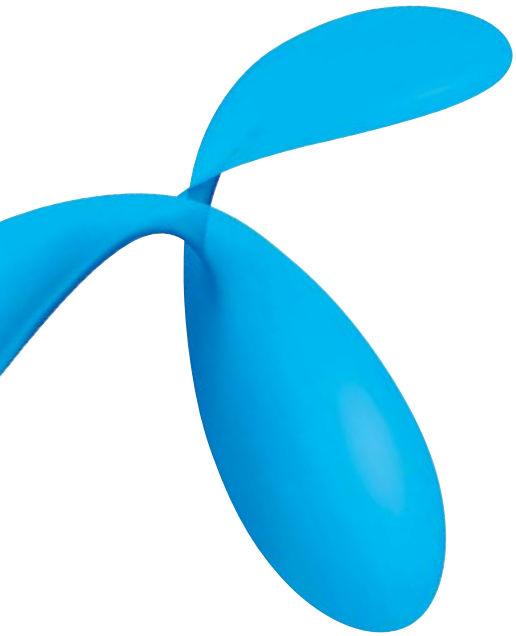
Transmission

- consist of revenues from satellite services from satellite position 1-degree west and revenue from terrestrial radio and TV transmission in Norway.

Other

- consist of revenues from conditional access systems and revenue not directly related to Distribution and Transmission services.





First quarter 2006
Published by Telenor ASA
N-1331 Fornebu, Norway
Phone: +47 67 89 00 00

Investor Relations:
Phone: +47 67 89 24 70

e-mail: ir@telenor.com

www.telenor.com