

Telenor – Second Quarter 2011

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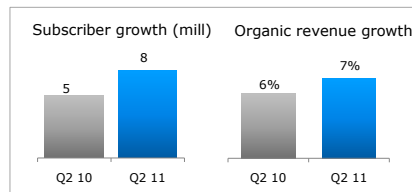
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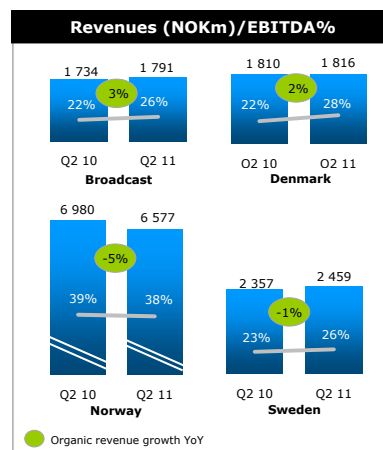
Q2 2011 Steady growth and stable margins

- 7% organic revenue growth
- 8 million mobile subscriber growth
- Extensive investment activities
- 3% buyback programme



Q2 2011 – Nordic Managing voice to data transition in the Nordics

- Mobile subscriber growth in Norway and Sweden
- Stable mobile voice usage, while data usage continues to increase
- Removing handset subsidies in Denmark
- Network sharing with Telia in Denmark
- Good performance in Broadcast, driven by Norkring



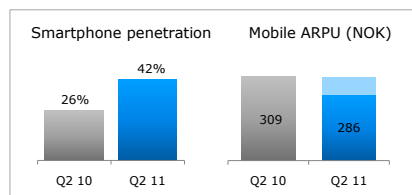
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items





Q2 2011 A busy quarter in Norway

- Mobile network outage in June
- 75% of network swap completed
- NOK 1 bn invested in new technology
- New price plans well received



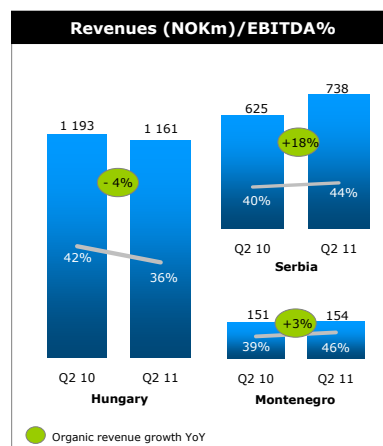
■ Neg. effect of reduced MTR/roaming fees and compensation



Q2 2011 – CEE

Trends from previous quarters continued in CEE

- 18% organic revenue growth and 30% EBITDA growth in Serbia
- Still challenging macro in Hungary
- Strong margin improvement in Montenegro
- Ongoing network modernisation in Hungary and Serbia

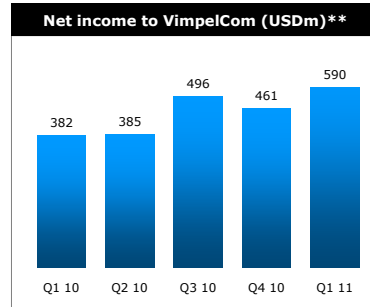
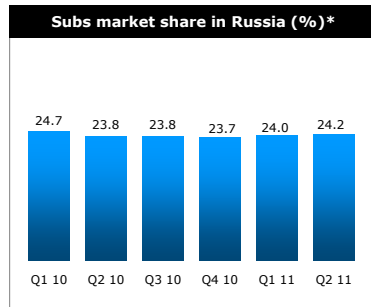


Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



Q2 2011

Operational focus required in VimpelCom



- Completion of Wind Telecom transaction on 15 April
- Telenor initiated arbitration process to maintain pre-transaction ownership stake

*) Company data, AC&M Consulting
**) Kyivstar included from 21 April 2010

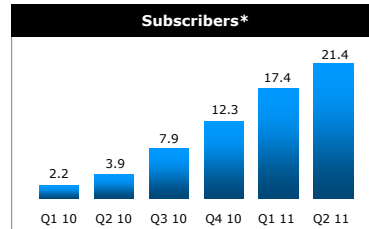
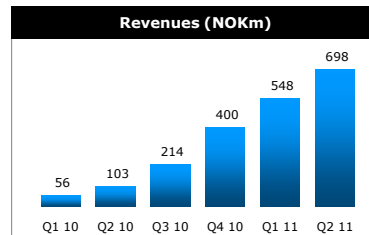
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Q2 2011

Steady growth in India

- 4 million net subscriber growth
- Stable ARPU from previous quarter
- Operational focus on distribution, network utilisation and cost efficiency
- Investigations of 2G licence process continue



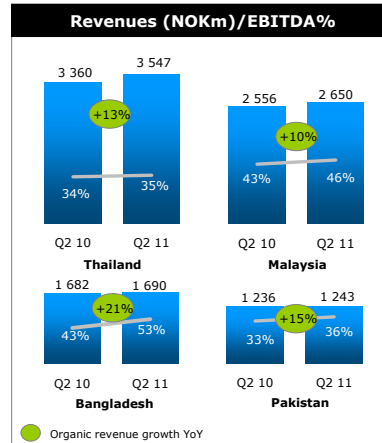
*) Million subscribers, based on 30 days definition of active subscribers



Q2 2011 – Asia

Strong performance in established Asian operations

- 3.6 million net subscriber growth
- Data and smartphones fuelling revenues in Malaysia and Thailand
- All-time high EBITDA margin in Pakistan
- SIM tax reduction in Bangladesh from 9 June
- 2G licence renewal in Bangladesh in 2H



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

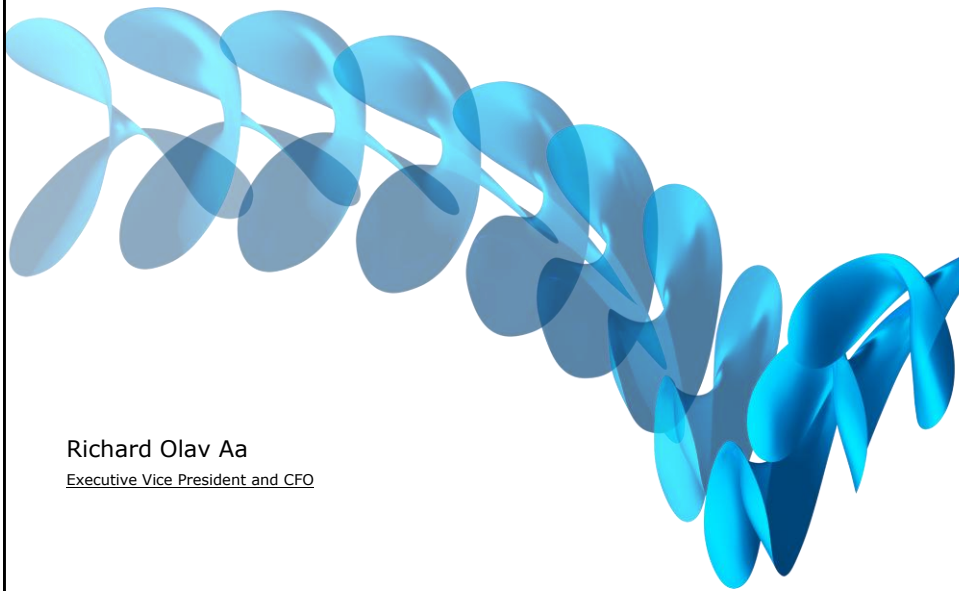
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Going forward

- Manage transition from voice to data
 - Services and price plans
 - Network modernisation
- Become an ultra low-cost operator in India
- Operational excellence programmes
- Capture growth in Asia

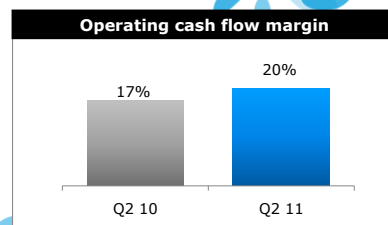
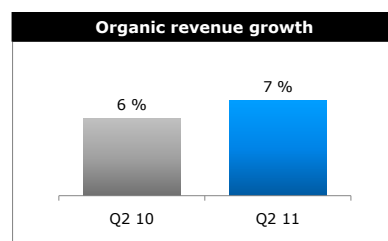




Richard Olav Aa
Executive Vice President and CFO

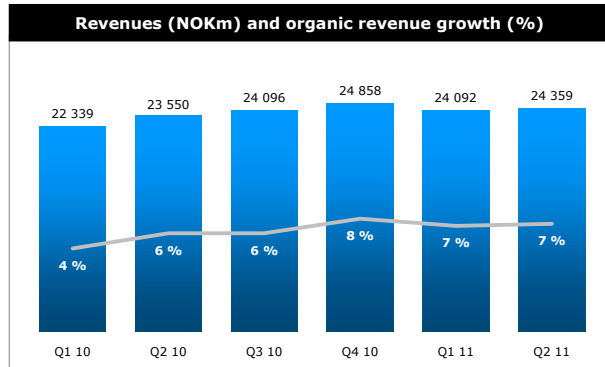
Q2 2011 Financial highlights

- 7% organic revenue growth
- 31% EBITDA margin
- 20% operating cash flow margin



Q2 2011

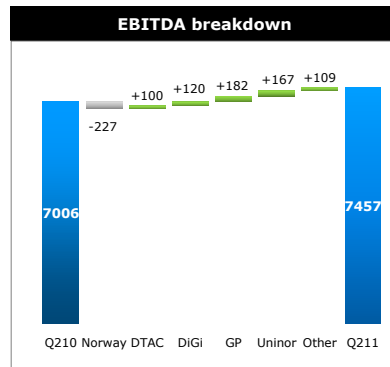
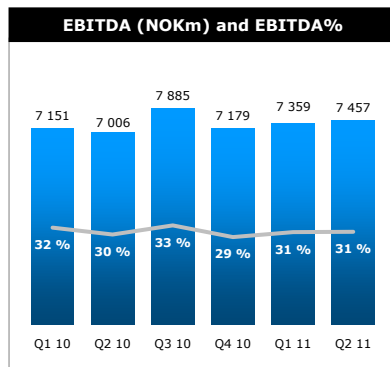
7% organic revenue growth



Organic revenue growth in fixed currency, adjusted for acquisitions and disposals.

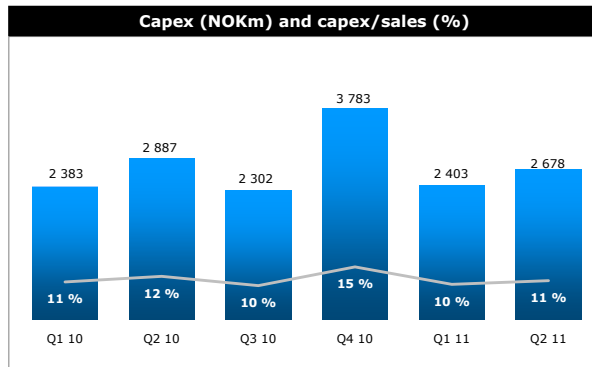
Q2 2011

31% EBITDA margin



EBITDA and EBITDA margin before other items

Q2 2011
11% capex/sales

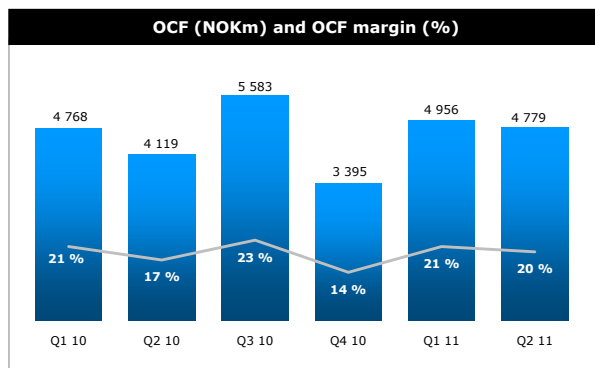


Capex from continuing operations
Capex and capex/sales ratio excluding licence fees.

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Q2 2011
20% operating cash flow margin



Operating cash flow from continuing operations, excluding licences fees
Operating cash flow defined as EBITDA before other items - capex

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Q2 2011

Net income to Telenor of NOK 4.5 billion

NOKm	Q2 11	Q2 10	
Revenues	24 359	23 550	
EBITDA before other items	7 457	7 006	
Other items	-216	-131	• Workforce reductions and loss contracts (NOK -204m), loss on disposal of assets (NOK -12m)
EBITDA	7 241	6 875	• Net contribution from Q111 figures for VimpelCom of NOK 1.4bn
Depreciation	-3 920	-4 037	• Accounting gain of NOK 1.6bn related to Wind Telecom transaction
EBIT	3 261	2 838	• CMore impairment NOK -0.5bn
Associated companies	2 562	7 608	• Gain of NOK 6.5bn from contribution of Kyivstar into VimpelCom Ltd.
Net financials	204	-188	• ~NOK 350m in FX gain
Profit before taxes	6 027	10 258	
Taxes	-1 425	-560	• Higher taxes driven by increased profit before tax. Stable underlying tax rate vs Q210.
Profit from continuing operations	4 601	9 698	
Net income to Telenor	4 492	9 494	• Capital gains tax of ~NOK 350m
Earnings per share (NOK)	2.77	5.73	• Reversal of accrued withholding tax of NOK 1bn

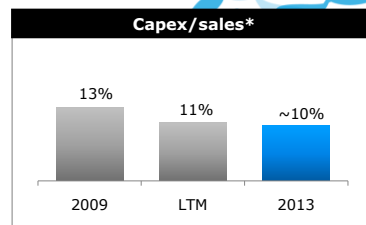
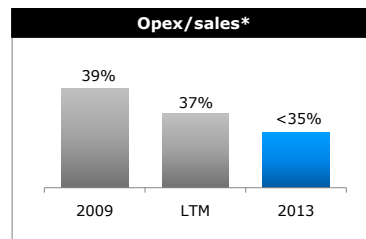
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Q2 2011

Group-wide focus on operational excellence

- Modernisation of networks
- Downsizing and outsourcing of functions
- Optimisation of customer service and distribution
- General improvement of business processes



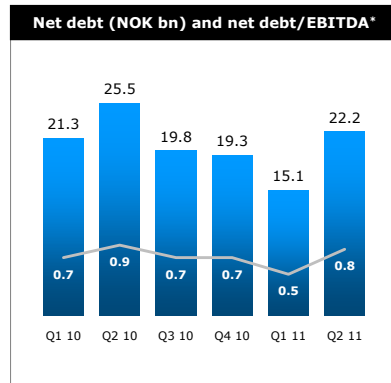
*) Existing business not incl. India and licence fees
LTM = last twelve months (Jul 2010-June 2011)

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Q2 2011

Net debt increased by NOK 7 billion



Change in net debt (NOK bn)

Net debt 31 Mar 2011	15.1
EBITDA	(7.2)
Net interests paid	0.3
Income taxes paid	2.7
Capex paid	3.0
Dividends paid	7.2
Share buyback (Norw. Govt.)	2.5
Dividends received	(0.5)
Accrued revenue share in DTAC	(0.6)
Currency/Other	(0.3)
<i>Net change</i>	<i>7.1</i>
Net debt 30 Jun 2011	22.2

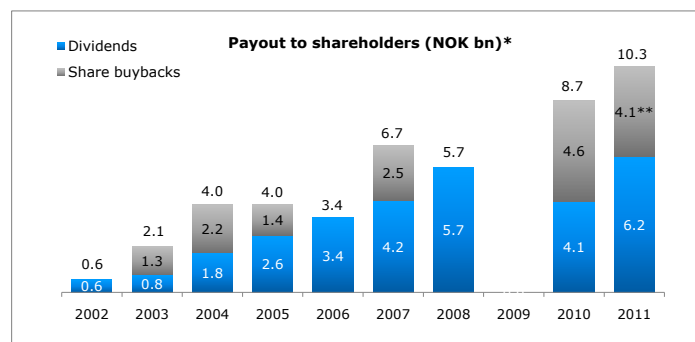
*) 12 months rolling EBITDA (Q211: Jul 2010-June 2011)

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Q2 2011

Initiating 3% share buyback programme



- Buyback of approx. 3% of shares outstanding, expected completion during 2011
- Ambition to deliver a competitive yield going forward

*) Dividends based on pay-out year and share buybacks from AGM in pay-out year to next AGM.

**) Assuming share price of NOK 85 and approx. 48 million shares

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Q2 2011

Outlook for 2011

India	2011	2011 YTD
EBITDA loss	Around NOK 4 bn	NOK 2.0 bn
Capex	Around NOK 1.0 bn <i>(prev NOK 1.0 – 1.5 bn)</i>	NOK 0.5 bn

Group	2011	2011 YTD
Organic revenue growth	Above 5%	6.8%
EBITDA margin	Around 31%	30.6%
Capex / sales	11 - 12% <i>(prev 12-13%)</i>	11.0%

*) Outlook assuming Group structure and exchange rates as of 30 June 2011.
EBITDA before other items. Capex excl. licences fees.

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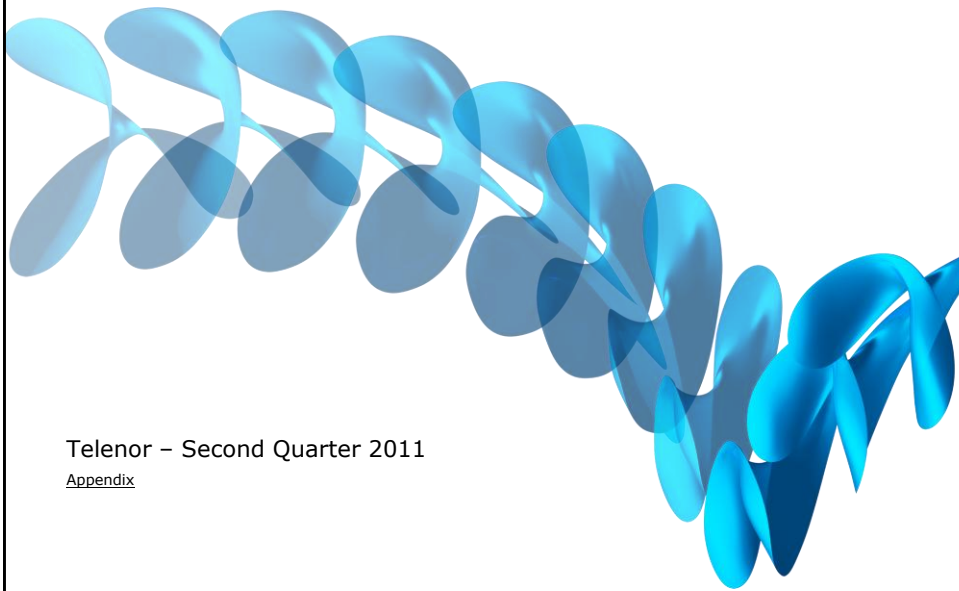
Capital Markets Day

22 September 2011

Telenor Group's head office at Fornebu

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Telenor – Second Quarter 2011




Appendix

Telenor Group's operations


Nordic

- Norway 
- Sweden 
- Denmark 

Central and Eastern Europe

- Hungary 
- Serbia 
- Montenegro 

Asia

- Thailand 
- Malaysia 
- Bangladesh 
- Pakistan 
- India 

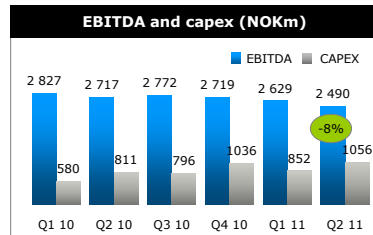
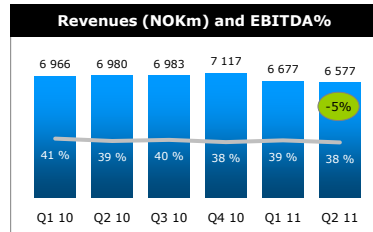
VimpelCom Ltd.

- Russia
- Ukraine
- Italy
- Kazakhstan
- Georgia
- Uzbekistan
- Tajikistan
- Armenia
- Kyrgyzstan
- Cambodia
- Vietnam
- Laos
- Pakistan
- Bangladesh
- Algeria
- Zimbabwe
- Burundi
- Namibia
- Central African Rep.
- Canada

Telenor Group holds 31.7% of the economic ownership in VimpelCom Ltd.

Q2 2011 Norway

- 18k net mobile subscriber growth
- Continued growth in mobile data and stable voice usage
- NOK 114 million in compensations for network outage in June
- Stable mobile ARPU excl compensation and MTR reduction
- 75% of network swap completed



● Organic revenue / EBITDA growth YoY

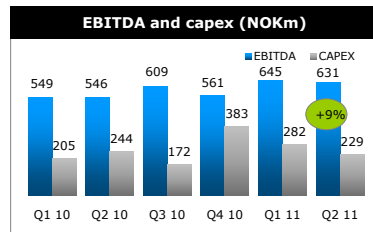
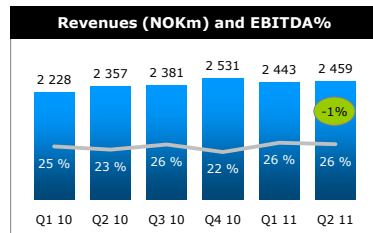
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

25



Q2 2011 Sweden

- 45k net mobile subscriber growth
- 5% mobile service revenue growth
- Stable mobile ARPU despite lower MTR and roaming rates
- Investments focused on 4G rollout and network replacement



● Organic revenue / EBITDA growth YoY

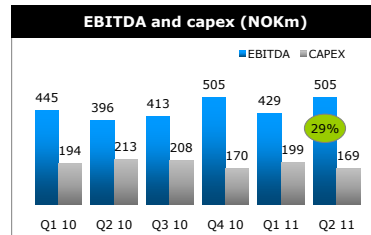
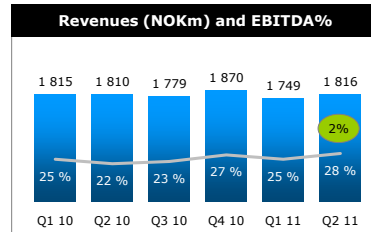
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

26



Q2 2011 Denmark

- 1k net mobile subscriber loss
- Continued intense competition in SIM-only segment
- 25% MTR reduction from 1 May
- 4% mobile revenue growth in local currency, driven by wholesale
- Network sharing agreement with Telia



● Organic revenue / EBITDA growth YoY

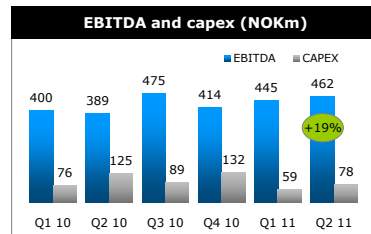
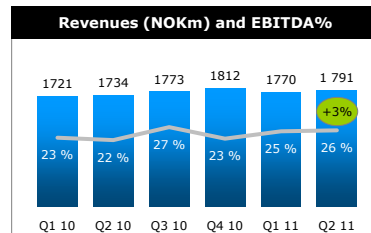
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

27



Q2 2011 Broadcast

- 8k DTH subscriber loss offset by ARPU growth
- Revenue and EBITDA growth driven by Norkring
- 21% operating cash flow margin
- Sale of cable TV businesses in Denmark and Sweden pending competition approval



● Organic revenue / EBITDA growth YoY

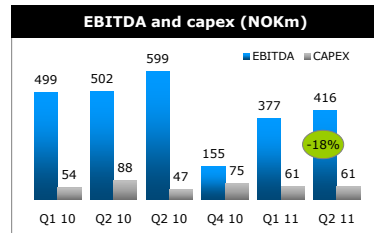
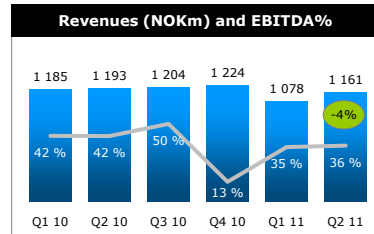
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items

28



Q2 2011 Hungary

- 23k net subscriber loss
- Still challenging macro environment
- 3% ARPU reduction largely explained by reduced MTR
- 40% EBITDA margin adjusted for telecom tax and USO reversal
- Network swap in early phase



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

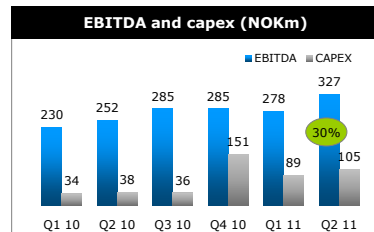
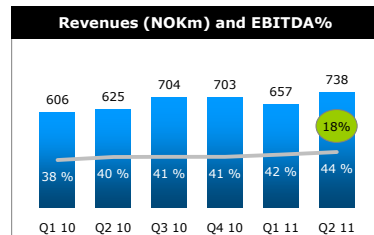
● Organic revenue / EBITDA growth YoY

29



Q2 2011 Serbia

- 2k net subscriber growth
- 9% ARPU growth due to increased usage and price level
- 30% increase in EBITDA in local currency
- Significant cost savings as a result of the network modernisation
- 50% of network swap completed



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

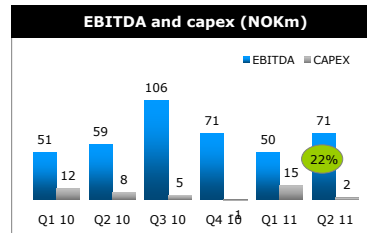
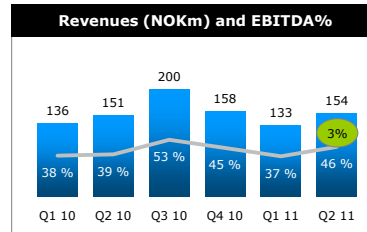
● Organic revenue / EBITDA growth YoY

30



Q2 2011 Montenegro

- 12k net subscriber growth
- 4% ARPU growth despite MTR reduction from 1 April
- Increased revenues from mobile data and tourists
- 45% operating cash flow margin



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY

31

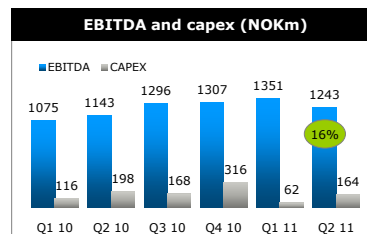
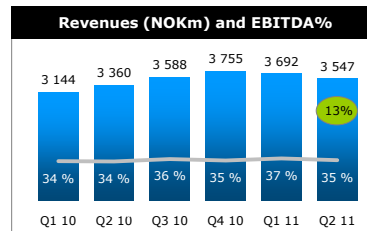


Q2 2011 Thailand (DTAC)

- 384k net subscriber growth
- 13% revenue growth in local currency
- 31% operating cash flow margin

Outlook for 2011*:

- High single digit revenue growth
- Capex of THB 6-7 million
- Operating cash flow approx THB 19 bn



*) In local currency

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

● Organic revenue / EBITDA growth YoY

32



Q2 2011 Malaysia (DiGi)

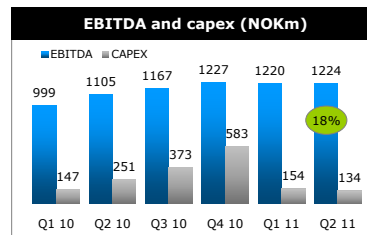
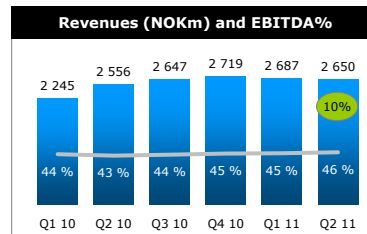
- 447k net subscriber growth
- Mobile data driving revenue growth
- Strong opex management
- 41% operating cash flow margin

Outlook for 2011*:

- High single digit revenue growth
- Improve margins
- Capex around 10% lower than 2010
- Targeting higher operating cash flow

*) In local currency

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items



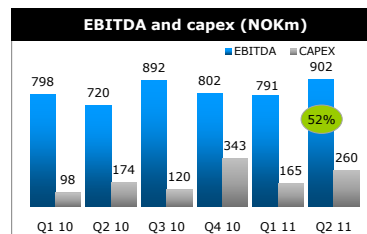
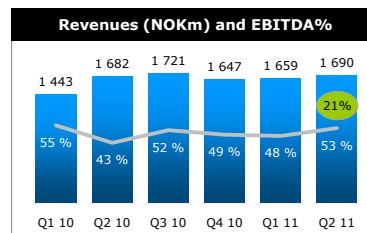
● Organic revenue / EBITDA growth YoY

33



Q2 2011 Bangladesh (Grameenphone)

- 1.8 million net subscriber growth
- 21% revenue growth in local currency
- 38% operating cash flow margin
- SIM tax reduced from BDT 800 to BDT 605 from 9 June
- 2G licence renewal in 2H 2011



● Organic revenue / EBITDA growth YoY

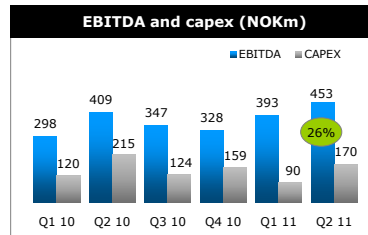
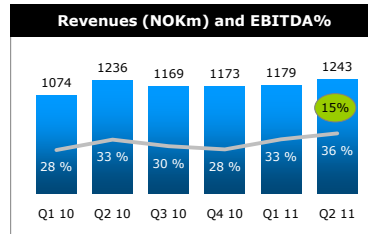
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

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Q2 2011
Pakistan

- 914k net subscriber growth
- 3% ARPU growth in local currency from increased usage
- Revenue growth and increased gross margin driving EBITDA
- 23% operating cash flow margin



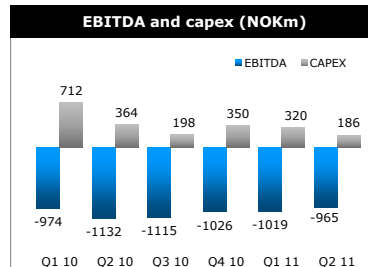
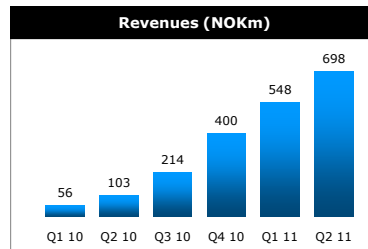
● Organic revenue / EBITDA growth YoY

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees



Q2 2011
India (Uninor)

- 4 million net subscriber growth
- Total subscriber base of 21.4 million
- ARPU in line with previous quarter
- Focus on cost efficiency and network utilisation
- Investigations into 2G licence award continue



Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees



Q2 2011

Changes in revenues and EBITDA

	Revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-5.8%	-5.0%	-8.4%	-8.0%
Sweden	4.3%	-1.4%	15.5%	9.3%
Denmark	0.3%	1.7%	27.3%	29.0%
Hungary	-2.7%	-4.2%	-17.0%	-18.3%
Serbia	17.9%	17.6%	29.7%	29.6%
Montenegro	1.9%	3.2%	20.2%	21.9%
Thailand	5.5%	12.8%	8.8%	16.4%
Malaysia	3.7%	10.0%	10.8%	17.7%
Grameenphone	0.5%	21.2%	25.3%	51.7%
Pakistan	0.6%	15.2%	10.8%	26.2%
Broadcast	3.2%	2.1%	18.7%	18.7%
Telenor Group	3.4%	6.9%	6.4%	9.4%
Group ex. India	0.9%	4.3%	3.5%	7.5%

Organic growth YoY in fixed currency and adjusted for acquisitions and disposals. EBITDA before other items.

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Q2 2011

Net debt in partly owned subsidiaries

(NOKm)	Q2 2011	Q1 2011	Q2 2010
DiGi	111	150	686
DTAC	-2 510	-2 441	-275
Grameenphone	-1 363	-1 806	-917
Uninor	5 452	4 396	3 031

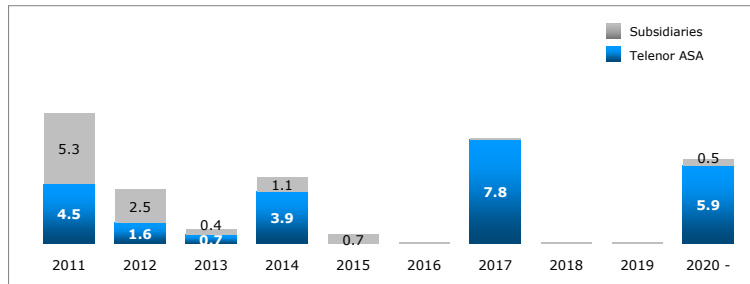
Net debt based on 100% figures

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Q2 2011

Debt maturity profile



- Average life of debt portfolio 3.9 years vs 4.1 years last quarter
- Telenor ASA has committed and undrawn credit lines of EUR 3.0bn

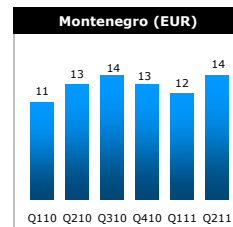
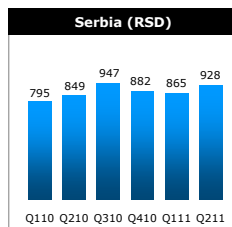
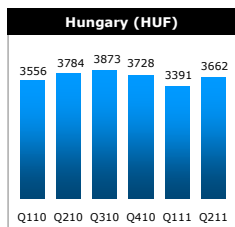
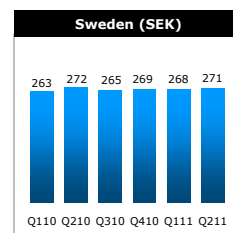
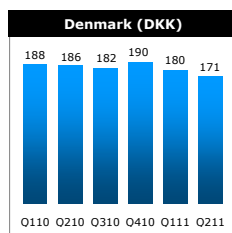
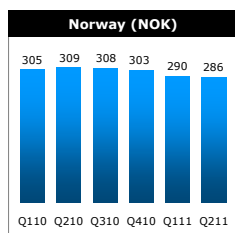
NOK bn per 30 June 2011

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Mobile operations

ARPU development (local currency)

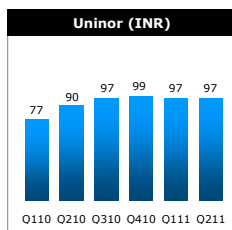
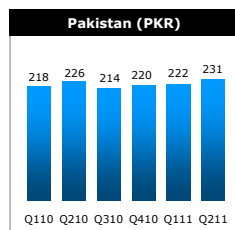
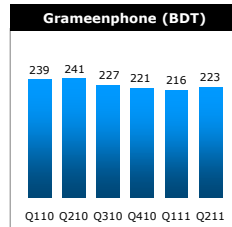
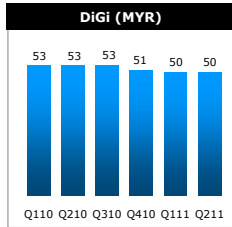
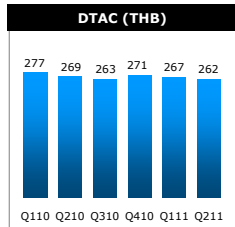


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Mobile operations

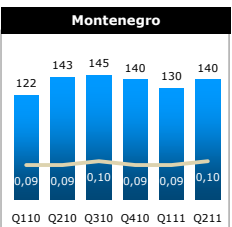
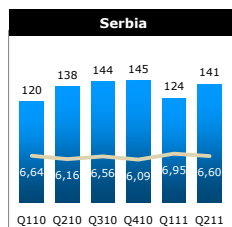
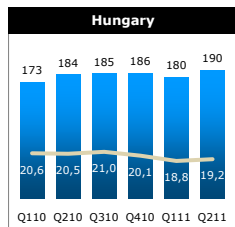
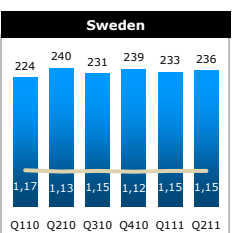
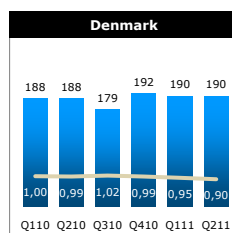
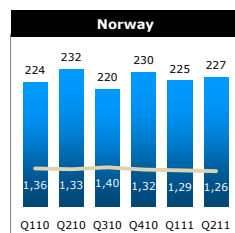
ARPU development (local currency)



Mobile operations

AMPU and APPM development

■ AMPU — APPM (local currency)



Mobile operations AMPU and APPM development

AMPU — APPM (local currency)

