

Telenor – Third Quarter 2011

Jon Fredrik Baksaas, CEO

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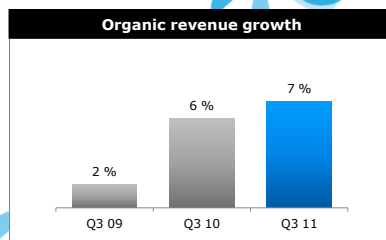
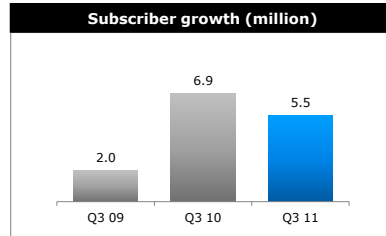
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Q3 2011

Strong operational performance continues

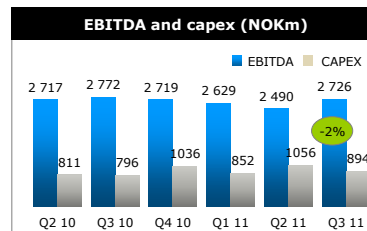
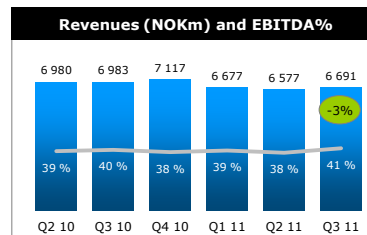
- 7% organic revenue growth
- 5.5 million mobile subscriber growth
- 34% EBITDA margin
- NOK 5.5 bn operating cash flow



Q3 2011 - Norway

Good uptake on new mobile price plans in Norway

- 31k net mobile subscriber growth
- 380k subscribers on new consumer mobile price plans
- Stable mobile ARPU excl MTR reduction
- Network swap completed in October
- Continuing to invest in mobile data coverage and capacity



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

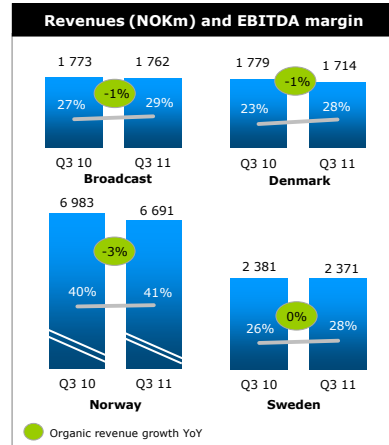
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Q3 2011 – Nordic

EBITDA margin expansion in all Nordic operations

- Mobile subscriber growth in both Sweden and Denmark
- 4% mobile service revenue growth in Sweden
- All-time high EBITDA margins in Denmark and Broadcast
- Awarded 1800 MHz licence in Sweden



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

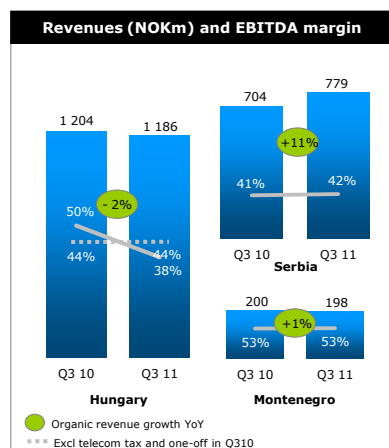
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Q3 2011 – CEE

Strong performance in Serbia, Hungary improving

- 11% organic revenue growth in Serbia
- Improving revenue trend and stable underlying EBITDA margin in Hungary
- Seasonal margin boost in Montenegro
- EU Commission requesting Hungary to abolish telecom tax



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

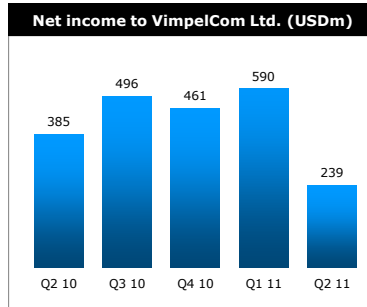
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Q3 2011

Dividends and operational focus in VimpelCom

- Weak Q2 results impacted by Wind Telecom integration
- Strong upside potential from improved operational performance
- Interim dividend of USD 0.45 per share declared, payout in Q4 2011



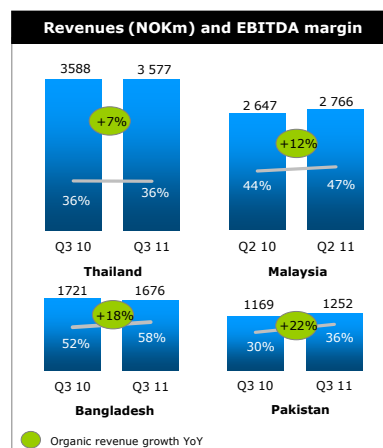
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Q3 2011 – Asia

Continued growth momentum in Asia

- 12% organic revenue growth from established operations
- NOK 3 bn operating cash flow
- 3G services on 850 MHz launched in Thailand
- Application for 2G licence renewal submitted in Bangladesh



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

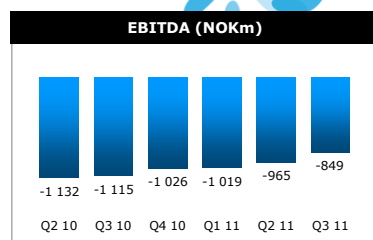
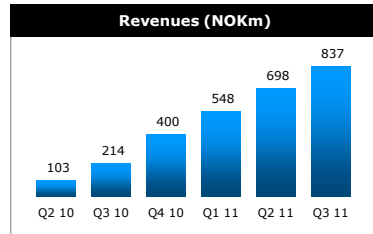
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Q3 2011 - India

Improving EBITDA in India

- 2.8 million net subscriber growth
- Total subscriber base of 24 million
- Expected EBITDA breakeven in 1H 2013
- Peak funding of INR 155 bn maintained
- Clarity on regulatory framework required

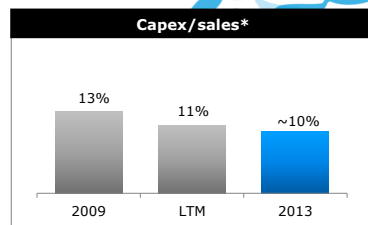
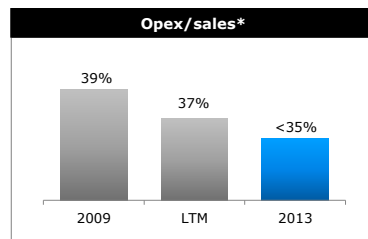


*) Million subscribers, based on 30 days definition of active subscribers
EBITDA before other items



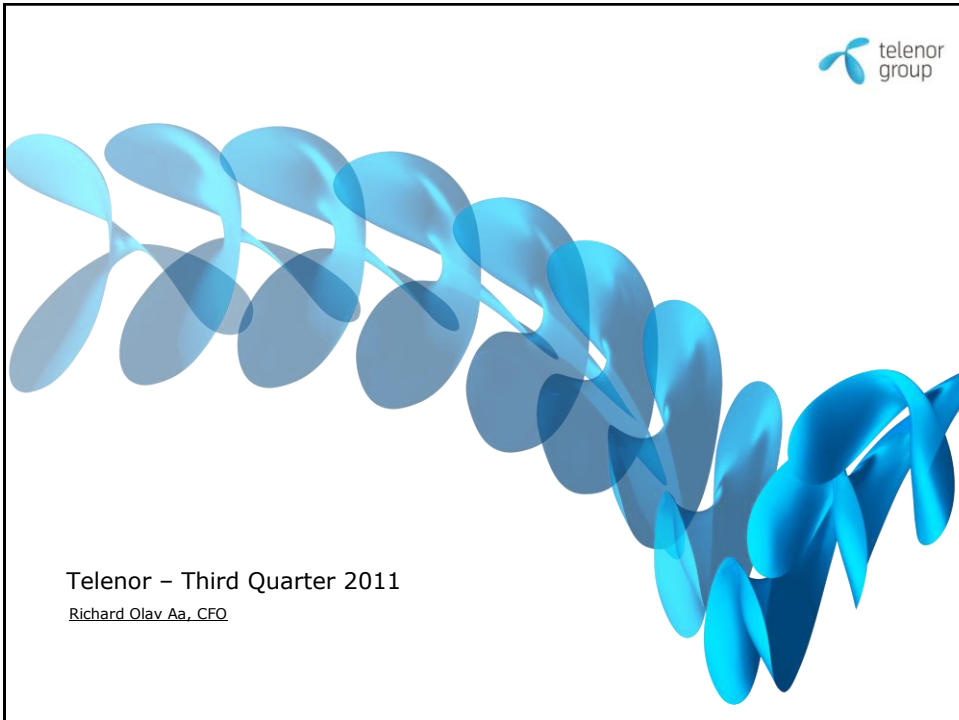
Operational priorities going forward

- Manage transition from voice to data
- Deliver on communicated targets in India
- Execute on operational excellence
- Capture growth in Asia



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





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Richard Olav Aa, CFO

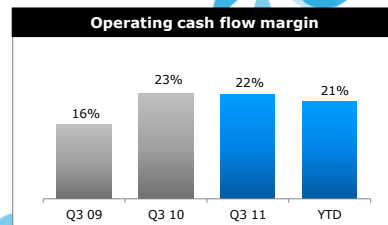
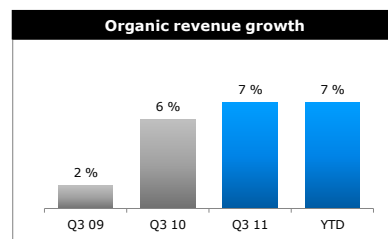
Q3 2011
Financial highlights

Third quarter 2011

- 6.8% organic revenue growth
- 33.7% EBITDA margin
- NOK 5.5 bn operating cash flow

First 9 months 2011

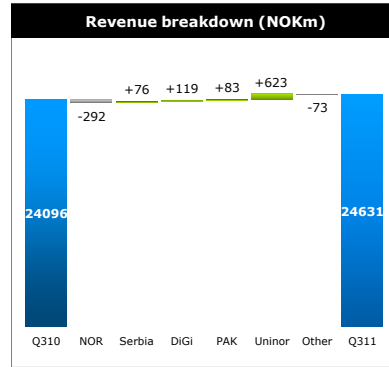
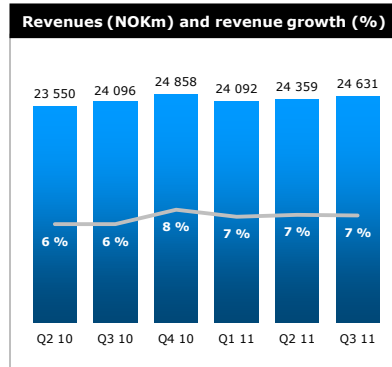
- 6.8% organic revenue growth
- 31.6% EBITDA margin
- NOK 15.3 bn operating cash flow



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

Q3 2011

7% organic revenue growth, driven by Asia



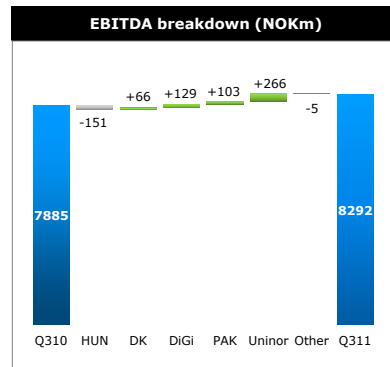
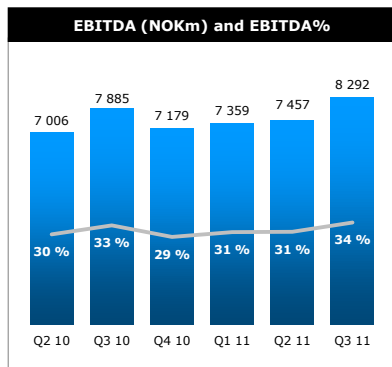
Organic revenue growth in fixed currency, adjusted for acquisitions and disposals.

13



Q3 2011

34% EBITDA margin and 9% organic EBITDA growth



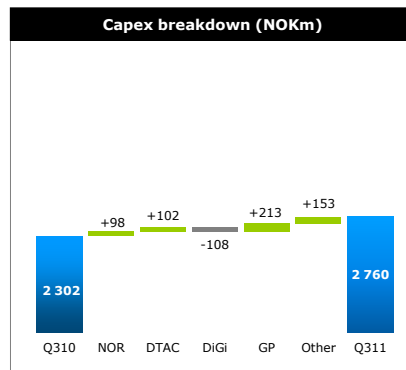
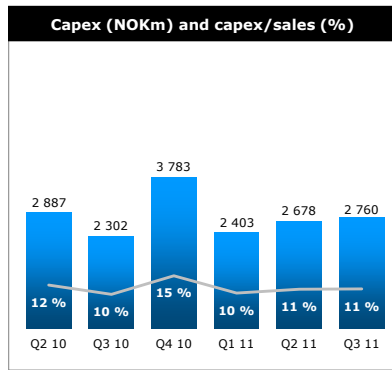
EBITDA and EBITDA margin before other items

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Q3 2011

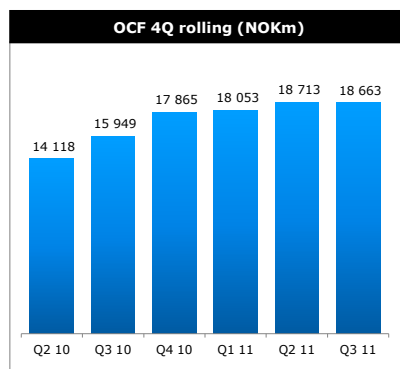
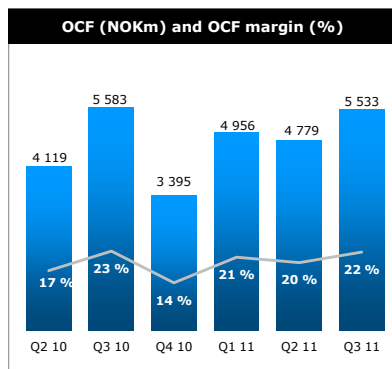
11% capex/sales, driven by network modernisation



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

Q3 2011

22% operating cash flow margin



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

Q3 2011

Net income to Telenor of NOK 2.6 billion

NOKm	Q3 11	Q3 10
Revenues	24 631	24 096
EBITDA before other items	8 292	7 885
Other items	24	-139
EBITDA	8 316	7 746
Depreciation	-3 799	-3 994
EBIT	4 507	3 751
Associated companies	609	1 049
Net financials	-432	-451
Profit before taxes	4 684	4 349
Taxes	-1 780	-2 300
Profit from continuing operations	2 904	2 050
Net income to Telenor	2 589	1 698
Earnings per share (NOK)	1.62	1.20

• Norway (NOK -29m), gain on sale of Connexion M2M platform (NOK 63m)

• Net contribution from VimpelCom of NOK 544m

• Increased share of interest-bearing debt in INR

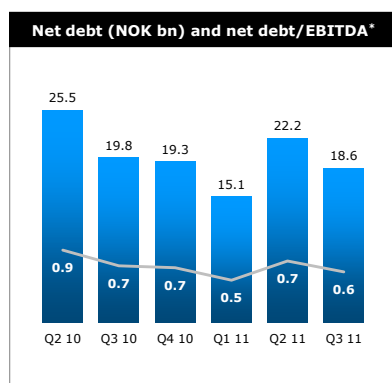
• Tax accrual of NOK -814m related to claim from Norwegian tax authorities

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Q3 2011

Net debt decreased by NOK 3.6 billion



Change in net debt (NOK bn)

Net debt 30 Jun 2011	22.2
EBITDA	(8.3)
Net interests paid	0.4
Income taxes paid	0.9
Capex paid	2.5
Dividends paid	1.1
Share buyback	1.0
Accrued revenue share in DTAC	(0.7)
Currency/Other	(0.5)
Net change	(3.6)
Net debt 30 Sep 2011	18.6

*) 12 months rolling EBITDA (Q311: Oct 2010- Sep 2011)

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Q3 2011

Executing on share buyback programme

Share buyback programme 2010-2011

- 3% buyback launched in July 2010
- **23 million** shares purchased in the market in 2H 2010 (NOK 2.1 bn)
 - AGM approval in May 2011
- **27 million** shares purchased from the Norwegian State (NOK 2.5 bn)
- **50 million** shares cancelled on 31 August 2011

Share buyback programme 2011-2012

- 3% buyback launched in July 2011
- **22 million** shares to be purchased in the market
 - 54% completed end of Q311
- **26 million** shares to be purchased from the Norwegian State after AGM in 2012

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Q3 2011

Outlook for 2011

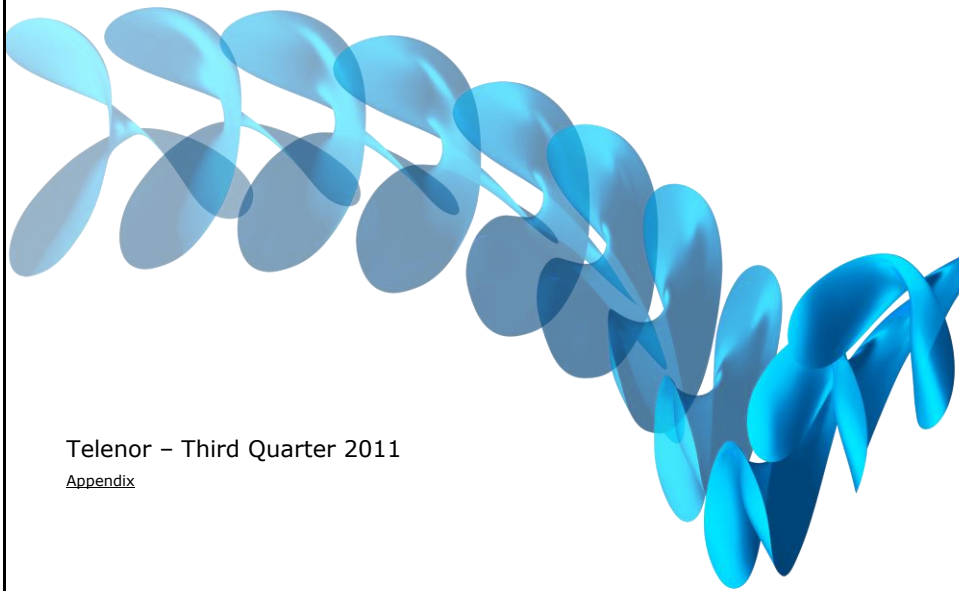
India	2011	2011 YTD
EBITDA loss	NOK 3.5-4.0 bn <i>(Previous around NOK 4 bn)</i>	NOK 2.8 bn
Capex	Around NOK 1.0 bn	NOK 0.7 bn

Group	2011	2011 YTD
Organic revenue growth	6-7% <i>(Previous above 5%)</i>	6.8%
EBITDA margin	Above 31% <i>(Previous around 31%)</i>	31.6%
Capex / sales	11 - 12%	10.7%

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

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Telenor – Third Quarter 2011




Appendix

Telenor Group's operations

Nordic

- Norway 
- Sweden 
- Denmark 

Central and Eastern Europe

- Hungary 
- Serbia 
- Montenegro 

Asia

- Thailand 
- Malaysia 
- Bangladesh 
- Pakistan 
- India 

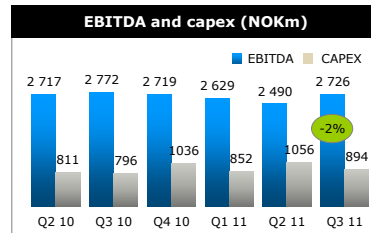
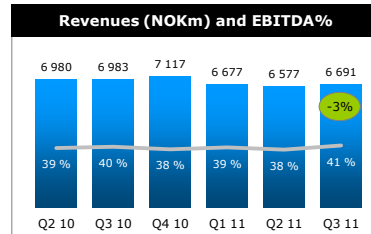
VimpelCom Ltd.

- 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.

Q3 2011 Norway

- 31k net mobile subscriber growth
- 380k subscribers on new consumer mobile price plans
- Stable mobile ARPU excl MTR reduction
- Opex reductions partly offsetting reduced contribution from fixed voice and wholesale
- Network swap completed in October



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

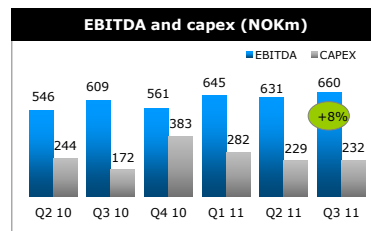
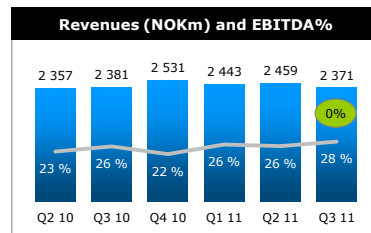
● Organic revenue / EBITDA growth YoY

23



Q3 2011 Sweden

- 38k net mobile subscriber growth
- 4% mobile service revenue growth
- Stable mobile ARPU despite lower MTR and roaming rates
- Opex/sales reduced by 2.6pp
- Net4Mobility awarded 1800 MHz licence in October



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

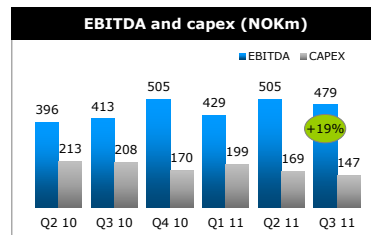
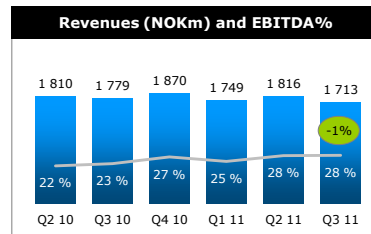
● Organic revenue / EBITDA growth YoY

24



Q3 2011 Denmark

- 37k mobile subscriber growth
- First quarter with positive subscriber growth since Q210
- Service provider Onfone exited Telenor's network in September
- 4% mobile revenue decline excl Onfone



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

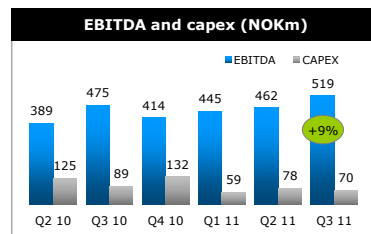
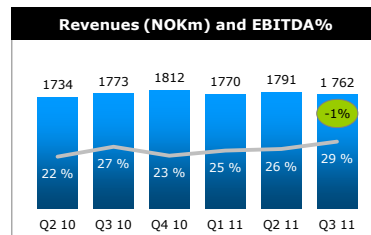
● Organic revenue / EBITDA growth YoY

25



Q3 2011 Broadcast

- 6k DTH subscriber loss partly offset by ARPU growth
- Continued growth in Norkring and Conax
- 9% EBITDA growth and all-time high EBITDA margin
- 26% operating cash flow margin
- Sale of cable TV business in Sweden pending competition approval



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

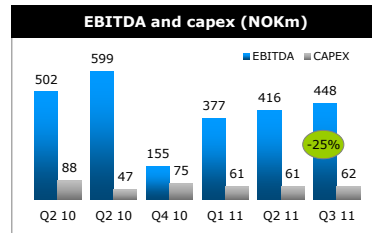
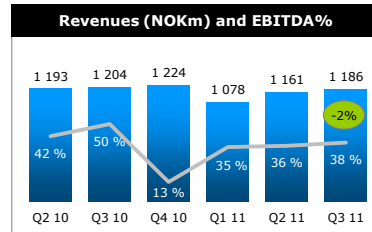
● Organic revenue / EBITDA growth YoY

26



Q3 2011 Hungary

- 21k net subscriber loss
- 2% revenue decline from reduced MTR and lower subscriber base
- Stable EBITDA margin adj. for telecom tax and one-time effect in Q310
- 33% operating cash flow margin
- EU Commission requesting Hungary to abolish telecom tax



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

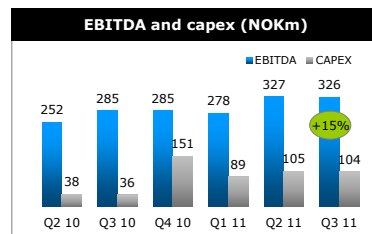
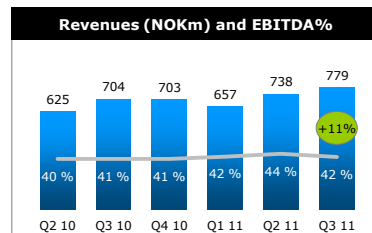
● Organic revenue / EBITDA growth YoY

27



Q3 2011 Serbia

- 77k net subscriber growth
- 4% ARPU growth due to increased postpaid ratio
- 15% EBITDA growth in local currency
- Network modernisation on track



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

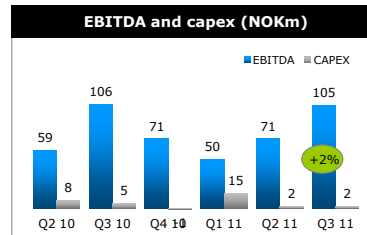
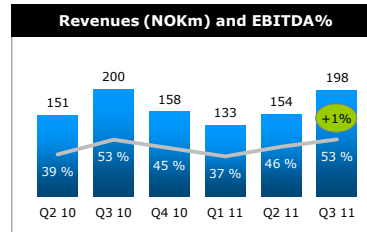
● Organic revenue / EBITDA growth YoY

28



Q3 2011 Montenegro

- 55k net subscriber growth
- Stable ARPU despite MTR reduction
- 1% organic revenue growth driven by increased inbound roaming
- 52% 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

29

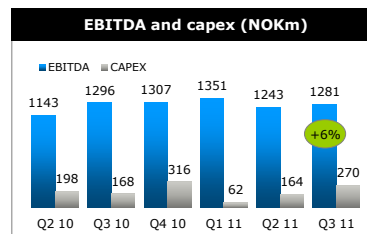
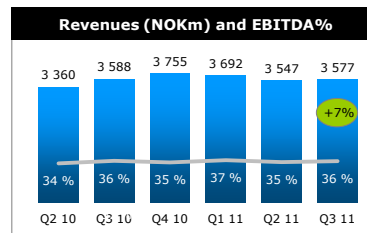


Q3 2011 Thailand (DTAC)

- 136k net subscriber growth
- 12% underlying revenue growth
- 3G services on 850 MHz launched in Bangkok
- Revenue share to CAT increased from 25% to 30% from 16 September

Outlook for 2011*:

- High single digit revenue growth
- Capex of THB 5.5-6.0 billion
- Operating cash flow approx THB 20 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

30



Q3 2011 Malaysia (DiGi)

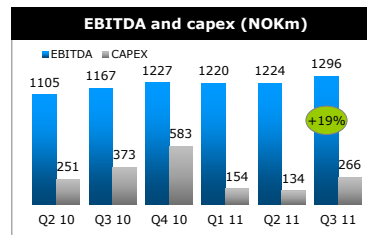
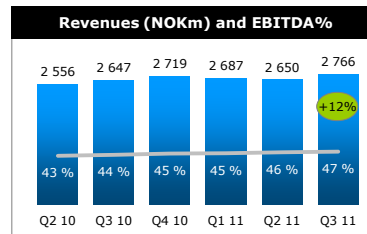
- 327k net subscriber growth
- 12% organic revenue growth
- Continued strong opex management
- 37% operating cash flow margin

Outlook for 2011*:

- High single digit revenue growth
- Improve margins
- Capex around MYR 550 million

*) In local currency

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



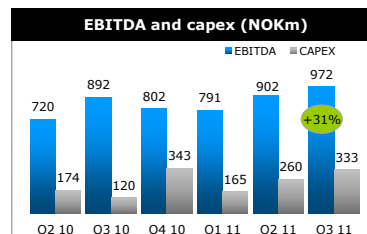
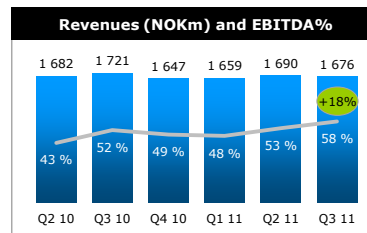
● Organic revenue / EBITDA growth YoY

31



Q3 2011 Bangladesh (Grameenphone)

- 1.4 million net subscriber growth
- 18% revenue growth in local currency
- 38% operating cash flow margin
- Application for 2G licence renewal submitted on 10 October



● Organic revenue / EBITDA growth YoY

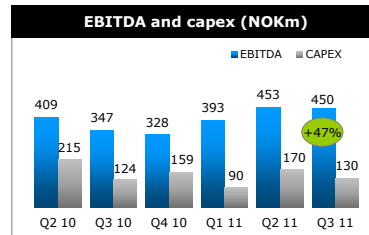
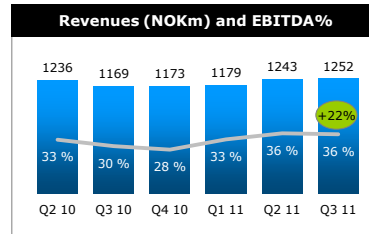
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items
Capex excl licence fees

32



Q3 2011
Pakistan

- 642k net subscriber growth
- 5% ARPU growth in local currency from increased usage
- 47% EBITDA growth in local currency
- 26% operating cash flow margin

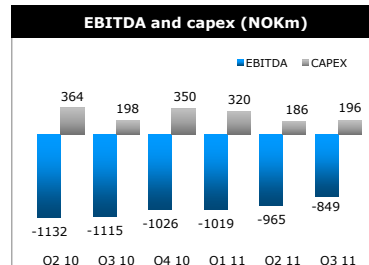
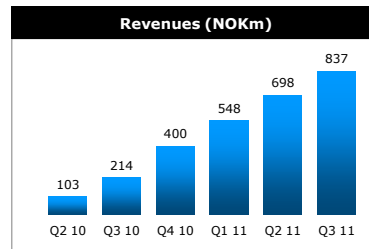


● Organic revenue / EBITDA growth YoY

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

Q3 2011
India (Uninor)

- 2.8 million net subscriber growth
- Total subscriber base of 24.2 million
- 5% ARPU growth in local currency
- Accumulated operating cash flow loss of INR 108 billion since entry
- Clarity on regulatory framework required



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

Q3 2011

Changes in revenues and EBITDA

	Revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-4.2 %	-3.1 %	-1.7 %	-2.0 %
Sweden	-0.4 %	-0.1 %	8.4 %	8.3 %
Denmark	-3.7 %	-1.3 %	15.9 %	18.7 %
Hungary	-1.5 %	-1.8 %	-25.2 %	-25.1 %
Serbia	10.7 %	10.6 %	14.4 %	14.5 %
Montenegro	-1.1 %	1.3 %	-0.2 %	2.3 %
Thailand	-0.3 %	6.6 %	-1.1 %	5.6 %
Malaysia	4.5 %	12.5 %	11.1 %	19.5 %
Grameenphone	-2.6 %	18.1 %	9.0 %	31.5 %
Pakistan	7.1 %	21.7 %	29.6 %	47.1 %
Broadcast	-0.6 %	-0.6 %	9.4 %	9.4 %
Telenor Group	2.2 %	6.8 %	5.2 %	8.8 %
Group ex. India	-0.4 %	4.0 %	1.6 %	5.9 %

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

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Q3 2011

Net debt in partly owned subsidiaries

(NOKm)	Q3 2011	Q2 2011	Q3 2010
DiGi	-477	111	254
DTAC	-4 264	-2 510	-1 619
Grameenphone	-657	-1 363	-1 283
Uninor	6 384	5 452	1 165

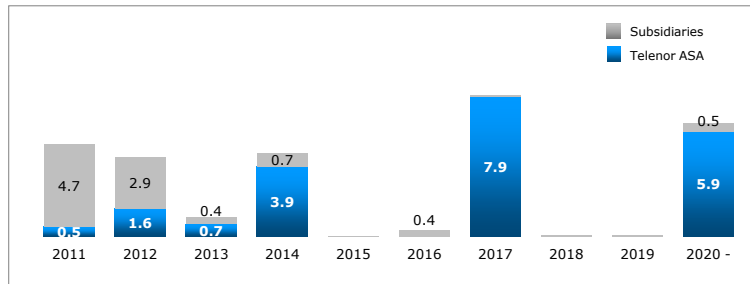
Net debt based on 100% figures

36



Q3 2011

Debt maturity profile



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

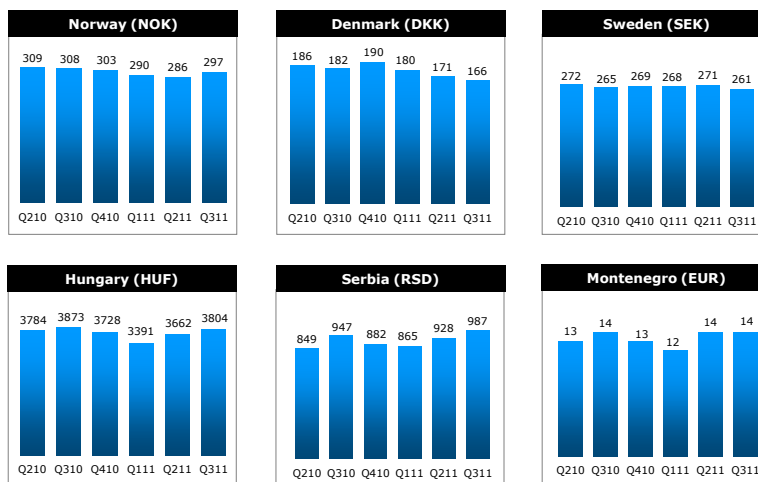
NOK bn per 30 September 2011

37



Mobile operations

ARPU development (local currency)

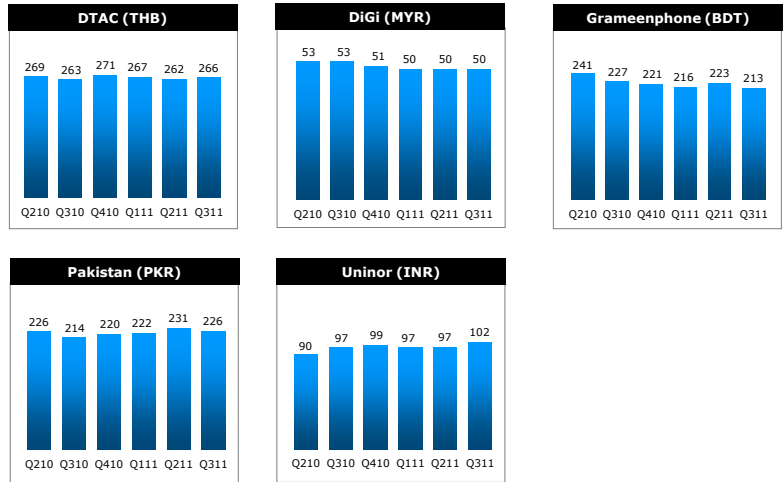


38



Mobile operations

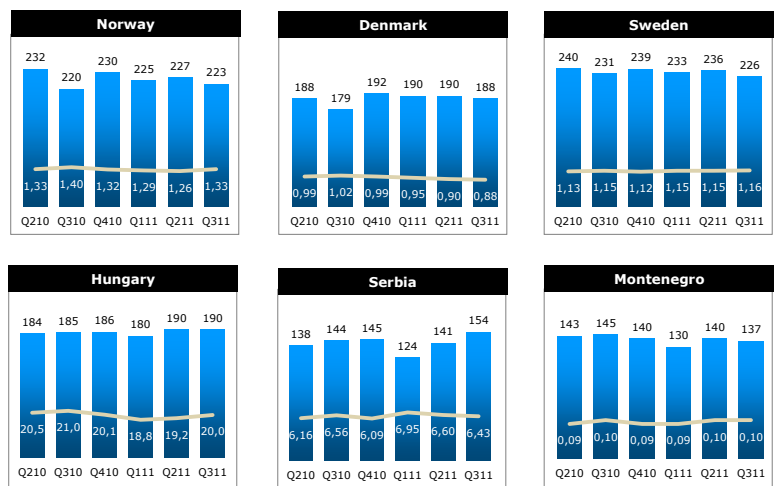
ARPU development (local currency)



Mobile operations

AMPU and APPM development

■ AMPU — APPM (local currency)



Mobile operations AMPU and APPM development

AMPU — APPM (local currency)

