



Telenor Group – Third Quarter 2015

Sigve Brekke, CEO



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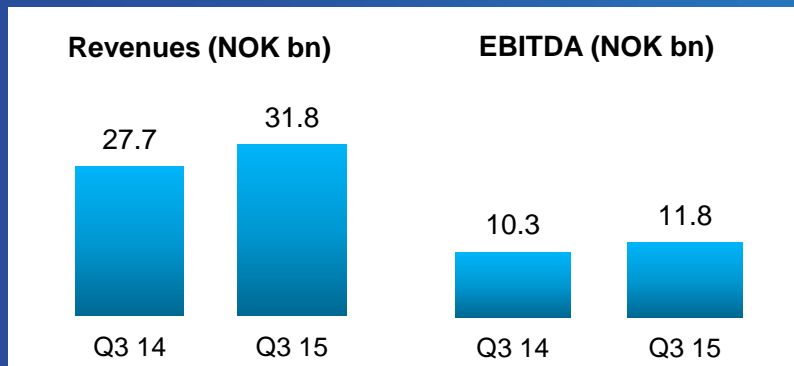
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Q3 2015 Highlights

- 5 million new mobile subscribers
- 4% organic revenue growth and 6% organic EBITDA growth
- Focus on monetising increasing data consumption
 - 95% data traffic growth
 - Significant investments
- Decision to exit VimpelCom



EBITDA before other items.

Q3 2015

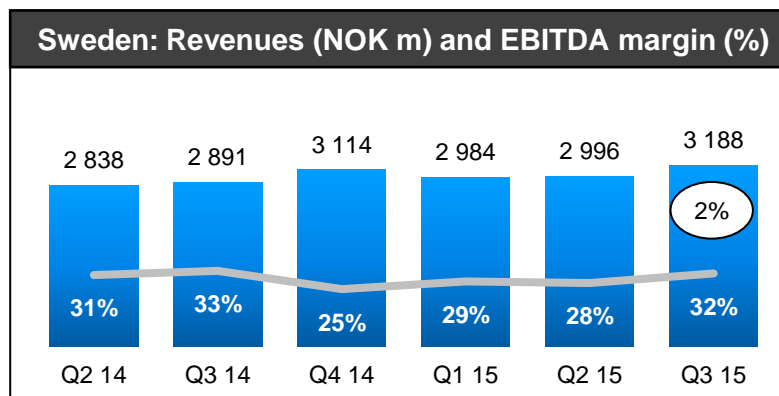
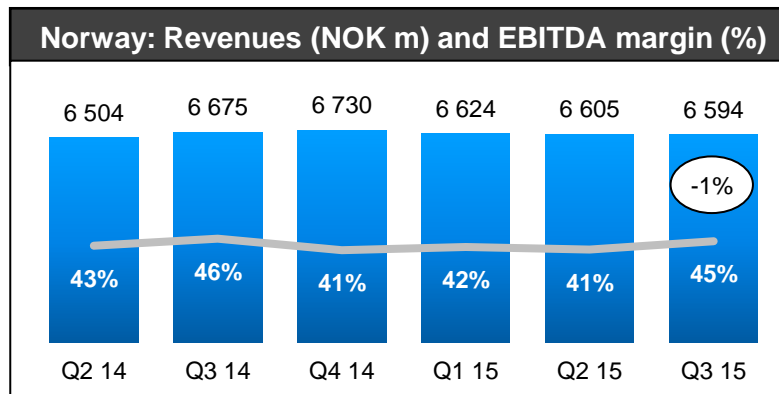
Solid mobile performance in Norway and Sweden

Norway

- 5% organic growth in mobile subscription and traffic revenues
- Median mobile data consumption more than doubled
- 2% organic decline in fixed revenues

Sweden

- 2% organic growth in mobile subscription and traffic revenues
- Positive effects from clean-up of mobile tariffs in Q2
- 4% organic decline in fixed revenues



○ Organic revenue growth

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

Q3 2015

Mixed performance in other European operations

Hungary

- 4% organic subscription and traffic revenue growth

Montenegro and Serbia

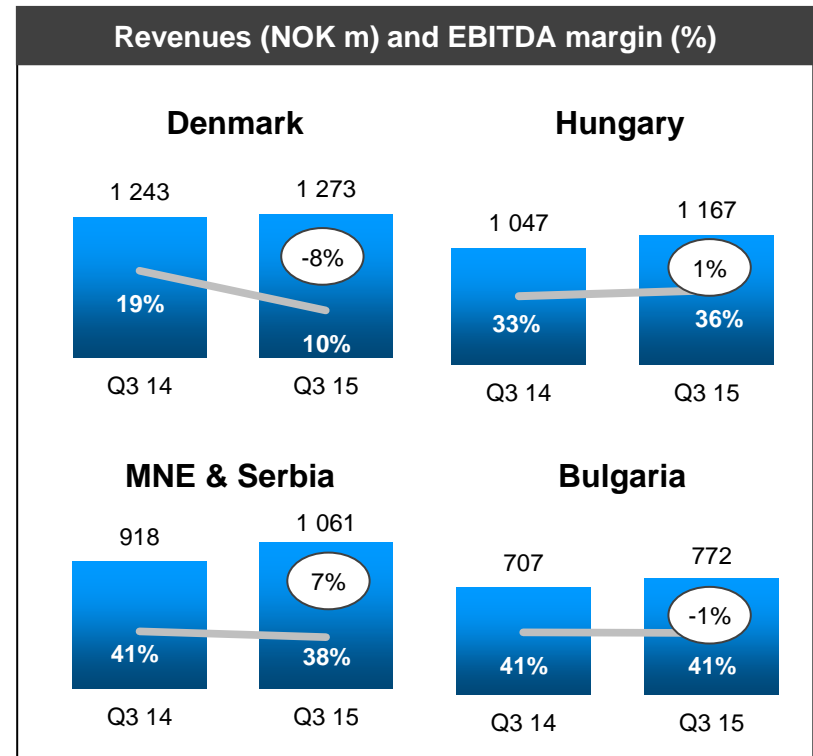
- SMS interconnect and handset instalment plans driving revenues

Bulgaria

- Stabilised subscriber base and solid margin despite tough competition

Denmark

- Reviewing strategic options after withdrawal of merger proposal



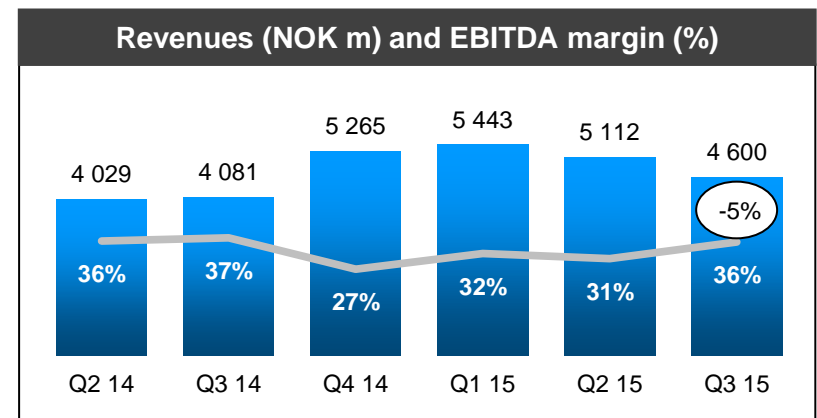
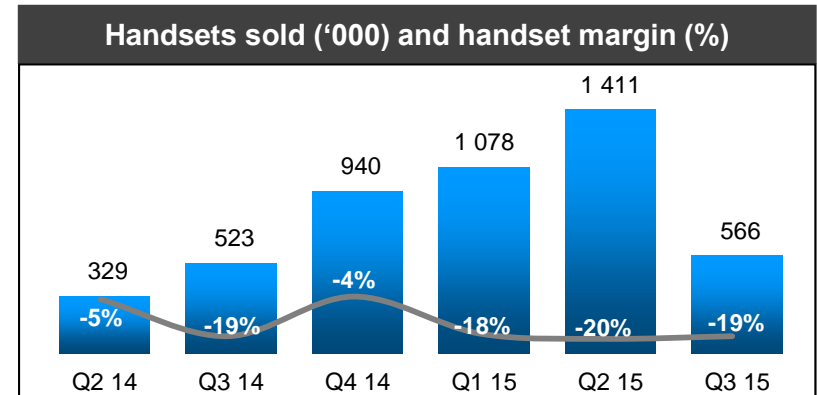
○ Organic revenue growth

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

Q3 2015

Continuing to execute on turnaround plan in Thailand

- 2.0 million net subscriber loss in Q3, of which 1.3 million related to re-registration
- Lower volumes of subsidised phones sold in prepaid segment
- Significant investments in 3G and 4G networks
- Implementing cluster based model
- Spectrum auctions in 900 and 1800 MHz bands in November

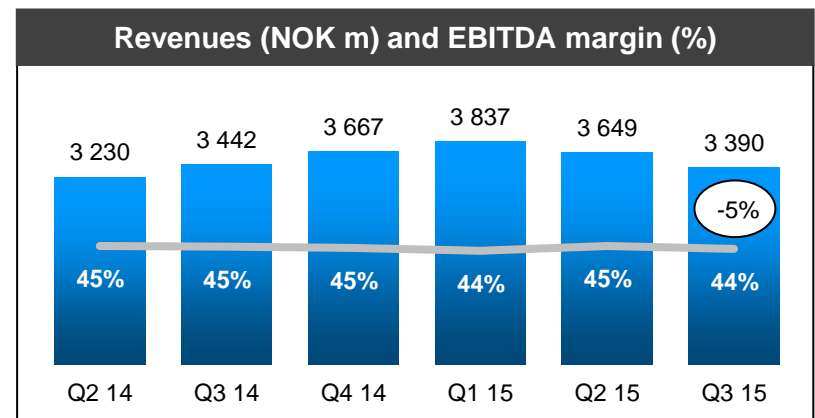
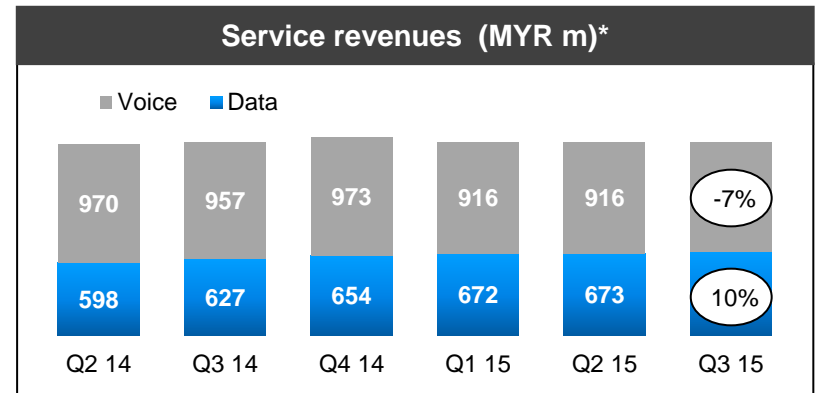


○ Organic revenue growth

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

Resilience in Malaysia amidst challenging market conditions

- Weak consumer sentiment, intensified competition and currency headwinds
- 1% organic growth in subscription and traffic revenues
- Maintaining market share by focusing on leading internet position
 - New data service offerings
 - Digital services and partnerships
 - Expansion of 4G network
- EBITDA margin impacted by currency and increased network cost



○ Organic revenue growth

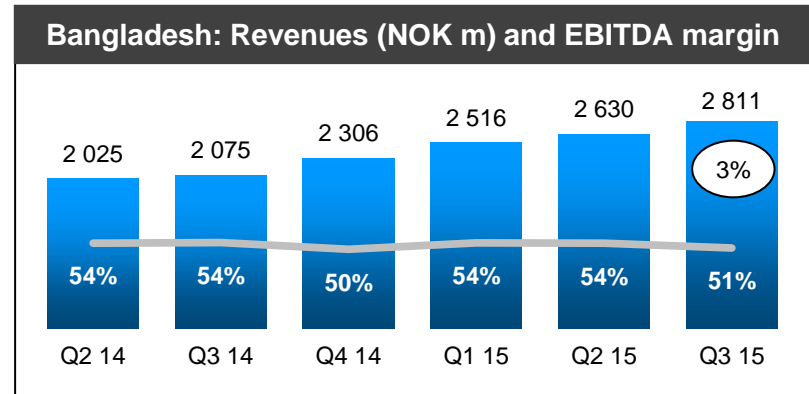
Organic growth assuming fixed currency, adjusted for acquisitions and disposal EBITDA margin before other items.

*) Service revenues according to local definition.

Improved performance in Bangladesh and Pakistan

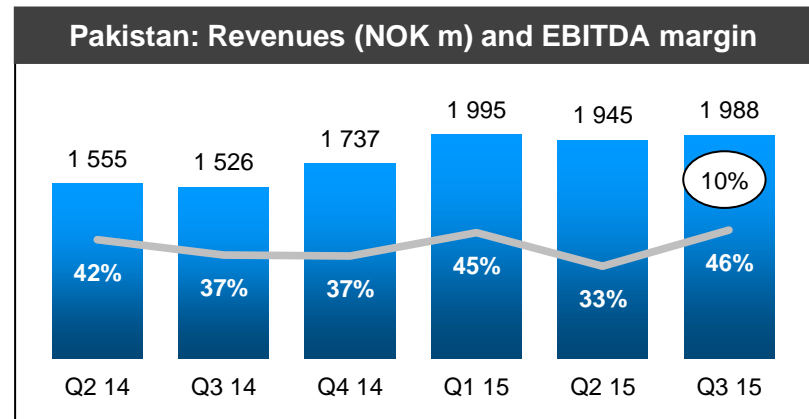
Bangladesh (Grameenphone)

- 2.4 million subscriber growth
- 4% organic subscription and traffic revenue growth
- 54% adjusted EBITDA margin



Pakistan

- 1.7 million new subscribers
- Abolishment of SIM activation tax from 1 July
- 38% adjusted EBITDA margin



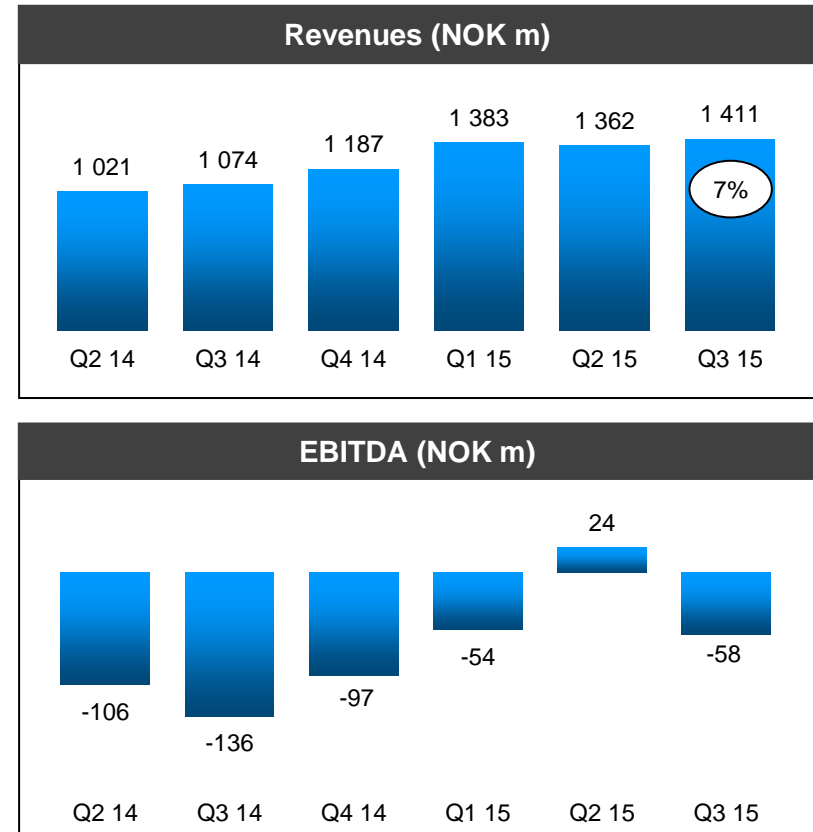
○ Organic revenue growth

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

Q3 2015

Additional spectrum required to unlock data potential in India

- 1.0 million new subscribers and 7% organic service revenue growth
- Rebranding to Telenor in September
- Rapidly increasing customer demand for high-speed data
- Initiated network modernisation
- Regulatory framework for spectrum sharing and trading in place



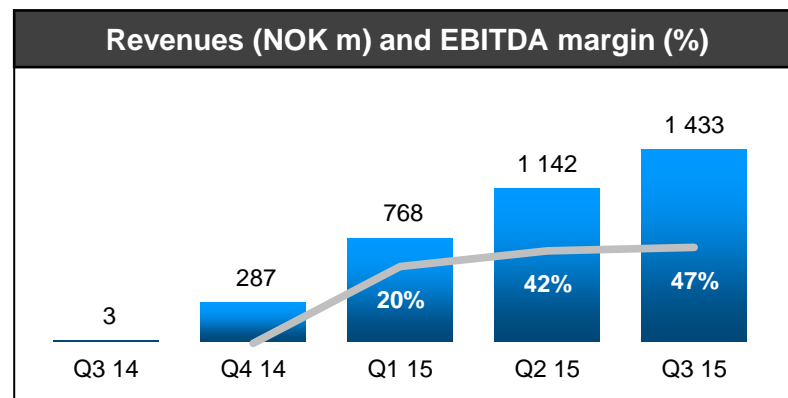
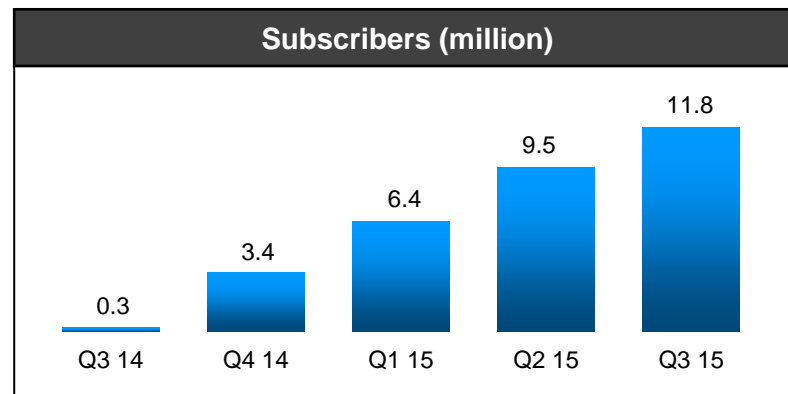
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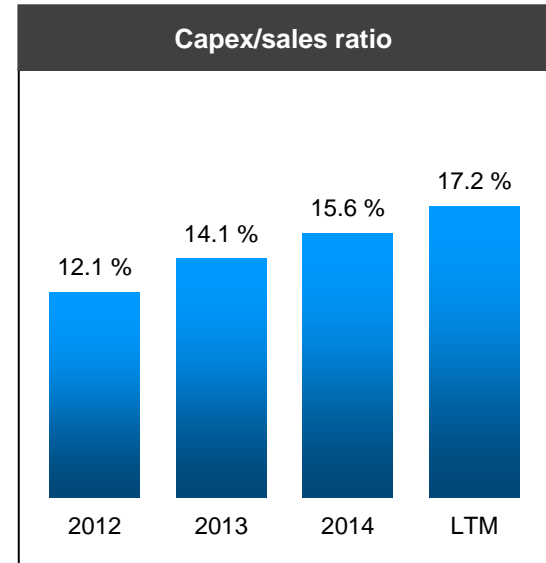
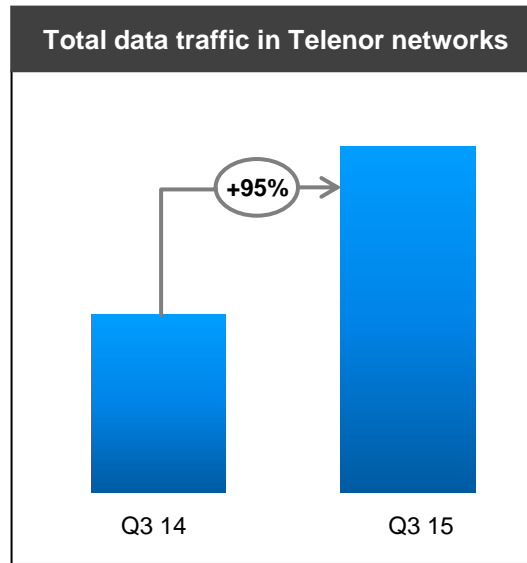
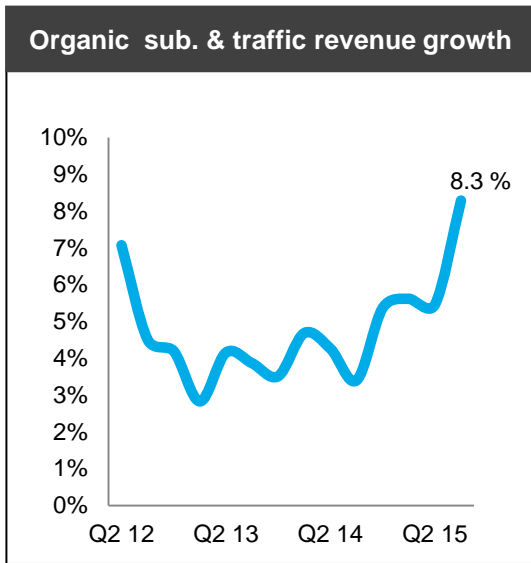
Q3 2015

12 million subscribers one year after launch in Myanmar

- Continued strong demand for voice and data with 57% active data users
- Intensified competition with reduced on-net voice prices
- Adjusted EBITDA margin of 39%
- Continued network expansion into more rural areas
- Exercised option to buy additional 5 MHz of 2.1 GHz spectrum for USD 75 million



Data monetisation required to drive value creation



Key priorities

Short term

- Return to growth in Thailand
- Improve fixed broadband performance in Norway and Sweden
- Additional spectrum

Longer term

- Continued profitable growth
- Develop into a digital service provider
- Efficient operations





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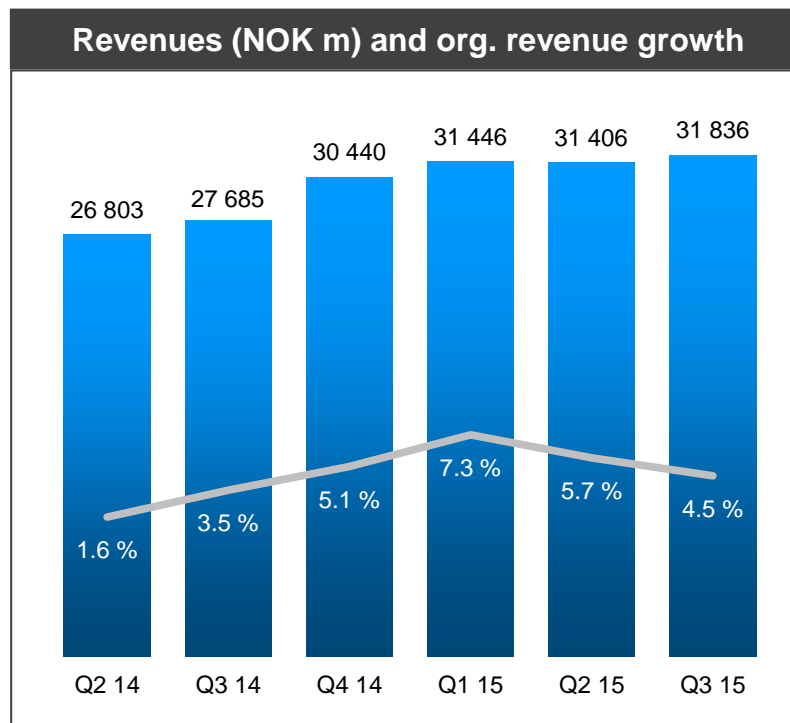
Richard Olav Aa, CFO



Q3 2015

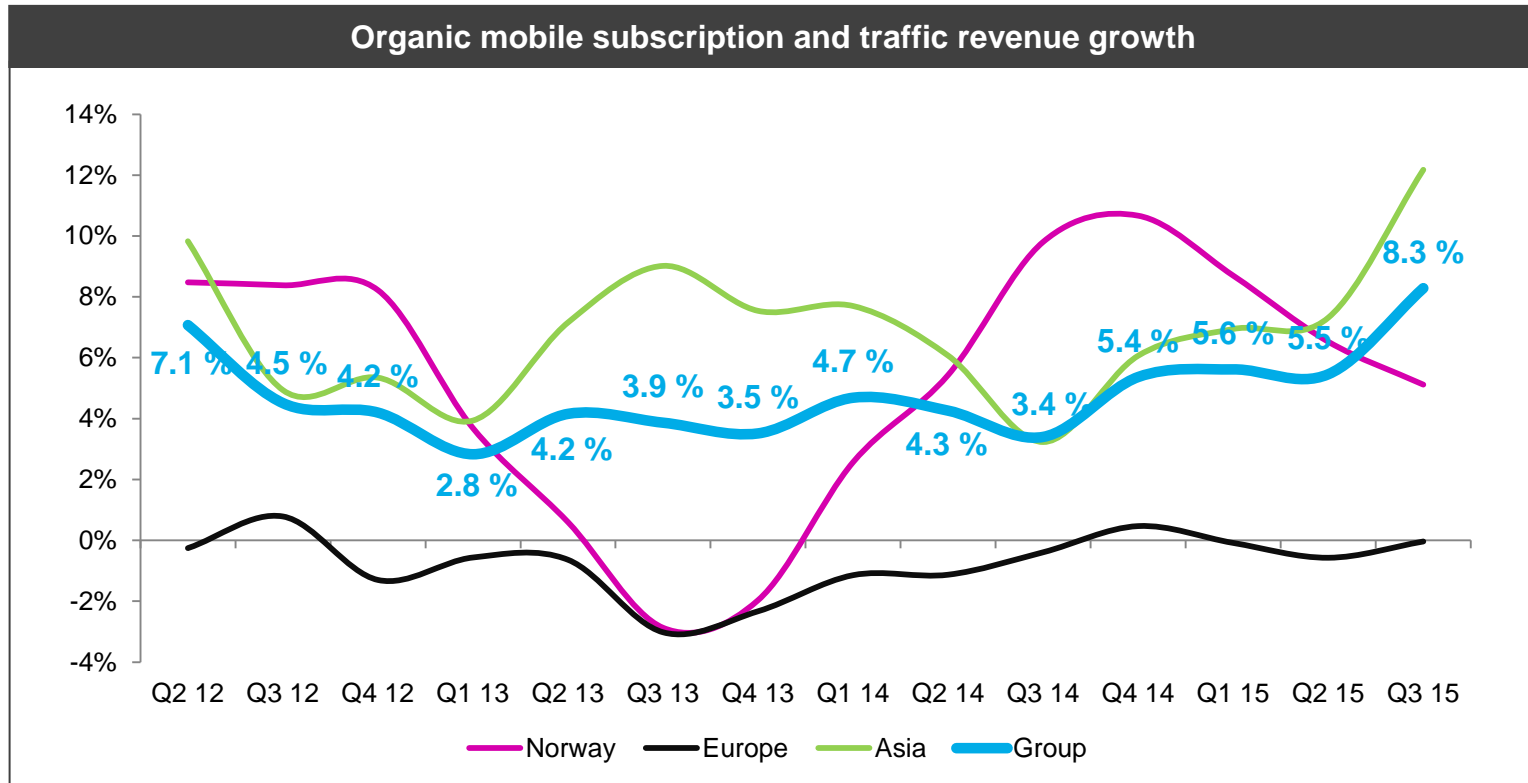
Solid revenue growth: 15% reported, 4% organic

- 4% organic revenue growth, entirely driven by growth in core mobile revenues
- 5.2 pp contribution from mobile subscription and traffic revenues
- Declining handset revenues following lower volumes in Digi and dtac
- Lower fixed revenues in Norway and Sweden reducing organic growth with 0.3 pp



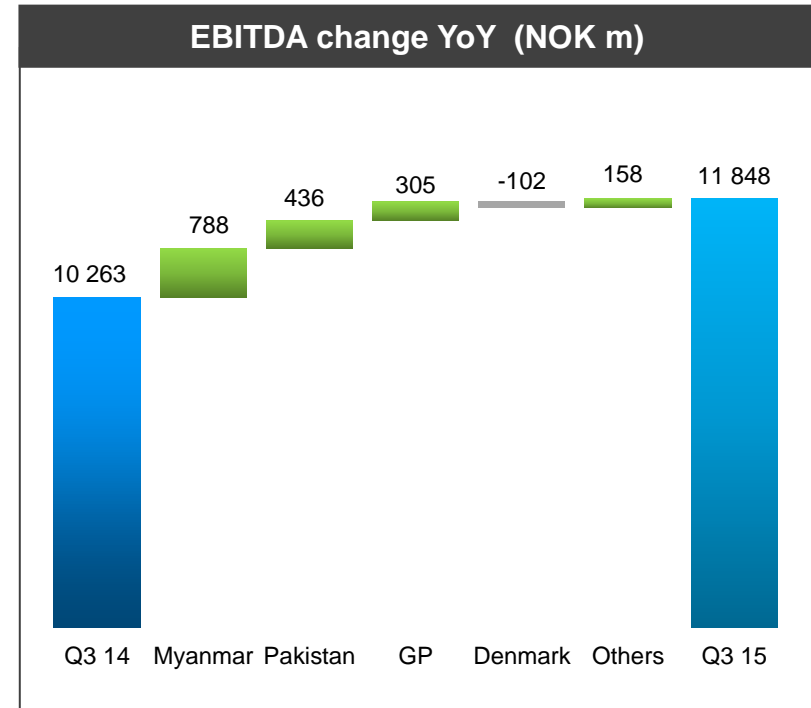
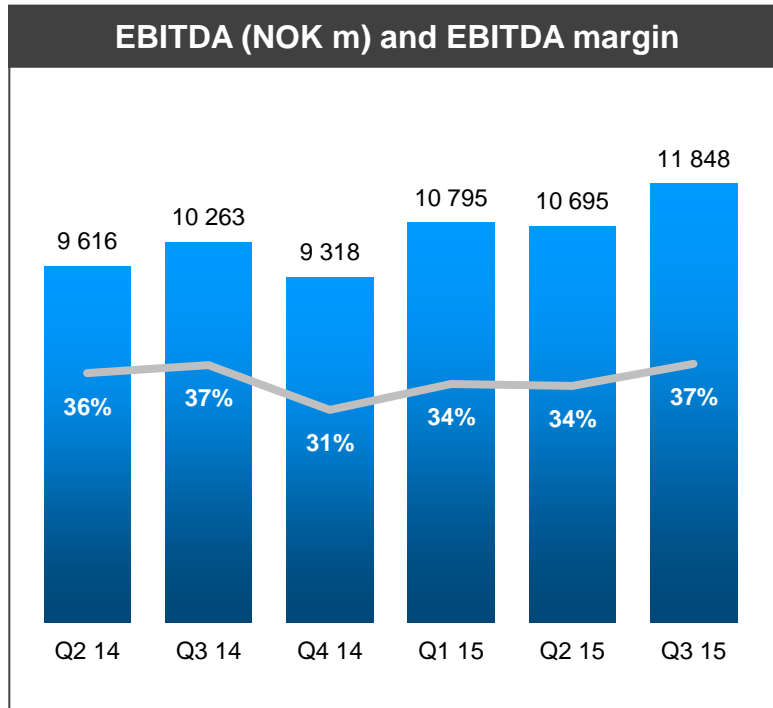
Q3 2015

Robust mobile subscription and traffic revenue growth



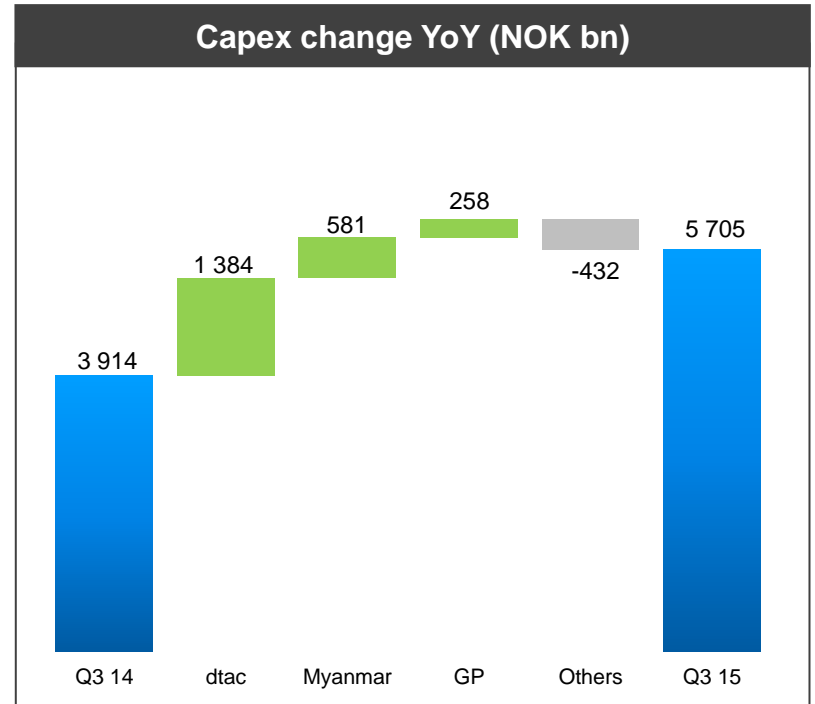
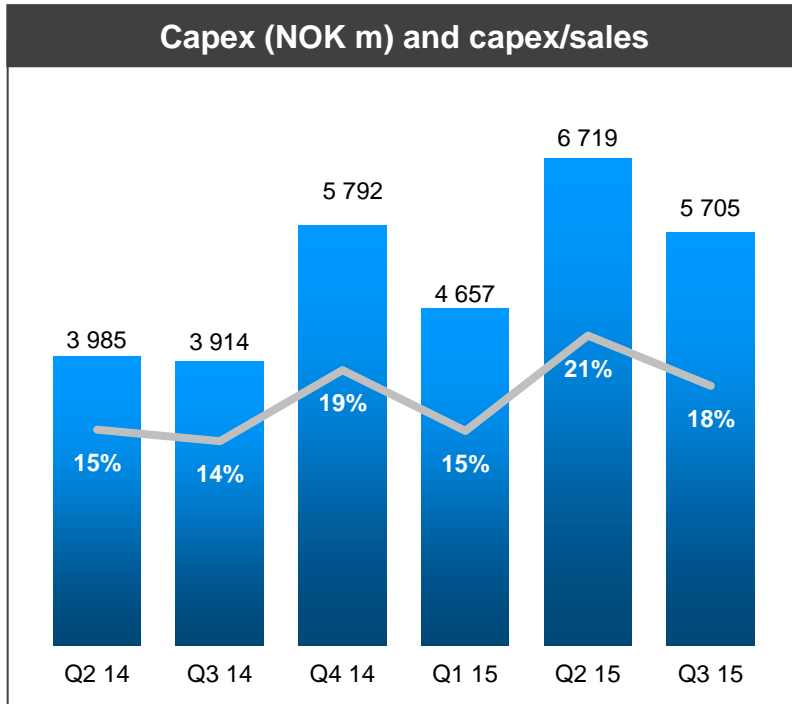
Q3 2015

37% EBITDA margin and 6% organic EBITDA growth



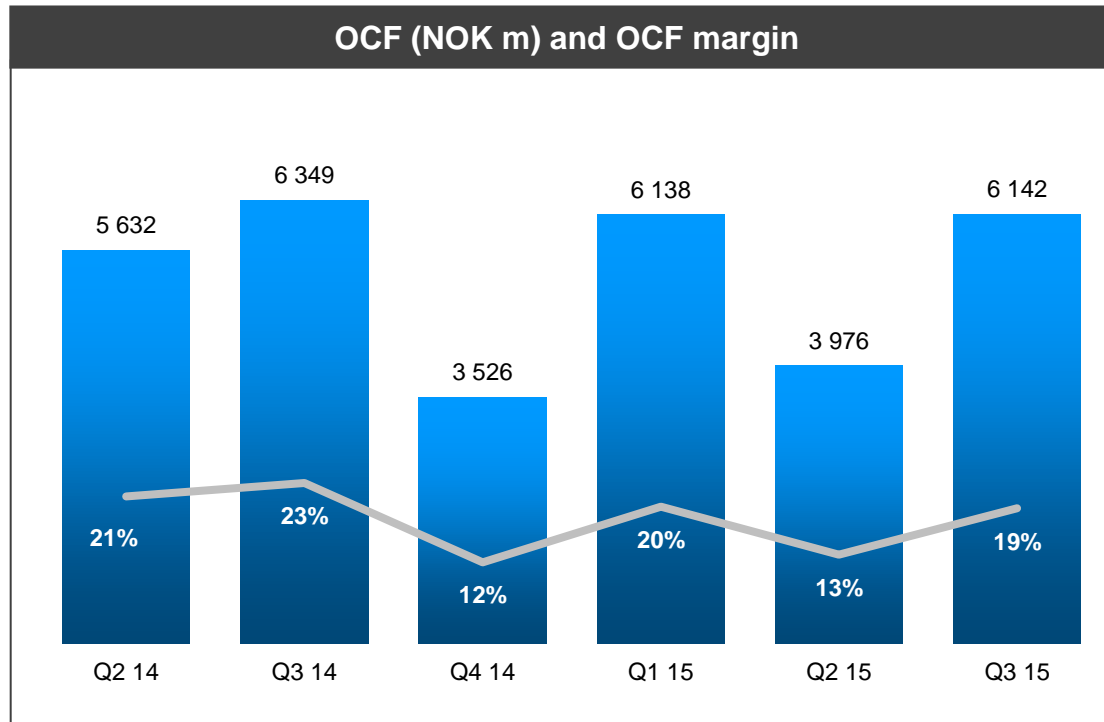
Q3 2015

Capex of NOK 5.7 billion



Q3 2015

Operating cash flow of NOK 6.1 billion



Operating cash flow = EBITDA before other items – capex excl. licences

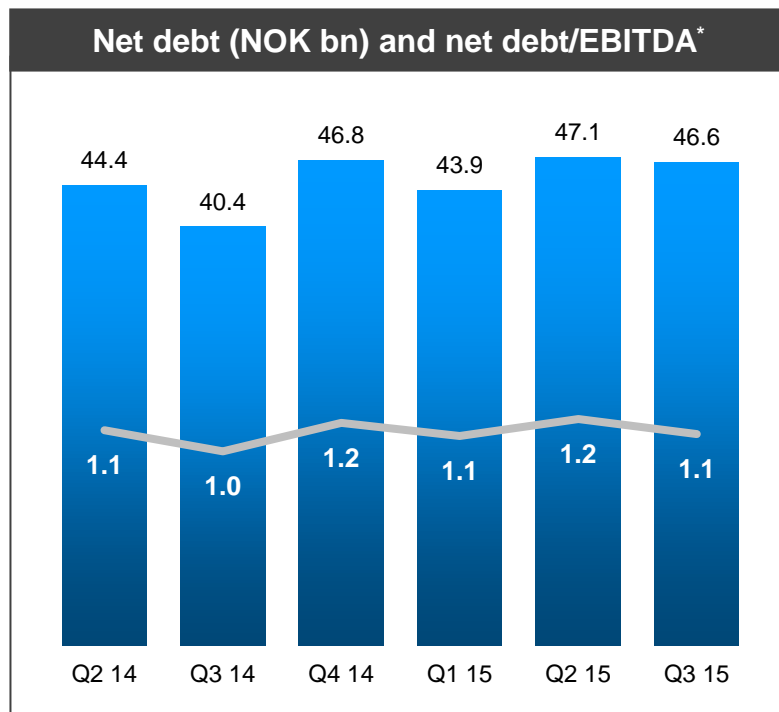
Q3 2015

Net income of NOK 3.6 billion adj. for VimpelCom impairment

NOK m	Q3 15	Q3 14	
Revenues	31 836	27 685	
EBITDA before other items	11 848	10 263	Norway (-159m), Denmark (-177m), India (-23m), Other Units (-27m)
Other items	-418	-100	Denmark (-30m), Broadcast (-47m), Other units (-28m)
EBITDA	11 430	10 163	
Depreciation and amortisation	-4 785	-3 872	
EBIT	6 587	6 273	
Associated companies	-5 089	-294	<ul style="list-style-type: none"> • VimpelCom (-5,049m, of which impairment -5,373m) • Online classifieds (-69m)
Net financials	-797	-577	
Profit before taxes	702	5 406	
Taxes	-1 751	-1 846	
Non-controlling interests	721	973	
Net income to Telenor	-1 770	2 586	
Earnings per share (NOK)	-1.18	1.72	
EPS adj. for VIP impairment (NOK)	2.40	1.72	

Q3 2015

Net debt of NOK 46.6 billion and net debt/EBITDA of 1.1x



Change in net debt (NOK bn)

Net debt 30 Jun 2015	47.1
EBITDA	(11.4)
Income taxes paid	1.2
Net interest paid	0.2
Capex paid	4.9
Paid WHT on Telenor ASA dividend	0.3
Dividends paid to minorities	1.1
Net revenue share dtac	(0.5)
Currency effects	4.1
Changes in working capital and other	(0.4)
<i>Net change during Q3 15</i>	<i>(0.5)</i>
Net debt 30 Sep 2015	46.6

*) 12 months rolling EBITDA. Net debt excl. licence commitments

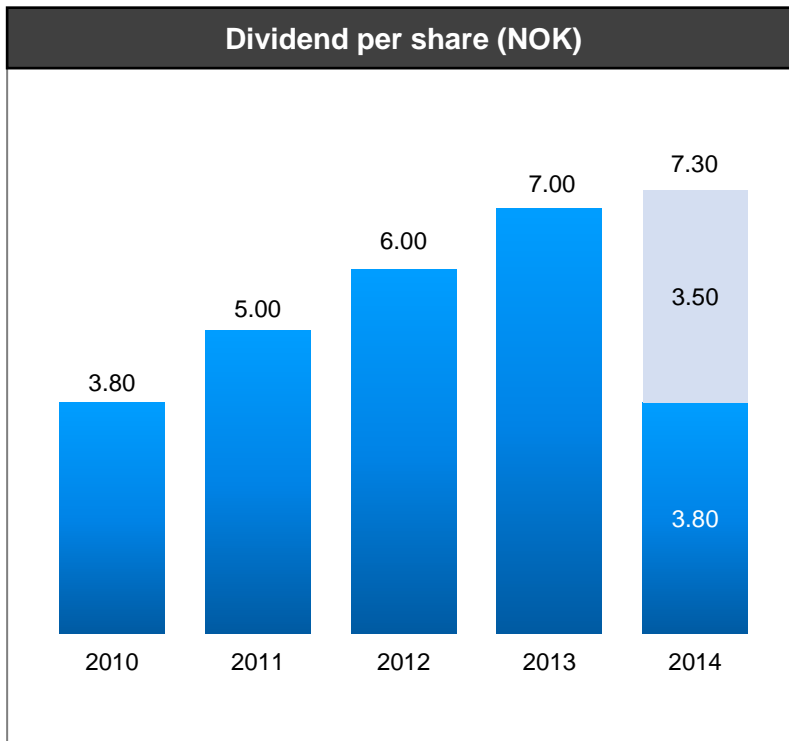
Outlook for 2015 adjusted to reflect inclusion of Denmark

	2015	YTD
Organic revenue growth	Around 5% <i>(previous 5-7%)</i>	5.7%
EBITDA margin	34-35% <i>(previous 34-36%)</i>	35.2%
Capex/sales ratio	17-19% <i>(maintained)</i>	18.0%

Group structure as of 30 September 2015

Organic revenue growth in fixed currency, adj. for acquisitions and disposals.
EBITDA before other items. Capex excl. licence fees.

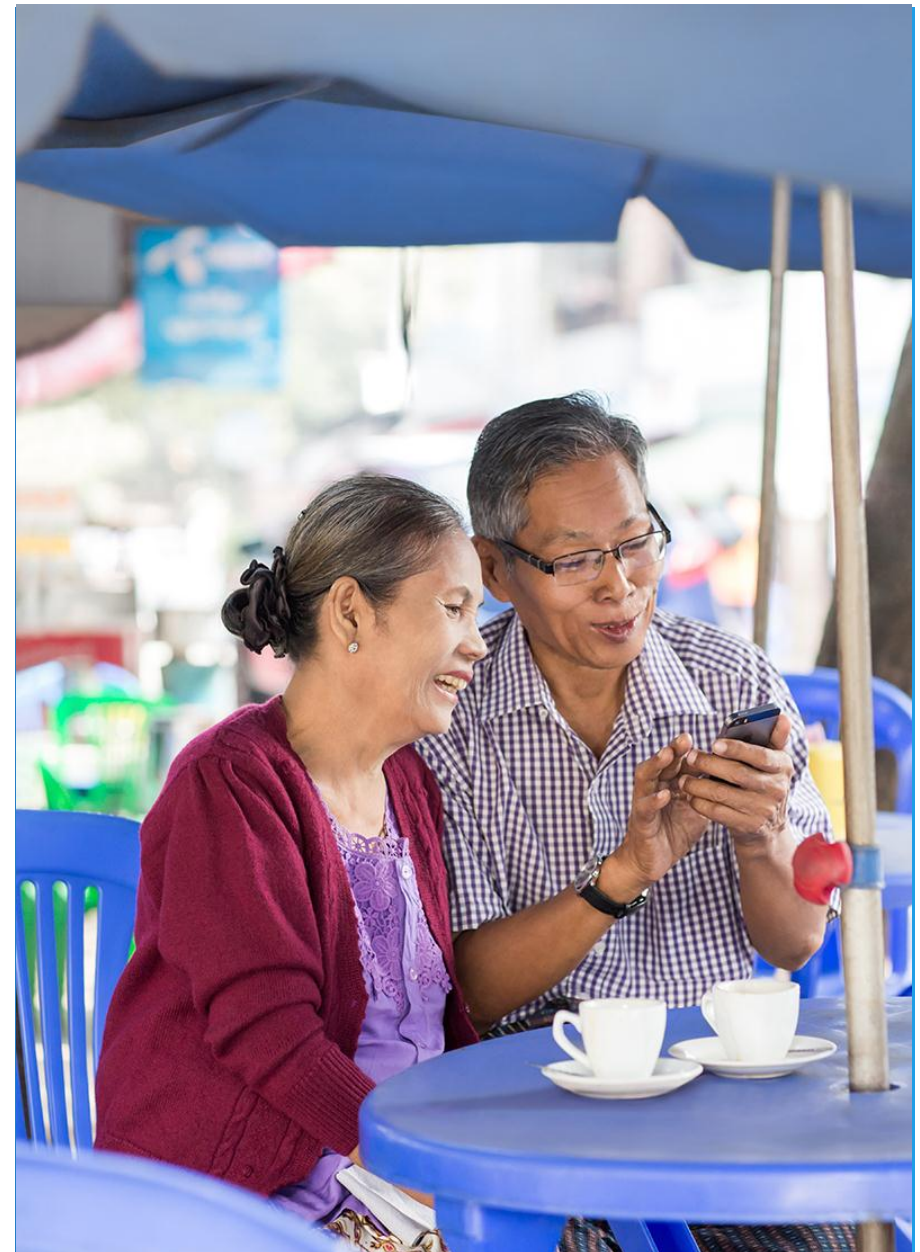
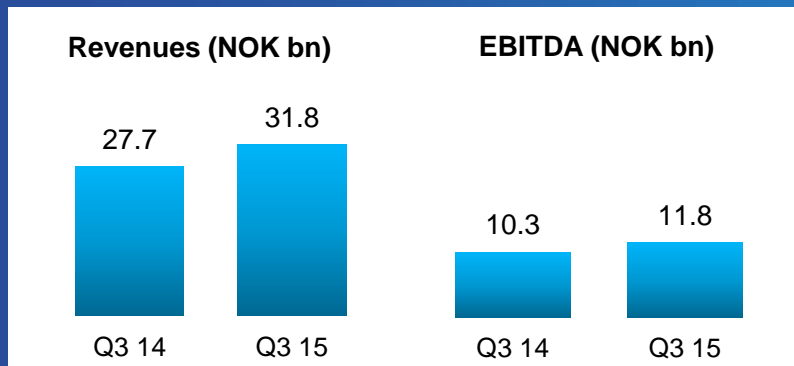
Final 2014 dividend of NOK 3.50 in line with plan



- Dividend in line with ambition to deliver YoY growth in DPS
- Pay-out of 2014 dividend in two tranches:
 - NOK 3.80 per share in June 2015
 - NOK 3.50 per share in November 2015
- Second tranche of NOK 3.50 declared by Board of Directors
- Ex-dividend date: 2 November 2015
- Record date: 3 November 2015
- Pay-out: On or about 12 November 2015

Q3 2015 Summary

- 5 million new mobile subscribers
- 4% organic revenue growth and 6% organic EBITDA growth
- Focus on monetising increasing data consumption



EBITDA before other items.



Q&A





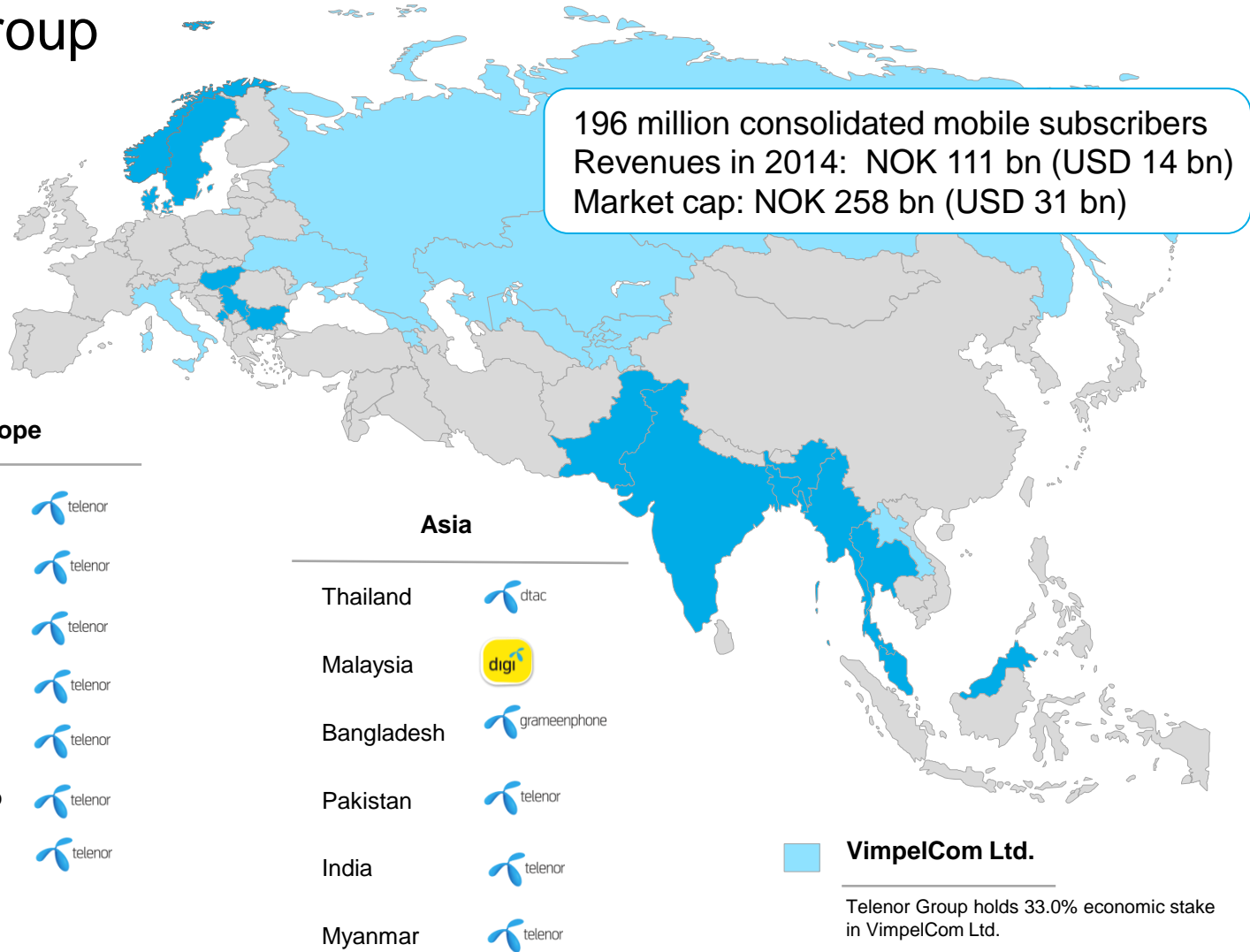
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Appendix

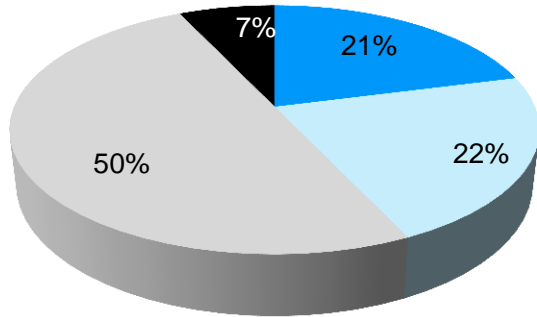


Telenor Group



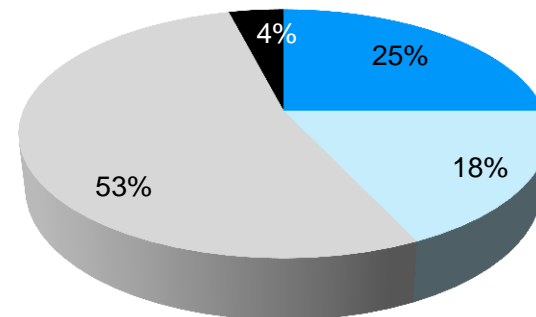
Geographic split of key financials Jan-Sep 2015

Revenues



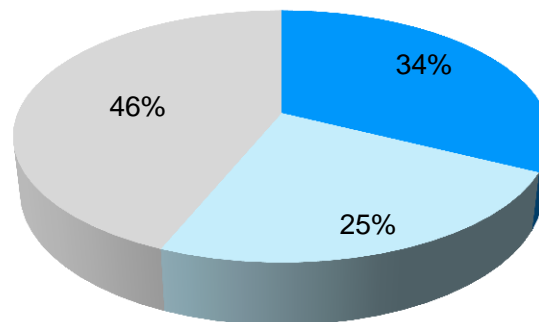
■ Norway ■ Europe ■ Asia ■ Other

EBITDA



■ Norway ■ Europe ■ Asia ■ Other

Operating cash flow

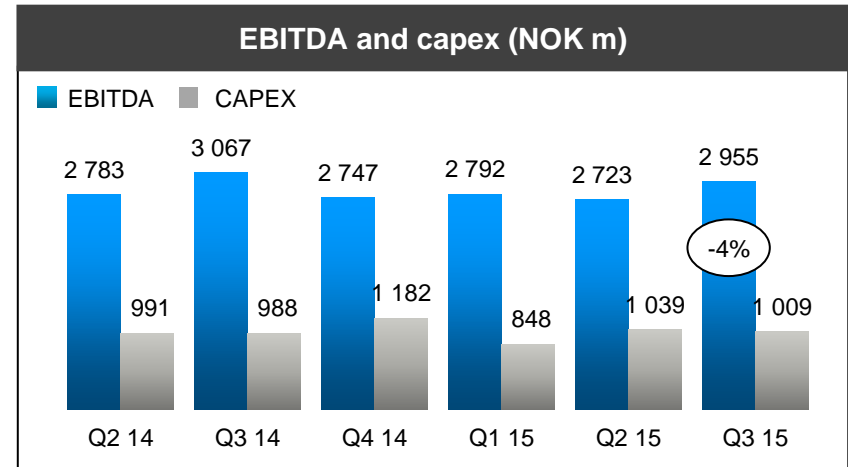
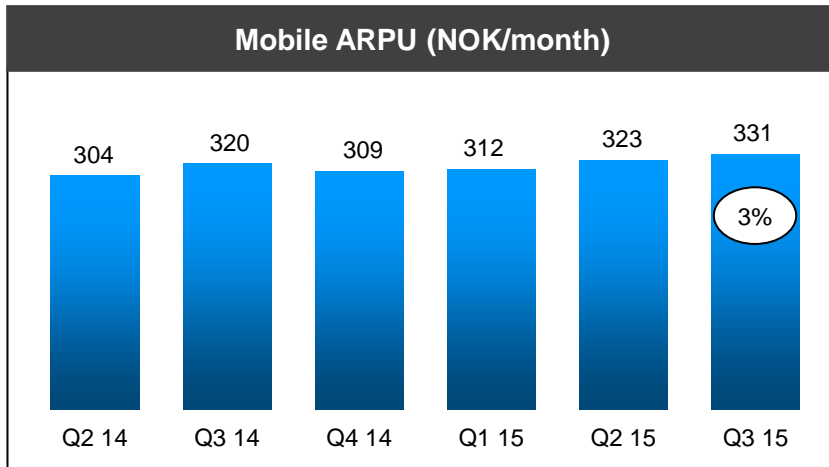
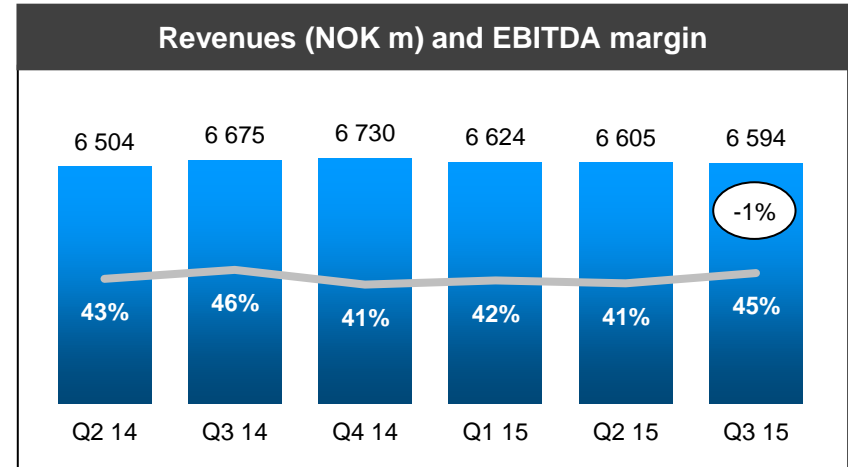
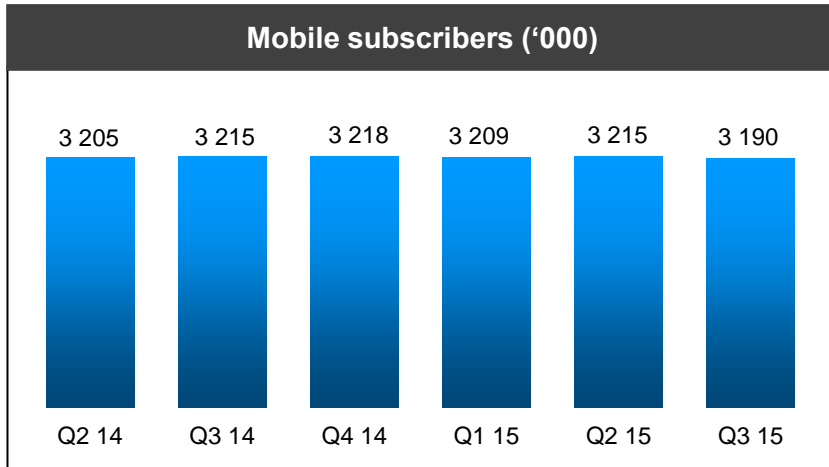


■ Norway ■ Europe ■ Asia ■ Other

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Priorities for capital allocation

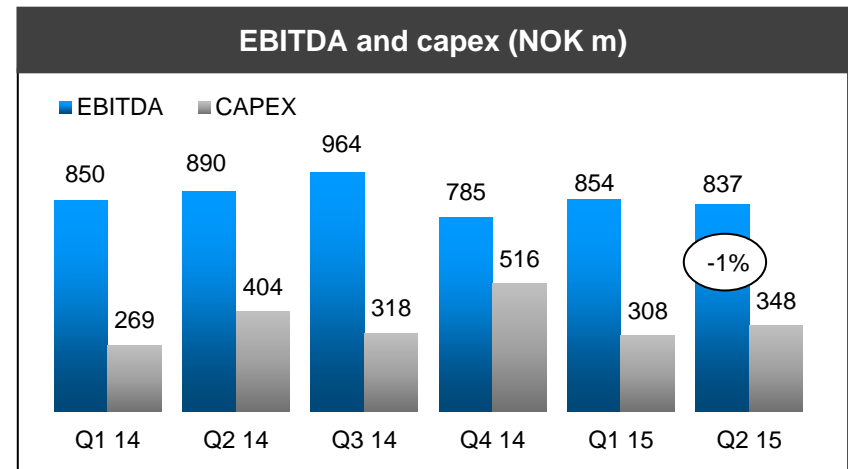
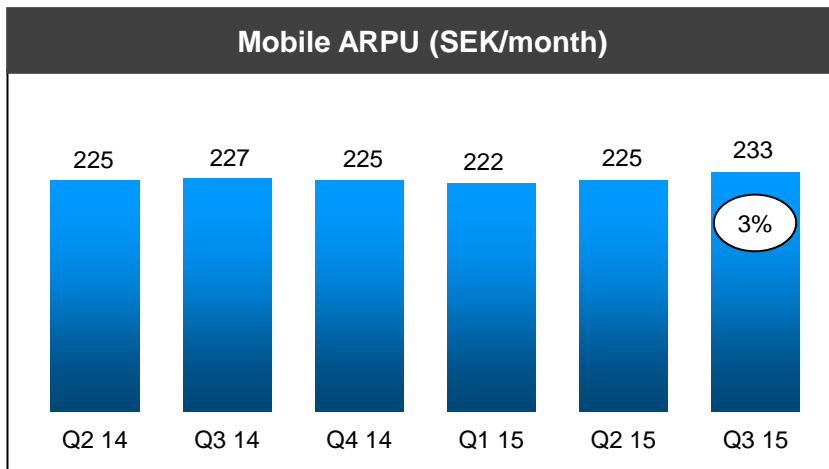
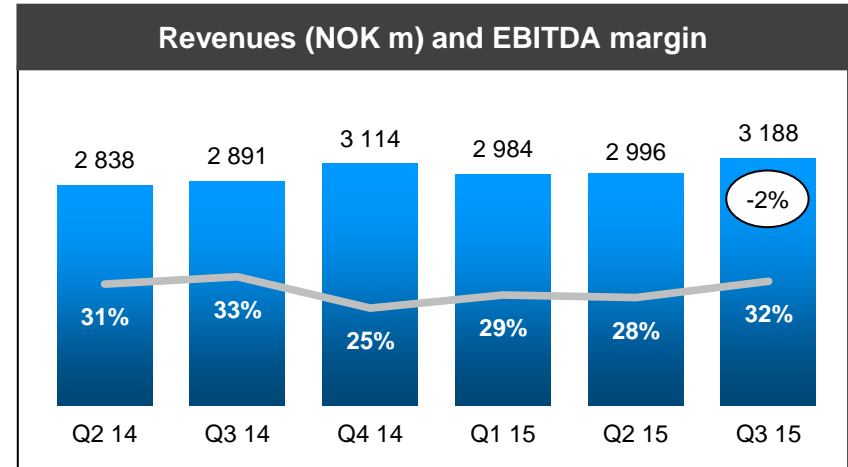
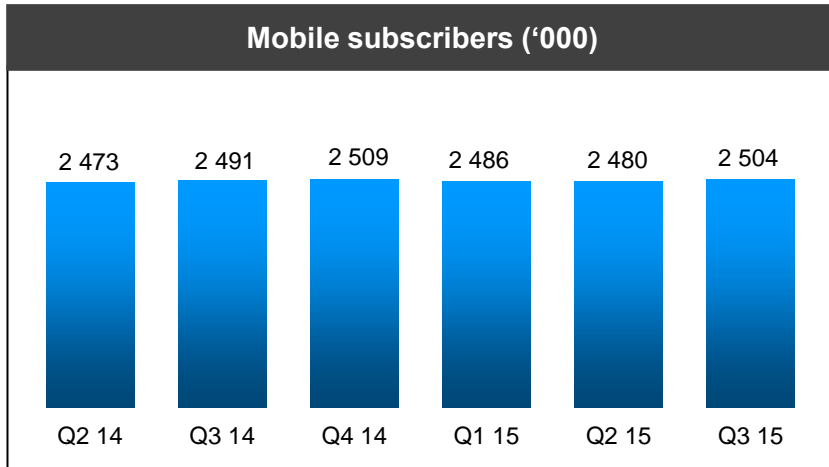
1	Maintain a solid balance sheet	<i>Net debt/EBITDA below 2.0x</i>
2	Competitive shareholder remuneration	<i>50-80% dividend payout of normalised net income Aim for YoY growth in dividends</i>
3	Disciplined and selective M&A	<i>Value driven, within core assets and regions</i>



○ Organic growth

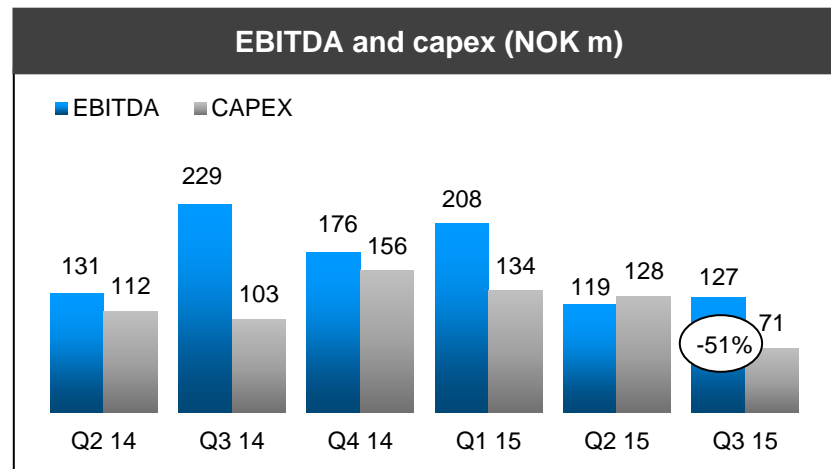
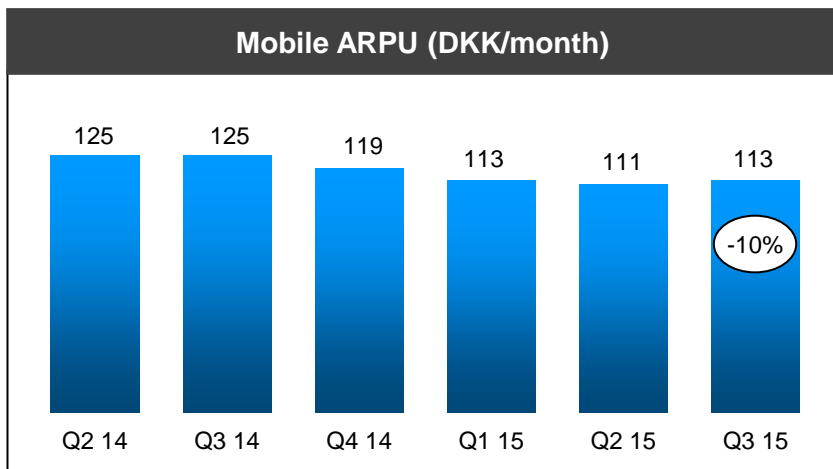
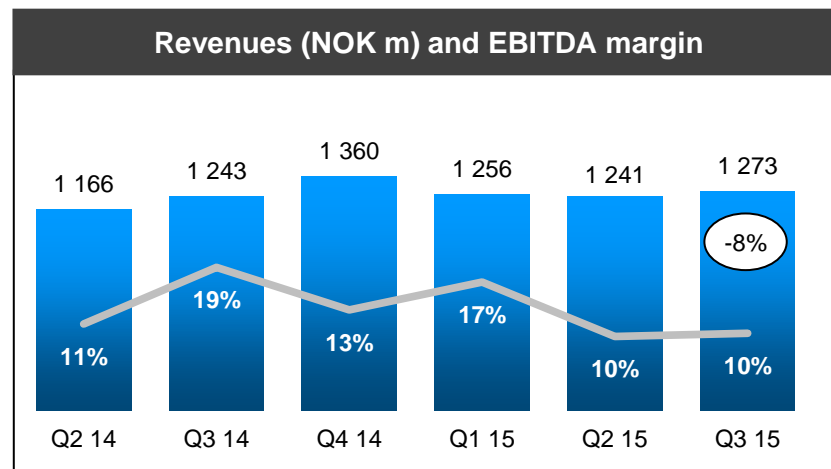
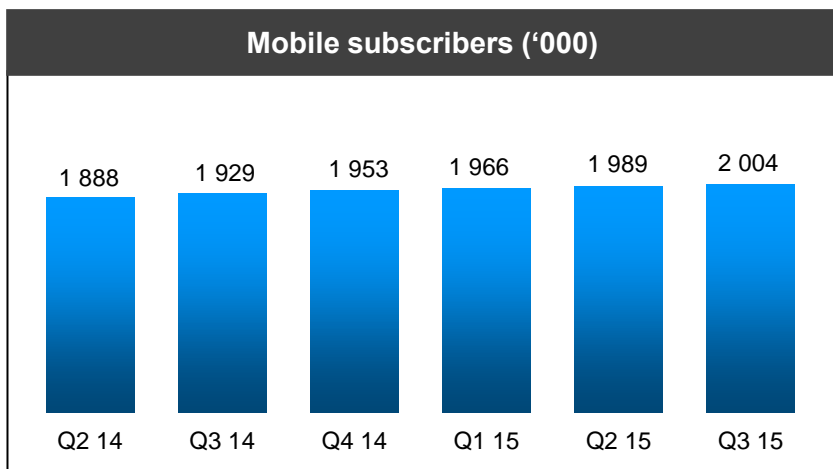
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items. Capex excl. licence fees

Q3 2015 Sweden



○ Organic growth

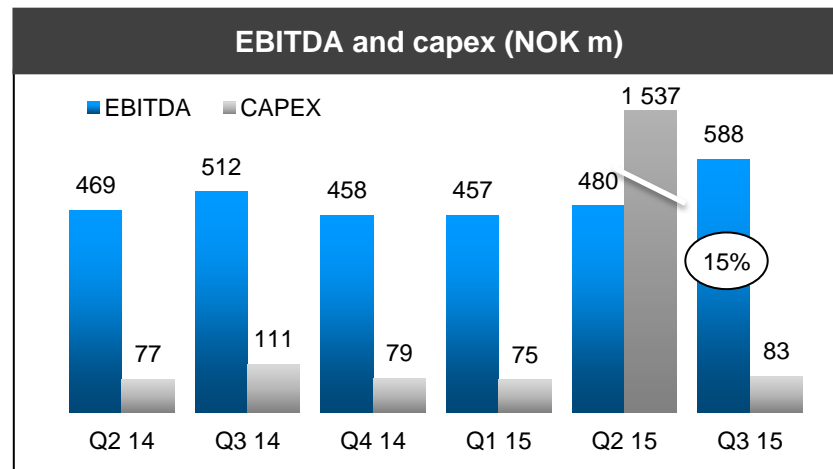
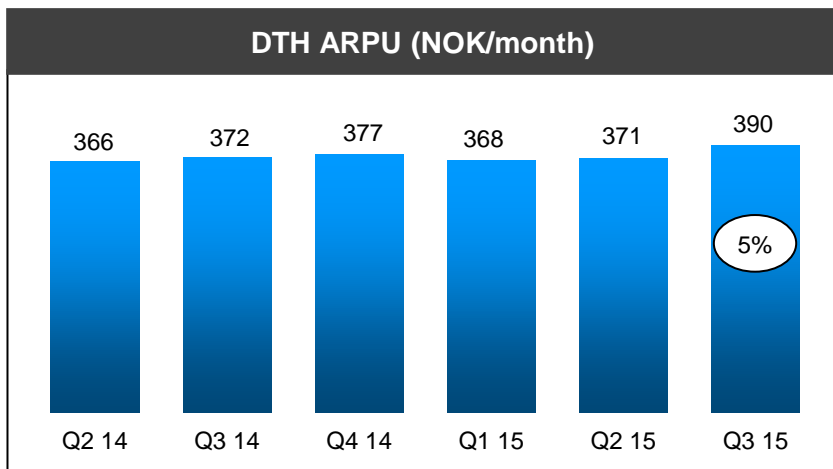
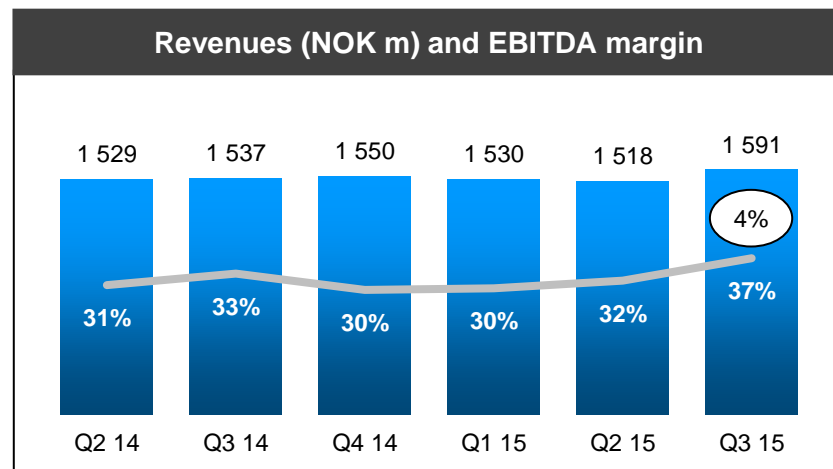
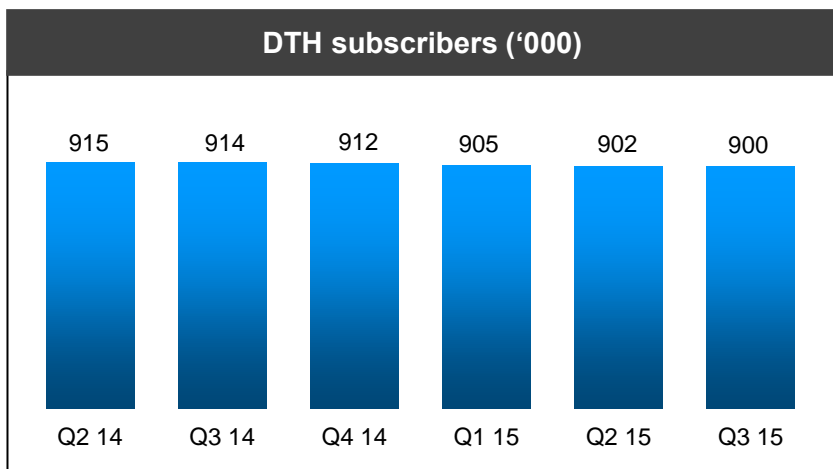
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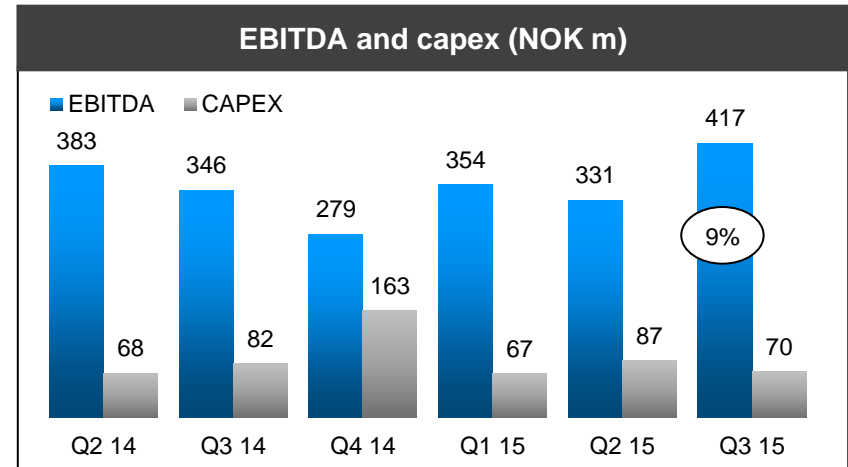
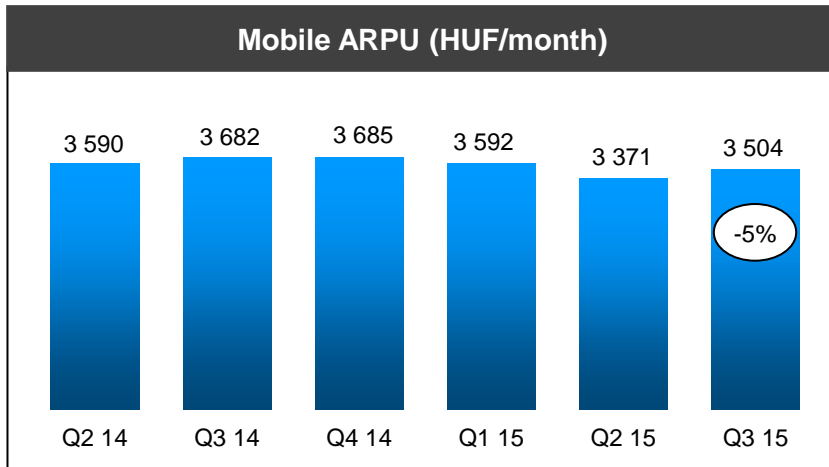
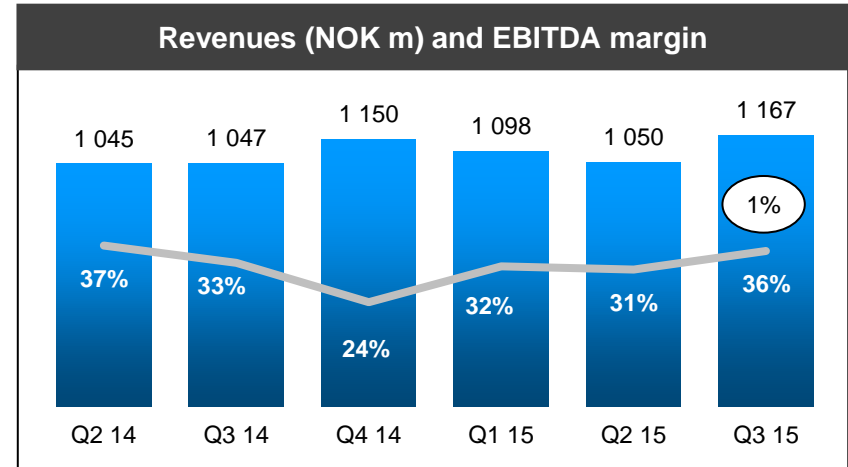
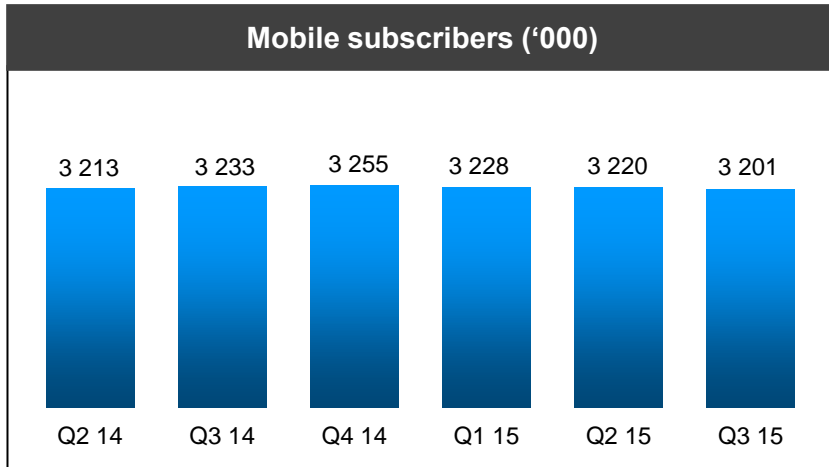
Broadcast



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EBITDA and EBITDA margin before other items. Capex excl. licence fees

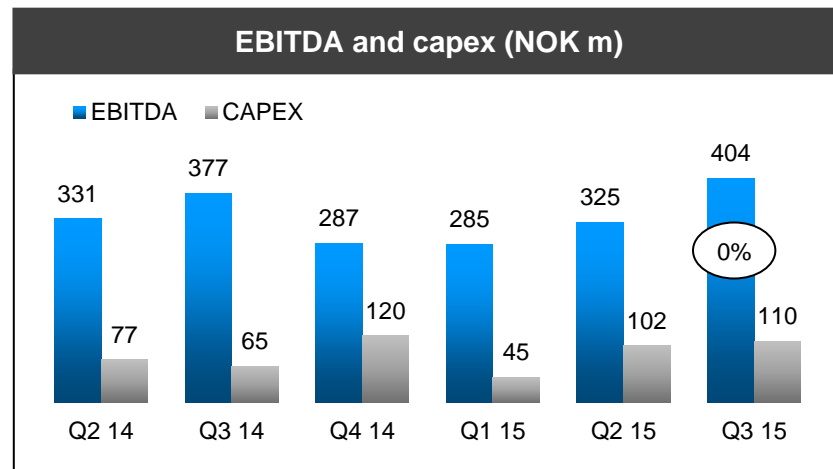
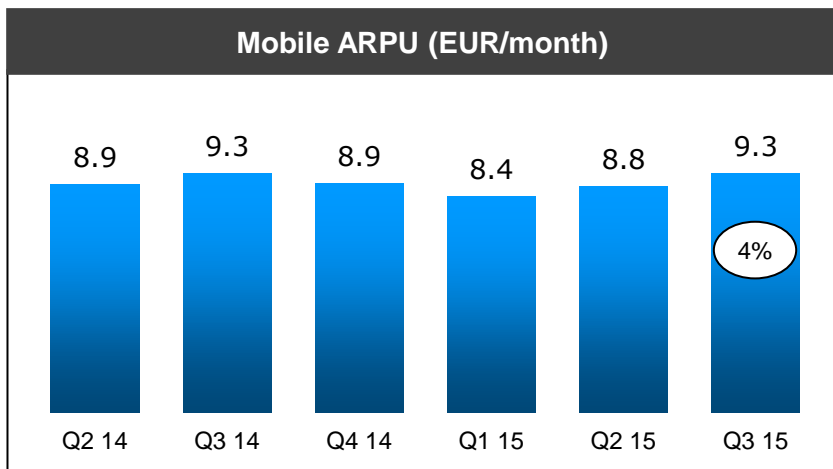
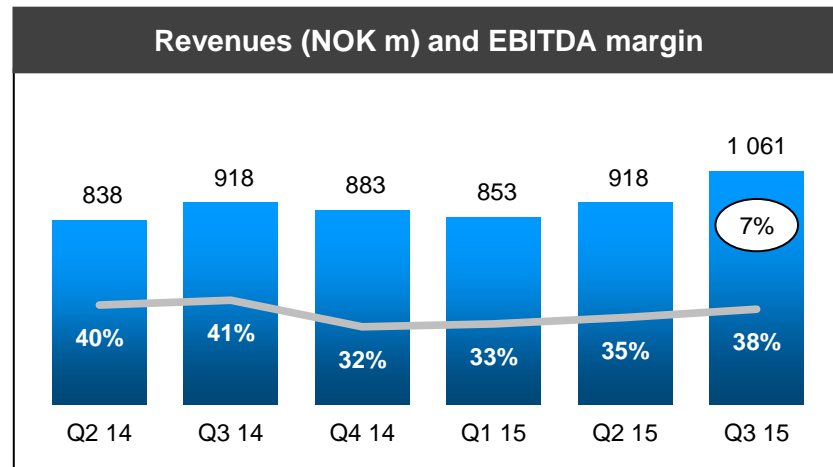
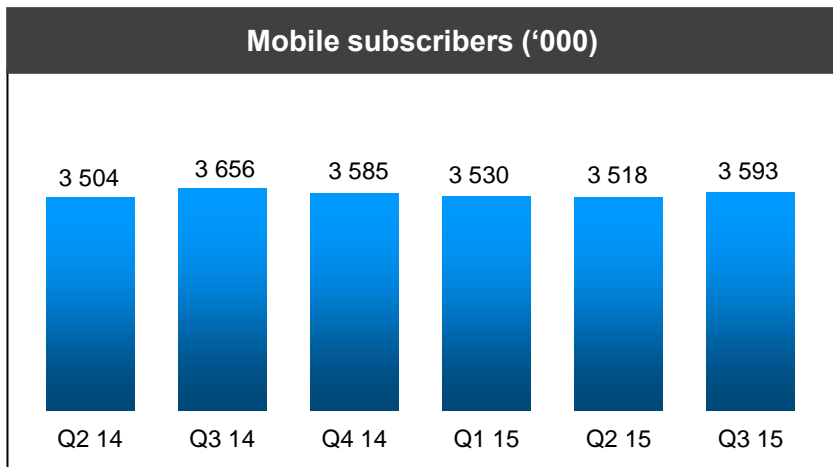
Hungary



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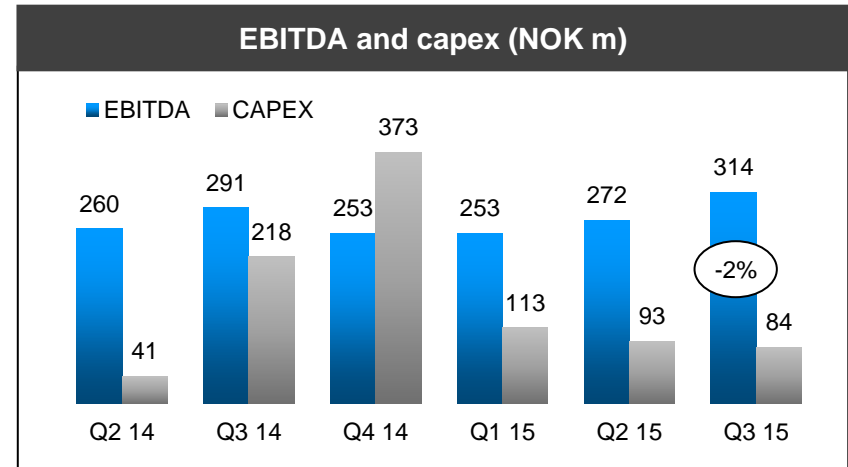
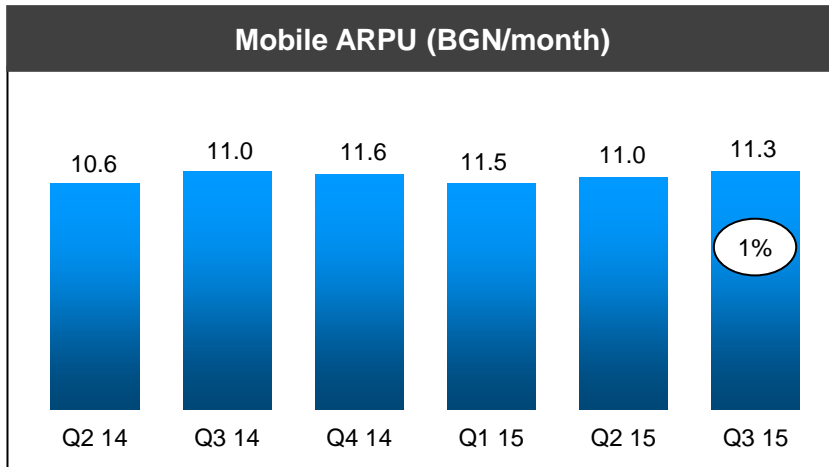
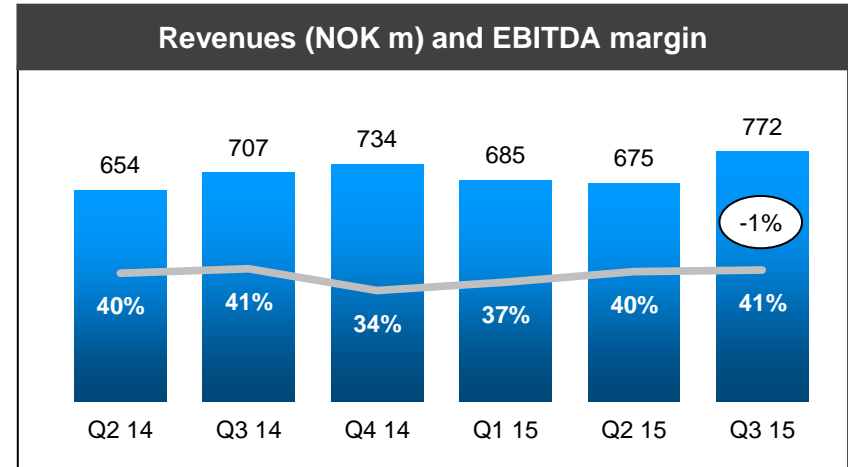
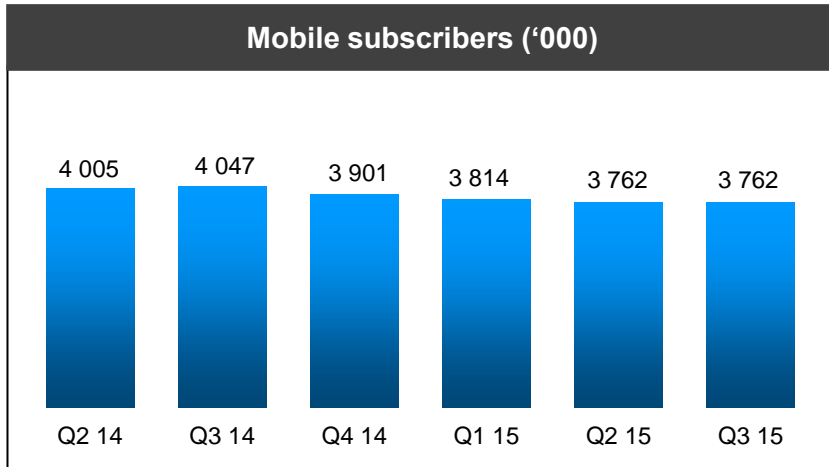
Montenegro and Serbia



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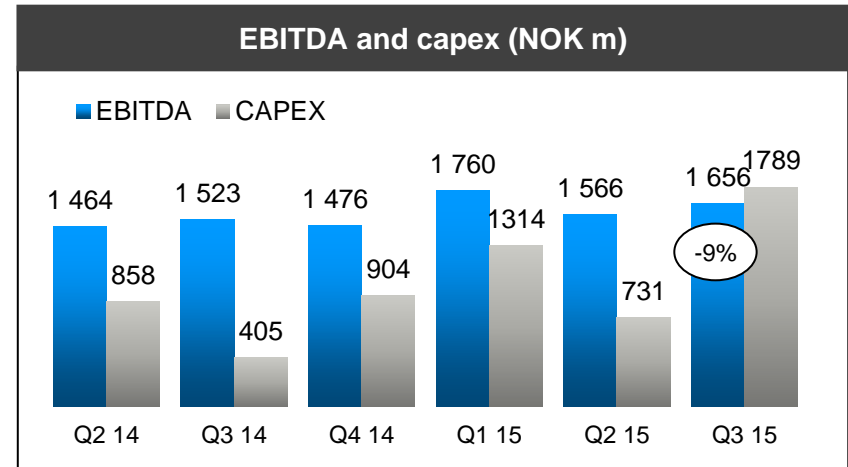
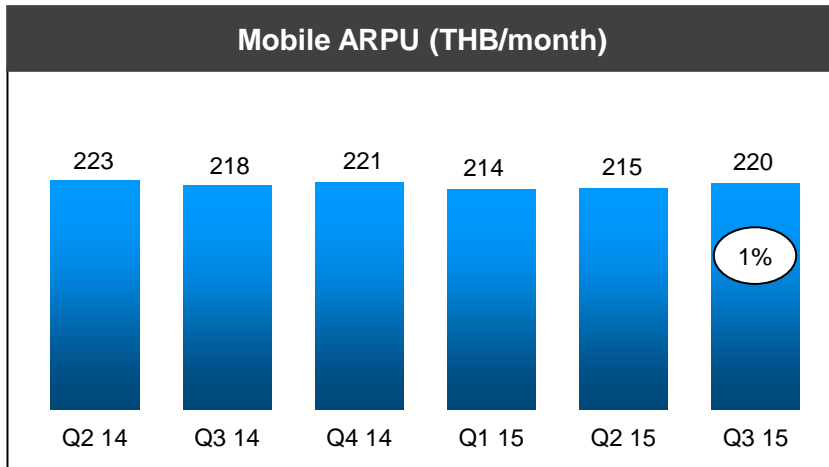
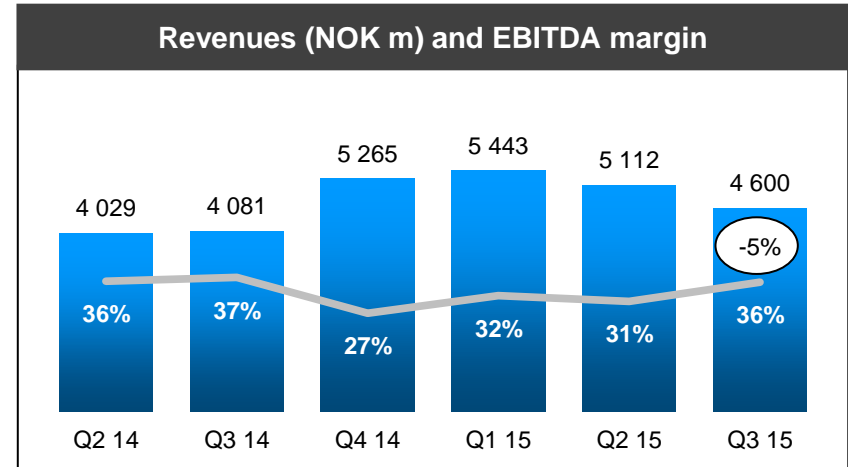
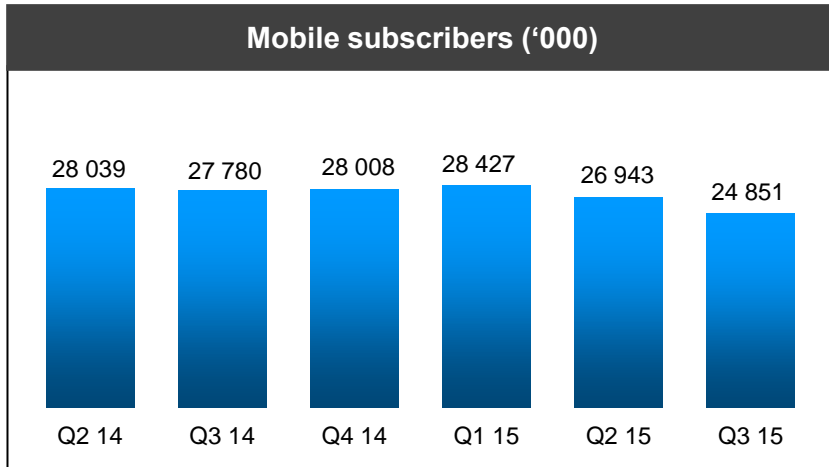
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Organic growth assuming fixed currency, adjusted for acquisitions and disposals.
EBITDA and EBITDA margin before other items. Capex excl. licence fees

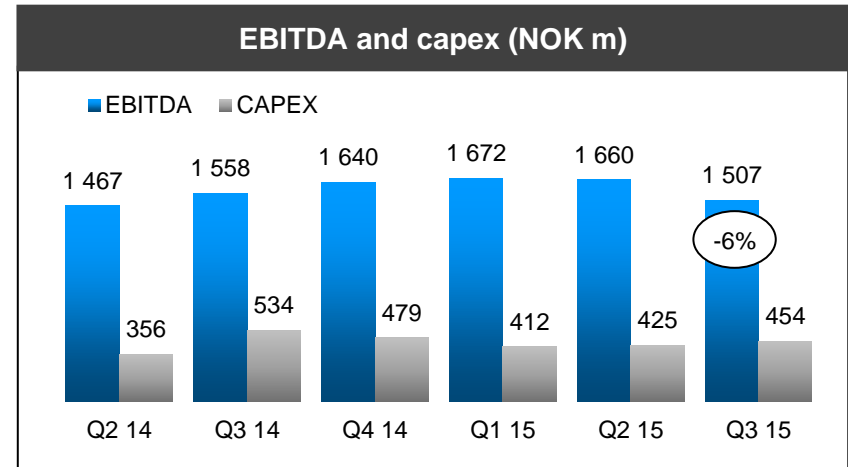
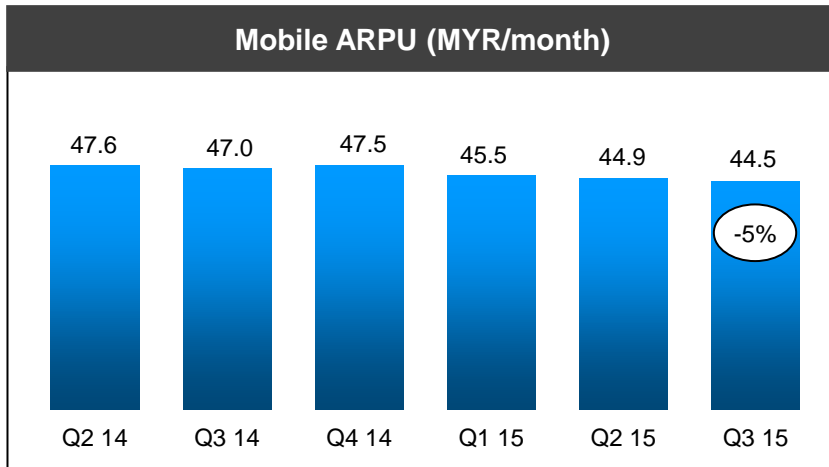
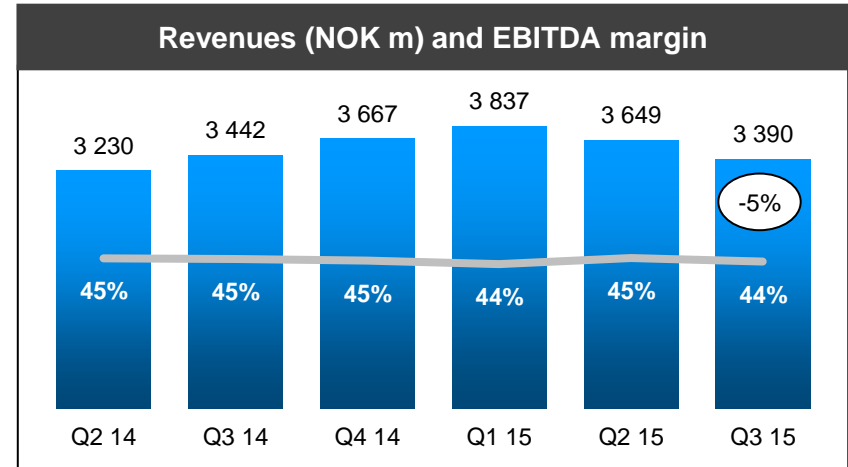
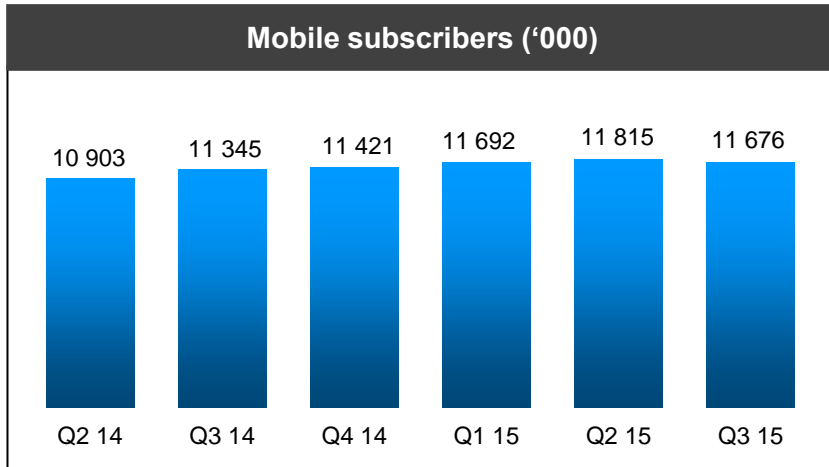
Thailand (dtac)



○ Organic growth

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

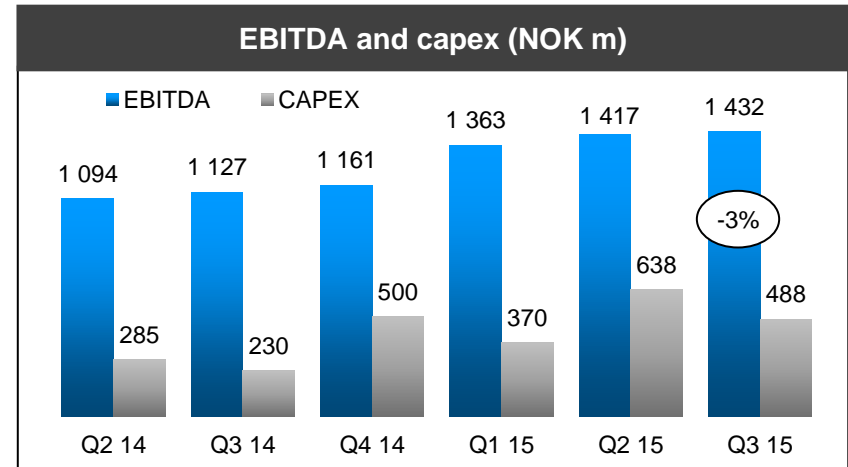
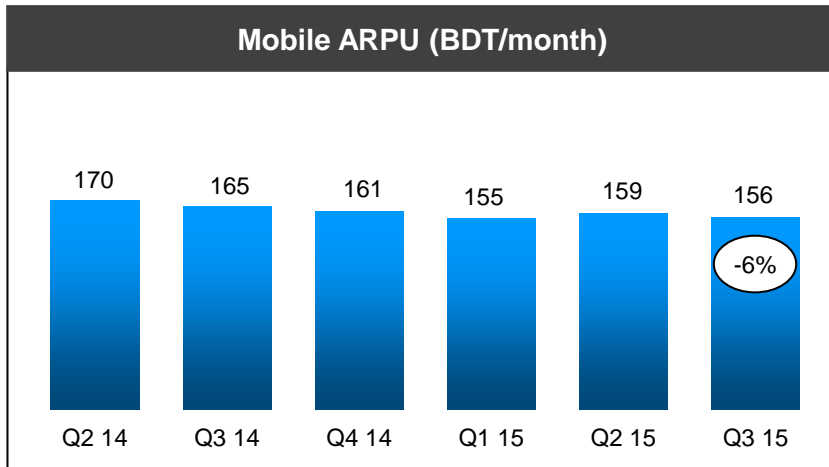
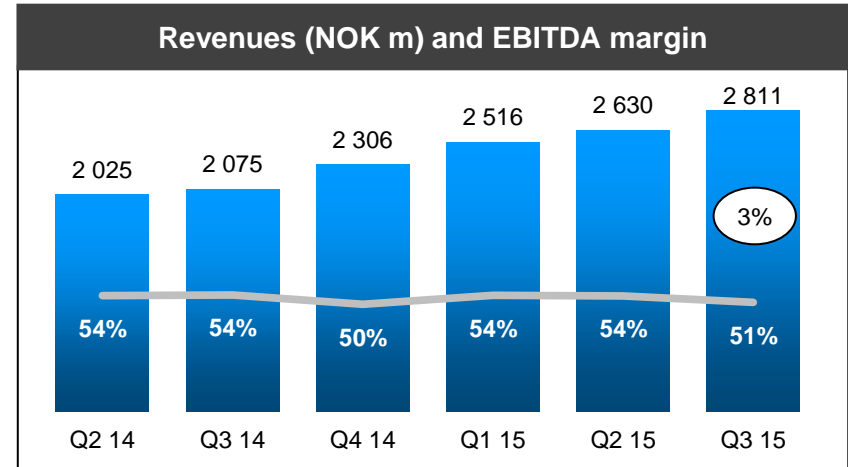
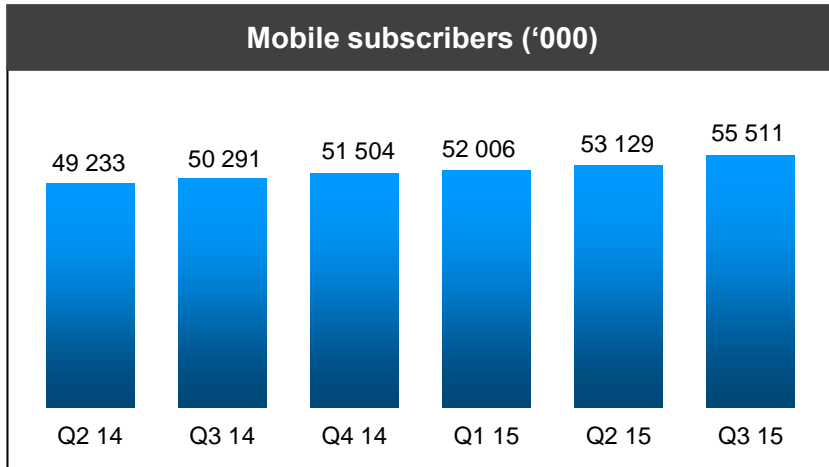
Malaysia (Digi)



○ Organic growth

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

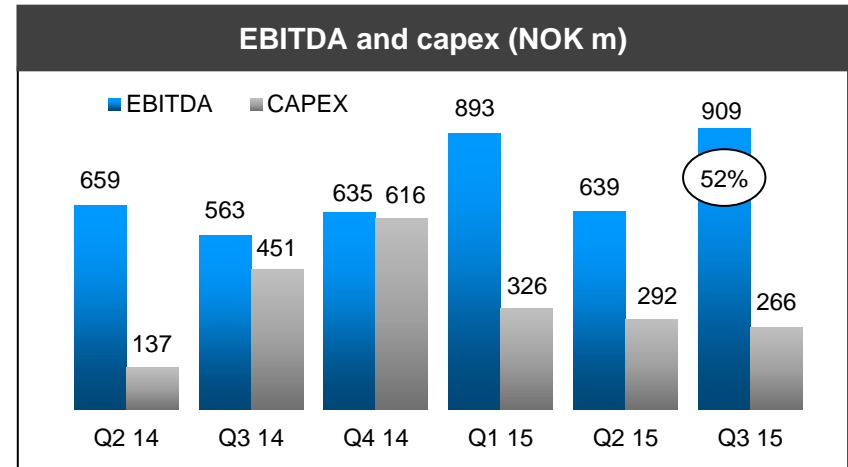
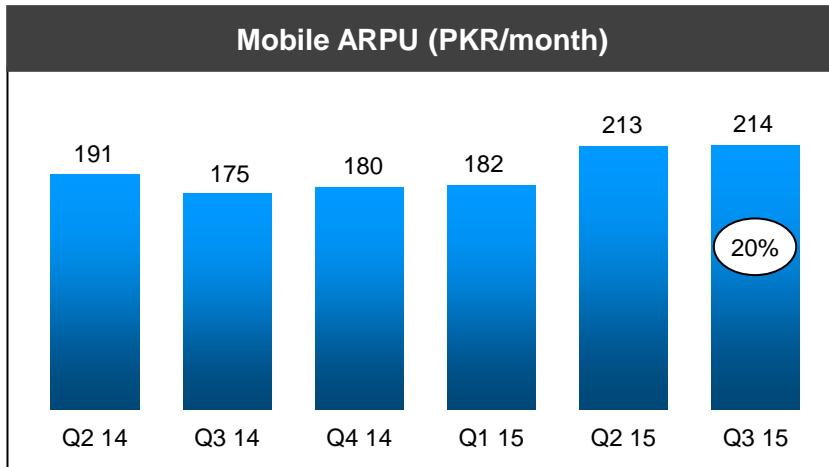
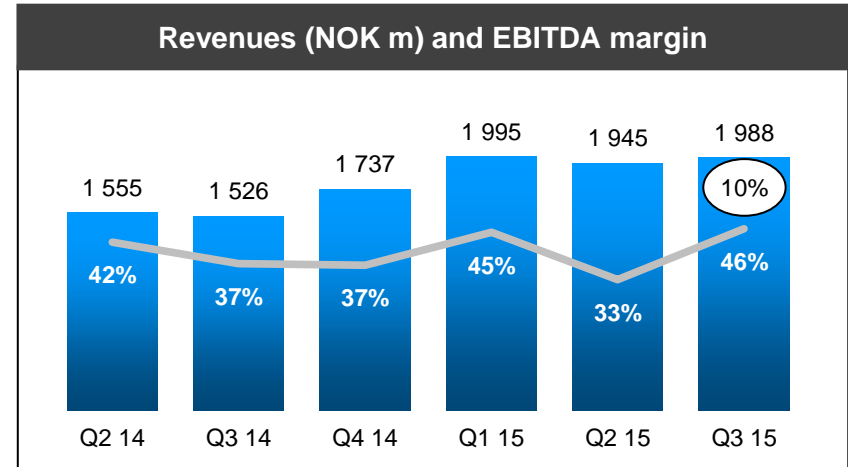
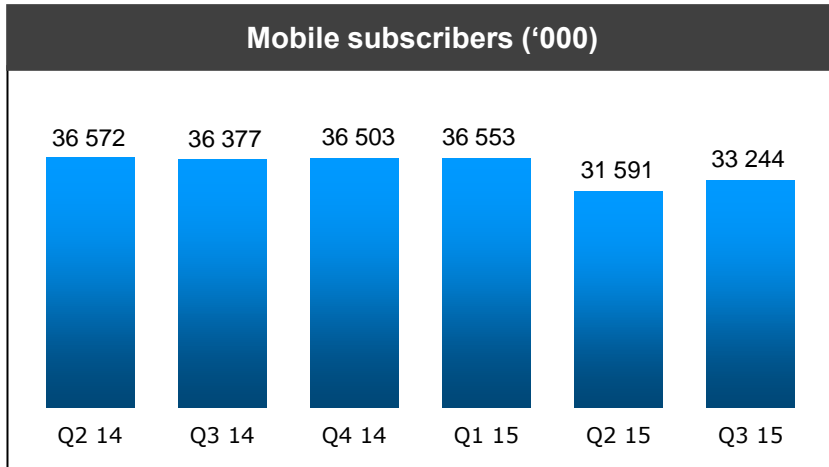
Bangladesh (Grameenphone)



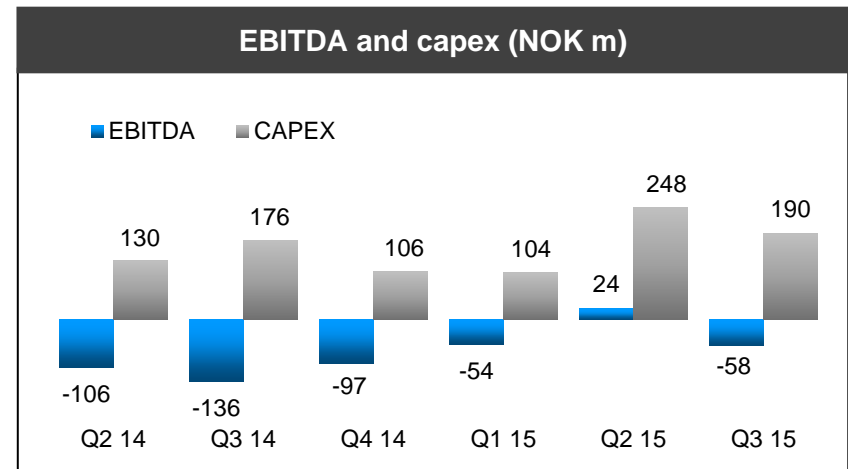
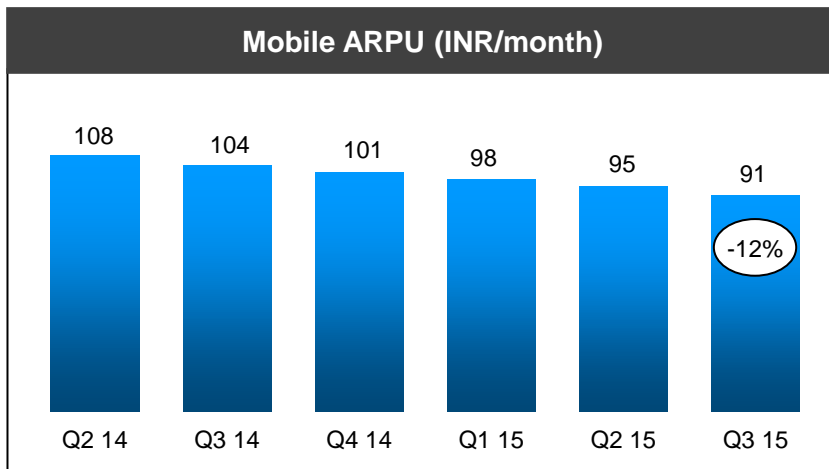
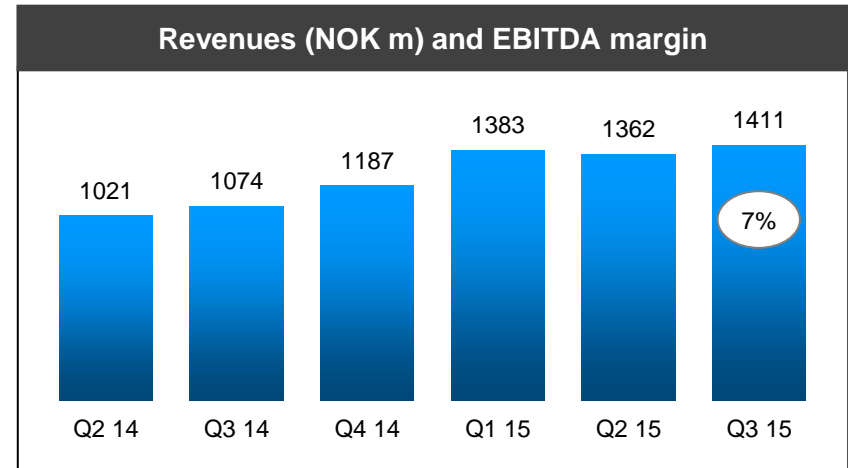
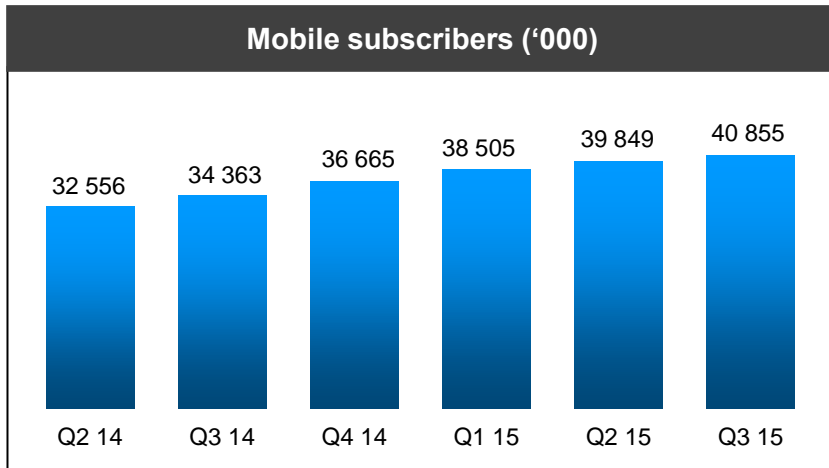
○ Organic growth

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

Pakistan



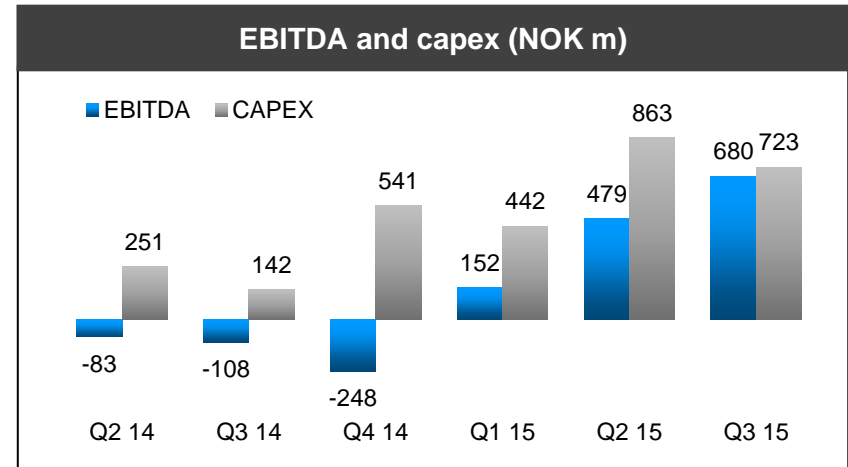
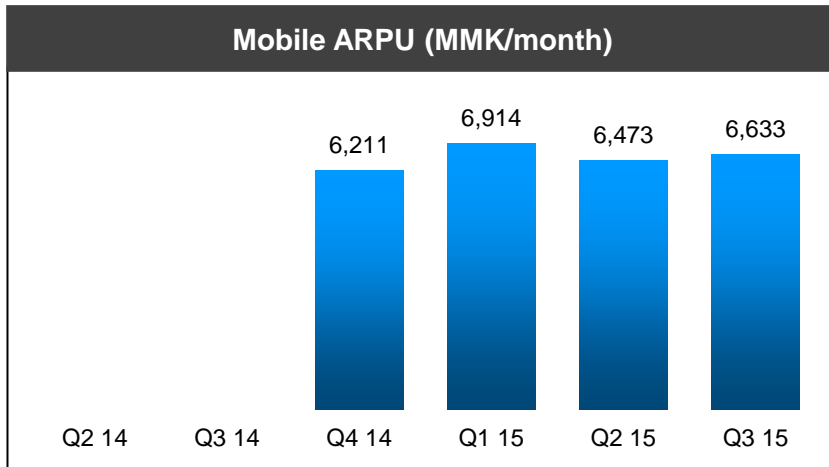
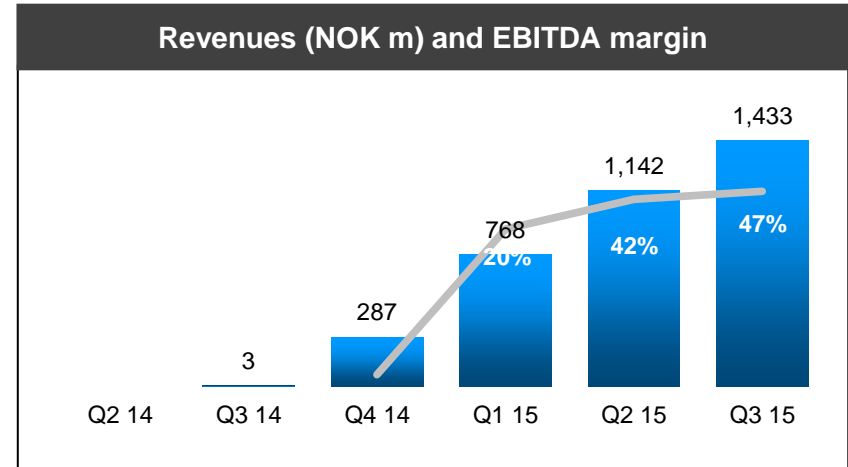
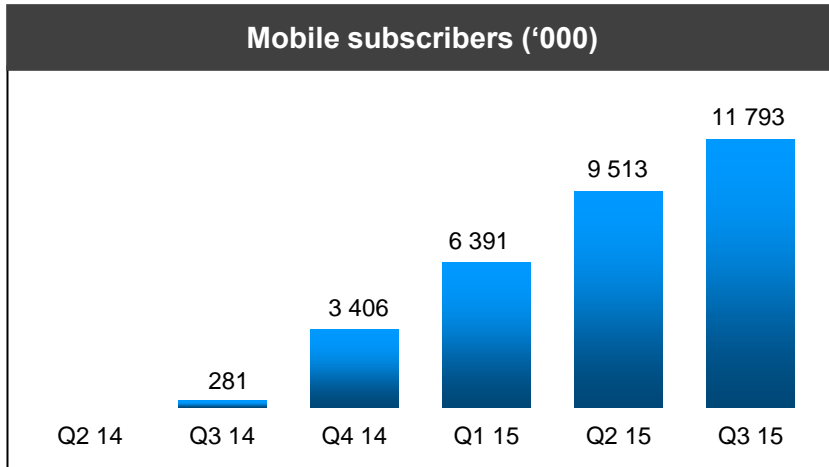
○ Organic growth



○ Organic growth

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

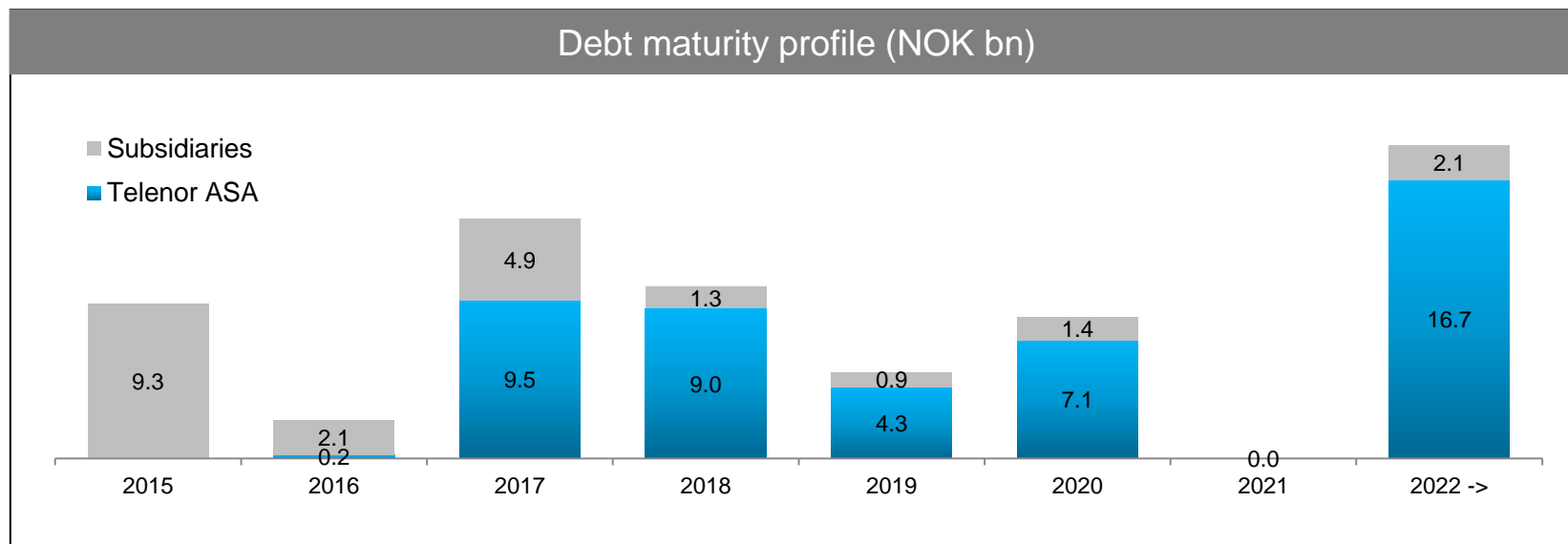
Myanmar



Changes in revenues and EBITDA

	Revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-1.2%	-1.2%	-3.6%	-3.6%
Sweden	10.2%	2.0%	6.1%	-1.3%
Denmark	2.4%	-7.5%	-44.6%	-50.6%
Hungary	11.5%	0.6%	20.5%	8.9%
Montenegro and Serbia	15.5%	6.9%	7.1%	-0.4%
Bulgaria	9.1%	-1.2%	7.9%	-2.1%
Thailand	12.7%	-5.5%	8.8%	-8.9%
Malaysia	-1.5%	-4.6%	-3.3%	-6.3%
Bangladesh	35.5%	3.4%	27.0%	-3.3%
Pakistan	40.8%	9.8%	92.4%	51.8%
India	31.4%	7.1%	nm	nm
Broadcast	3.5%	3.5%	14.8%	14.8%
Telenor Group	15.0%	4.5%	15.4%	5.6%

Debt maturity and net debt in partly owned subsidiaries



Net debt in partly owned subsidiaries (NOK m)

(NOK m)	Q3 2015	Q2 2015	Q3 2014
Digi	1 942	1 994	695
dtac	6 220	6 386	2 989
Grameenphone	3 904	3 008	2 850