



# Capital Markets Day

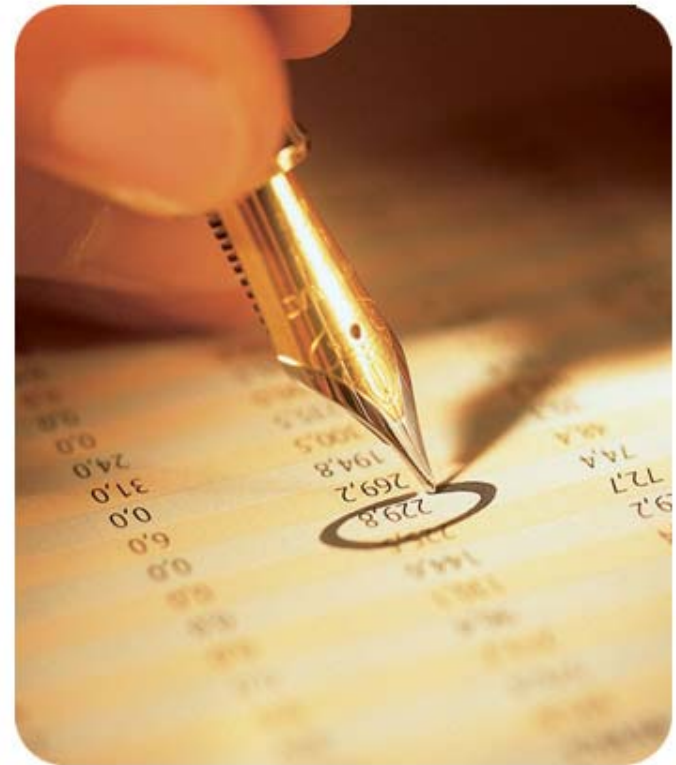
13 February - 2004

## Financial Overview

Torstein Moland  
CFO

# Key messages Q4 2003

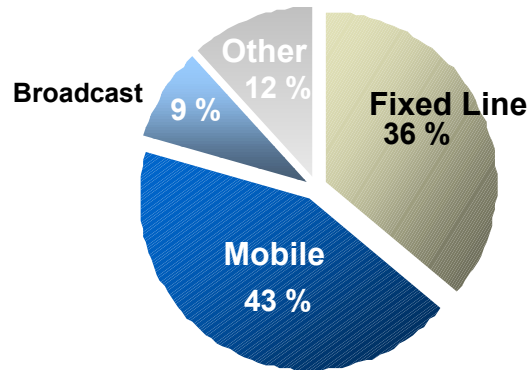
- Maintaining high domestic market shares
- Solid growth in international mobile
- Strong improvements in profits and cash flow in Broadcast
- Powerful execution of Delta 4



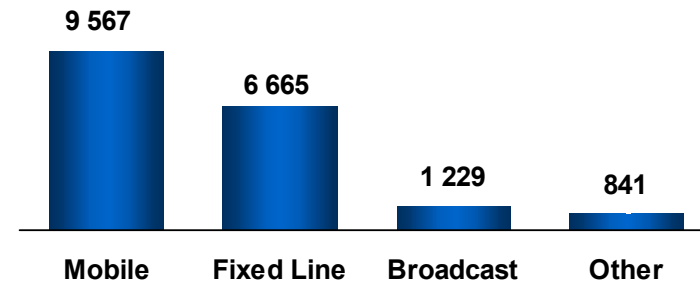
# Business split in 2003

## Consolidated financials

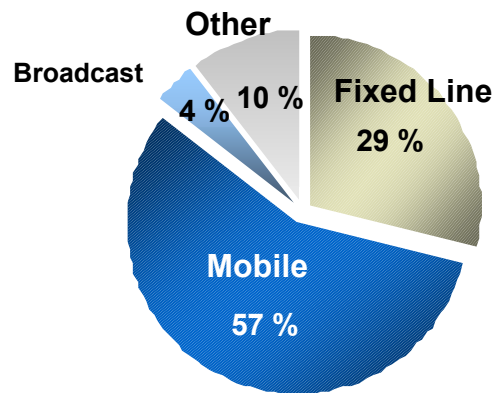
### External Revenues \*



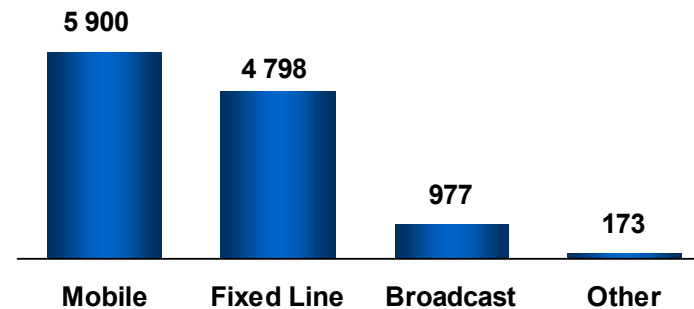
### EBITDA (NOKm)



### Capex



### EBITDA – Capex (NOKm)



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\* Revenues adjusted for sales gains

# Reported P&L

	Q4 2003	Q4 2002	2003	2002
Revenue	13 801	13 042	53 121	48 826
EBITDA	4 883	3 590	18 302	13 469
EBIT	2 173	(2 101)	7 560	(320)
Profit before Tax	1 884	(5 445)	7 426	(5 136)
Net Income	999	(4 576)	4 560	(4 298)

NOKm

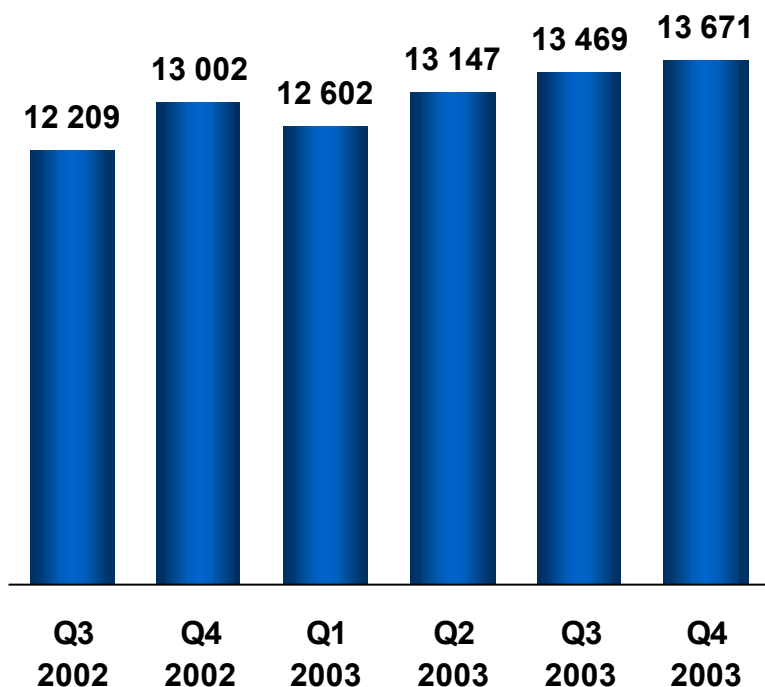
# Adjusted P&L

	Q4 2003	Q4 2002	2003	2002
Revenue	13 671	13 002	52 889	48 668
EBITDA	4 864	4 129	18 586	14 506
EBIT	2 223	1 242	7 989	4 270
Assoc. comp	(164)	25	(251)	(205)
Profit Before Tax	1 748	763	6 300	2 488

NOKm

# Solid quarterly revenue growth

## Revenues (NOKm) \*

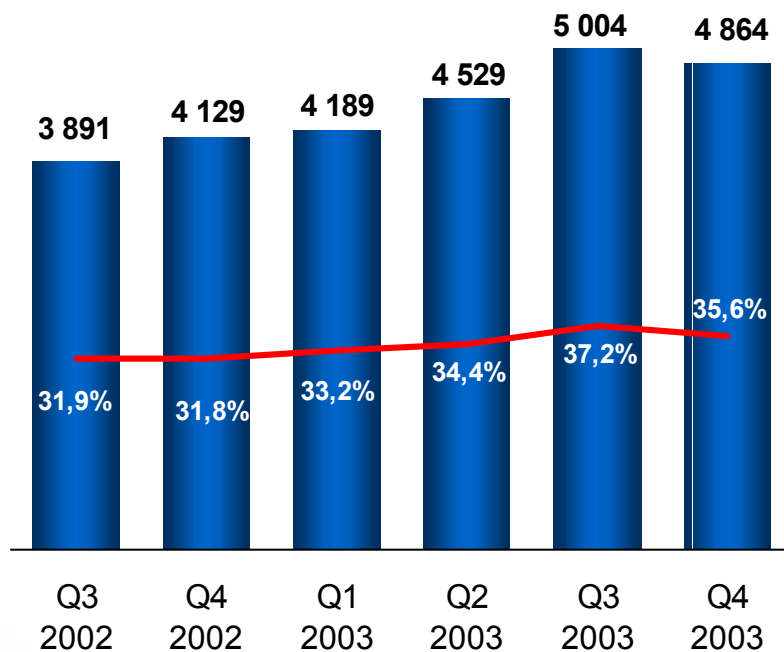


## Comments Q4 (YoY)\*

- Revenue growth of 5%
  - underlying growth of 8%
- Business area growth
  - Mobile: 11.4%
  - Fixed: 1.9%
  - Broadcast 12.7%

# EBITDA – margin strongly improved

## Adjusted EBITDA (NOKm) and Margin



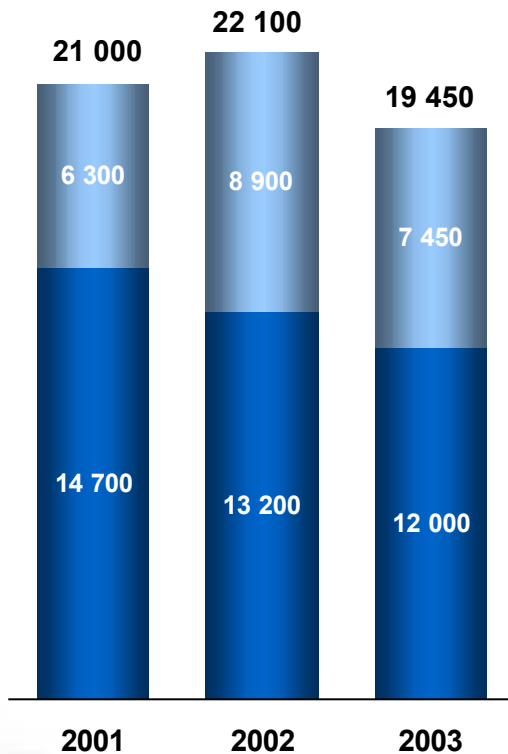
## Comments

- Strong underlying performance
- Margin increase
  - Delta 4 measures
  - Maturing mobile markets creates larger seasonality effects

# Cost cutting and capital discipline

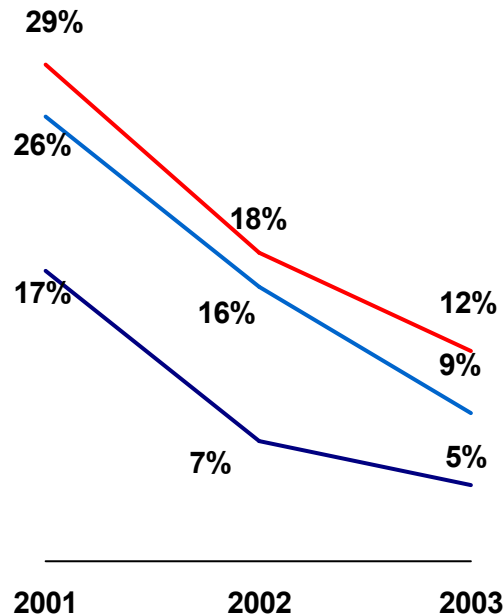
## Headcount

- International
- Domestic



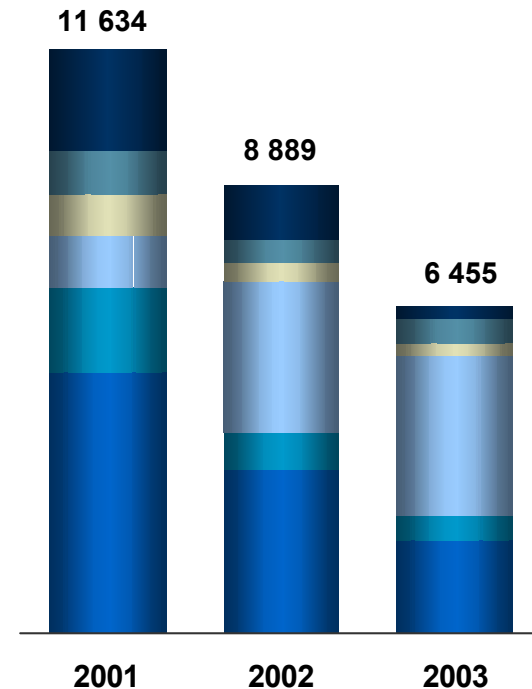
## Capex / Sales

- Domestic Fixed
- Domestic Mobile
- Total Capex/Sales



## Capex Breakdown (NOKm)

- Group functions
- Other
- Broadcast
- Other Mobile
- Domestic Mobile
- Fixed





# High values in mobile associates

	Ownership	Market Value <sup>(1)</sup>
VimpelCom <sup>(2)</sup>	29.9%	10 590
DTAC <sup>(3)</sup>	29.9%	1 838
UCOM	24.9%	992
Wireless M.	25.3%	102
<hr/>		
Total		13 522

	Ownership	Book Value <sup>(1)</sup>
One (Austria)	17.5%	761
Pro Monte	44.1%	209
Sonofon	53.5%	3 870
<hr/>		
Total		4 840

## Proportionate Figures 2003

Subscribers (million)	6 507
Revenue (NOKm)	9 985
EBITDA (NOKm)	3 336

(1) Share prices as of Feb 12 2004. Book values as of Dec 31 2003

(2) After the merger with VIP/R

(3) Direct and indirect ownership = 40.3%

## Other business

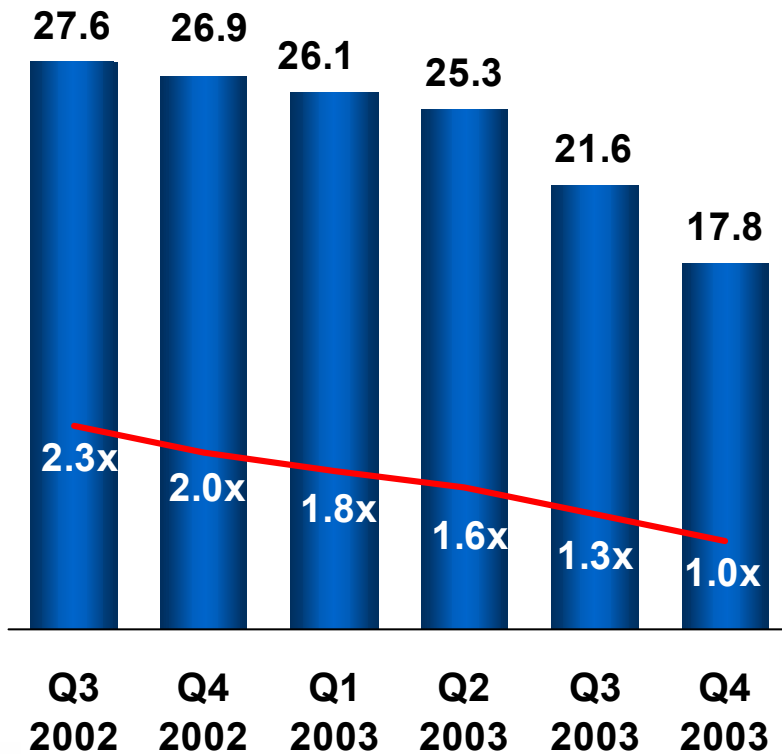
# Key financial data

Consolidated operations	Telenor Ownership	2003		
		Revenue	EBITDA	Capex
EDB Business Partner	51.8%	4 289	399	210
Satellite Services	100%	1 996	427	135
Satellite Networks	100%	551	127	41
Other		1 658	(146)	57
Other Business Unit Total		8 494	807	443

Other ass. companies and financial assets	Telenor Ownership	Book Value 2003	Market* value
Golden Telecom	20.5%	1 350	1 544
Lavenderview ("Inmarsat")	15.0%	670	
Cosmote	9.0%	473	3 012
Intelsat	4.1%	442	
APR Mediaholding	44.8%	399	
Other	-	933	
Total		4 267	

# Net Debt sharply reduced

Net Debt (NOKbn) to LTM EBITDA (x)



Net Debt Changes (NOKbn)

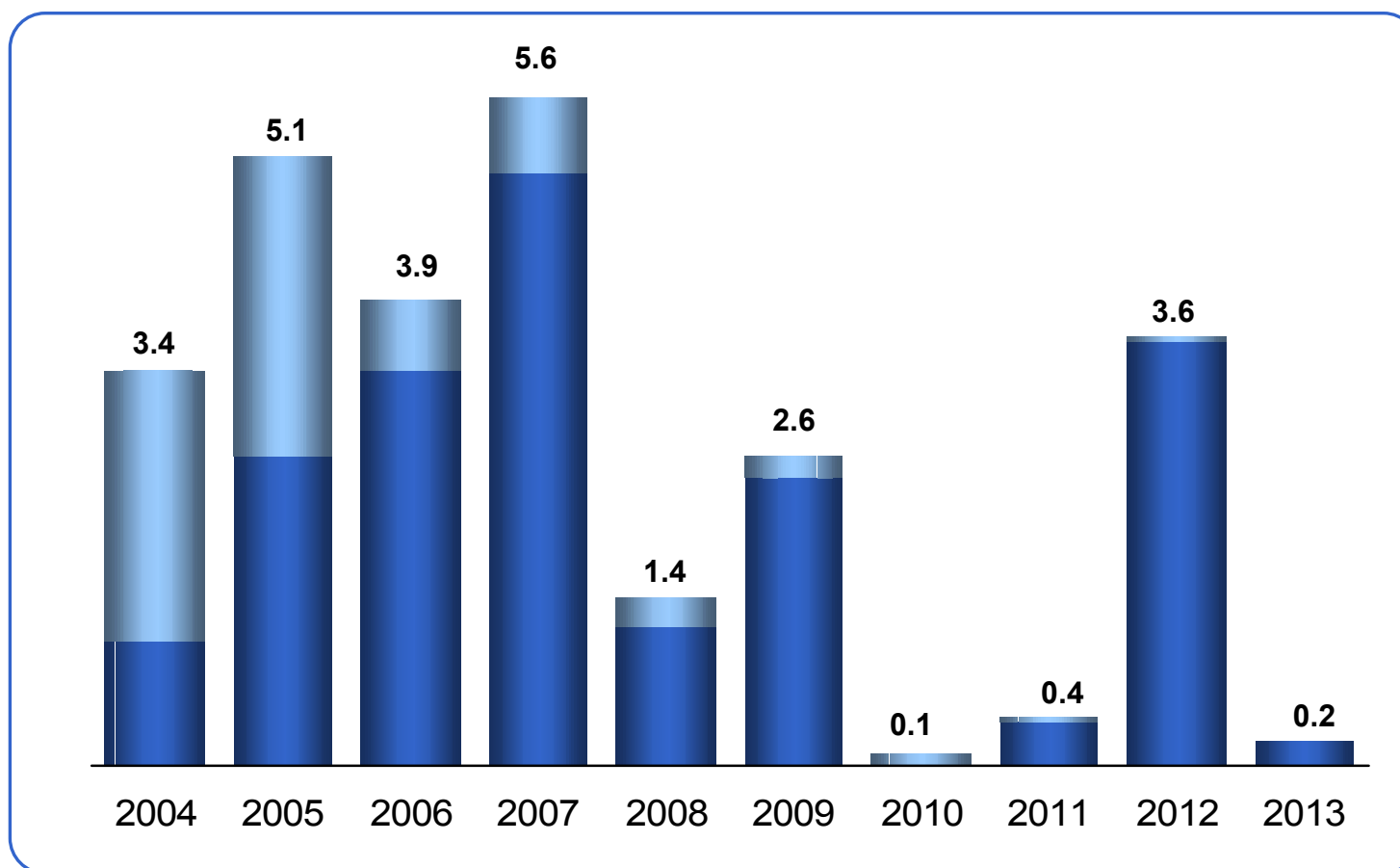
Net Debt 30 Sept 2003	21.6
EBITDA	- 4.8
Net investments	+ 1.6
Net financials	+ 0.3
Tax and accruals	- 0.7
Currency adj. Debt	- 0.2
Net Debt 31 Dec 2003	17.8

# Diversified funding sources

## Financing Facilities and Funding Programmes

- 500 USDm Commercial Paper Programme (short term)
- 1 USDbn Commercial Paper Programme (short Term)
- 6 USDbn European Medium Term Note Programme (long term)
- NOK Domestic Bonds (long term)
- 1.5 EURbn Syndicated Revolving Credit Facility

# Balanced debt maturity profile



■ Telenor ASA ■ Subsidiaries

# Harvesting from our international operations

## Dividends

- Norwegian tax rate
- Hungary
- Malaysia
- Bangladesh
- Ukraine

### Effective tax rate

28%

28%

28%

43.18%

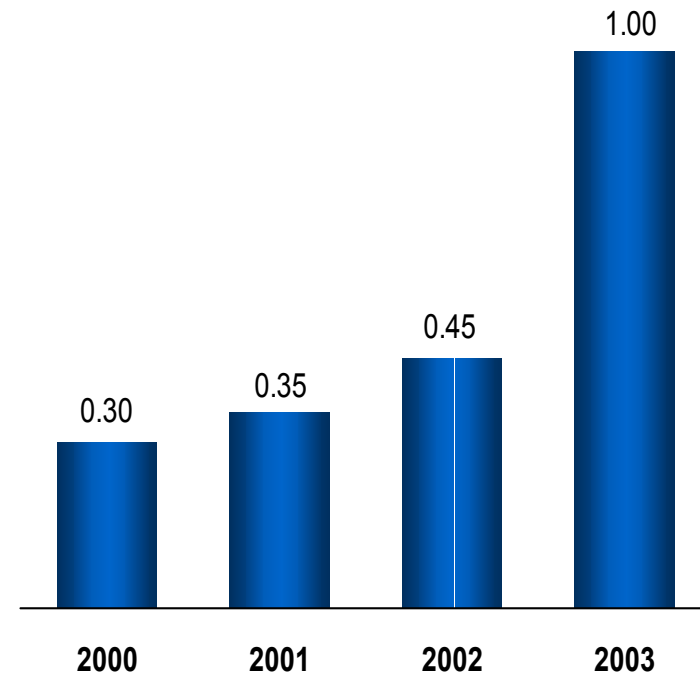
28.75%



# Increased dividend and share buy back

- Dividend
  - New pay out ratio: 40-60% of normalized net income
- Share buy back
  - 1.39 mill shares in the market
  - 2.33 mill shares from the government
  - Total 3.72 mill shares (0.2% of outstanding shares)
- Maintain single-A rating

Historical Dividend (NOK)



# Outlook for 2004

## Mobile

- Growth in revenues
- Pressure on international EBITDA margin
- Increased Capex in Norway

## Domestic Fixed Line

- Revenues: Reduced access and traffic revenues, increased ADSL revenues
- Stable underlying margin

## Broadcast

- Continued revenue growth
- EBITDA and EBIT growth
- Increased Capex due to satellite acquisition



# Outlook for 2004

## Telenor Group

- Continued revenue growth
- Stable EBITDA margin
- Capex above 2003



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